

**SENATE SUBSTITUTE FOR
HOUSE BILL NO. 4411**

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 4, 6, 6a, 11, 11a, 11j, 11k, 11m, 11n, 11s,
15, 18, 19, 20, 20d, 20f, 21f, 21h, 22a, 22b, 22d, 22m, 22p, 24,
24a, 25f, 25g, 25i, 26a, 26b, 26c, 28, 29a, 31a, 31d, 31f, 31j,
31m, 31n, 32d, 32p, 35a, 35b, 35d, 35e, 35f, 39, 39a, 41, 51a, 51c,
51d, 51f, 53a, 54, 54b, 54d, 55, 56, 61a, 61b, 61c, 61d, 62, 65,
67, 67a, 74, 81, 94, 94a, 95b, 98, 98d, 99h, 99i, 99s, 99t, 99u,
99w, 99x, 101, 104, 104a, 104c, 104f, 104g, 105, 105c, 107, 147,
147a, 147b, 147c, 147e, 152a, and 152b (MCL 388.1604, 388.1606,
388.1606a, 388.1611, 388.1611a, 388.1611j, 388.1611k, 388.1611m,
388.1611n, 388.1611s, 388.1615, 388.1618, 388.1619, 388.1620,
388.1620d, 388.1620f, 388.1621f, 388.1621h, 388.1622a, 388.1622b,

388.1622d, 388.1622m, 388.1622p, 388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1625i, 388.1626a, 388.1626b, 388.1626c, 388.1628, 388.1629a, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631m, 388.1631n, 388.1632d, 388.1632p, 388.1635a, 388.1635b, 388.1635d, 388.1635e, 388.1635f, 388.1639, 388.1639a, 388.1641, 388.1651a, 388.1651c, 388.1651d, 388.1651f, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1655, 388.1656, 388.1661a, 388.1661b, 388.1661c, 388.1661d, 388.1662, 388.1665, 388.1667, 388.1667a, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1695b, 388.1698, 388.1698d, 388.1699h, 388.1699i, 388.1699s, 388.1699t, 388.1699u, 388.1699w, 388.1699x, 388.1701, 388.1704, 388.1704a, 388.1704c, 388.1704f, 388.1704g, 388.1705, 388.1705c, 388.1707, 388.1747, 388.1747a, 388.1747b, 388.1747c, 388.1747e, 388.1752a, and 388.1752b), sections 4 and 104c as amended by 2019 PA 58, sections 6, 11a, 11j, 11k, 11m, 11s, 15, 18, 20, 20d, 20f, 21h, 22a, 22b, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 28, 31a, 31d, 31f, 31j, 32d, 32p, 35a, 35b, 39, 39a, 41, 51a, 51c, 51d, 51f, 53a, 54, 54b, 54d, 55, 56, 61a, 61b, 61d, 62, 65, 67, 74, 81, 94, 94a, 95b, 98, 99h, 99s, 99t, 99u, 99w, 99x, 101, 104, 105, 105c, 107, 147, 147a, 147c, 147e, and 152a as amended and sections 25i, 29a, 35d, 35e, 35f, 67a, 98d, 99i, 104f, and 104g as added by 2020 PA 165, section 6a as amended by 2020 PA 149, sections 11, 21f, and 31n as amended and sections 11n and 104a as added by 2021 PA 3, and sections 19, 61c, 147b, and 152b as amended and section 31m as added by 2018 PA 265, and by adding sections 11t, 20m, 22c, 22g, 26d, 31o, 31p, 31y, 31z, 34a, 35g, 35h, 41a, 51g, 61g, 67b, 78, 94c, 94d, 97, 97a, 98b, 99aa, 99bb, and 104h; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. (1) "Elementary pupil" means a pupil in membership in

1 grades K to 8 in a district not maintaining classes above ~~the~~
2 ~~eighth-grade~~ **8** or in grades K to 6 in a district maintaining
3 classes above ~~the eighth-grade~~ **8** or a child enrolled and in regular
4 attendance in a publicly funded prekindergarten setting.

5 (2) "Extended school year" means an educational program
6 conducted by a district in which pupils must be enrolled but not
7 necessarily in attendance on the pupil membership count day in an
8 extended year program. The mandatory clock hours must be completed
9 by each pupil not more than 365 calendar days after the pupil's
10 first day of classes for the school year prescribed. The department
11 shall prescribe pupil, personnel, and other reporting requirements
12 for the educational program.

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

15 (4) "High school equivalency certificate" means a certificate
16 granted for the successful completion of a high school equivalency
17 test.

18 (5) "High school equivalency test" means the G.E.D. test
19 developed by the GED Testing Service, ~~the Test Assessing Secondary~~
20 ~~Completion (TASC) developed by CTS/McGraw-Hill, the HISET test~~ **exam**
21 developed by Educational Testing Service (ETS), or another
22 comparable test approved by the department of labor and economic
23 opportunity.

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

28 (7) "High school pupil" means a pupil in membership in grades
29 7 to 12, except in a district not maintaining grades above ~~the~~

1 ~~eighth~~-grade 8.

2 Sec. 6. (1) "Center program" means a program operated by a
3 district or by an intermediate district for special education
4 pupils from several districts in programs for pupils with autism
5 spectrum disorder, pupils with severe cognitive impairment, pupils
6 with moderate cognitive impairment, pupils with severe multiple
7 impairments, pupils with hearing impairment, pupils with visual
8 impairment, and pupils with physical impairment or other health
9 impairment. Programs for pupils with emotional impairment housed in
10 buildings that do not serve regular education pupils also qualify.
11 Unless otherwise approved by the department, a center program
12 either serves all constituent districts within an intermediate
13 district or serves several districts with less than 50% of the
14 pupils residing in the operating district. In addition, special
15 education center program pupils placed part-time in noncenter
16 programs to comply with the least restrictive environment
17 provisions of section 1412 of the individuals with disabilities
18 education act, 20 USC 1412, may be considered center program pupils
19 for pupil accounting purposes for the time scheduled in either a
20 center program or a noncenter program.

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

24 (3) "District and high school graduation report" means a
25 report of the number of pupils, excluding adult education
26 participants, in the district for the immediately preceding school
27 year, adjusted for those pupils who have transferred into or out of
28 the district or high school, who leave high school with a diploma
29 or other credential of equal status.

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

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

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

29 (b) If a pupil is educated in a district other than the

1 pupil's district of residence, if the pupil is not being educated
2 as part of a cooperative education program, if the pupil's district
3 of residence does not give the educating district its approval to
4 count the pupil in membership in the educating district, and if the
5 pupil is not covered by an exception specified in subsection (6) to
6 the requirement that the educating district must have the approval
7 of the pupil's district of residence to count the pupil in
8 membership, the pupil is not counted in membership in any district.

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

11 (d) A pupil placed by a court or state agency in an on-grounds
12 program of a juvenile detention facility, a child caring
13 institution, or a mental health institution, or a pupil funded
14 under section 53a, is counted in membership in the district or
15 intermediate district approved by the department to operate the
16 program.

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

20 (f) A pupil enrolled in a career and technical education
21 program supported by a millage levied over an area larger than a
22 single district or in an area vocational-technical education
23 program established under section 690 of the revised school code,
24 MCL 380.690, is counted in membership only in the pupil's district
25 of residence.

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

28 (h) For the purposes of this section and section 6a, for a
29 cyber school, as that term is defined in section 551 of the revised

school code, MCL 380.551, that is in compliance with section 553a of the revised school code, MCL 380.553a, a pupil's participation in the cyber school's educational program is considered regular daily attendance, and for a district or public school academy, a pupil's participation in a virtual course as that term is defined in section 21f is considered regular daily attendance. For the purposes of this subdivision, for a pupil enrolled in a cyber school and utilizing sequential learning, participation means that term as defined in the pupil accounting manual, section ~~5-e-d:5-O-~~
D: requirements for counting pupils in membership-subsection 10.

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

(i) ~~Except as otherwise provided in this subparagraph, if~~ **If** operations begin before the pupil membership count day for the fiscal year, membership is the average number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance on the pupil membership count day for the current school year and on the supplemental count day for the current school year, as determined by the department and calculated by adding the number of pupils registered for attendance on the pupil membership count day plus pupils received by transfer and minus pupils lost as defined by rules promulgated by the superintendent, and as corrected by a subsequent department audit, plus the final audited count from the supplemental count day for the current school year, and dividing that sum by 2. ~~However, for 2020-2021 only, if operations begin before the pupil membership count day for the fiscal year, except for a public school academy that operates as a cyber school, as that term is defined in section 551 of the revised~~

~~1 school code, MCL 380.551, membership is the average number of full-~~
~~2 time equated pupils engaged in pandemic learning for fall 2020 and~~
~~3 full-time equated pupils engaged in pandemic learning for spring~~
~~4 2021, as that term is defined in section 6a, as determined by the~~
~~5 department and calculated by adding the number of pupils registered~~
~~6 for attendance on the pupil membership count day plus pupils~~
~~7 received by transfer and minus pupils lost as defined by rules~~
~~8 promulgated by the superintendent, and as corrected by a subsequent~~
~~9 department audit, plus the final audited count from the~~
~~10 supplemental count day for the current school year, and dividing~~
~~11 that sum by 2.~~

12 (ii) If operations begin after the pupil membership count day
 13 for the fiscal year and not later than the supplemental count day
 14 for the fiscal year, membership is the final audited count of the
 15 number of full-time equated pupils in grades K to 12 actually
 16 enrolled and in regular daily attendance on the supplemental count
 17 day for the current school year. ~~, but, for 2020-2021 only, except~~
 18 ~~for a public school academy that operates as a cyber school, as~~
 19 ~~that term is defined in section 551 of the revised school code, MCL~~
 20 ~~380.551, membership is the final audited count of the number of~~
 21 ~~full-time equated pupils engaged in pandemic learning for spring~~
 22 ~~2021, as that term is defined in section 6a.~~

23 (j) If a district is the authorizing body for a public school
 24 academy, then, in the first school year in which pupils are counted
 25 in membership on the pupil membership count day in the public
 26 school academy, the determination of the district's membership
 27 excludes from the district's pupil count for the immediately
 28 preceding supplemental count day any pupils who are counted in the
 29 public school academy on that first pupil membership count day who

1 were also counted in the district on the immediately preceding
2 supplemental count day.

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

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

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

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

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

23 (B) Had dropped out of school.

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

26 (iii) If a child does not meet the minimum age requirement to be
27 eligible to attend school for that school year under section 1147
28 of the revised school code, MCL 380.1147, but will be 5 years of
29 age not later than December 1 of that school year, the district may

1 count the child in membership for that school year if the parent or
2 legal guardian has notified the district in writing that he or she
3 intends to enroll the child in kindergarten for that school year.

4 (m) An individual who has achieved a high school diploma is
5 not counted in membership. An individual who has achieved a high
6 school equivalency certificate is not counted in membership unless
7 the individual is a student with a disability as that term is
8 defined in R 340.1702 of the Michigan Administrative Code. An
9 individual participating in a job training program funded under
10 former section 107a or a jobs program funded under former section
11 107b, administered by the department of labor and economic
12 opportunity, or participating in any successor of either of those 2
13 programs, is not counted in membership.

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

26 (i) If the public school academy provides instruction for at
27 least 1/2 of the class hours required under section 101, the public
28 school academy receives as its prorated share of the full-time
29 equated membership for each of those pupils an amount equal to 1

1 times the product of the hours of instruction the public school
2 academy provides divided by the number of hours required under
3 section 101 for full-time equivalency, and the remainder of the
4 full-time membership for each of those pupils is allocated to the
5 district or intermediate district providing the remainder of the
6 hours of instruction.

7 (ii) If the public school academy provides instruction for less
8 than 1/2 of the class hours required under section 101, the
9 district or intermediate district providing the remainder of the
10 hours of instruction receives as its prorated share of the full-
11 time equated membership for each of those pupils an amount equal to
12 1 times the product of the hours of instruction the district or
13 intermediate district provides divided by the number of hours
14 required under section 101 for full-time equivalency, and the
15 remainder of the full-time membership for each of those pupils is
16 allocated to the public school academy.

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

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

24 (q) The number of class hours used to calculate full-time
25 equated memberships must be consistent with section 101. In
26 determining full-time equated memberships for pupils who are
27 enrolled in a postsecondary institution or for pupils engaged in an
28 internship or work experience under section 1279h of the revised
29 school code, MCL 380.1279h, a pupil is not considered to be less

1 than a full-time equated pupil solely because of the effect of his
2 or her postsecondary enrollment or engagement in the internship or
3 work experience, including necessary travel time, on the number of
4 class hours provided by the district to the pupil.

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

20 (s) For a district or a public school academy that has pupils
21 enrolled in a grade level that was not offered by the district or
22 public school academy in the immediately preceding school year, the
23 number of pupils enrolled in that grade level to be counted in
24 membership is the average of the number of those pupils enrolled
25 and in regular daily attendance on the pupil membership count day
26 and the supplemental count day of the current school year. ~~but,~~
27 ~~for 2020-2021 only, except for a public school academy that~~
28 ~~operates as a cyber school, as that term is defined in section 551~~
29 ~~of the revised school code, MCL 380.551, the number of pupils~~

~~enrolled in that grade level to be counted in membership is the average of the number of those pupils engaged in pandemic learning for fall 2020 and the number of those pupils engaged in pandemic learning for spring 2021, as that term is defined in section 6a, as determined by the department.~~ Membership is calculated by adding the number of pupils registered for attendance in that grade level on the pupil membership count day plus pupils received by transfer and minus pupils lost as defined by rules promulgated by the superintendent, and as corrected by subsequent department audit, plus the final audited count from the supplemental count day for the current school year, and dividing that sum by 2.

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

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

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

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

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

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

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

19 (w) For a public school academy that has been in operation for
20 at least 2 years and that suspended operations for at least 1
21 semester and is resuming operations, membership is the sum of the
22 product of .90 times the number of full-time equated pupils in
23 grades K to 12 actually enrolled and in regular daily attendance on
24 the first pupil membership count day or supplemental count day,
25 whichever is first, occurring after operations resume, plus the
26 product of .10 times the final audited count from the most recent
27 pupil membership count day or supplemental count day that occurred
28 before suspending operations, as determined by the superintendent.
29 ~~, but, for 2020-2021 only, except for a public school academy that~~

~~operates as a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, membership is the sum of the product of .90 times the number of full-time equated pupils engaged in pandemic learning for fall 2020 or the number of full-time equated pupils engaged in pandemic learning for spring 2021, as that term is defined in section 6a, whichever applies first after operations resume, plus the product of .10 times the final audited count from the most recent pupil membership count day or supplemental count day that occurred before suspending operations, as determined by the superintendent.~~

(x) If a district's membership for a particular fiscal year, as otherwise calculated under this subsection, would be less than 1,550 pupils, the district has 4.5 or fewer pupils per square mile, as determined by the department, and the district does not receive funding under section 22d(2), the district's membership is considered to be the membership figure calculated under this subdivision. If a district educates and counts in its membership pupils in grades 9 to 12 who reside in a contiguous district that does not operate grades 9 to 12 and if 1 or both of the affected districts request the department to use the determination allowed under this sentence, the department shall include the square mileage of both districts in determining the number of pupils per square mile for each of the districts for the purposes of this subdivision. If a district has established a community engagement advisory committee in partnership with the department of treasury, is required to submit a deficit elimination plan or an enhanced deficit elimination plan under section 1220 of the revised school code, MCL 380.1220, and is located in a city with a population between 9,000 and 11,000, **as determined by the department**, that is

1 in a county with a population between ~~155,000~~**150,000** and 160,000,
2 **as determined by the department**, the district's membership is
3 considered to be the membership figure calculated under this
4 subdivision. The membership figure calculated under this
5 subdivision is the greater of the following:

6 (i) The average of the district's membership for the 3-fiscal-
7 year period ending with that fiscal year, calculated by adding the
8 district's actual membership for each of those 3 fiscal years, as
9 otherwise calculated under this subsection, and dividing the sum of
10 those 3 membership figures by 3.

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

13 (y) Full-time equated memberships for special education pupils
14 who are not enrolled in kindergarten but are enrolled in a
15 classroom program under R 340.1754 of the Michigan Administrative
16 Code are determined by dividing the number of class hours scheduled
17 and provided per year by 450. Full-time equated memberships for
18 special education pupils who are not enrolled in kindergarten but
19 are receiving early childhood special education services under R
20 340.1755 or R 340.1862 of the Michigan Administrative Code are
21 determined by dividing the number of hours of service scheduled and
22 provided per year ~~per pupil~~**per pupil** by 180.

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

28 (aa) For the first year in which a pupil is counted in
29 membership on the pupil membership count day in a middle college

1 program, the membership is the average of the full-time equated
2 membership on the pupil membership count day and on the
3 supplemental count day for the current school year, as determined
4 by the department. If a pupil described in this subdivision was
5 counted in membership by the operating district on the immediately
6 preceding supplemental count day, the pupil is excluded from the
7 district's immediately preceding supplemental count for the
8 purposes of determining the district's membership.

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

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

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

1 days after the end of the month. A district shall not report a
2 pupil as being in full attendance for a month unless both of the
3 following are met:

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

7 (ii) The pupil meets the district's definition under section
8 23a of satisfactory monthly progress for that month or, if the
9 pupil does not meet that definition of satisfactory monthly
10 progress for that month, the pupil did meet that definition of
11 satisfactory monthly progress in the immediately preceding month
12 and appropriate interventions are implemented within 10 school days
13 after it is determined that the pupil does not meet that definition
14 of satisfactory monthly progress.

15 (ee) A pupil participating in a virtual course under section
16 21f is counted in membership in the district enrolling the pupil.

17 (ff) If a public school academy that is not in its first or
18 second year of operation closes at the end of a school year and
19 does not reopen for the next school year, the department shall
20 adjust the membership count of the district or other public school
21 academy in which a former pupil of the closed public school academy
22 enrolls and is in regular daily attendance for the next school year
23 to ensure that the district or other public school academy receives
24 the same amount of membership aid for the pupil as if the pupil
25 were counted in the district or other public school academy on the
26 supplemental count day of the preceding school year.

27 (gg) If a special education pupil is expelled under section
28 1311 or 1311a of the revised school code, MCL 380.1311 and
29 380.1311a, and is not in attendance on the pupil membership count

1 day because of the expulsion, and if the pupil remains enrolled in
2 the district and resumes regular daily attendance during that
3 school year, the district's membership is adjusted to count the
4 pupil in membership as if he or she had been in attendance on the
5 pupil membership count day.

6 (hh) A pupil enrolled in a community district is counted in
7 membership in the community district.

8 (ii) A part-time pupil enrolled in a nonpublic school in
9 grades K to 12 in accordance with section 166b must not be counted
10 as more than 0.75 of a full-time equated membership.

11 (jj) A district that borders another state or a public school
12 academy that operates at least grades 9 to 12 and is located within
13 20 miles of a border with another state may count in membership a
14 pupil who is enrolled in a course at a college or university that
15 is located in the bordering state and within 20 miles of the border
16 with this state if all of the following are met:

17 (i) The pupil would meet the definition of an eligible student
18 under the postsecondary enrollment options act, 1996 PA 160, MCL
19 388.511 to 388.524, if the course were an eligible course under
20 that act.

21 (ii) The course in which the pupil is enrolled would meet the
22 definition of an eligible course under the postsecondary enrollment
23 options act, 1996 PA 160, MCL 388.511 to 388.524, if the course
24 were provided by an eligible postsecondary institution under that
25 act.

26 (iii) The department determines that the college or university
27 is an institution that, in the other state, fulfills a function
28 comparable to a state university or community college, as those
29 terms are defined in section 3 of the postsecondary enrollment

1 options act, 1996 PA 160, MCL 388.513, or is an independent
2 nonprofit degree-granting college or university.

3 (iv) The district or public school academy pays for a portion
4 of the pupil's tuition at the college or university in an amount
5 equal to the eligible charges that the district or public school
6 academy would pay to an eligible postsecondary institution under
7 the postsecondary enrollment options act, 1996 PA 160, MCL 388.511
8 to 388.524, as if the course were an eligible course under that
9 act.

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

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

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

25 (i) If the district's or public school academy's membership for
26 pupils counted under section 166b equals or exceeds 5% of the
27 district's or public school academy's membership for pupils not
28 counted in membership under section 166b in the immediately
29 preceding fiscal year, then the growth in the district's or public

1 school academy's membership for pupils counted under section 166b
2 must not exceed 10%.

3 (ii) If the district's or public school academy's membership
4 for pupils counted under section 166b is less than 5% of the
5 district's or public school academy's membership for pupils not
6 counted in membership under section 166b in the immediately
7 preceding fiscal year, then the district's or public school
8 academy's membership for pupils counted under section 166b must not
9 exceed the greater of the following:

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

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

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

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

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

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

29 (b) A pupil receiving 1/2 or less of his or her instruction in

1 a district other than the pupil's district of residence.

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

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

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

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

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

29 (ii) "Serious assault" means an act that constitutes a felony

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

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

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

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

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

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

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

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

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

28 **(j)** ~~(k)~~—An expelled pupil who has been denied reinstatement by
 29 the expelling district and is reinstated by another school board

under section 1311 or 1311a of the revised school code, MCL 380.1311 and 380.1311a.

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

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

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

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

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

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

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

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

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

8 (i) Fourth Wednesday in July.

9 (ii) First Wednesday in October.

10 (iii) Second Wednesday in February.

11 (iv) Fourth Wednesday in April.

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

1 before the pupil membership count day or supplemental count day of
 2 a particular year but was expelled or suspended on the pupil
 3 membership count day or supplemental count day is only counted as
 4 1.0 full-time equated membership if the pupil resumed attendance in
 5 the district, intermediate district, or public school academy
 6 within 45 days after the pupil membership count day or supplemental
 7 count day of that particular year. A pupil not counted as 1.0 full-
 8 time equated membership due to an absence from a class is counted
 9 as a prorated membership for the classes the pupil attended. For
 10 purposes of this subsection, "class" means ~~a~~ **either of the**
 11 **following, as applicable:**

12 (a) A period of time in 1 day when pupils and an individual
 13 who is appropriately placed under a valid certificate, substitute
 14 permit, authorization, or approval issued by the department, are
 15 together and instruction is taking place. **This subdivision does not**
 16 **apply for the 2020-2021 and 2021-2022 school years.**

17 (b) **For the 2020-2021 and 2021-2022 school years only, a**
 18 **period of time in 1 day when pupils and a certificated teacher, a**
 19 **teacher engaged to teach under section 1233b of the revised school**
 20 **code, MCL 380.1233b, or an individual working under a valid**
 21 **substitute permit, authorization, or approval issued by the**
 22 **department are together and instruction is taking place.**

23 (9) "Pupils engaged in pandemic learning for ~~fall 2020~~ **spring**
 24 **2021**" means ~~pupils in grades K to 12 who are enrolled in a~~
 25 ~~district, excluding a district that operates as a cyber school, as~~
 26 ~~that term is defined in section 551 of the revised school code, MCL~~
 27 ~~380.551, or intermediate district and to which any of the following~~
 28 ~~apply:~~

29 ~~(a) For a pupil who is not learning sequentially, any of the~~

~~following occurs for each of the pupil's scheduled courses:~~

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

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

~~(iii) The pupil and the pupil's teacher or at least 1 of the pupil's teachers engage in a subject-oriented telephone conversation on 2020-2021 pupil membership count day.~~

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

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

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

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

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

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

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

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

~~(A) Electronic mail.~~

~~(B) Telephone.~~

~~(C) Instant messaging.~~

~~(D) Face to face conversation.~~

~~(ii) "Week" means a period beginning on Wednesday and ending on~~

1 ~~the following Tuesday.~~

2 ~~(d) The pupil has not participated in or completed an activity~~
 3 ~~as described in subdivision (a), (b), or (c) and the pupil was not~~
 4 ~~excused from participation or completion, but the pupil~~
 5 ~~participates in or completes an activity described in subdivision~~
 6 ~~(a) or (b) during the 10 consecutive school days immediately~~
 7 ~~following the 2020-2021 pupil membership count day.~~

8 ~~(e) The pupil has not participated in or completed an activity~~
 9 ~~as described in subdivision (a), (b), or (c) and the pupil was~~
 10 ~~excused from participation or completion, but the pupil~~
 11 ~~participates in or completes an activity described in subdivision~~
 12 ~~(a) or (b) during the 30 calendar days immediately following the~~
 13 ~~2020-2021 pupil membership count day.~~

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

17 (10) "Rule" means a rule promulgated pursuant to the
 18 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
 19 24.328.

20 (11) "The revised school code" means the revised school code,
 21 1976 PA 451, MCL 380.1 to 380.1852.

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

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

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

29 (15) "Superintendent", unless the context clearly refers to a

1 district or intermediate district superintendent, means the
2 superintendent of public instruction described in section 3 of
3 article VIII of the state constitution of 1963.

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

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

10 Tuition pupil does not include a pupil who is a special education
11 pupil, a pupil described in subsection ~~(6)(c) to (e)~~, **(6)(d) to**
12 **(n)**, or a pupil whose parent or guardian voluntarily enrolls the
13 pupil in a district that is not the pupil's district of residence.
14 A pupil's district of residence shall not require a high school
15 tuition pupil, as provided under section 111, to attend another
16 school district after the pupil has been assigned to a school
17 district.

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

21 (19) "Taxable value" means, **except as otherwise provided in**
22 **this article**, the taxable value of property as determined under
23 section 27a of the general property tax act, 1893 PA 206, MCL
24 211.27a.

25 (20) "Textbook" means a book, electronic book, or other
26 instructional print or electronic resource that is selected and
27 approved by the governing board of a district and that contains a
28 presentation of principles of a subject, or that is a literary work
29 relevant to the study of a subject required for the use of

1 classroom pupils, or another type of course material that forms the
2 basis of classroom instruction.

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

7 Sec. 6a. (1) Except as otherwise provided in this subsection
8 and this act, in addition to the pupil membership count day, there
9 is a supplemental pupil count of the number of full-time equated
10 pupils in grades K-12 actually enrolled and in regular daily
11 attendance in a district or intermediate district on the second
12 Wednesday in February or, for a district that is not in session on
13 that day due to conditions not within the control of school
14 authorities, with the approval of the superintendent, the
15 immediately following day on which the district is in session, but,
16 for 2020-2021 only, in addition to the pupil membership count day,
17 there is a supplemental pupil count of the number of full-time
18 equated pupils engaged in pandemic learning for spring 2021 or, for
19 a district that operates as a cyber school, as that term is defined
20 in section 551 of the revised school code, MCL 380.551, the number
21 of full-time equated pupils in grades K to 12 actually enrolled and
22 in regular attendance in the district on 2020-2021 supplemental
23 count day. For the purposes of this act, and except as otherwise
24 provided in this subsection, the day on which the supplemental
25 pupil count is conducted is the supplemental count day. For 2020-
26 2021, for purposes of this act, and except as otherwise
27 specifically provided in this article, supplemental count day is
28 the second Wednesday in February or, for a district that is not in
29 session on that day due to conditions not within the control of

1 school authorities, with the approval of the superintendent, the
2 immediately following day on which the district is in session. A
3 district is considered to be in session for purposes of this
4 subsection when the district is providing pupil instruction
5 pursuant to an extended COVID-19 learning plan approved under
6 section 98a.

7 (2) As used in this section, "pupils engaged in pandemic
8 learning for spring 2021" means pupils in grades K to 12 who are
9 enrolled in a district, excluding a district that operates as a
10 cyber school, as that term is defined in section 551 of the revised
11 school code, MCL 380.551, or intermediate district and to which any
12 of the following apply:

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

15 (i) The pupil attends a live lesson from the pupil's teacher or
16 at least 1 of the pupil's teachers on 2020-2021 supplemental count
17 day.

18 (ii) The pupil logs into an online or virtual lesson or lesson
19 activity on 2020-2021 supplemental count day and the login can be
20 documented by the district or intermediate district.

21 (iii) The pupil and the pupil's teacher or at least 1 of the
22 pupil's teachers engage in a subject-oriented telephone
23 conversation on 2020-2021 supplemental count day.

24 (iv) The district or intermediate district documents that an
25 ~~electronic mail~~**email** dialogue occurred between the pupil and the
26 pupil's teacher or at least 1 of the pupil's teachers on 2020-2021
27 supplemental count day.

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

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

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

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

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

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

(i) "2-way interaction" means a communication that occurs between a pupil and the pupil's teacher or at least 1 of the pupil's teachers **or another district employee who has responsibility for the pupil's learning, grade progression, or academic progress**, where 1 party initiates communication and a response from the other party follows that communication, and that is relevant to course progress or course content for at least 1 of

the courses in which the pupil is enrolled **or relevant to the pupil's overall academic progress or grade progression.** Responses, as described in this subparagraph, must be to ~~the~~ communication initiated by the teacher, **by another district employee who has responsibility for the pupil's learning, grade progression, or academic progress, or by the pupil,** and not some other action taken. The communication described in this subparagraph may occur through, but is not limited to, any of the following means:

(A) ~~Electronic mail.~~ **Email.**

(B) Telephone.

(C) Instant messaging.

(D) Face-to-face conversation.

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

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

(e) The pupil has not participated or completed an activity described in subdivision (a), (b), or (c) and the pupil was excused from participation or completion, but the pupil participates in or completes an activity described in subdivision (a) or (b) during the 30 calendar days immediately following the 2020-2021 supplemental count day.

(f) The pupil meets the criteria of pupils in grades K to 12 actually enrolled and in regular daily attendance.

Sec. 11. (1) For the fiscal year ending September 30, 2021,

there is appropriated for the public schools of this state and certain other state purposes relating to education the sum of ~~\$13,759,819,500.00~~ **\$13,715,807,900.00** from the state school aid fund, the sum of ~~\$50,964,600.00~~ **\$54,464,600.00** from the general fund, an amount not to exceed ~~\$77,700,000.00~~ **\$79,800,000.00** from the community district education trust fund created under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, and an amount not to exceed \$100.00 from the water emergency reserve fund.

For the fiscal year ending September 30, 2022, there is appropriated for the public schools of this state and certain other state purposes relating to education the sum of \$14,797,232,100.00 from the state school aid fund, the sum of \$85,400,000.00 from the general fund, an amount not to exceed \$72,000,000.00 from the community district education trust fund created under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, and an amount not to exceed \$100.00 from the water emergency reserve fund. In addition, all available federal funds are only appropriated as allocated in this article for the fiscal year—years ending September 30, 2021 and September 30, 2021–2022.

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

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

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

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

5 (a) Unexpended and unencumbered state school aid fund revenue
6 for a fiscal year that remains in the state school aid fund as of
7 the bookclosing for that fiscal year.

8 (b) Money statutorily dedicated to the school aid
9 stabilization fund.

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

11 (3) Money available in the school aid stabilization fund may
12 not be expended without a specific appropriation from the school
13 aid stabilization fund. Money in the school aid stabilization fund
14 must be expended only for purposes for which state school aid fund
15 money may be expended.

16 (4) The state treasurer shall direct the investment of the
17 school aid stabilization fund. The state treasurer shall credit to
18 the school aid stabilization fund interest and earnings from fund
19 investments.

20 (5) Money in the school aid stabilization fund at the close of
21 a fiscal year remains in the school aid stabilization fund and does
22 not lapse to the unreserved school aid fund balance or the general
23 fund.

24 (6) If the maximum amount appropriated under section 11 from
25 the state school aid fund for a fiscal year exceeds the amount
26 available for expenditure from the state school aid fund for that
27 fiscal year, there is appropriated from the school aid
28 stabilization fund to the state school aid fund an amount equal to
29 the projected shortfall as determined by the department of

1 treasury, but not to exceed available money in the school aid
 2 stabilization fund. If the money in the school aid stabilization
 3 fund is insufficient to fully fund an amount equal to the projected
 4 shortfall, the state budget director shall notify the legislature
 5 as required under section 296(2) and state payments in an amount
 6 equal to the remainder of the projected shortfall must be prorated
 7 in the manner provided under section 296(3).

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

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

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

27 Sec. 11m. From the ~~appropriation~~ **state school aid fund money**
 28 **appropriated** in section 11, there is allocated for 2020-2021 an
 29 amount not to exceed ~~\$11,400,000.00~~ **\$8,700,000.00 and there is**

1 **allocated for 2021-2022 an amount not to exceed \$9,500,000.00** for
 2 fiscal year cash-flow borrowing costs solely related to the state
 3 school aid fund established under section 11 of article IX of the
 4 state constitution of 1963.

5 Sec. 11n. **(1)** From the federal ~~fund money~~ **funds** appropriated
 6 under section 11, there is allocated for 2020-2021 an amount not to
 7 exceed ~~\$125,658,900.00~~ **\$115,658,900.00** from the federal funding
 8 awarded to this state from the governor's emergency education
 9 relief (GEER) fund under the coronavirus response and relief
 10 supplemental appropriations act, 2021, division M of Public Law
 11 116-260, and there is allocated for 2020-2021 an amount not to
 12 exceed ~~\$1,650,759,800.00~~ **\$1,656,308,300.00** from the federal funding
 13 awarded to this state from the elementary and secondary school
 14 emergency relief (ESSER) fund under the coronavirus response and
 15 relief supplemental appropriations act, 2021, division M of Public
 16 Law 116-260.

17 **(2)** From the federal funds appropriated under section 11,
 18 there is allocated for 2020-2021 an amount not to exceed
 19 **\$3,712,213,800.00** from the federal funding awarded to this state
 20 from the elementary and secondary school emergency relief (ESSER)
 21 fund under the American rescue plan act of 2021, title II, subtitle
 22 A, part 1 of Public Law 117-2, there is allocated for 2020-2021 an
 23 amount not to exceed **\$93,023,000.00** from the federal funding
 24 awarded to this state under section 2002 of the American rescue
 25 plan act of 2021, title II, subtitle A, part 1 of Public Law 117-2,
 26 for emergency assistance to nonpublic schools, and there is
 27 allocated for 2020-2021 an amount not to exceed **\$357,000,000.00**
 28 from the federal funding awarded to this state from the coronavirus
 29 state fiscal recovery fund under the American rescue plan act of

1 2021, title IX, subtitle M of Public Law 117-2.

2 (3) From the funds allocated under subsection (2),
 3 \$2,380,800.00 from the federal funding awarded to this state from
 4 the elementary and secondary school emergency relief (ESSER) fund
 5 under the American rescue plan act of 2021, title II, subtitle A,
 6 part 1 of Public Law 117-2, is allocated for payments to districts
 7 as provided under this subsection. The department shall distribute
 8 the funds allocated under this subsection in the same manner as
 9 funds under section 11r(8) were distributed and for the purposes
 10 described under section 11r(9).

11 Sec. 11s. (1) From the state school aid fund money
 12 appropriated in section 11, there is allocated \$5,000,000.00 for
 13 ~~2020-2021-2021-2022~~ and from the general fund money appropriated in
 14 section 11, there is allocated \$3,075,000.00 for ~~2020-2021-2021-~~
 15 ~~2022~~ for the purpose of providing services and programs to children
 16 who reside within the boundaries of a district with the majority of
 17 its territory located within the boundaries of a city for which an
 18 executive proclamation of emergency concerning drinking water is
 19 issued in the current or immediately preceding ~~5-6~~ fiscal years
 20 under the emergency management act, 1976 PA 390, MCL 30.401 to
 21 30.421. From the funding appropriated in section 11, there is
 22 allocated for ~~2020-2021-2021-2022~~ \$100.00 from the water emergency
 23 reserve fund for the purposes of this section.

24 (2) From the general fund money allocated in subsection (1),
 25 there is allocated to a district with the majority of its territory
 26 located within the boundaries of a city ~~in-for~~ for which an executive
 27 proclamation of emergency **concerning drinking water** is issued in
 28 the current or immediately preceding ~~5-6~~ fiscal years and that has
 29 at least 4,500 pupils in membership for the 2016-2017 fiscal year

1 or has at least 3,000 pupils in membership for a fiscal year after
 2 2016-2017, an amount not to exceed \$2,425,000.00 for ~~2020-2021~~
 3 **2021-2022** for the purpose of employing school nurses, classroom
 4 aides, and school social workers. The district shall provide a
 5 report to the department in a form, manner, and frequency
 6 prescribed by the department. The department shall provide a copy
 7 of that report to the governor, the house and senate school aid
 8 subcommittees, the house and senate fiscal agencies, and the state
 9 budget director within 5 days after receipt. The report must
 10 provide at least the following information:

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

13 (b) A description of the services provided to pupils by those
 14 personnel.

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

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

20 (3) For 2020-2021, ~~only,~~ **from the state school aid fund money**
 21 **appropriated in section 11, there is allocated \$2,400,000.00, and,**
 22 **for 2021-2022,** from the state school aid fund money allocated in
 23 subsection (1), there is allocated an amount not to exceed
 24 ~~\$2,400,000.00~~ **\$2,000,000.00** to an intermediate district that has a
 25 constituent district described in subsection (2) to provide state
 26 early intervention services for children described in subsection
 27 (1) who are between age 3 and age 5. The intermediate district
 28 shall use these funds to provide state early intervention services
 29 that are similar to the services described in the early on Michigan

1 state plan. ~~, including ensuring that all children described in~~
2 ~~subsection (1) who are less than 4 years of age as of September 1,~~
3 ~~2016 are assessed and evaluated at least twice annually.~~

4 (4) From the state school aid fund money allocated in
5 subsection (1), there is allocated an amount not to exceed
6 \$1,000,000.00 for ~~2020-2021~~ **2021-2022** to the intermediate district
7 described in subsection (3) to enroll children described in
8 subsection (1) in school-day great start readiness programs,
9 regardless of household income eligibility requirements contained
10 in section 32d. The department shall administer this funding
11 consistent with all other provisions that apply to great start
12 readiness programs under sections 32d and 39.

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

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

28 (7) **In addition to the allocation under subsection (1), from**
29 **the general fund money appropriated under section 11, there is**

1 allocated an amount not to exceed \$1,000,000.00 for 2021-2022 only
2 for an early childhood collaborative that serves students located
3 in a county with a population of not less than 400,000 or more than
4 500,000. The funds allocated under this subsection must be used to
5 continue the expansion of early childhood services in response to
6 an executive proclamation of emergency described in this section
7 concerning drinking water.

8 (8) In addition to the allocation under subsection (1), from
9 the general fund money appropriated under section 11, there is
10 allocated an amount not to exceed \$1,384,900.00 for 2021-2022 only
11 for the early childhood collaborative described in subsection (7)
12 to be used in support of enrollment software and staff. The
13 collaborative described in this subsection may use back-office
14 supports from Genesee Intermediate School District and the Genesee
15 County Community Action Resource Department to reduce project costs
16 for purposes of this subsection. The collaborative described in
17 this subsection must ensure that all of the following are met:

18 (a) It chooses an enrollment program for purposes of this
19 subsection that provides families with all of the following:

- 20 (i) A coordinated information campaign.
- 21 (ii) Coordinated eligibility determination and preferences.
- 22 (iii) A coordinated application.
- 23 (iv) Highly qualified full-time and seasonal enrollment and
24 analytics staff.
- 25 (v) Content built with language services, program overhead,
26 equipment, and supplies.

27 (b) The enrollment program selected by the collaborative for
28 purposes of this subsection has a record of improving enrollment in
29 New Orleans.

1 (c) The enrollment program selected by the collaborative for
2 purposes of this subsection received funds from the C.S. Mott
3 Foundation for the project.

4 (d) It complies with application and reporting requirements as
5 determined by the department.

6 (e) It allocates the funds received under this subsection over
7 3 phases, to provide explicit, targeted enrollment within an
8 individualized enrollment system that continually adjusts to a
9 family's needs.

10 (9) ~~(7)~~—In addition to other funding allocated and
11 appropriated in this section, there is appropriated an amount not
12 to exceed \$5,000,000.00 for ~~2020-2021~~**2021-2022** for state
13 restricted contingency funds. These contingency funds are not
14 available for expenditure until they have been transferred to a
15 section within this article under section 393(2) of the management
16 and budget act, 1984 PA 431, MCL 18.1393.

17 (10) ~~(8)~~—Notwithstanding section 17b, the department shall
18 make payments under this section on a schedule determined by the
19 department.

20 **Sec. 11t. (1) From the federal funds allocated under section**
21 **11n, there is allocated for 2020-2021 an amount not to exceed**
22 **\$361,983,300.00 from the federal funding awarded to this state from**
23 **the elementary and secondary school emergency relief (ESSER) fund**
24 **under the American rescue plan act of 2021, title II, subtitle A,**
25 **part 1 of Public Law 117-2, to eligible districts as provided in**
26 **this section. The department shall pay each eligible district under**
27 **this subsection an amount equal to the product of the district's**
28 **2020-2021 pupils in membership multiplied by the difference between**
29 **\$1,093.00 and the district's ESSER III formula payment per pupil. A**

1 district that has an ESSER III formula payment per pupil that is
2 less than \$1,093.00 is an eligible district under this subsection.

3 (2) Both of the following apply to the funding under
4 subsection (1):

5 (a) An eligible district shall dedicate the following
6 percentages of a payment received under subsection (1) as follows,
7 in accordance with the requirements under section 2001(f) of the
8 American rescue plan act of 2021, title II, subtitle A, part 1 of
9 Public Law 117-2:

10 (i) At least 51.4% for activities to address learning loss by
11 supporting the implementation of evidence-based interventions.

12 (ii) At least 10.3% for the implementation of evidence-based
13 summer enrichment programs.

14 (iii) At least 10.3% for the implementation of evidence-based
15 comprehensive after-school programs.

16 (b) In accordance with section 2001(f) of the American rescue
17 plan act of 2021, title II, subtitle A, part 1 of Public Law 117-2,
18 an eligible district must ensure that the interventions,
19 activities, and programs under subdivision (a) respond to students'
20 academic, social, and emotional needs and address the
21 disproportionate impact of COVID-19 on the student subgroups
22 described in section 6311(b) (2) (B) (xi) of 20 USC 6311; students
23 experiencing homelessness; and children and youth in foster care.

24 (3) In order to receive funding under subsection (1), a
25 district must submit a spending plan to the department by not later
26 than 45 days after the effective date of the amendatory act that
27 added this section. A spending plan described in this subsection
28 must include the district's estimated spending of funds received
29 under subsection (1) for the purposes described subsection (2),

1 disaggregated by the type of service provided. A district shall
2 also post the spending plan described in this subsection on its
3 website.

4 (4) As used in this section, "ESSER III formula payment per
5 pupil" means an amount equal to the amount of funds the district
6 receives under section 11r(8) divided by the district's pupils in
7 membership for the 2020-2021 school year as calculated under
8 section 6.

9 Sec. 15. (1) If a district or intermediate district fails to
10 receive its proper apportionment, the department, upon satisfactory
11 proof that the district or intermediate district was entitled
12 justly, shall apportion the deficiency in the next apportionment.
13 Subject to subsections (2) and (3), if a district or intermediate
14 district has received more than its proper apportionment, the
15 department, upon satisfactory proof, shall deduct the excess in the
16 next apportionment. Notwithstanding any other provision in this
17 article, state aid overpayments to a district, other than
18 overpayments in payments for special education or special education
19 transportation, may be recovered from any payment made under this
20 article other than a special education or special education
21 transportation payment, from the proceeds of a loan to the district
22 under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to
23 141.942, or from the proceeds of millage levied or pledged under
24 section 1211 of the revised school code, MCL 380.1211. State aid
25 overpayments made in special education or special education
26 transportation payments may be recovered from subsequent special
27 education or special education transportation payments, from the
28 proceeds of a loan to the district under the emergency municipal
29 loan act, 1980 PA 243, MCL 141.931 to 141.942, or from the proceeds

1 of millage levied or pledged under section 1211 of the revised
2 school code, MCL 380.1211.

3 (2) If the result of an audit conducted by or for the
4 department affects the current fiscal year membership, the
5 department shall adjust affected payments in the current fiscal
6 year. A deduction due to an adjustment made as a result of an audit
7 conducted by or for the department, or as a result of information
8 obtained by the department from the district, an intermediate
9 district, the department of treasury, or the office of auditor
10 general, must be deducted from the district's apportionments when
11 the adjustment is finalized. At the request of the district and
12 upon the district presenting evidence satisfactory to the
13 department of the hardship, the department may grant up to an
14 additional 4 years for the adjustment and may advance payments to
15 the district otherwise authorized under this article if the
16 district would otherwise experience a significant hardship in
17 satisfying its financial obligations. However, a district that
18 presented satisfactory evidence of hardship and was undergoing an
19 extended adjustment during 2018-2019 may continue to use the period
20 of extended adjustment as originally granted by the department.

21 (3) If, based on an audit by the department or the
22 department's designee or because of new or updated information
23 received by the department, the department determines that the
24 amount paid to a district or intermediate district under this
25 article for the current fiscal year or a prior fiscal year was
26 incorrect, the department shall make the appropriate deduction or
27 payment in the district's or intermediate district's allocation in
28 the next apportionment after the adjustment is finalized. The
29 department shall calculate the deduction or payment according to

1 the law in effect in the fiscal year in which the incorrect amount
2 was paid. If the district does not receive an allocation for the
3 fiscal year or if the allocation is not sufficient to pay the
4 amount of any deduction, the amount of any deduction otherwise
5 applicable must be satisfied from the proceeds of a loan to the
6 district under the emergency municipal loan act, 1980 PA 243, MCL
7 141.931 to 141.942, or from the proceeds of millage levied or
8 pledged under section 1211 of the revised school code, MCL
9 380.1211, as determined by the department.

10 (4) If the department makes an adjustment under this section
11 based in whole or in part on a membership audit finding that a
12 district or intermediate district employed an educator in violation
13 of certification requirements under the revised school code and
14 rules promulgated by the department, the department shall prorate
15 the adjustment according to the period of noncompliance with the
16 certification requirements.

17 (5) The department may conduct audits, or may direct audits by
18 designee of the department, for the current fiscal year and the
19 immediately preceding fiscal year of all records related to a
20 program for which a district or intermediate district has received
21 funds under this article.

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

25 (7) In addition to funds appropriated in section 11 for all
26 programs and services, there is appropriated for ~~2020-2021~~**2021-**
27 **2022** for obligations in excess of applicable appropriations an
28 amount equal to the collection of overpayments, but not to exceed
29 amounts available from overpayments.

1 Sec. 18. (1) Except as provided in another section of this
2 article, each district or other entity shall apply the money
3 received by the district or entity under this article to salaries
4 and other compensation of teachers and other employees, tuition,
5 transportation, lighting, heating, ventilation, water service, the
6 purchase of textbooks, other supplies, and any other school
7 operating expenditures defined in section 7. However, not more than
8 20% of the total amount received by a district under sections 22a
9 and 22b or received by an intermediate district under section 81
10 may be transferred by the board to either the capital projects fund
11 or to the debt retirement fund for debt service. A district or
12 other entity shall not apply or take the money for a purpose other
13 than as provided in this section. The department shall determine
14 the reasonableness of expenditures and may withhold from a
15 recipient of funds under this article the apportionment otherwise
16 due upon a violation by the recipient. A district must not be
17 prohibited or limited from using funds appropriated or allocated
18 under this article that are permitted for use for noninstructional
19 services to contract or subcontract with an intermediate district,
20 third party, or vendor for the noninstructional services.

21 (2) A district or intermediate district shall adopt an annual
22 budget in a manner that complies with the uniform budgeting and
23 accounting act, 1968 PA 2, MCL 141.421 to 141.440a. Within 15 days
24 after a district board adopts its annual operating budget for the
25 following school fiscal year, or after a district board adopts a
26 subsequent revision to that budget, the district shall make all of
27 the following available through a link on its website homepage, or
28 may make the information available through a link on its
29 intermediate district's website homepage, in a form and manner

1 prescribed by the department:

2 (a) The annual operating budget and subsequent budget
3 revisions.

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

8 (i) A chart of personnel expenditures, broken into the
9 following subcategories:

10 (A) Salaries and wages.

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

14 (C) Retirement benefit costs.

15 (D) All other personnel costs.

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

18 (A) Instruction.

19 (B) Support services.

20 (C) Business and administration.

21 (D) Operations and maintenance.

22 (c) Links to all of the following:

23 (i) The current collective bargaining agreement for each
24 bargaining unit.

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

29 (iii) The audit report of the **financial** audit conducted under

1 subsection (4) for the most recent fiscal year for which it is
2 available.

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

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

7 (vi) The district's written policy establishing specific
8 categories of reimbursable expenses, as described in section
9 1254(2) of the revised school code, MCL 380.1254.

10 (vii) Either the district's accounts payable check register for
11 the most recent school fiscal year or a statement of the total
12 amount of expenses incurred by board members or employees of the
13 district that were reimbursed by the district for the most recent
14 school fiscal year.

15 (d) The total salary and a description and cost of each fringe
16 benefit included in the compensation package for the superintendent
17 of the district and for each employee of the district whose salary
18 exceeds \$100,000.00.

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

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

23 (g) Any deficit elimination plan or enhanced deficit
24 elimination plan the district was required to submit under the
25 revised school code.

26 (h) Identification of all credit cards maintained by the
27 district as district credit cards, the identity of all individuals
28 authorized to use each of those credit cards, the credit limit on
29 each credit card, and the dollar limit, if any, for each

1 individual's authorized use of the credit card.

2 (i) Costs incurred for each instance of out-of-state travel by
3 the school administrator of the district that is fully or partially
4 paid for by the district and the details of each of those instances
5 of out-of-state travel, including at least identification of each
6 individual on the trip, destination, and purpose.

7 (3) For the information required under subsection (2)(a),
8 (2)(b)(i), and (2)(c), an intermediate district shall provide the
9 same information in the same manner as required for a district
10 under subsection (2).

11 (4) For the purposes of determining the reasonableness of
12 expenditures, whether a district or intermediate district has
13 received the proper amount of funds under this article, and whether
14 a violation of this article has occurred, all of the following
15 apply:

16 (a) The department shall require that each district and
17 intermediate district have an audit of the district's or
18 intermediate district's financial and pupil accounting records
19 conducted at least annually, and at such other times as determined
20 by the department, at the expense of the district or intermediate
21 district, as applicable. The audits must be performed by a
22 certified public accountant or by the intermediate district
23 superintendent, as may be required by the department, or in the
24 case of a district of the first class by a certified public
25 accountant, the intermediate superintendent, or the auditor general
26 of the city. A district or intermediate district shall retain these
27 records for the current fiscal year and from at least the 3
28 immediately preceding fiscal years.

29 (b) If a district operates in a single building with fewer

1 than 700 full-time equated pupils, if the district has stable
2 membership, and if the error rate of the immediately preceding 2
3 pupil accounting field audits of the district is less than 2%, the
4 district may have a pupil accounting field audit conducted
5 biennially but must continue to have desk audits for each pupil
6 count. The auditor must document compliance with the audit cycle in
7 the pupil auditing manual. As used in this subdivision, "stable
8 membership" means that the district's membership for the current
9 fiscal year varies from the district's membership for the
10 immediately preceding fiscal year by less than 5%.

11 (c) A district's or intermediate district's annual financial
12 audit must include an analysis of the financial and pupil
13 accounting data used as the basis for distribution of state school
14 aid.

15 (d) The pupil and financial accounting records and reports,
16 audits, and management letters are subject to requirements
17 established in the auditing and accounting manuals approved and
18 published by the department.

19 (e) All of the following must be done not later than November
20 1 each year for reporting the prior fiscal year data: ~~7, but, for~~
21 ~~2020-2021 only, not later than December 1 for reporting the 2019-~~
22 ~~2020 data.~~

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

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

27 (iii) The intermediate district shall enter the pupil membership
28 audit reports for its constituent districts and for the
29 intermediate district, for the pupil membership count day and

1 supplemental count day, in the Michigan student data system.

2 (f) The annual financial audit reports and pupil accounting
3 procedures reports must be available to the public in compliance
4 with the freedom of information act, 1976 PA 442, MCL 15.231 to
5 15.246.

6 (g) Not later than January 31 of each year, the department
7 shall notify the state budget director and the legislative
8 appropriations subcommittees responsible for review of the school
9 aid budget of districts and intermediate districts that have not
10 filed an annual financial audit and pupil accounting procedures
11 report required under this section for the school year ending in
12 the immediately preceding fiscal year.

13 (5) By the first business day in November of each fiscal year,
14 ~~but, for submission of the 2019-2020 annual comprehensive financial~~
15 ~~data described in this subsection, by the first business day in~~
16 ~~December,~~ each district and intermediate district shall submit to
17 the center, in a manner prescribed by the center, annual
18 comprehensive financial data consistent with the district's or
19 intermediate district's audited financial statements and consistent
20 with accounting manuals and charts of accounts approved and
21 published by the department. For an intermediate district, the
22 report must also contain the website address where the department
23 can access the report required under section 620 of the revised
24 school code, MCL 380.620. The department shall ensure that the
25 prescribed Michigan public school accounting manual chart of
26 accounts includes standard conventions to distinguish expenditures
27 by allowable fund function and object. The functions must include
28 at minimum categories for instruction, pupil support, instructional
29 staff support, general administration, school administration,

1 business administration, transportation, facilities operation and
2 maintenance, facilities acquisition, and debt service; and must
3 include object classifications of salary, benefits, including
4 categories for active employee health expenditures, purchased
5 services, supplies, capital outlay, and other. A district shall
6 report the required level of detail consistent with the manual as
7 part of the comprehensive annual financial report.

8 (6) By the last business day in September of each year, each
9 district and intermediate district shall file with the center the
10 special education actual cost report, known as "SE-4096", on a form
11 and in the manner prescribed by the center. An intermediate
12 district shall certify the audit of a district's report.

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

19 (8) The department shall review its pupil accounting and pupil
20 auditing manuals at least annually and shall periodically update
21 those manuals to reflect changes in this article. **Any changes to**
22 **the pupil accounting manual that are applicable for the school year**
23 **that begins after March 31 of a fiscal year must be published by**
24 **not later than March 31 of that fiscal year. However, if**
25 **legislation is enacted that necessitates adjustments to the pupil**
26 **accounting manual after March 31 of a fiscal year, and a district**
27 **incurs a violation of the amended pupil accounting manual in the**
28 **subsequent fiscal year, the department must notify the district of**
29 **that violation and allow the district 30 days to correct the**

1 violation before the department is allowed to impose financial
2 penalties under this act related to the violation.

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

7 (10) If a district or intermediate district does not comply
8 with subsections (4), (5), (6), (7), and (12), or if the department
9 determines that the financial data required under subsection (5)
10 are not consistent with audited financial statements, the
11 department shall withhold all state school aid due to the district
12 or intermediate district under this article, beginning with the
13 next payment due to the district or intermediate district, until
14 the district or intermediate district complies with subsections
15 (4), (5), (6), (7), and (12). If the district or intermediate
16 district does not comply with subsections (4), (5), (6), (7), and
17 (12) by the end of the fiscal year, the district or intermediate
18 district forfeits the amount withheld.

19 (11) If a district or intermediate district does not comply
20 with subsection (2), the department may withhold up to 10% of the
21 total state school aid due to the district or intermediate district
22 under this article, beginning with the next payment due to the
23 district or intermediate district, until the district or
24 intermediate district complies with subsection (2). If the district
25 or intermediate district does not comply with subsection (2) by the
26 end of the fiscal year, the district or intermediate district
27 forfeits the amount withheld.

28 (12) By November 1 of each year, if a district or intermediate
29 district offers virtual learning under section 21f, or for a school

1 of excellence that is a cyber school, as defined in section 551 of
2 the revised school code, MCL 380.551, the district or intermediate
3 district shall submit to the department a report that details the
4 per-pupil costs of operating the virtual learning by vendor type
5 and virtual learning model. The report must include information
6 concerning the operation of virtual learning for the immediately
7 preceding school fiscal year, including information concerning
8 summer programming. Information must be collected in a form and
9 manner determined by the department and must be collected in the
10 most efficient manner possible to reduce the administrative burden
11 on reporting entities.

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

19 (14) As used in subsections (12) and (13), "vendor type" means
20 the following:

21 (a) Virtual courses provided by the Michigan Virtual
22 University.

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

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

28 (d) Virtual courses created and offered by a district or
29 intermediate district.

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

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

12 Sec. 19. (1) A district or intermediate district shall comply
13 with all applicable reporting requirements specified in state and
14 federal law. Data provided to the center, in a form and manner
15 prescribed by the center, shall be aggregated and disaggregated as
16 required by state and federal law. In addition, a district or
17 intermediate district shall cooperate with all measures taken by
18 the center to establish and maintain a statewide P-20 longitudinal
19 data system.

20 (2) Each district shall furnish to the center not later than 5
21 weeks after the pupil membership count day and by the last business
22 day in June of the school fiscal year ending in the fiscal year, in
23 a manner prescribed by the center, the information necessary for
24 the preparation of the district and high school graduation report,
25 **information regarding completion of early middle college**
26 **credentials obtained and postsecondary credits obtained in any**
27 **college acceleration program, and information necessary** for the
28 preparation of the state and federal accountability reports. This
29 information shall meet requirements established in the pupil

1 auditing manual approved and published by the department. The
2 center shall calculate an annual graduation and pupil dropout rate
3 for each high school, each district, and this state, in compliance
4 with nationally recognized standards for these calculations. The
5 center shall report all graduation and dropout rates to the senate
6 and house education committees and appropriations committees, the
7 state budget director, and the department not later than 30 days
8 after the publication of the list described in subsection (5).
9 Before reporting these graduation and dropout rates, the department
10 shall allow a school or district to appeal the calculations. The
11 department shall consider and act upon the appeal within 30 days
12 after it is submitted and shall not report these graduation and
13 dropout rates until after all appeals have been considered and
14 decided.

15 (3) By the first business day in December and by the last
16 business day in June of each year, a district shall furnish to the
17 center, in a manner prescribed by the center, information related
18 to educational personnel as necessary for reporting required by
19 state and federal law. For the purposes of this subsection, the
20 center shall only require districts and intermediate districts to
21 report information that is not already available from the office of
22 retirement services in the department of technology, management,
23 and budget.

24 (4) If a district or intermediate district fails to meet the
25 requirements of this section, the department shall withhold 5% of
26 the total funds for which the district or intermediate district
27 qualifies under this article until the district or intermediate
28 district complies with ~~all of these subsections.~~ **this section.** If
29 the district or intermediate district does not comply with ~~all of~~

~~those subsections~~ **this section** by the end of the fiscal year, the department shall place the amount withheld in an escrow account until the district or intermediate district complies with ~~all of these subsections~~. **this section.**

(5) Before publishing a list of school or district accountability designations as required by the no child left behind act of 2001, Public Law 107-110, or the every student succeeds act, Public Law 114-95, and utilizing data that were certified as accurate and complete after districts and intermediate districts adhered to deadlines, data quality reviews, and correction processes leading to local certification of final student data in subsection (2), the department shall allow a school or district to appeal any calculation errors used in the preparation of accountability metrics. The department shall consider and act upon the appeal within 30 days after it is submitted and shall not publish the list until after all appeals have been considered and decided.

(6) ~~Beginning in 2016-2017, the~~ **The** department shall implement statewide standard reporting requirements for education data approved by the department in conjunction with the center. The department shall work with the center, intermediate districts, districts, and other interested stakeholders to implement this policy change. A district or intermediate district shall implement the statewide standard reporting requirements not later than 2017-2018 or when a district or intermediate district updates its education data reporting system, whichever is later.

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

(a) The target foundation allowance is ~~\$8,529.00.~~ **\$8,700.00.**

(b) The minimum foundation allowance is ~~\$8,111.00~~ **\$8,700.00**.

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

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

(a) Except as otherwise provided in this subdivision, **except for 2021-2022**, for a district that had a foundation allowance for the immediately preceding fiscal year that was at least equal to the minimum foundation allowance for the immediately preceding fiscal year, but less than the target foundation allowance for the immediately preceding fiscal year, the district receives a foundation allowance in an amount equal to the sum of the district's foundation allowance for the immediately preceding fiscal year plus the difference between twice the dollar amount of the adjustment from the immediately preceding fiscal year to the current fiscal year made in the target foundation allowance and [(the difference between the target foundation allowance for the current fiscal year and target foundation allowance for the immediately preceding fiscal year minus \$40.00) times (the difference between the district's foundation allowance for the immediately preceding fiscal year and the minimum foundation allowance for the immediately preceding fiscal year) divided by the difference between the target foundation allowance for the current fiscal year and the minimum foundation allowance for the

1 immediately preceding fiscal year.] ~~However, the~~ **The** foundation
 2 allowance for a district that had less than the target foundation
 3 allowance for the immediately preceding fiscal year must not exceed
 4 the target foundation allowance for the current fiscal year. **For**
 5 **2021-2022, for a district that had a foundation allowance for the**
 6 **immediately preceding fiscal year that was at least equal to the**
 7 **minimum foundation allowance for the immediately preceding fiscal**
 8 **year, but less than the target foundation allowance for the**
 9 **immediately preceding fiscal year, the district's foundation**
 10 **allowance is \$8,700.00.**

11 (b) Except as otherwise provided in this subsection, for a
 12 district that in the immediately preceding fiscal year had a
 13 foundation allowance in an amount equal to the amount of the target
 14 foundation allowance for the immediately preceding fiscal year, the
 15 district receives a foundation allowance for ~~2020-2021-2021-2022~~ in
 16 an amount equal to the target foundation allowance for ~~2020-~~
 17 ~~2021-2021-2022.~~

18 (c) For a district that had a foundation allowance for the
 19 immediately preceding fiscal year that was greater than the target
 20 foundation allowance for the immediately preceding fiscal year, the
 21 district's foundation allowance is an amount equal to the sum of
 22 the district's foundation allowance for the immediately preceding
 23 fiscal year plus the lesser of the increase in the target
 24 foundation allowance for the current fiscal year, as compared to
 25 the immediately preceding fiscal year, or the product of the
 26 district's foundation allowance for the immediately preceding
 27 fiscal year times the percentage increase in the United States
 28 Consumer Price Index in the calendar year ending in the immediately
 29 preceding fiscal year as reported by the May revenue estimating

1 conference conducted under section 367b of the management and
2 budget act, 1984 PA 431, MCL 18.1367b.

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

6 (4) Except as otherwise provided in this subsection, beginning
7 in ~~2014-2015,~~ **2021-2022**, the state portion of a district's
8 foundation allowance is an amount equal to the district's
9 foundation allowance or the target foundation allowance for the
10 current fiscal year, whichever is less, minus the local portion of
11 the district's foundation allowance. ~~For a district described in~~
12 ~~subsection (3)(c), beginning in 2014-2015, the state portion of the~~
13 ~~district's foundation allowance is an amount equal to \$6,962.00~~
14 ~~plus the difference between the district's foundation allowance for~~
15 ~~the current fiscal year and the district's foundation allowance for~~
16 ~~1998-99, minus the local portion of the district's foundation~~
17 ~~allowance.~~ For a district that has a millage reduction required
18 under section 31 of article IX of the state constitution of 1963,
19 the department shall calculate the state portion of the district's
20 foundation allowance as if that reduction did not occur. For a
21 receiving district, if school operating taxes continue to be levied
22 on behalf of a dissolved district that has been attached in whole
23 or in part to the receiving district to satisfy debt obligations of
24 the dissolved district under section 12 of the revised school code,
25 MCL 380.12, the taxable value per membership pupil of property in
26 the receiving district used for the purposes of this subsection
27 does not include the taxable value of property within the
28 geographic area of the dissolved district. For a community
29 district, if school operating taxes continue to be levied by a

1 qualifying school district under section 12b of the revised school
2 code, MCL 380.12b, with the same geographic area as the community
3 district, the taxable value per membership pupil of property in the
4 community district to be used for the purposes of this subsection
5 does not include the taxable value of property within the
6 geographic area of the community district.

7 (5) The allocation calculated under this section for a pupil
8 is based on the foundation allowance of the pupil's district of
9 residence. For a pupil enrolled ~~pursuant to~~**under** section 105 or
10 105c in a district other than the pupil's district of residence,
11 the allocation calculated under this section is based on the lesser
12 of the foundation allowance of the pupil's district of residence or
13 the foundation allowance of the educating district. For a pupil in
14 membership in a K-5, K-6, or K-8 district who is enrolled in
15 another district in a grade not offered by the pupil's district of
16 residence, the allocation calculated under this section is based on
17 the foundation allowance of the educating district if the educating
18 district's foundation allowance is greater than the foundation
19 allowance of the pupil's district of residence. **The calculation**
20 **under this subsection must take into account a district's per-pupil**
21 **allocation under section 20m.**

22 (6) Except as otherwise provided in this subsection, for
23 pupils in membership, other than special education pupils, in a
24 public school academy, the allocation calculated under this section
25 is an amount per membership pupil other than special education
26 pupils in the public school academy equal to the minimum foundation
27 allowance specified in subsection (1). Notwithstanding section 101,
28 for a public school academy that begins operations after the pupil
29 membership count day, the amount per membership pupil calculated

1 under this subsection must be adjusted by multiplying that amount
 2 per membership pupil by the number of hours of pupil instruction
 3 provided by the public school academy after it begins operations,
 4 as determined by the department, divided by the minimum number of
 5 hours of pupil instruction required under section 101(3). The
 6 result of this calculation must not exceed the amount per
 7 membership pupil otherwise calculated under this subsection.

8 (7) ~~Except as otherwise provided in this subsection, for~~ **For**
 9 pupils in membership, other than special education pupils, in a
 10 community district, the allocation calculated under this section is
 11 an amount per membership pupil other than special education pupils
 12 in the community district equal to the foundation allowance of the
 13 qualifying school district, as described in section 12b of the
 14 revised school code, MCL 380.12b, that is located within the same
 15 geographic area as the community district.

16 (8) Subject to subsection (4), for a district that is formed
 17 or reconfigured after June 1, 2002 by consolidation of 2 or more
 18 districts or by annexation, the resulting district's foundation
 19 allowance under this section beginning after the effective date of
 20 the consolidation or annexation is the lesser of the sum of the
 21 average of the foundation allowances of each of the original or
 22 affected districts, calculated as provided in this section,
 23 weighted as to the percentage of pupils in total membership in the
 24 resulting district who reside in the geographic area of each of the
 25 original or affected districts plus \$100.00 or the highest
 26 foundation allowance among the original or affected districts. This
 27 subsection does not apply to a receiving district unless there is a
 28 subsequent consolidation or annexation that affects the district.
 29 **The calculation under this subsection must take into account a**

1 district's per-pupil allocation under section 20m.

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

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

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

15 (a) The pupil membership factor is computed by dividing the
16 estimated membership in the school year ending in the current
17 fiscal year, excluding intermediate district membership, by the
18 estimated membership for the school year ending in the subsequent
19 fiscal year, excluding intermediate district membership. If a
20 consensus membership factor is not determined at the revenue
21 estimating conference, the principals of the revenue estimating
22 conference shall report their estimates to the house and senate
23 subcommittees responsible for school aid appropriations not later
24 than 7 days after the conclusion of the revenue conference.

25 (b) The revenue adjustment factor is computed by dividing the
26 sum of the estimated total state school aid fund revenue for the
27 subsequent fiscal year plus the estimated total state school aid
28 fund revenue for the current fiscal year, adjusted for any change
29 in the rate or base of a tax the proceeds of which are deposited in

1 that fund and excluding money transferred into that fund from the
2 countercyclical budget and economic stabilization fund under the
3 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, by
4 the sum of the estimated total school aid fund revenue for the
5 current fiscal year plus the estimated total state school aid fund
6 revenue for the immediately preceding fiscal year, adjusted for any
7 change in the rate or base of a tax the proceeds of which are
8 deposited in that fund. If a consensus revenue factor is not
9 determined at the revenue estimating conference, the principals of
10 the revenue estimating conference shall report their estimates to
11 the house and senate subcommittees responsible for ~~state~~-school aid
12 appropriations not later than 7 days after the conclusion of the
13 revenue conference.

14 (c) The index is calculated by multiplying the pupil
15 membership factor by the revenue adjustment factor. If a consensus
16 index is not determined at the revenue estimating conference, the
17 principals of the revenue estimating conference shall report their
18 estimates to the house and senate subcommittees responsible for
19 state school aid appropriations not later than 7 days after the
20 conclusion of the revenue conference.

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

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

1 (14) As used in this section:

2 (a) "Certified mills" means the lesser of 18 mills or the
3 number of mills of school operating taxes levied by the district in
4 1993-94.

5 (b) "Combined state and local revenue" means the aggregate of
6 the district's state school aid received by or paid on behalf of
7 the district under this section and the district's local school
8 operating revenue.

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

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

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

18 (f) "Immediately preceding fiscal year" means the fiscal year
19 immediately preceding the current fiscal year.

20 (g) "Local portion of the district's foundation allowance"
21 means an amount that is equal to the difference between (the sum of
22 the product of the taxable value per membership pupil of all
23 property in the district that is nonexempt property times the
24 district's certified mills and, for a district with certified mills
25 exceeding 12, the product of the taxable value per membership pupil
26 of property in the district that is commercial personal property
27 times the certified mills minus 12 mills) and (the quotient of the
28 product of the captured assessed valuation under tax increment
29 financing acts times the district's certified mills divided by the

1 district's membership excluding special education pupils).

2 (h) "Local school operating revenue" means school operating
3 taxes levied under section 1211 of the revised school code, MCL
4 380.1211. For a receiving district, if school operating taxes are
5 to be levied on behalf of a dissolved district that has been
6 attached in whole or in part to the receiving district to satisfy
7 debt obligations of the dissolved district under section 12 of the
8 revised school code, MCL 380.12, local school operating revenue
9 does not include school operating taxes levied within the
10 geographic area of the dissolved district.

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

14 (j) "Membership" means the definition of that term under
15 section 6 as in effect for the particular fiscal year for which a
16 particular calculation is made.

17 (k) "Nonexempt property" means property that is not a
18 principal residence, qualified agricultural property, qualified
19 forest property, supportive housing property, industrial personal
20 property, commercial personal property, or property occupied by a
21 public school academy.

22 (l) "Principal residence", "qualified agricultural property",
23 "qualified forest property", "supportive housing property",
24 "industrial personal property", and "commercial personal property"
25 mean those terms as defined in section 1211 of the revised school
26 code, MCL 380.1211.

27 (m) "Receiving district" means a district to which all or part
28 of the territory of a dissolved district is attached under section
29 12 of the revised school code, MCL 380.12.

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

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

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

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

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

(a) For a district that had combined state and local revenue per membership pupil in the 1994-95 fiscal year of \$6,500.00 or more and served as a fiscal agent for a state board designated area vocational education center in the 1993-94 school year, total state school aid received by or paid on behalf of the district under this act in 1993-94 excludes payments made under former section 146 and under section 147 on behalf of the district's employees who

1 provided direct services to the area vocational education center.
 2 Not later than June 30, 1996, the department shall make an
 3 adjustment under this subdivision to the district's combined state
 4 and local revenue per membership pupil in the 1994-95 fiscal year
 5 and the department of treasury shall make a final certification of
 6 the number of mills that may be levied by the district under
 7 section 1211 of the revised school code, MCL 380.1211, as a result
 8 of the adjustment under this subdivision.

9 (b) If a district had an adjustment made to its 1993-94 total
 10 state school aid that excluded payments made under former section
 11 146 and under section 147 on behalf of the district's employees who
 12 provided direct services for intermediate district center programs
 13 operated by the district under **former section 51 and sections 51**
 14 **51a** to 56, if nonresident pupils attending the center programs were
 15 included in the district's membership for purposes of calculating
 16 the combined state and local revenue per membership pupil for 1993-
 17 94, and if there is a signed agreement by all constituent districts
 18 of the intermediate district agreeing to an adjustment under this
 19 subdivision, the department shall calculate the foundation
 20 allowances for 1995-96 and 1996-97 of all districts that had pupils
 21 attending the intermediate district center program operated by the
 22 district that had the adjustment as if their combined state and
 23 local revenue per membership pupil for 1993-94 included resident
 24 pupils attending the center program and excluded nonresident pupils
 25 attending the center program.

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

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

6 (a) The increase in the district's foundation allowance or
7 per-pupil payment as calculated under section 20 from 2012-2013 to
8 2013-2014.

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

11 (c) The quotient of the district's allocation under section
12 147a for 2012-2013 divided by the district's membership pupils for
13 2012-2013 minus the quotient of the district's allocation under
14 section 147a for 2013-2014 divided by the district's membership
15 pupils for 2013-2014.

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 20m. (1) Foundation allowance supplemental payments for the current fiscal year to districts that in the immediately preceding fiscal year had a foundation allowance greater than the target foundation allowance must be calculated under this section.

(2) The per-pupil allocation to each district under this

1 section is the difference between the dollar amount of the
2 adjustment from the immediately preceding fiscal year to the
3 current fiscal year in the target foundation allowance minus the
4 dollar amount of the adjustment from the immediately preceding
5 fiscal year to the current fiscal year in a qualifying district's
6 foundation allowance.

7 (3) If a district's local revenue per pupil does not exceed
8 the sum of its foundation allowance under section 20 plus the per-
9 pupil allocation under subsection (2), the total payment to the
10 district calculated under this section is the product of the per-
11 pupil allocation under subsection (2) multiplied by the district's
12 membership, excluding special education pupils. If a district's
13 local revenue per pupil exceeds the foundation allowance under
14 section 20 but does not exceed the sum of the foundation allowance
15 under section 20 plus the per-pupil allocation under subsection
16 (2), the total payment to the district calculated under this
17 section is the product of the difference between the sum of the
18 foundation allowance under section 20 plus the per-pupil allocation
19 under subsection (2) minus the local revenue per pupil multiplied
20 by the district's membership, excluding special education pupils.
21 If a district's local revenue per pupil exceeds the sum of the
22 foundation allowance under section 20 plus the per-pupil allocation
23 under subsection (2), there is no payment calculated under this
24 section for the district.

25 (4) Payments to districts must not be made under this section.
26 Rather, the calculations under this section are used to determine
27 the amount of state payments that are made under section 22b.

28 (5) As used in this section, "qualifying district" means a
29 district where the millage limitation in section 1211(3) of the

1 revised school code, MCL 380.1211, is applied due to the increase
 2 in the target foundation allowance from the immediately preceding
 3 fiscal year to the current fiscal year exceeding the percentage
 4 increase in the general price level in the immediately preceding
 5 calendar year applied to the district's immediately preceding
 6 fiscal year foundation allowance.

7 Sec. 21f. (1) ~~Except as otherwise provided under subsection~~
 8 ~~(15), a~~ **A** primary district shall enroll an eligible pupil in
 9 virtual courses in accordance with the provisions of this section.
 10 ~~Except as otherwise provided under subsection (15), a~~ **A** primary
 11 district shall not offer a virtual course to an eligible pupil
 12 unless the virtual course is published in the primary district's
 13 catalog of board-approved courses or in the statewide catalog of
 14 virtual courses maintained by the Michigan Virtual University
 15 pursuant to section 98. The primary district shall also provide on
 16 its publicly accessible website a link to the statewide catalog of
 17 virtual courses maintained by the Michigan Virtual University.
 18 ~~Except as otherwise provided under subsection (15), unless~~ **Unless**
 19 the pupil is at least age 18 or is an emancipated minor, a pupil
 20 must not be enrolled in a virtual course without the consent of the
 21 pupil's parent or legal guardian.

22 (2) Subject to subsection (3), ~~and except as otherwise~~
 23 ~~provided under subsection (15), a~~ primary district shall enroll an
 24 eligible pupil in up to 2 virtual courses as requested by the pupil
 25 during an academic term, semester, or trimester.

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

1 (a) The primary district has determined that it is in the best
2 interest of the pupil.

3 (b) The pupil agrees with the recommendation of the primary
4 district.

5 (c) The primary district, in collaboration with the pupil, has
6 developed an education development plan, in a form and manner
7 specified by the department, that is kept on file by the district.
8 This subdivision does not apply to a pupil enrolled as a part-time
9 pupil under section 166b.

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

23 (5) ~~Except as otherwise provided under subsection (15), a~~ **A**
24 primary district may not establish additional requirements beyond
25 those specified in this subsection that would prohibit a pupil from
26 taking a virtual course. ~~Except as otherwise provided under~~
27 ~~subsection (15), a~~ **A** pupil's primary district may deny the pupil
28 enrollment in a virtual course if any of the following apply, as
29 determined by the district:

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

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

4 (c) The virtual course is not capable of generating academic
5 credit.

6 (d) The virtual course is inconsistent with the remaining
7 graduation requirements or career interests of the pupil.

8 (e) The pupil has not completed the prerequisite coursework
9 for the requested virtual course or has not demonstrated
10 proficiency in the prerequisite course content.

11 (f) The pupil has failed a previous virtual course in the same
12 subject during the 2 most recent academic years.

13 (g) The virtual course is of insufficient quality or rigor. A
14 primary district that denies a pupil enrollment request for this
15 reason shall enroll the pupil in a virtual course in the same or a
16 similar subject that the primary district determines is of
17 acceptable rigor and quality.

18 (h) The cost of the virtual course exceeds the amount
19 identified in subsection (10), unless the pupil or the pupil's
20 parent or legal guardian agrees to pay the cost that exceeds this
21 amount.

22 (i) The request for a virtual course enrollment did not occur
23 within the same timelines established by the primary district for
24 enrollment and schedule changes for regular courses.

25 (j) The request for a virtual course enrollment was not made
26 in the academic term, semester, trimester, or summer preceding the
27 enrollment. This subdivision does not apply to a request made by a
28 pupil who is newly enrolled in the primary district.

29 (6) ~~Except as otherwise provided under subsection (15), if~~ **If**

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

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

19 (a) Ensure that the virtual course has been published in the
 20 pupil's primary district's catalog of board-approved courses or
 21 published in the statewide catalog of virtual courses maintained by
 22 the Michigan Virtual University.

23 (b) Assign to each pupil a teacher of record and provide the
 24 primary district with the personnel identification code assigned by
 25 the center for the teacher of record. If the provider is a
 26 community college, the virtual course must be taught by an
 27 instructor employed by or contracted through the providing
 28 community college.

29 (c) Offer the virtual course on an open entry and exit method,

1 or aligned to a semester, trimester, or accelerated academic term
2 format.

3 (d) If the virtual course is offered to eligible pupils in
4 more than 1 district, the following additional requirements must
5 also be met:

6 (i) Provide the Michigan Virtual University with a course
7 syllabus that meets the definition under subsection (14)(g) in a
8 form and manner prescribed by the Michigan Virtual University for
9 inclusion in a statewide catalog of virtual courses.

10 (ii) Not later than October 1 of each fiscal year, provide the
11 Michigan Virtual University with an aggregated count of enrollments
12 for each virtual course the provider delivered to pupils under this
13 section during the immediately preceding school year, and the
14 number of enrollments in which the pupil earned 60% or more of the
15 total course points for each virtual course.

16 (8) ~~Except as otherwise provided under subsection (15), to~~ **To**
17 provide a virtual course under this section, a community college
18 shall ensure that each virtual course it provides under this
19 section generates postsecondary credit.

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

24 (10) ~~Except as otherwise provided under subsection (15), for~~
25 **For** a pupil enrolled in 1 or more virtual courses, the primary
26 district shall use foundation allowance or per-pupil funds
27 calculated under section 20 to pay for the expenses associated with
28 the virtual course or courses. ~~Except as otherwise provided under~~
29 ~~subsection (15), a~~ **A** primary district is not required to pay toward

1 the cost of a virtual course an amount that exceeds 6.67% of the
2 minimum foundation allowance for the current fiscal year as
3 calculated under section 20.

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

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

18 (13) The enrollment of a pupil in 1 or more virtual courses
19 must not result in a pupil being counted as more than 1.0 full-time
20 equivalent pupils under this article. ~~Except as otherwise provided~~
21 ~~under subsection (15), the~~ **The** minimum requirements to count the
22 pupil in membership are those established by the pupil accounting
23 manual as it was in effect for the 2015-2016 school year or as
24 subsequently amended by the department if the department notifies
25 the legislature about the proposed amendment at least 60 days
26 before the amendment becomes effective.

27 (14) As used in this section:

28 (a) "Instructor" means an individual who is employed by or
29 contracted through a community college.

1 (b) "Mentor" means a professional employee of the primary
2 district who monitors the pupil's progress, ensures the pupil has
3 access to needed technology, is available for assistance, and
4 ensures access to the teacher of record. A mentor may also serve as
5 the teacher of record if the primary district is the provider for
6 the virtual course and the mentor meets the requirements under
7 subdivision (e).

8 (c) "Primary district" means the district that enrolls the
9 pupil and reports the pupil for pupil membership purposes.

10 (d) "Provider" means the district, intermediate district, or
11 community college that the primary district pays to provide the
12 virtual course or the Michigan Virtual University if it is
13 providing the virtual course. Beginning on the first day of the
14 2020-2021 school year through August 31, 2021, "provider" also
15 includes any other institution or individual that the primary
16 district pays to provide the virtual course.

17 (e) "Teacher of record" means a teacher who meets all of the
18 following:

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

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

23 (iii) Is responsible for providing instruction, determining
24 instructional methods for each pupil, diagnosing learning needs,
25 assessing pupil learning, prescribing intervention strategies and
26 modifying lessons, reporting outcomes, and evaluating the effects
27 of instruction and support strategies.

28 (iv) Has a personnel identification code provided by the
29 center.

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

3 (f) "Virtual course" means a course of study that is capable
4 of generating a credit or a grade and that is provided in an
5 interactive learning environment where the majority of the
6 curriculum is delivered using the internet and in which pupils may
7 be separated from their instructor or teacher of record by time or
8 location, or both.

9 (g) "Virtual course syllabus" means a document that includes
10 all of the following:

11 (i) An alignment document detailing how the course meets
12 applicable state standards or, if the state does not have state
13 standards, nationally recognized standards.

14 (ii) The virtual course content outline.

15 (iii) The virtual course required assessments.

16 (iv) The virtual course prerequisites.

17 (v) Expectations for actual instructor or teacher of record
18 contact time with the virtual learning pupil and other
19 communications between a pupil and the instructor or teacher of
20 record.

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

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

23 (viii) The name of the institution or organization providing the
24 virtual content.

25 (ix) The name of the institution or organization providing the
26 instructor or teacher of record.

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

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

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

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

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

Sec. 21h. (1) From the ~~appropriation~~ **state school aid fund money appropriated** in section 11, there is allocated \$6,137,400.00 for ~~2020-2021~~ **2021-2022** for assisting districts assigned by the superintendent to participate in a partnership and districts that have established a community engagement advisory committee in partnership with the department of treasury, are required to submit a deficit elimination plan or an enhanced deficit elimination plan under section 1220 of the revised school code, MCL 380.1220, and are located in a city with a population between 9,000 and 11,000, **as determined by the department**, that is in a county with a population between ~~155,000~~ **150,000** and 160,000, **as determined by the department**, to improve student achievement and district financial stability. The superintendent shall collaborate with the state treasurer to identify any conditions that may be contributing to low academic performance within a district being considered for

1 assignment to a partnership. The purpose of the partnership is to
2 identify district needs, develop intervention plans, and partner
3 with public, private, and nonprofit organizations to coordinate
4 resources and improve student achievement. Assignment of a district
5 to a partnership is made by the superintendent in consultation with
6 the state treasurer.

7 (2) A district described in subsection (1) is eligible for
8 funding under this section if the district includes at least 1
9 school that has been identified as low performing under the
10 approved federal accountability system or the state accountability
11 system. A district described in this subsection must do all of the
12 following to be eligible for funding under this section:

13 (a) For a partnership district under this section, within 90
14 days of assignment to the partnership described in this section,
15 and for a district described in subsection (1) that is not a
16 partnership district under this section, by October 15 of each
17 year, complete a comprehensive needs assessment or evaluation in
18 collaboration with an intermediate district, community members,
19 education organizations, and postsecondary institutions, as
20 applicable, that is approved by the superintendent. The
21 comprehensive needs assessment or evaluation must include at least
22 all of the following:

23 (i) A review of the district's implementation and utilization
24 of a multi-tiered system of supports to ensure that it is used to
25 appropriately inform instruction.

26 (ii) A review of the district and school building leadership
27 and educator capacity to substantially improve student outcomes.

28 (iii) A review of classroom, instructional, and operational
29 practices and curriculum to ensure alignment with research-based

1 instructional practices and state curriculum standards.

2 (b) Develop an academic and financial operating or
3 intervention plan that has been approved by the superintendent and
4 that addresses the needs identified in the comprehensive needs
5 assessment or evaluation completed under subdivision (a). The
6 intervention plan must include at least all of the following:

7 (i) Specific actions that will be taken by the district and
8 each of its partners to improve student achievement.

9 (ii) Specific measurable benchmarks that will be met within 18
10 months to improve student achievement and identification of
11 expected student achievement outcomes to be attained within 3 years
12 after assignment to the partnership.

13 (c) Craft academic goals that put pupils on track to meet or
14 exceed grade level proficiency.

15 (3) Upon approval of the academic and financial operating or
16 intervention plan developed under subsection (2), the department,
17 in collaboration with the department of treasury, shall assign a
18 team of individuals with expertise in comprehensive school and
19 district reform to partner with the district, the intermediate
20 district, community organizations, education organizations, and
21 postsecondary institutions identified in the academic and financial
22 operating or intervention plan to review the district's use of
23 existing financial resources to ensure that those resources are
24 being used as efficiently and effectively as possible to improve
25 student academic achievement and to ensure district financial
26 stability. The superintendent of public instruction may waive
27 burdensome administrative rules for a partnership district for the
28 duration of the partnership agreement and for a district described
29 in subsection (1) that is not a partnership district under this

1 section and that receives funding under this section in the current
2 fiscal year.

3 (4) Funds allocated under this section, excluding funds
4 allocated under subsection (5), may be used to pay for district
5 expenditures approved by the superintendent to improve student
6 achievement. Funds may be used for professional development for
7 teachers or district or school leadership, increased instructional
8 time, teacher mentors, or other expenditures that directly impact
9 student achievement and cannot be paid from existing district
10 financial resources. An eligible district must not receive funds
11 under this section for more than 3 years. Notwithstanding section
12 17b, the department shall make payments to districts under this
13 section on a schedule determined by the department.

14 (5) From the funds allocated under subsection (1), there is
15 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
16 \$137,400.00 for the purchase of a data analytics tool to be used by
17 districts described in subsection (1). The superintendent of public
18 instruction shall require districts described in subsection (1) to
19 purchase a data analytics tool funded under this subsection as part
20 of the agreements described in this section.

21 (6) The department, in consultation with the department of
22 treasury, shall annually report to the legislature on the
23 activities funded under this section and how those activities
24 impacted student achievement in districts that received funds under
25 this section. To the extent possible, participating districts
26 receiving funding under this section shall participate in the
27 report.

28 Sec. 22a. (1) From the ~~appropriation~~**state school aid fund**
29 **money appropriated** in section 11, there is allocated an amount not

1 to exceed ~~\$4,916,000,000.00~~ **\$4,836,000,000.00** for ~~2019-2020~~ **2020-**
 2 **2021** and there is allocated an amount not to exceed
 3 ~~\$4,880,500,000.00~~ **\$4,742,000,000.00** for ~~2020-2021~~ **2021-2022** for
 4 payments to districts and qualifying public school academies to
 5 guarantee each district and qualifying public school academy an
 6 amount equal to its 1994-95 total state and local ~~per pupil~~ **per-**
 7 **pupil** revenue for school operating purposes under section 11 of
 8 article IX of the state constitution of 1963. Pursuant to section
 9 11 of article IX of the state constitution of 1963, this guarantee
 10 does not apply to a district in a year in which the district levies
 11 a millage rate for school district operating purposes less than it
 12 levied in 1994. However, subsection (2) applies to calculating the
 13 payments under this section. Funds allocated under this section
 14 that are not expended in the fiscal year for which they were
 15 allocated, as determined by the department, may be used to
 16 supplement the allocations under sections 22b and 51c to fully fund
 17 those allocations for the same fiscal year. For each fund transfer
 18 as described in the immediately preceding sentence that occurs, the
 19 state budget director shall send notification of the transfer to
 20 the house and senate appropriations subcommittees on state school
 21 aid and the house and senate fiscal agencies by not later than 14
 22 calendar days after the transfer occurs.

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

28 (a) Except as otherwise provided in this subsection, the state
 29 portion of a district's 1994-95 foundation allowance is an amount

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

1 otherwise calculated under this section by an amount equal to the
2 amount of local school operating tax revenue that would otherwise
3 be due to the community district if not for the operation of
4 section 386 of the revised school code, MCL 380.386, and the amount
5 of this reduction is offset by the increase in funding under
6 section 22b(2).

7 (b) For a district that had a 1994-95 foundation allowance
8 greater than \$6,500.00, the state payment under this subsection is
9 the sum of the amount calculated under subdivision (a) plus the
10 amount calculated under this subdivision. The amount calculated
11 under this subdivision must be equal to the difference between the
12 district's 1994-95 foundation allowance minus \$6,500.00 and the
13 current year hold harmless school operating taxes per pupil. If the
14 result of the calculation under subdivision (a) is negative, the
15 negative amount is an offset against any state payment calculated
16 under this subdivision. If the result of a calculation under this
17 subdivision is negative, there is not a state payment or a
18 deduction under this subdivision. The taxable values per membership
19 pupil used in the calculations under this subdivision are as
20 adjusted by ad valorem property tax revenue captured under tax
21 increment financing acts divided by the district's membership. For
22 a receiving district, if school operating taxes are to be levied on
23 behalf of a dissolved district that has been attached in whole or
24 in part to the receiving district to satisfy debt obligations of
25 the dissolved district under section 12 of the revised school code,
26 MCL 380.12, ad valorem property tax revenue captured under tax
27 increment financing acts do not include ad valorem property tax
28 revenue captured within the geographic boundaries of the dissolved
29 district under tax increment financing acts.

1 (3) ~~Beginning in 2003-2004, for~~ **For** pupils in membership in a
 2 qualifying public school academy, there is allocated under this
 3 section to the authorizing body that is the fiscal agent for the
 4 qualifying public school academy for forwarding to the qualifying
 5 public school academy an amount equal to the 1994-95 ~~per pupil~~ **per-**
 6 **pupil** payment to the qualifying public school academy under section
 7 20.

8 (4) A district or qualifying public school academy may use
 9 funds allocated under this section in conjunction with any federal
 10 funds for which the district or qualifying public school academy
 11 otherwise would be eligible.

12 (5) Except as otherwise provided in this subsection, for a
 13 district that is formed or reconfigured after June 1, 2000 by
 14 consolidation of 2 or more districts or by annexation, the
 15 resulting district's 1994-95 foundation allowance under this
 16 section beginning after the effective date of the consolidation or
 17 annexation is the average of the 1994-95 foundation allowances of
 18 each of the original or affected districts, calculated as provided
 19 in this section, weighted as to the percentage of pupils in total
 20 membership in the resulting district in the fiscal year in which
 21 the consolidation takes place who reside in the geographic area of
 22 each of the original districts. If an affected district's 1994-95
 23 foundation allowance is less than the 1994-95 basic foundation
 24 allowance, the amount of that district's 1994-95 foundation
 25 allowance is considered for the purpose of calculations under this
 26 subsection to be equal to the amount of the 1994-95 basic
 27 foundation allowance. This subsection does not apply to a receiving
 28 district unless there is a subsequent consolidation or annexation
 29 that affects the district.

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

2 (7) As used in this section:

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

7 (b) "Certified mills" means the lesser of 18 mills or the
8 number of mills of school operating taxes levied by the district in
9 1993-94.

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

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

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

27 (f) "Hold harmless millage" means, for a district with a 1994-
28 95 foundation allowance greater than \$6,500.00, the number of mills
29 by which the exemption from the levy of school operating taxes on a

1 principal residence, qualified agricultural property, qualified
2 forest property, supportive housing property, industrial personal
3 property, commercial personal property, and property occupied by a
4 public school academy could be reduced as provided in section 1211
5 of the revised school code, MCL 380.1211, and the number of mills
6 of school operating taxes that could be levied on all property as
7 provided in section 1211(2) of the revised school code, MCL
8 380.1211, as certified by the department of treasury for the 1994
9 tax year. For a receiving district, if school operating taxes are
10 to be levied on behalf of a dissolved district that has been
11 attached in whole or in part to the receiving district to satisfy
12 debt obligations of the dissolved district under section 12 of the
13 revised school code, MCL 380.12, school operating taxes do not
14 include school operating taxes levied within the geographic area of
15 the dissolved district.

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

19 (h) "Nonexempt property" means property that is not a
20 principal residence, qualified agricultural property, qualified
21 forest property, supportive housing property, industrial personal
22 property, commercial personal property, or property occupied by a
23 public school academy.

24 (i) "Principal residence", "qualified agricultural property",
25 "qualified forest property", "supportive housing property",
26 "industrial personal property", and "commercial personal property"
27 mean those terms as defined in section 1211 of the revised school
28 code, MCL 380.1211.

29 (j) "Qualifying public school academy" means a public school

1 academy that was in operation in the 1994-95 school year and is in
2 operation in the current fiscal year.

3 (k) "Receiving district" means a district to which all or part
4 of the territory of a dissolved district is attached under section
5 12 of the revised school code, MCL 380.12.

6 (l) "School operating taxes" means local ad valorem property
7 taxes levied under section 1211 of the revised school code, MCL
8 380.1211, and retained for school operating purposes as defined in
9 section 20.

10 (m) "Tax increment financing acts" means parts 2, 3, 4, and 6
11 of the recodified tax increment financing act, 2018 PA 57, MCL
12 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield
13 redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

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

16 (i) For the number of mills by which the exemption from the
17 levy of school operating taxes on a principal residence, qualified
18 agricultural property, qualified forest property, supportive
19 housing property, industrial personal property, commercial personal
20 property, and property occupied by a public school academy may be
21 reduced as provided in section 1211 of the revised school code, MCL
22 380.1211, the taxable value of principal residence, qualified
23 agricultural property, qualified forest property, supportive
24 housing property, industrial personal property, commercial personal
25 property, and property occupied by a public school academy for the
26 calendar year ending in the current fiscal year. For a receiving
27 district, if school operating taxes are to be levied on behalf of a
28 dissolved district that has been attached in whole or in part to
29 the receiving district to satisfy debt obligations of the dissolved

1 district under section 12 of the revised school code, MCL 380.12,
 2 mills do not include mills within the geographic area of the
 3 dissolved district.

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

15 Sec. 22b. (1) For discretionary nonmandated payments to
 16 districts under this section, there is allocated for ~~2019-2020~~
 17 **2020-2021** an amount not to exceed ~~\$4,499,100,000.00~~
 18 **\$4,478,200,000.00** from the state school aid fund and general fund
 19 appropriations in section 11 and an amount not to exceed
 20 ~~\$75,900,000.00~~ **\$79,800,000.00** from the community district education
 21 trust fund appropriation in section 11, and there is allocated for
 22 ~~2020-2021-2021-2022~~ an amount not to exceed ~~\$4,488,800,000.00~~
 23 **\$5,132,000,000.00** from the state school aid fund and general fund
 24 appropriations in section 11 and an amount not to exceed
 25 ~~\$77,700,000.00~~ **\$72,000,000.00** from the community district education
 26 trust fund appropriation in section 11. **Of the funds allocated**
 27 **under this section for 2021-2022, \$13,600,000.00 represents the**
 28 **amount of the general fund revenue deposited into the state school**
 29 **aid fund to reimburse the state school aid fund for community**

1 district education trust fund costs in excess of \$72,000,000.00.

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

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

28 (3) In order to receive an allocation under subsection (1),
 29 each district must do all of the following:

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

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

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

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

10 (e) Comply with section 21f.

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

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

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

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

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

1 under this section, the payments under this subsection must be made
2 in full before any proration of remaining payments under this
3 section.

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

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

28 (9) If a claim is made in court that challenges the
29 legislative determination of the adequacy of funding for this

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

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

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

"title XIX" means title XIX of the social security act, 42 USC 1396 to 1396w-5.

Sec. 22c. From the state school aid fund money appropriated in section 11, there is allocated for 2021-2022 an amount not to exceed \$3,000,000.00 for payments to eligible districts as provided under this section. The payment for an eligible district under this section must be in an amount per membership pupil equal to \$171.00. As used in this section:

(a) "Eligible district" means a district for which the local school operating revenue per membership pupil exceeds the district's foundation allowance as calculated under section 20.

(b) "Local school operating revenue per membership pupil" means that term as defined in section 20.

Sec. 22d. (1) From the state school aid fund money appropriated under section 11, an amount not to exceed ~~\$7,000,000.00~~ **\$8,420,000.00** is allocated for ~~2020-2021~~ **2021-2022** for supplemental payments to rural districts under this section.

(2) From the allocation under subsection (1), there is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed ~~\$957,300.00~~ **\$1,557,300.00** for payments under this subsection to districts that meet all of the following:

(a) Operates grades K to 12.

(b) Has fewer than 250 pupils in membership.

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

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

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

(3) The amount of the additional funding to each eligible

1 district under subsection (2) is determined under a spending plan
2 developed as provided in this subsection and approved by the
3 superintendent of public instruction. The spending plan must be
4 developed cooperatively by the intermediate superintendents of each
5 intermediate district in which an eligible district is located. The
6 intermediate superintendents shall review the financial situation
7 of each eligible district, determine the minimum essential
8 financial needs of each eligible district, and develop and agree on
9 a spending plan that distributes the available funding under
10 subsection (2) to the eligible districts based on those financial
11 needs. The intermediate superintendents shall submit the spending
12 plan to the superintendent of public instruction for approval. Upon
13 approval by the superintendent of public instruction, the amounts
14 specified for each eligible district under the spending plan are
15 allocated under subsection (2) and must be paid to the eligible
16 districts in the same manner as payments under section 22b.

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

22 (5) The funds allocated under subsection (4) are allocated as
23 follows:

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

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

29 (i) For districts with at least 8.0 but fewer than 9.0 pupils

1 per square mile, as determined by the department, the allocation is
 2 an amount per pupil equal to 75% of the per-pupil amount allocated
 3 to districts under subdivision (a).

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

8 (c) If the total funding allocated under subdivision (b) is
 9 not sufficient to fully fund payments as calculated under that
 10 subdivision, the department shall prorate payments to districts
 11 under subdivision (b) on an equal per-pupil basis.

12 **(6) From the allocation in subsection (1), there is allocated**
 13 **an amount not to exceed \$820,000.00 for payments under this**
 14 **subsection to districts that have greater than 250 square miles and**
 15 **that do not receive funding under subsection (2) or (4). The funds**
 16 **allocated under this subsection must be allocated on an equal per-**
 17 **pupil basis.**

18 **(7) ~~(6)~~**A district receiving funds allocated under subsection
 19 **(2) is not eligible for funding allocated under subsection (4).**

20 **Sec. 22g. (1) From the state school aid fund money**
 21 **appropriated under section 11, there is allocated for 2021-2022 an**
 22 **amount not to exceed \$25,500,000.00 to a qualifying intermediate**
 23 **district for paying the outstanding operating debt and accrued**
 24 **school bond loan fund interest of a dissolved school district. For**
 25 **purposes of this subsection, an intermediate district is a**
 26 **qualifying intermediate district if it is required to perform the**
 27 **functions and satisfy the responsibilities of a dissolved school**
 28 **district under section 12(3) of the revised school code, MCL**
 29 **380.12. The department of treasury shall determine which qualifying**

1 intermediate district is eligible for payments under this section
2 based on the ability of the dissolved school district to repay the
3 balance of accrued school bond loan fund interest.

4 (2) Notwithstanding section 17b, the department shall make
5 payments to a qualifying intermediate district under this section
6 on a schedule determined by the department.

7 (3) As used in this section, "dissolved school district" means
8 a school district that has been declared dissolved under section 12
9 of the revised school code, MCL 380.12.

10 Sec. 22m. (1) From the ~~appropriations~~**state school aid fund**
11 **money appropriated** in section 11, there is allocated for ~~2020-2021~~
12 **2021-2022** an amount not to exceed \$2,200,000.00 for supporting the
13 integration of local data systems into the Michigan data hub
14 network based on common standards and applications that are in
15 compliance with section 19(6).

16 (2) An entity that is the fiscal agent for no more than 5
17 consortia of intermediate districts that previously received
18 funding from the technology readiness infrastructure grant under
19 former section 22i for the purpose of establishing regional data
20 hubs that are part of the Michigan data hub network is eligible for
21 funding under this section.

22 (3) The center shall work with an advisory committee composed
23 of representatives from intermediate districts within each of the
24 data hub regions to coordinate the activities of the Michigan data
25 hub network.

26 (4) The center, in collaboration with the Michigan data hub
27 network, shall determine the amount of funds distributed under this
28 section to each participating regional data hub within the network,
29 based upon a competitive grant process. The center shall ensure

1 that the entities receiving funding under this section represent
2 geographically diverse areas in this state.

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

5 (6) To receive funding under this section, a regional data hub
6 must have a governance model that ensures local control of data,
7 data security, and student privacy issues. The integration of data
8 within each of the regional data hubs must provide for the
9 actionable use of data by districts and intermediate districts
10 through common reports and dashboards and for efficiently providing
11 information to meet state and federal reporting purposes.

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

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

16 (a) Creating an infrastructure that effectively manages the
17 movement of data between data systems used by intermediate
18 districts, districts, and other educational organizations in
19 Michigan based on common data standards to improve student
20 achievement.

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

24 (c) Promoting the use of a more common set of applications by
25 promoting systems that integrate with the Michigan data hub
26 network.

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

29 (e) Ensuring local control of data, data security, and student

1 data privacy.

2 (f) Utilizing the infrastructure to promote the actionable use
3 of data through common reports and dashboards that are consistent
4 statewide.

5 (g) Creating a governance model to facilitate sustainable
6 operations of the infrastructure in the future, including
7 administration, legal agreements, documentation, staffing, hosting,
8 and funding.

9 (h) Evaluating future data initiatives at all levels to
10 determine whether the initiatives can be enhanced by using the
11 standardized environment in the Michigan data hub network.

12 (9) Not later than January 1 of each fiscal year, the center
13 shall prepare a summary report of information provided by each
14 entity that received funds under this section that includes
15 measurable outcomes based on the objectives described under this
16 section and a summary of compiled data from each entity to provide
17 a means to evaluate the effectiveness of the project. The center
18 shall submit the report to the house and senate appropriations
19 subcommittees on ~~state~~-school aid and to the house and senate
20 fiscal agencies.

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

26 (a) Measurable academic outcomes that the district or public
27 school academy will achieve for each school operated by the
28 district or public school academy that is subject to the
29 partnership agreement after 18 months and after 36 months from the

1 date the agreement was originally signed. Measurable academic
2 outcomes under this subdivision must include all of the following:

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

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

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

9 (B) ~~For 2020-2021 only, at~~ **At** least 1 proficiency or growth
10 outcome based on a benchmark assessment described in section
11 ~~104.104a.~~

12 (b) Accountability measures to be imposed if the district or
13 public school academy does not achieve the measurable academic
14 outcomes described in subdivision (a) for each school operated by
15 the district or public school academy that is subject to the
16 partnership agreement. For a district assigned as a partnership
17 district as described in this subsection, accountability measures
18 under this subdivision must include the reconstitution of the
19 school. For a public school academy assigned as a partnership
20 district as described in this subsection, accountability measures
21 under this subdivision may include the reconstitution of the
22 school.

23 (c) For a public school academy assigned as a partnership
24 district as described in this subsection, a requirement that, if
25 reconstitution is imposed on a school that is operated by the
26 public school academy and that is subject to the partnership
27 agreement, the school must be reconstituted as described in section
28 507, 528, or 561, as applicable, of the revised school code, MCL
29 380.507, 380.528, and 380.561.

1 (d) For a district assigned as a partnership district as
2 described in this subsection, a provision that, if reconstitution
3 is imposed on a school that is operated by the district and that is
4 subject to the partnership agreement, reconstitution may require
5 closure of the school building, but, if the school building remains
6 open, reconstitution must include, but is not limited to, all of
7 the following:

8 (i) The district shall make significant changes to the
9 instructional and noninstructional programming of the school based
10 on the needs identified through a comprehensive review of data in
11 compliance with section 21h.

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

14 (iii) The reconstitution plan for the school must require the
15 adoption of goals similar to the goals included in the partnership
16 agreement, with a limit of 3 years to achieve the goals. If the
17 goals are not achieved within 3 years, the superintendent of public
18 instruction shall impose a second reconstitution plan.

19 (2) If a district or public school academy is assigned as a
20 partnership district as described in subsection (1) during the
21 current fiscal year, it shall ensure that it has a signed
22 partnership agreement as described in subsection (1) in place by
23 not later than 90 days after the date that it is assigned as a
24 partnership district. If a district or public school academy
25 described in this subsection does not comply with this subsection,
26 the department shall withhold funding under section 22b for that
27 district or public school academy until the district or public
28 school academy has a signed partnership agreement as described in
29 subsection (1) in place.

1 Sec. 24. (1) From the ~~appropriation~~**state school aid fund**
2 **money appropriated** in section 11, there is allocated for 2020-2021
3 an amount not to exceed ~~\$7,150,000.00~~**\$7,650,000.00 and there is**
4 **allocated for 2021-2022 an amount not to exceed \$7,650,000.00** for
5 payments to the educating district or intermediate district for
6 educating pupils assigned by a court or the department of health
7 and human services to reside in or to attend a juvenile detention
8 facility or child caring institution licensed by the department of
9 health and human services and approved by the department to provide
10 an on-grounds education program. The amount of the payment under
11 this section to a district or intermediate district is calculated
12 as prescribed under subsection (2).

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

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

1 department that is located on property adjacent to a juvenile
 2 detention facility or child caring institution. Costs reimbursed by
 3 federal funds are not included.

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

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

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

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

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

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

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

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

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

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

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

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

28 (5) If the funds allocated under this section are insufficient
29 to fully fund the adjustments under subsection (3), the department

1 shall prorate payments under this section on an equal per-pupil
2 basis.

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

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

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

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

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

26 Sec. 25i. (1) From the general fund money appropriated in
27 section 11, there is allocated for ~~2020-2021~~**2021-2022** an amount
28 not to exceed ~~\$2,000,000.00~~**\$6,000,000.00** for an eligible
29 attendance recovery program as described in subsection (3). The

1 funds allocated under this section must be used to administer an
 2 eligible attendance recovery program for all districts that opt
 3 into the program to serve eligible pupils described in subsection
 4 (2).

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

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

10 (b) The pupil needs intervention based on his or her absences
 11 **or chronic absenteeism** or consistent disengagement in classes.

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

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

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

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

20 **(g) The pupil participated in or was eligible to participate**
 21 **in the district's summer 2021 educational offerings.**

22 (3) An attendance recovery program that ~~meets all of the~~
 23 ~~following~~ **received funding under this section in 2020-2021** is an
 24 **the** eligible attendance recovery program under this section. ÷

25 ~~(a) Reflects experience and successful outcomes running~~
 26 ~~statewide student recovery programs.~~

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

29 ~~(c) Has multimodal contact capabilities that include, but are~~

1 ~~not limited to, a call center, electronic mail, text, social media~~
2 ~~matching, and public service announcements.~~

3 ~~(d) Reflects experience in assisting at-risk students in~~
4 ~~overcoming learning barriers in a remote or online learning~~
5 ~~environment.~~

6 ~~(e) Has the ability to scale to provide outreach to at least~~
7 ~~20,000 students before the end of 2020.~~

8 (4) ~~The department shall choose and designate the provider of~~
9 ~~the eligible attendance recovery program under this section by not~~
10 ~~later than November 1, 2020.~~ The provider chosen and designated by
11 the department under this subsection **in 2020-2021** must **continue to**
12 do all of the following:

13 (a) Work with the department to notify districts about the
14 program and provide technical assistance to districts interested in
15 opting in.

16 (b) Work with each district to obtain contact information for
17 each eligible pupil.

18 (c) Provide outreach using differentiated treatment strategies
19 to pupils and families using multiple modalities that may include
20 phone, text, social media, ~~electronic mail, email,~~ and traditional
21 mail, to find and engage eligible pupils.

22 (d) Implement a culturally and linguistically responsive
23 outreach and support plan. Elements of the plan must include
24 differentiated outreach and ongoing coaching strategies to families
25 to ensure cultural and linguistic relevance.

26 (e) Use information about barriers to engagement gathered from
27 pupils and families to assign eligible pupils to an ongoing support
28 level. Ongoing support levels described in this subdivision must
29 include a minimum of 3 support tiers following the general design

1 of response to intervention (RTI) models.

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

5 (g) Report weekly to each district that has opted into the
6 program and to the department with metrics agreed upon by the
7 provider and the department.

8 (5) Notwithstanding section 17b, the department shall make
9 payments under this section by not later than December 1,
10 ~~2020-2021~~.

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

21 Sec. 26b. (1) From the ~~appropriation~~**state school aid fund**
22 **money appropriated** in section 11, there is allocated an amount not
23 to exceed ~~\$4,645,000.00-\$4,710,000.00~~ for ~~2020-2021-2021-2022~~ for
24 payments to districts, intermediate districts, and community
25 college districts for the portion of the payment in lieu of taxes
26 obligation that is attributable to districts, intermediate
27 districts, and community college districts under section 2154 of
28 the natural resources and environmental protection act, 1994 PA
29 451, MCL 324.2154.

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

Sec. 26c. (1) From the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed ~~\$9,700,000.00~~ **\$11,300,000.00** for 2020-2021 **and there is allocated an amount not to exceed \$13,800,000.00 for 2021-2022** to the promise zone fund created in subsection (3). The funds allocated under this section reflect the amount of revenue from the collection of the state education tax captured under section 17 of the Michigan promise zone authority act, 2008 PA 549, MCL 390.1677.

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

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

(a) The state treasurer shall direct the investment of the

1 promise zone fund. The state treasurer shall credit to the promise
2 zone fund interest and earnings from fund investments.

3 (b) Money in the promise zone fund at the close of a fiscal
4 year remains in the promise zone fund and does not lapse to the
5 general fund.

6 (4) Subject to subsection (2), the state treasurer may make
7 payments from the promise zone fund to eligible districts and
8 intermediate districts under the Michigan promise zone authority
9 act, 2008 PA 549, MCL 390.1661 to 390.1679, to be used for the
10 purposes of a promise zone authority created under that act.

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

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

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

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

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

29 **Sec. 28. (1) To recognize differentiated instructional costs**

for different types of pupils in ~~2020-2021~~, **2021-2022**, the following sections provide a weighted foundation allocation or an additional payment of some type in the following amounts, as allocated under those sections:

(a) Section 22d, isolated and rural districts,
~~\$7,000,000.00.~~ **\$8,420,000.00.**

(b) Section 31a, at risk, standard programming,
~~\$510,000,000.00.~~ **\$512,500,000.00.**

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

(d) Section 41, bilingual education for English language learners, ~~\$13,000,000.00.~~ **\$25,200,000.00.**

(e) Section 51c, special education, mandated percentages,
~~\$713,400,000.00.~~ **\$733,400,000.00.**

(f) Section 51f, special education, additional percentages,
~~\$60,207,000.00.~~ **\$90,207,000.00.**

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

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

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

Sec. 29a. (1) From the state school aid fund money appropriated under section 11, there is allocated for 2020-2021 an amount not to exceed ~~\$66,000,000.00.~~ **\$50,000,000.00** for payments as provided under this section to eligible districts described in subsection (2).

(2) A district for which its 2020-2021 pupils in membership exceeds the calculation of membership for that district under

1 section 6(4) for 2020-2021 is an eligible district under this
2 section.

3 (3) The payment to each eligible district under this section
4 must be equal to the lesser of the eligible district's foundation
5 allowance or the target foundation allowance multiplied by the
6 difference between the eligible district's 2020-2021 pupils in
7 membership and the eligible district's membership for 2020-2021 as
8 calculated under section 6(4).

9 (4) If funds allocated under this section are insufficient to
10 fully fund the calculations under this section, the department
11 shall apply proration of an equal dollar amount per pupil.

12 (5) As used in this section, "2020-2021 pupils in membership"
13 means the sum of (the product of .90 times the number of full-time
14 equated pupils engaged in pandemic learning for fall 2020 or, for a
15 district that is a public school academy that operates as a cyber
16 school, as that term is defined in section 551 of the revised
17 school code, MCL 380.551, the number of full-time equated pupils in
18 grades K to 12 actually enrolled and in regular daily attendance in
19 the district on pupil membership count day for the current school
20 year) and (the product of .10 times the final audited count from
21 the supplemental count day of full-time equated pupils in grades K
22 to 12 actually enrolled and in regular daily attendance in the
23 district for the immediately preceding school year).

24 Sec. 31a. (1) From the state school aid fund money
25 appropriated in section 11, there is allocated for ~~2020-2021-2021-~~
26 ~~2022~~ an amount not to exceed ~~\$535,150,000.00~~ **\$537,650,000.00, and**
27 **from the general fund money appropriated in section 11 there is**
28 **allocated for 2021-2022 an amount not to exceed \$1,500,000.00,** for
29 payments to eligible districts and eligible public school academies

1 for the purposes of ensuring that pupils are proficient in English
2 language arts by the end of grade 3, that pupils are proficient in
3 mathematics by the end of grade 8, that pupils are attending school
4 regularly, that high school graduates are career and college ready,
5 and for the purposes under subsections (7) and (8).

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

1 foundation allowance, as applied under subsection (4), and before
 2 any proration under subsection ~~(14)~~.**(15)**.

3 (3) For a district or public school academy to be eligible to
 4 receive funding under this section, other than funding under
 5 subsection (7) or (8), the district or public school academy, for
 6 grades K to 12, must comply with the requirements under section
 7 1280f of the revised school code, MCL 380.1280f, and shall use
 8 resources to address early literacy and numeracy, and for at least
 9 grades K to 12 or, if the district or public school academy does
 10 not operate all of grades K to 12, for all of the grades it
 11 operates, must implement a multi-tiered system of supports that is
 12 an evidence based framework that uses data driven problem solving
 13 to integrate academic and behavioral instruction and that uses
 14 intervention delivered to all pupils in varying intensities based
 15 on pupil needs. The multi-tiered system of supports described in
 16 this subsection must provide at least all of the following
 17 essential components:

18 (a) Team-based leadership.

19 (b) A tiered delivery system.

20 (c) Selection and implementation of instruction,
 21 interventions, and supports.

22 (d) A comprehensive screening and assessment system.

23 (e) Continuous data-based decision making.

24 (4) From the ~~fund~~**state school aid fund money** allocated under
 25 subsection (1), there is allocated for ~~2020-2021~~**2021-2022** an
 26 amount not to exceed ~~\$510,000,000.00~~**\$512,500,000.00** to continue a
 27 weighted foundation per pupil payment for districts and public
 28 school academies enrolling economically disadvantaged pupils. The
 29 department shall pay under this ~~section~~**subsection** to each eligible

1 district or eligible public school academy an amount per pupil
2 equal to 11.5% of the statewide weighted average foundation
3 allowance for the following, as applicable:

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

6 (i) The number of membership pupils in the district or public
7 school academy who are determined to be economically disadvantaged,
8 as reported to the center in the form and manner prescribed by the
9 center not later than the fifth Wednesday after the pupil
10 membership count day of the immediately preceding fiscal year.

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

1 community eligibility program, divided by the total number of
2 pupils counted in an eligible district or eligible public school
3 academy on the pupil membership count day in the fiscal year
4 preceding the first fiscal year in which the eligible district or
5 eligible public school academy is in the community eligibility
6 program.

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

15 (c) If the district or public school academy began operations
16 as a district or public school academy after the pupil membership
17 count day of the current fiscal year, the number of membership
18 pupils in the district or public school academy who are determined
19 to be economically disadvantaged, as reported to the center in the
20 form and manner prescribed by the center not later than the fifth
21 Wednesday after the supplemental count day of the current fiscal
22 year.

23 (d) If, for a particular fiscal year, the number of membership
24 pupils in a district or public school academy who are determined
25 under subdivision (a) to be economically disadvantaged or to be
26 eligible based on the identified student percentage varies by more
27 than 20 percentage points from the number of those pupils in the
28 district or public school academy as calculated under subdivision
29 (a) for the immediately preceding fiscal year caused by an

egregious reporting error by the district or public school academy, the department may choose to have the calculations under subdivision (a) instead be made using the number of membership pupils in the district or public school academy who are determined to be economically disadvantaged, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the supplemental count day of the immediately preceding fiscal year.

(5) Except as otherwise provided in this section, a district or public school academy receiving funding under this section shall use that money only to provide instructional programs and direct noninstructional services, including, but not limited to, medical, mental health, or counseling services, for at-risk pupils; for school health clinics; and for the purposes of subsection (6), (7), or (8). In addition, a district that is a school district of the first class or a district or public school academy in which at least 50% of the pupils in membership were determined to be economically disadvantaged in the immediately preceding state fiscal year, as determined and reported as described in subsection (4), may use ~~not more than 20% of~~ the funds it receives under this section for school security ~~that aligns~~ **or school parent liaison personnel. The uses of the funds described in the immediately preceding sentence must align** to the needs assessment and the multi-tiered system of supports model **and, for funds spent on parent liaison personnel, must connect parents to the school community.** A district or public school academy shall not use any of ~~that the~~ money **received under this section** for administrative costs. The instruction or direct noninstructional services provided under this section may be conducted before or after regular school

1 hours or by adding extra school days to the school year.

2 (6) A district or public school academy that receives funds
3 under this section and that operates a school breakfast program
4 under section 1272a of the revised school code, MCL 380.1272a,
5 shall use from the funds received under this section an amount, not
6 to exceed \$10.00 per pupil for whom the district or public school
7 academy receives funds under this section, necessary to pay for
8 costs associated with the operation of the school breakfast
9 program.

10 (7) From the ~~funds~~ **state school aid fund money** allocated under
11 subsection (1), there is allocated for ~~2020-2021~~ **2021-2022** an
12 amount not to exceed \$8,000,000.00 to support primary health care
13 services provided to children and adolescents up to age 21. These
14 funds must be expended in a form and manner determined jointly by
15 the department and the department of health and human services. If
16 any funds allocated under this subsection are not used for the
17 purposes of this subsection for the fiscal year in which they are
18 allocated, those unused funds must be used that fiscal year to
19 avoid or minimize any proration that would otherwise be required
20 under subsection ~~(14)~~ **(15)** for that fiscal year.

21 (8) From the ~~funds~~ **state school aid fund money** allocated under
22 subsection (1), there is allocated for ~~2020-2021~~ **2021-2022** an
23 amount not to exceed \$5,150,000.00 for the state portion of the
24 hearing and vision screenings as described in ~~section 9301~~ **part 93**
25 of the public health code, 1978 PA 368, MCL 333.9301 **to 333.9329,**
26 **and, from the general fund money allocated under subsection (1),**
27 **there is allocated for 2021-2022 an amount not to exceed**
28 **\$1,500,000.00 for the state portion of the dental screenings as**
29 **described in part 93 of the public health code, 1978 PA 368, MCL**

1 **333.9301 to 333.9329.** A local public health department shall pay at
2 least 50% of the total cost of the screenings. The frequency of the
3 **vision** screenings must be as required under R 325.13091 to R
4 325.13096 **of the Michigan Administrative Code** and **the frequency of**
5 **the hearing screenings must be as required under** R 325.3271 to R
6 325.3276 of the Michigan Administrative Code. Funds must be awarded
7 in a form and manner approved jointly by the department and the
8 department of health and human services. Notwithstanding section
9 17b, the department shall make payments to eligible entities under
10 this subsection on a schedule determined by the department.

11 (9) Each district or public school academy receiving funds
12 under this section shall submit to the department by July 15 of
13 each fiscal year a report, in the form and manner prescribed by the
14 department, that includes a brief description of each program
15 conducted or services performed by the district or public school
16 academy using funds under this section, the amount of funds under
17 this section allocated to each of those programs or services, the
18 total number of at risk pupils served by each of those programs or
19 services, and the data necessary for the department and the
20 department of health and human services to verify matching funds
21 for the temporary assistance for needy families program. In
22 prescribing the form and manner of the report, the department shall
23 ensure that districts are allowed to expend funds received under
24 this section on any activities that are permissible under this
25 section. If a district or public school academy does not comply
26 with this subsection, the department shall withhold an amount equal
27 to the August payment due under this section until the district or
28 public school academy complies with this subsection. If the
29 district or public school academy does not comply with this

1 subsection by the end of the fiscal year, the withheld funds are
2 forfeited to the school aid fund.

3 (10) In order to receive funds under this section, a district
4 or public school academy must allow access for the department or
5 the department's designee to audit all records related to the
6 program for which it receives those funds. The district or public
7 school academy shall reimburse the state for all disallowances
8 found in the audit.

9 (11) Subject to subsections (6), (7), and (8), for schools in
10 which more than 40% of pupils are identified as at-risk, a district
11 or public school academy may use the funds it receives under this
12 section to implement tier 1, evidence-based practices in schoolwide
13 reforms that are guided by the district's comprehensive needs
14 assessment and are included in the district improvement plan.
15 Schoolwide reforms must include parent and community supports,
16 activities, and services, that may include the pathways to
17 potential program created by the department of health and human
18 services or the communities in schools program. As used in this
19 subsection, "tier 1, evidence-based practices" means research based
20 instruction and classroom interventions that are available to all
21 learners and effectively meet the needs of most pupils.

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

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

4 (b) Implementing section 1280f of the revised school code, MCL
 5 380.1280f, as required under subsection (3), with fidelity.

6 (13) A district or public school academy that receives funds
 7 under ~~this section~~ **subsection (4) or (17)** may use funds received
 8 under ~~this section to~~ **subsection (4) or (17) for** support
 9 ~~instructional or behavioral coaches. Funds used for this purpose~~
 10 ~~are not subject to the cap under subsection (12).~~ **staff providing**
 11 **services to at-risk pupils.**

12 (14) A district or public school academy that receives funds
 13 under this section may use up to 10% of the funds received under
 14 this section to provide evidence-based instruction for pre-
 15 kindergarten instructional and noninstructional services to
 16 children who meet at least 1 of the criteria in subsection
 17 (20) (a) (i) to (x) .

18 (15) ~~(14)~~ If necessary, and before any proration required
 19 under section 296, the department shall prorate payments under this
 20 section, except payments under subsection (7), (8), or ~~(16),~~ **(17)** ,
 21 by reducing the amount of the allocation as otherwise calculated
 22 under this section by an equal percentage per district.

23 (16) ~~(15)~~ If a district is dissolved pursuant to section 12 of
 24 the revised school code, MCL 380.12, the intermediate district to
 25 which the dissolved district was constituent shall determine the
 26 estimated number of pupils that are economically disadvantaged and
 27 that are enrolled in each of the other districts within the
 28 intermediate district and provide that estimate to the department
 29 for the purposes of distributing funds under this section within 60

1 days after the district is declared dissolved.

2 **(17)** ~~(16)~~ From the ~~funds~~ **state school aid fund money** allocated
 3 under subsection (1), there is allocated for ~~2020-2021~~ **2021-2022** an
 4 amount not to exceed \$12,000,000.00 for payments to districts and
 5 public school academies that otherwise received an allocation under
 6 this subsection for ~~2019-2020~~ **2020-2021** and whose allocation under
 7 this section for ~~2019-2020~~ **2020-2021**, excluding any payments under
 8 subsection (7) or (8), would have been more than the district's or
 9 public school academy's allocation under this section for ~~2020-2021~~
 10 **2021-2022** as calculated under subsection (4) only and as adjusted
 11 under subsection ~~(14)~~ **(15)**. The allocation for each district or
 12 public school academy under this subsection is an amount equal to
 13 its allocation under this section for ~~2019-2020~~ **2020-2021** minus its
 14 allocation as otherwise calculated under subsection (4) for ~~2020-~~
 15 ~~2021~~ **2021-2022** as adjusted by subsection ~~(14)~~ **(15)**, using in
 16 those calculations the 2017-2018 number of pupils determined to be
 17 economically disadvantaged. However, if the allocation as otherwise
 18 calculated under this subsection would have been less than \$0.00,
 19 the allocation under this subsection is \$0.00. If necessary, and
 20 before any proration required under section 296, the department
 21 shall prorate payments under this subsection by reducing the amount
 22 of the allocation as otherwise calculated under this subsection by
 23 an equal percentage per district or public school academy. Any
 24 unexpended funds under this subsection are to be distributed
 25 through payments made under subsection (4) as provided under
 26 subsection (4), but those funds must not be factored into
 27 calculating payments under this subsection.

28 **(18)** ~~(17)~~ A district or public school academy that receives
 29 funds under this section may use funds received under this section

1 to provide an anti-bullying or crisis intervention program.

2 **(19)** ~~(18)~~—The department shall collaborate with the department
3 of health and human services to prioritize assigning Pathways to
4 Potential ~~Success~~**—success** coaches to elementary schools that have a
5 high percentage of pupils in grades K to 3 who are not proficient
6 in English language arts, based upon state assessments for pupils
7 in those grades.

8 **(20)** ~~(19)~~—As used in this section:

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

12 (i) The pupil is economically disadvantaged.

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

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

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

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

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

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

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

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

29 (x) Is a pupil who is at risk of not meeting the district's or

1 public school academy's core academic curricular objectives in
 2 English language arts or mathematics, as demonstrated on local
 3 assessments.

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

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

15 (d) "Statewide weighted average foundation allowance" means
 16 the number that is calculated by adding together the result of each
 17 district's or public school academy's foundation allowance, not to
 18 exceed the target foundation allowance for the current fiscal year,
 19 or per-pupil payment calculated under section 20 multiplied by the
 20 number of pupils in membership in that district or public school
 21 academy, and then dividing that total by the statewide number of
 22 pupils in membership.

23 Sec. 31d. (1) From the appropriations in section 11, there is
 24 allocated an amount not to exceed ~~\$23,144,000.00~~ **\$23,838,400.00** for
 25 2020-2021 **and there is allocated an amount not to exceed**
 26 **\$23,838,400.00 for 2021-2022** for the purpose of making payments to
 27 districts and other eligible entities under this section.

28 (2) The amounts allocated from state sources under this
 29 section are used to pay the amount necessary to reimburse districts

1 for 6.0127% of the necessary costs of the state mandated portion of
 2 lunch programs provided by those districts. The department shall
 3 calculate the amount due to each district under this section using
 4 the methods of calculation adopted by the Michigan supreme court in
 5 the consolidated cases known as *Durant v State of Michigan*, 456
 6 Mich 175 (1997).

7 (3) The payments made under this section include all state
 8 payments made to districts so that each district receives at least
 9 6.0127% of the necessary costs of operating the state mandated
 10 portion of the lunch program in a fiscal year.

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

20 (5) From the federal funds appropriated in section 11, there
 21 is allocated for 2020-2021 all available federal funding, estimated
 22 at ~~\$545,000,000.00~~ **\$800,000,000.00, and there is allocated for**
 23 **2021-2022 all available federal funding, estimated at**
 24 **\$545,000,000.00** for child nutrition programs and, **for 2020-2021,**
 25 all available federal funding, estimated at ~~\$5,000,000.00~~
 26 **\$15,712,000.00 for food distribution programs, \$50,000,000.00 for**
 27 **the child nutrition program pandemic electronic benefit transfer**
 28 **cost reimbursement program, \$50,000,000.00 for child nutrition**
 29 **program emergency operational cost reimbursement programs, and**

1 **\$259,600.00 for commodity supplemental fund programs, and, for**
 2 **2021-2022, all available federal funding, estimated at**
 3 **\$11,000,000.00, for food distribution programs.**

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

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

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

17 (2) The funds allocated under this section for school
 18 breakfast programs are made available to all eligible applicant
 19 districts that meet all of the following criteria:

20 (a) The district participates in the federal school breakfast
 21 program and meets all standards as prescribed by 7 CFR parts 210,
 22 220, 225, 226, and 245.

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

25 (3) The payment for a district under this section is at a per
 26 meal rate equal to the lesser of the district's actual cost or 100%
 27 of the statewide average cost of a meal served, as determined and
 28 approved by the department, less federal reimbursement, participant
 29 payments, and other state reimbursement. The department shall

determine the statewide average cost using costs as reported in a manner approved by the department for the preceding school year.

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

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

Sec. 31j. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$200,000.00~~ **\$500,000.00** and from the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$1,800,000.00~~ **\$4,500,000.00** for ~~2020-2021~~ **2021-2022** for a program to support districts and ~~sponsors of child care centers~~ **other non-school sponsors** in the purchase of locally grown fruits and vegetables as described in this section.

(2) ~~Funding retained by districts and the sponsors of child care centers that administer the program must not exceed 10%, and funding retained by the department for administration must not exceed 6%. A district or the sponsor of a child care center may enter into a memorandum of understanding with the department or another district or sponsor of a child care center, or both, to administer the program. If the department administers the program for a district or the sponsor of a child care center, the department may retain up to 10% of that district's or sponsor's funding for administration or may distribute some or all of that 10% to project partners as appropriate.~~ **Funding under this section retained by the department for administration must not exceed 5%.**

1 **Funding under this section retained by project partners for data**
 2 **collection outreach and training must not exceed 1% for each**
 3 **partner.**

4 (3) The department shall develop and implement a competitive
 5 grant program for districts and ~~sponsors of child care centers~~
 6 **other non-school sponsors** to assist in paying for the costs
 7 incurred by the district or ~~the sponsor of the child care center~~
 8 **other non-school sponsor** to purchase or increase purchases of whole
 9 or minimally processed fruits, vegetables, and legumes grown in
 10 this state. The maximum amount that may be drawn down on a grant to
 11 a district or ~~the sponsor of a child care center~~ **other non-school**
 12 **sponsor** is based on the number of meals served by the district
 13 during the previous school year under the Richard B. Russell
 14 national school lunch act, 42 USC 1751 to 1769j, or meals served by
 15 the ~~sponsor of the child care center~~ **other non-school sponsor** in
 16 the previous school year. The department shall collaborate with the
 17 Michigan department of agriculture and rural development to provide
 18 training to newly participating schools and ~~sponsors of child care~~
 19 ~~centers~~ **other non-school sponsors** and electronic information on
 20 Michigan agriculture.

21 (4) The goals of the program under this section include
 22 improving daily nutrition and eating habits for children through
 23 the school and child care settings while investing in Michigan's
 24 agricultural and related food business economy.

25 (5) A district or ~~the sponsor of a child care center~~ **other**
 26 **non-school sponsor** that receives a grant under this section shall
 27 use those funds for the costs incurred by the district or the
 28 sponsor to purchase whole or minimally processed fruits,
 29 vegetables, and legumes that meet all of the following:

1 (a) Were purchased for ~~the 2020-2021 fiscal year, including~~
 2 ~~purchases to launch meals in August 2020 and September 2020.~~ **use in**
 3 **school meals served between September 1, 2021 through August 30,**
 4 **2022.**

5 (b) Are grown in this state and, if minimally processed, are
 6 also processed in this state.

7 (c) Are used for meals that are served as part of the United
 8 States Department of Agriculture's child nutrition programs.

9 (6) For Michigan-grown fruits, vegetables, and legumes that
 10 satisfy the requirements of subsection (5), the department shall
 11 make matching reimbursements in an amount not to exceed 10 cents
 12 for every school meal that is served as part of the United States
 13 Department of Agriculture's child nutrition programs and that uses
 14 Michigan-grown fruits, vegetables, and legumes.

15 (7) A district or ~~the sponsor of a child care center~~ **other**
 16 **non-school sponsor** that receives a grant for reimbursement under
 17 this section shall use the grant to purchase whole or minimally
 18 processed fruits, vegetables, and legumes that are grown in this
 19 state and, if minimally processed, are also processed in this
 20 state.

21 (8) In awarding grants under this section, the department
 22 shall work ~~in conjunction with districts and sponsors of child care~~
 23 ~~centers,~~ in consultation with Michigan-based farm to school
 24 resource organizations, to develop scoring criteria that assess an
 25 applicant's ability to procure Michigan-grown products, prepare and
 26 menu Michigan-grown products, promote and market Michigan-grown
 27 products, and submit letters of intent from districts or ~~the~~
 28 ~~sponsors of child care centers~~ **other non-school sponsors** on plans
 29 for educational activities that promote the goals of the program.

1 (9) The department shall give preference to districts or
2 ~~sponsors of child care centers~~ **other non-school sponsors** that
3 propose educational activities that meet 1 or more of the
4 following: promote healthy food activities; have clear educational
5 objectives; involve parents or the community; connect to a school's
6 or child care center's farm-to-school or farm-to-early-child-care
7 procurement activities; and market and promote the program, leading
8 to increased pupil knowledge and consumption of Michigan-grown
9 products. The department shall give stronger weighting and
10 consideration to applications with robust marketing and promotional
11 activities.

12 (10) In awarding grants, the department shall also consider
13 all of the following:

14 (a) The percentage of children who qualify for free or reduced
15 price school meals under the Richard B. Russell national school
16 lunch act, 42 USC 1751 to 1769j.

17 (b) The variety of school or child care center sizes and
18 geographic locations within the identified prosperity regions.

19 (c) The existing or future collaboration opportunities between
20 more than 1 district or child care center.

21 (11) As a condition of receiving a grant under this section, a
22 district or ~~the sponsor of a child care center~~ **other non-school**
23 **sponsor** shall provide or direct its vendors to provide to the
24 department copies of monthly receipts that show the quantity of
25 different Michigan-grown fruits, vegetables, and legumes purchased,
26 the amount of money spent on each of these products, the name and
27 Michigan location of the farm that grew the products, and the
28 methods or plans to market and promote the program. The district or
29 ~~the sponsor of a child care center~~ **other non-school sponsor** also

shall provide to the department monthly ~~lunch~~ **United States Department of Agriculture child nutrition reimbursable meal** numbers and ~~lunch~~ participation rates and ~~calendars or~~ **must retain** monthly menus noting when and how Michigan-grown products were used in meals. The district or ~~the sponsor of the child care center~~ **other non-school sponsor** and school or ~~child care center~~ **non-school sponsor** food service director or directors also shall agree to respond to brief online surveys and to provide a report that shows the percentage relationship of Michigan spending compared to total food spending. Not later than 60 days after the end of the school year in which funds under this section were received, each district or each ~~sponsor of a child care center~~ **non-school sponsor** shall submit a report to the department on outcomes and related measurements for economic development and children's nutrition and readiness to learn. The report must include at least both of the following:

(a) The extent to which farmers and related businesses, including distributors and processors, saw an increase in market opportunities and income generation through sales of Michigan or local products to districts and ~~sponsors of child care centers.~~ **other non-school sponsors.** All of the following apply for purposes of this subdivision:

(i) The data used to determine the amount of this increase are the total dollar amount of Michigan or local fruits, vegetables, and legumes purchased by schools and ~~sponsors of child care centers,~~ **other non-school sponsors,** along with the number of different types of products purchased; school and ~~child care center~~ **non-school sponsor** food purchasing trends identified along with products that are of new and growing interest among food service

1 directors; the number of businesses impacted; and the percentage of
 2 total food budget spent on Michigan-grown fruits, vegetables, and
 3 legumes.

4 (ii) The district or ~~the sponsor of a child care center~~ **other**
 5 **non-school sponsor** shall use purchasing data collected for the
 6 program and surveys of school and ~~child care~~ **non-school sponsor**
 7 food service directors on the impact and success of the program as
 8 the source for the data described in subparagraph (i).

9 (b) The ability to which pupils can access a variety of
 10 healthy Michigan-grown foods through schools and ~~child care centers~~
 11 **other non-school sponsor centers** and increase their consumption of
 12 those foods. All of the following apply for purposes of this
 13 subdivision:

14 (i) The data used to determine whether this subdivision is met
 15 are the number of pupils exposed to Michigan-grown fruits,
 16 vegetables, and legumes at schools and ~~child care centers;~~ **non-**
 17 **school sponsor centers;** the variety of products served; new items
 18 taste-tested or placed on menus; and the increase in pupil
 19 willingness to try new local healthy foods.

20 (ii) The district or ~~the sponsor of a child care center~~ **other**
 21 **non-school sponsor** shall use purchasing data collected for the
 22 project, meal count and enrollment numbers, school menu calendars,
 23 and surveys of school and ~~child care~~ **non-school sponsor** food
 24 service directors as the source for the data described in
 25 subparagraph (i).

26 (12) The department shall compile the reports provided by
 27 districts and ~~sponsors of child care centers~~ **other non-school**
 28 **sponsors** under subsection (11) into 1 legislative report. The
 29 department shall provide this report not later than November 1,

1 ~~2021-2022~~ to the house and senate subcommittees responsible for
 2 ~~state~~ school aid, the house and senate fiscal agencies, and the
 3 state budget director.

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

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

10 (2) The state treasurer may receive money or other assets from
 11 any source for deposit into the school mental health and support
 12 services fund. The state treasurer shall direct the investment of
 13 the school mental health and support services fund and shall credit
 14 to the school mental health and support services fund interest and
 15 earnings from the school mental health and support services fund.

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

19 (4) Money in the school mental health and support services
 20 fund at the close of the fiscal year ~~shall remain in the school~~
 21 ~~mental health and support services fund and shall not lapse~~ **lapses**
 22 to the state school aid fund. ~~or to the general fund.~~ The
 23 department of treasury shall be the administrator of the school
 24 mental health and support services fund for auditing purposes.

25 (5) For the fiscal year ending September 30, 2018,
 26 \$30,000,000.00 from the state school aid fund shall be deposited
 27 into the school mental health and support services fund to be used
 28 to support efforts to improve mental health and support services
 29 for K-12 pupils in this state, including, but not limited to,

1 improved access to counseling services, educational awareness
2 programs, and enhanced mental health and clinical services.

3 Sec. 31n. (1) From the state school aid fund money
4 appropriated in section 11, there is allocated for ~~2020-2021-2021-~~
5 **2022** for the purposes of this section an amount not to exceed
6 ~~\$55,600,000.00~~ **\$52,600,000.00** and from the general fund money
7 appropriated in section 11, there is allocated for ~~2020-2021-2021-~~
8 **2022** for the purposes of this section an amount not to exceed
9 \$1,300,000.00. The department and the department of health and
10 human services shall continue a program to distribute this funding
11 to add licensed behavioral health providers for general education
12 pupils, and shall continue to seek federal Medicaid match funding
13 for all eligible mental health and support services.

14 (2) The department and the department of health and human
15 services shall maintain an advisory council for programs funded
16 under this section. The advisory council shall define goals for
17 implementation of programs funded under this section, and shall
18 provide feedback on that implementation. At a minimum, the advisory
19 council shall consist of representatives of state associations
20 representing school health, school mental health, school
21 counseling, education, health care, and other organizations,
22 representatives from the department and the department of health
23 and human services, and a representative from the school safety
24 task force created under Executive Order No. 2018-5. The department
25 and department of health and human services, working with the
26 advisory council, shall determine an approach to increase capacity
27 for mental health and support services in schools for general
28 education pupils, and shall determine where that increase in
29 capacity qualifies for federal Medicaid match funding.

1 (3) The advisory council shall develop a fiduciary agent
2 checklist for intermediate districts to facilitate development of a
3 plan to submit to the department and to the department of health
4 and human services. The department and department of health and
5 human services shall determine the requirements and format for
6 intermediate districts to submit a plan for possible funding under
7 subsection ~~(5)~~ **(6)**. The department shall make applications for
8 funding for this program available to districts and intermediate
9 districts not later than December 1, ~~2020-2021~~ for the ~~2020-2021~~
10 **2021-2022** fiscal year and shall award the funding not later than
11 February 1, ~~2021-2022~~ for the ~~2020-2021-2021-2022~~ fiscal year.

12 (4) The department of health and human services shall seek to
13 amend the state Medicaid plan or obtain appropriate Medicaid
14 waivers as necessary for the purpose of generating additional
15 Medicaid match funding for school mental health and support
16 services for general education pupils. The intent is that a
17 successful state plan amendment or other Medicaid match mechanisms
18 will result in additional federal Medicaid match funding for both
19 the new funding allocated under this section and for any expenses
20 already incurred by districts and intermediate districts for mental
21 health and support services for general education pupils.

22 (5) From the state school aid fund money allocated under
23 subsection (1), there is allocated for ~~2020-2021-2021-2022~~ an
24 amount not to exceed ~~\$9,300,000.00~~ **\$14,300,000.00** to be distributed
25 to the network of child and adolescent health centers to place a
26 licensed master's level behavioral health provider in schools that
27 do not currently have services available to general education
28 students. Child and adolescent health centers that are part of the
29 network described in this subsection shall provide a commitment to

1 maintain services and implement all available federal Medicaid
2 match methodologies. The department of health and human services
3 shall use all existing or additional federal Medicaid match
4 opportunities to maximize funding allocated under this subsection.
5 The department shall provide funds under this subsection to child
6 and adolescent health centers that are part of the network
7 described in this subsection in the same proportion that funding
8 under section 31a(7) is provided to child and adolescent health
9 centers that are part of the network described in this subsection
10 and that are located and operating in those districts. A payment
11 from funding allocated under this subsection must not be paid to an
12 entity that is not part of the network described in this
13 subsection.

14 (6) From the state school aid fund money allocated under
15 subsection (1), there is allocated for ~~2020-2021~~**2021-2022** an
16 amount not to exceed ~~\$45,800,000.00~~**\$37,800,000.00** to be
17 distributed to intermediate districts for the provision of mental
18 health and support services to general education students. **If a**
19 **district or intermediate district is not able to procure the**
20 **services of a licensed master's level behavioral health provider,**
21 **the district or intermediate district shall notify the department**
22 **and the department of health and human services and, if the**
23 **department and department of health and human services verify that**
24 **the district or intermediate district attempted to procure services**
25 **from a master's level behavioral health provider and was not able**
26 **to do so, then the district or intermediate district may instead**
27 **procure services from a provider with less than a master's degree**
28 **in behavioral health. To be able to use the exemption in the**
29 **immediately preceding sentence, the district or intermediate**

1 district must submit evidence satisfactory to the department and
2 department of health and human services demonstrating that the
3 district or intermediate district took measures to procure the
4 services of a licensed master's level behavioral health provider
5 but was unable to do so, and the department and department of
6 health and human services must be able to verify this evidence.
7 From the **first \$32,200,000.00 of the** funds allocated under this
8 subsection, the department shall distribute ~~\$817,800.00~~ **\$575,000.00**
9 for ~~2020-2021~~ **2021-2022** to each intermediate district that submits
10 a plan approved by the department and the department of health and
11 human services. **The department shall distribute the remaining**
12 **\$5,600,000.00 of the funds allocated under this subsection for**
13 **2021-2022 to intermediate districts on an equal per-pupil basis**
14 **based on the combined total number of pupils in membership in the**
15 **intermediate district and its constituent districts, including**
16 **public school academies that are considered to be constituent**
17 **districts under section 705(7) of the revised school code, MCL**
18 **380.705.** The department and department of health and human services
19 shall work cooperatively in providing oversight and assistance to
20 intermediate districts during the plan submission process and shall
21 monitor the program upon implementation. An intermediate district
22 shall use funds awarded under this subsection to provide funding to
23 its constituent districts, including public school academies that
24 are considered to be constituent districts under section 705(7) of
25 the revised school code, MCL 380.705, for the provision of mental
26 health and support services to general education students. In
27 addition to the criteria identified under subsection (7), an
28 intermediate district shall consider geography, cost, or other
29 challenges when awarding funding to its constituent districts. ~~For~~

~~2020-2021 only, even if grants under this subsection have already been received by constituent districts of an intermediate district under this subsection, the intermediate district may award additional grants to its constituent districts from funding allocated through the amendatory act that added this sentence, based on applications as described in subsection (7) that have already been submitted for the fiscal year, and, if a constituent district did not apply for initial grants as described in subsection (7) before the effective date of the amendatory act that added this sentence and asks to apply for the additional grants described in this sentence, the intermediate district must allow the constituent district to submit an application for the additional grant funding.~~ **Districts receiving funding under this subsection are encouraged to provide suicide prevention and awareness education and counseling.** If funding awarded to an intermediate district remains after funds are provided by the intermediate district to its constituent districts, the intermediate district may hire or contract for experts to provide mental health and support services to general education students residing within the boundaries of the intermediate district, including, but not limited to, expanding, hiring, or contracting for staff and experts to provide those services directly or to increase access to those services through coordination with outside mental health agencies; **and the intermediate district is encouraged to provide suicide prevention and awareness education and counseling.** If funding awarded to an intermediate district under this section for 2018-2019 or 2019-2020 remains unspent as of April 1, 2022, the department, in conjunction with the intermediate district, may reallocate the funds to another intermediate district

1 or other intermediate districts capable of expending the funds
2 before September 30, 2022 in accordance with this section as if
3 those funds were originally allocated to the intermediate district
4 or intermediate districts to which the funds are being reallocated.

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

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

18 (b) The district's commitment to work with its intermediate
19 district to use funding it receives under this section that is
20 spent by the district for general education pupils toward
21 participation in federal Medicaid match methodologies. A district
22 must provide a local match of at least 20% of the funding allocated
23 to the district under section 31n.

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

27 (d) The extent of the district's existing partnerships with
28 community health care providers or the ability of the district to
29 establish such partnerships.

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

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

6 (g) Whether the district will participate in ongoing
7 trainings.

8 (h) Whether the district will submit an annual report to the
9 state.

10 (i) Whether the district demonstrates a willingness to work
11 with the state to establish program and service delivery
12 benchmarks.

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

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

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

20 (9) Both of the following are allocated to the department of
21 health and human services from the general fund money allocated
22 under subsection (1):

23 (a) For ~~2020-2021~~, **2021-2022**, an amount not to exceed
24 \$1,000,000.00 for the purpose of upgrading technology and systems
25 infrastructure and other administrative requirements to support the
26 programs funded under this section.

27 (b) For ~~2020-2021~~, **2021-2022**, an amount not to exceed
28 \$300,000.00 for the purpose of administering the programs under
29 this section and working on generating additional Medicaid funds as

1 a result of programs funded under this section.

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

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

26 (12) ~~Beginning with 2018-2019, a~~**A** district or intermediate
27 district that receives funding directly or indirectly under this
28 section may carry over any unexpended funds received under this
29 section for up to 2 fiscal years beyond the fiscal year in which

1 the funds were received.

2 Sec. 31o. (1) From the state school aid fund money
3 appropriated in section 11, there is allocated for 2021-2022 an
4 amount not to exceed \$240,000,000.00 for payments to eligible
5 districts for the purpose of increasing the number of school
6 psychologists, school social workers, school counselors, and school
7 nurses serving students in this state.

8 (2) Except as otherwise provided in this subsection, to
9 receive funding under this section, a district must apply for the
10 funding in a form and manner prescribed by the department. In its
11 application for funding under this section, a district must pledge
12 and provide assurances to the department that it will fully
13 annually fund all staff that are supported with funding under this
14 section in an ongoing manner after the third year it receives
15 funding under this section.

16 (3) The department shall award funding to districts with the
17 greatest need for additional school psychologists, school social
18 workers, school counselors, or school nurses. To determine the
19 districts with the greatest needs under this subsection, the
20 department shall consider the physical and mental health services
21 available at the district and how close an applicant district is to
22 meeting the following recommended staff-to-student ratios:

23 (a) 1 school psychologist for every 500 full-time equated
24 pupils counted in the district.

25 (b) 1 school social worker for every 250 full-time equated
26 pupils counted in the district.

27 (c) 1 school counselor for every 250 full-time equated pupils
28 counted in the district.

29 (d) 1 school nurse for every 750 full-time equated pupils

1 counted in the district.

2 (4) To be eligible for funding under this section, a district
3 must hire additional school psychologists, school social workers,
4 school counselors, or school nurses by March 1, 2022 and must
5 maintain support for the new staff in an ongoing manner. As
6 determined by the department, staff hired and supported by funding
7 under this section must meet all applicable state and federal laws,
8 rules, and license requirements to be considered a school
9 psychologist, school social worker, school counselor, or school
10 nurse.

11 (5) Subject to subsection (6), payments to eligible districts
12 must be made as follows:

13 (a) In the first year funds are distributed from this section,
14 the department shall provide payments to eligible districts equal
15 to 100% of the annual cost of newly hired school psychologists,
16 school social workers, school counselors, or school nurses. The
17 amount paid to the eligible district must be the lesser of the
18 actual cost of the employee, as determined by the department, or
19 the median wage for an equivalent employee working in a school
20 setting, as determined by the department, using wage data from the
21 Bureau of Labor Statistics that is specific to this state.

22 (b) In the second year funds are distributed under this
23 section, the department shall pay eligible districts 66% of the
24 amount paid to the eligible district under subdivision (a).

25 (c) In the third year funds are distributed under this
26 section, the department shall pay eligible districts 33% of the
27 amount paid to the eligible district under subdivision (a).

28 (6) If, after awarding funding under subsection (3) and
29 calculating payment amounts under subsection (5), the department

1 determines that the amount allocated in subsection (1) is
2 insufficient to fully fund payments under this section, the
3 department shall prorate payments to eligible districts on an equal
4 percentage basis.

5 (7) The funds allocated under this section for 2021-2022 are a
6 work project appropriation, and any unexpended funds for 2021-2022
7 are carried forward into 2022-2023. The purpose of the work project
8 is to increase the number of school psychologists, school social
9 workers, school counselors, and school nurses in school buildings.
10 The estimated completion date of the work project is September 30,
11 2024.

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

15 Sec. 31p. (1) From the state school aid fund money
16 appropriated under section 11, there is allocated for 2020-2021 an
17 amount not to exceed \$5,400,000.00 for grants to intermediate
18 districts to implement a TRAILS program as described in subsection
19 (2).

20 (2) Intermediate districts receiving funding under this
21 section must use the funding to implement a TRAILS program within
22 the boundaries of the intermediate district. The TRAILS program
23 described in this subsection must improve youth access to evidence-
24 based mental health services by training school mental health
25 professionals in effective practices, such as cognitive behavioral
26 therapy and mindfulness.

27 (3) The department shall establish a grant process to
28 distribute funds under this section.

29 (4) The department shall award, in an equal amount, grants

1 under this section to each intermediate district that has an
2 approved grant application for funding under this section.

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

6 (6) The funds allocated under this section for 2020-2021 are a
7 work project appropriation, and any unexpended funds for 2020-2021
8 are carried forward into 2021-2022. The purpose of the work project
9 is to continue support for the TRAILS program. The estimated
10 completion date of the work project is September 30, 2024.

11 Sec. 31y. (1) From the state school aid fund money
12 appropriated in section 11, there is allocated for 2021-2022 an
13 amount not to exceed \$60,000,000.00 to make payments to districts
14 that operate year-round, balanced calendars during the 2021-2022
15 school year. Payments to districts made under this section must be
16 in an amount equal to 3% applied to the district's foundation
17 allowance as calculated under section 20, for each pupil enrolled
18 and educated in a year-round balanced calendar by the district. If
19 the funds allocated under this section are insufficient to fully
20 fund the calculations under this section, funding must be prorated
21 on an equal per-pupil basis.

22 (2) The funds allocated under this section for 2021-2022 are a
23 work project appropriation, and any unexpended funds for 2021-2022
24 are carried forward into 2022-2023. The purpose of the work project
25 is to provide operational payments for districts utilizing a
26 balanced calendar. The estimated completion date of the work
27 project is September 30, 2024.

28 Sec. 31z. (1) From the federal funds allocated under section
29 11n, there is allocated \$75,000,000.00 for 2021-2022 from the

1 federal funding awarded to this state from the coronavirus state
 2 fiscal recovery fund under the American rescue plan act of 2021,
 3 title IX, subtitle M of Public Law 117-2, to provide capital
 4 infrastructure grants to districts.

5 (2) From the funds allocated under subsection (1),
 6 \$75,000,000.00 must be allocated for matching grants to districts
 7 for HVAC and other one-time infrastructure or equipment costs
 8 necessary to operate a year-round, balanced calendar. A district
 9 that receives a grant under this subsection shall commit to
 10 operating a year-round, balanced calendar in the 2022-2023 school
 11 year, and if it is unable to do so, the department must deduct the
 12 amount of the grant paid under this subsection from the district's
 13 state aid payments that are otherwise due to the district under
 14 this article during the 2022-2023 school year. The department shall
 15 establish a sliding scale for grant payments under this section
 16 such that districts that received higher total ESSER payments under
 17 Section 11r, evaluated on a per-pupil and total dollar basis,
 18 receive smaller matching grants than those with lower total ESSER
 19 payments, evaluated on a per-pupil and total dollar basis.

20 Sec. 32d. (1) From the ~~funds~~ **state school aid fund money**
 21 appropriated in section 11, there is allocated to eligible
 22 intermediate districts and consortia of intermediate districts for
 23 great start readiness programs an amount not to exceed
 24 ~~\$249,600,000.00~~ **\$297,120,000.00** for ~~2020-2021-2021-2022~~. In
 25 addition, from the federal funds allocated in section 11n, there is
 26 allocated to eligible intermediate districts and consortia of
 27 intermediate districts for great start readiness programs an amount
 28 not to exceed \$121,000,000.00 for 2021-2022 from the coronavirus
 29 state fiscal recovery funds under the American rescue plan act of

2021, title IX, subtitle M of Public Law 117-2. An intermediate district or consortium shall use funds allocated under this section for great start readiness programs to provide part-day, school-day, or GSRP/Head Start blended comprehensive free compensatory classroom programs designed to improve the readiness and subsequent achievement of educationally disadvantaged children who meet the participant eligibility and prioritization guidelines as defined by the department. For a child to be eligible to participate in a program under this section, the child must be at least 4, but less than 5, years of age as of September 1 of the school year in which the program is offered and must meet those eligibility and prioritization guidelines. A child who is not 4 years of age as of September 1, but who will be 4 years of age not later than December 1, is eligible to participate if the child's parent or legal guardian seeks a waiver from the September 1 eligibility date by submitting a request for enrollment in a program to the responsible intermediate district, if the program has capacity on or after September 1 of the school year, and if the child meets eligibility and prioritization guidelines.

(2) From the ~~funds~~**state school aid fund money** allocated under subsection (1), an amount not to exceed ~~\$247,600,000.00~~**\$295,120,000.00 and from the federal funds allocated under subsection (1), an amount not to exceed \$121,000,000.00** is allocated to intermediate districts or consortia of intermediate districts based on the formula in section 39. An intermediate district or consortium of intermediate districts receiving funding under this section shall act as the fiduciary for the great start readiness programs. **An intermediate district or consortium of intermediate districts receiving funding under this section may**

1 collaborate with local governments to identify children eligible
 2 for programs funded under this section and may contract with local
 3 governments to provide services. In order to be eligible to receive
 4 funds allocated under this subsection from an intermediate district
 5 or consortium of intermediate districts, a district, a consortium
 6 of districts, a local government, or a public or private for-profit
 7 or nonprofit legal entity or agency must comply with this section
 8 and section 39. The funds allocated under this subsection for 2021-
 9 2022 are a work project appropriation, and any unexpended funds for
 10 2021-2022 are carried forward into 2022-2023. The purpose of the
 11 work project is to continue to improve access to preschool
 12 programming for economically disadvantaged children. The estimated
 13 completion date of the work project described in the immediately
 14 preceding sentence is September 30, 2023.

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

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

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

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

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

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

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

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

1 (f) Active and continuous involvement of the parents or
2 guardians of the program participants.

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

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

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

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

20 (5) An application for funding under this section must provide
21 for the following, in a form and manner determined by the
22 department:

23 (a) Ensure compliance with all program components described in
24 subsection (4).

25 (b) Except as otherwise provided in this subdivision, ~~or~~
26 ~~section,~~ ensure that at least ~~90%~~ **85%** of the children participating
27 in an eligible great start readiness program for whom the
28 intermediate district is receiving funds under this section are
29 children who live with families with a household income that is

1 equal to or less than 250% of the federal poverty guidelines. If
 2 the intermediate district determines that all eligible children are
 3 being served and that there are no children on the waiting list who
 4 live with families with a household income that is equal to or less
 5 than 250% of the federal poverty guidelines, the intermediate
 6 district may then enroll children who live with families with a
 7 household income that is equal to or less than 300% of the federal
 8 poverty guidelines. The enrollment process must consider income and
 9 risk factors, such that children determined with higher need are
 10 enrolled before children with lesser need. For purposes of this
 11 subdivision, ~~and subsection (27),~~ all age-eligible children served
 12 in foster care or who are experiencing homelessness or who have
 13 individualized education programs recommending placement in an
 14 inclusive preschool setting are considered to live with families
 15 with household income equal to or less than 250% of the federal
 16 poverty guidelines regardless of actual family income and are
 17 prioritized for enrollment within the lowest quintile.

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

20 (i) Teachers possessing proper training. A lead teacher must
 21 have a valid **Michigan** teaching certificate with an early childhood
 22 ~~(ZA or ZS)~~ **or lower elementary** endorsement or a bachelor's or
 23 higher degree in child development or early childhood education
 24 with specialization in preschool teaching. However, if an applicant
 25 demonstrates to the department that it is unable to fully comply
 26 with this subparagraph after making reasonable efforts to comply,
 27 teachers **or paraprofessionals with at least 5 years of experience**
 28 **as a paraprofessional in a great start readiness program classroom**
 29 who have significant but incomplete training in early childhood

1 education or child development may be used if the applicant
2 provides to the department, and the department approves, a plan for
3 each teacher to come into compliance with the standards in this
4 subparagraph. A teacher's compliance plan must be completed within
5 ~~2~~3 years of the date of employment. Progress toward completion of
6 the compliance plan consists of at least 2 courses per calendar
7 year.

8 (ii) Paraprofessionals possessing proper training in early
9 childhood education, including an ~~associate's~~ **associate** degree in
10 early childhood education or child development or the equivalent,
11 or a child development associate (CDA) credential. However, if an
12 applicant demonstrates to the department that it is unable to fully
13 comply with this subparagraph after making reasonable efforts to
14 comply, the applicant may use paraprofessionals who have completed
15 at least 1 course that earns college credit in early childhood
16 education or child development if the applicant provides to the
17 department, and the department approves, a plan for each
18 paraprofessional to come into compliance with the standards in this
19 subparagraph. A paraprofessional's compliance plan must be
20 completed within ~~2~~3 years of the date of employment. Progress
21 toward completion of the compliance plan consists of at least 2
22 courses or 60 clock hours of training per calendar year.

23 (d) Include a program budget that contains only those costs
24 that are not reimbursed or reimbursable by federal funding, that
25 are clearly and directly attributable to the great start readiness
26 program, and that would not be incurred if the program were not
27 being offered. Eligible costs include transportation costs. The
28 program budget must indicate the extent to which these funds will
29 supplement other federal, state, local, or private funds. An

1 applicant shall not use funds received under this section to
2 supplant any federal funds received by the applicant to serve
3 children eligible for a federally funded preschool program that has
4 the capacity to serve those children.

5 (6) For a grant recipient that enrolls pupils in a school-day
6 program funded under this section, each child enrolled in the
7 school-day program is counted as described in section 39 for
8 purposes of determining the amount of the grant award.

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

14 (8) An intermediate district or consortium of intermediate
15 districts receiving a grant under this section shall designate an
16 early childhood coordinator, and may provide services directly or
17 may contract with 1 or more districts or public or private for-
18 profit or nonprofit providers that ~~except as otherwise provided~~
19 ~~in this section,~~ meet all requirements of subsections (4) and (5).

20 (9) An intermediate district or consortium of intermediate
21 districts may retain for administrative services provided by the
22 intermediate district or consortium of intermediate districts an
23 amount not to exceed 4% of the grant amount. Expenses incurred by
24 subrecipients engaged by the intermediate district or consortium of
25 intermediate districts for directly running portions of the program
26 are considered program costs or a contracted program fee for
27 service. Subrecipients operating with a federally approved indirect
28 rate for other early childhood programs may include indirect costs,
29 not to exceed the federal 10% de minimis.

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

4 (11) ~~Except as otherwise provided in this section, each~~ **Each**
5 grant recipient shall enroll children identified under subsection
6 (5) (b) according to how far the child's household income is below
7 250% of the federal poverty guidelines by ranking each applicant
8 child's household income from lowest to highest and dividing the
9 applicant children into quintiles based on how far the child's
10 household income is below 250% of the federal poverty guidelines,
11 and then enrolling children in the quintile with the lowest
12 household income before enrolling children in the quintile with the
13 next lowest household income until slots are completely filled. If
14 the grant recipient determines that all eligible children are being
15 served and that there are no children on the waiting list who live
16 with families with a household income that is equal to or less than
17 250% of the federal poverty guidelines, the grant recipient may
18 then enroll children who live with families with a household income
19 that is equal to or less than 300% of the federal poverty
20 guidelines. The enrollment process must consider income and risk
21 factors, such that children determined with higher need are
22 enrolled before children with lesser need. For purposes of this
23 subsection, ~~and subsection (27),~~ all age-eligible children served
24 in foster care or who are experiencing homelessness or who have
25 individualized education programs recommending placement in an
26 inclusive preschool setting are considered to live with families
27 with household income equal to or less than 250% of the federal
28 poverty guidelines regardless of actual family income and are
29 prioritized for enrollment within the lowest quintile.

1 (12) An intermediate district or consortium of intermediate
2 districts receiving a grant under this section shall allow parents
3 of eligible children who are residents of the intermediate district
4 or within the consortium to choose a program operated by or
5 contracted with another intermediate district or consortium of
6 intermediate districts and shall enter into a written agreement
7 regarding payment, in a manner prescribed by the department.

8 (13) An intermediate district or consortium of intermediate
9 districts receiving a grant under this section shall conduct a
10 local process to contract with interested and eligible public and
11 private for-profit and nonprofit community-based providers that
12 meet all requirements of subsection (4) for at least 30% of its
13 total allocation. For the purposes of this 30% allocation, an
14 intermediate district or consortium of intermediate districts may
15 count children served by a Head Start grantee or delegate in a
16 blended Head Start and great start readiness school-day program.
17 Children served in a program funded only through Head Start are not
18 counted toward this 30% allocation. The intermediate district or
19 consortium shall report to the department, in a manner prescribed
20 by the department, a detailed list of community-based providers by
21 provider type, including private for-profit, private nonprofit,
22 community college or university, Head Start grantee or delegate,
23 and district or intermediate district, and the number and
24 proportion of its total allocation allocated to each provider as
25 subrecipient. If the intermediate district or consortium is not
26 able to contract for at least 30% of its total allocation, the
27 grant recipient shall notify the department and, if the department
28 verifies that the intermediate district or consortium attempted to
29 contract for at least 30% of its total allocation and was not able

1 to do so, then the intermediate district or consortium may retain
2 and use all of its allocation as provided under this section. To be
3 able to use this exemption, the intermediate district or consortium
4 shall demonstrate to the department that the intermediate district
5 or consortium increased the percentage of its total allocation for
6 which it contracts with a community-based provider and the
7 intermediate district or consortium shall submit evidence
8 satisfactory to the department, and the department must be able to
9 verify this evidence, demonstrating that the intermediate district
10 or consortium took measures to contract for at least 30% of its
11 total allocation as required under this subsection, including, but
12 not limited to, at least all of the following measures:

13 (a) The intermediate district or consortium notified each
14 nonparticipating licensed child care center located in the service
15 area of the intermediate district or consortium regarding the
16 center's eligibility to participate, in a manner prescribed by the
17 department.

18 (b) The intermediate district or consortium provided to each
19 nonparticipating licensed child care center located in the service
20 area of the intermediate district or consortium information
21 regarding great start readiness program requirements and a
22 description of the application and selection process for community-
23 based providers.

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

28 (14) If an intermediate district or consortium of intermediate
29 districts receiving a grant under this section fails to submit

1 satisfactory evidence to demonstrate its effort to contract for at
2 least 30% of its total allocation, as required under subsection
3 (13), the department shall reduce the allocation to the
4 intermediate district or consortium by a percentage equal to the
5 difference between the percentage of an intermediate district's or
6 consortium's total allocation awarded to community-based providers
7 and 30% of its total allocation.

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

12 (a) Ensure that a great start resource center or the
13 department provides each intermediate district or consortium
14 receiving a grant under this section with the contact information
15 for each licensed child care center located in the service area of
16 the intermediate district or consortium by March 1 of each year.

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

21 (c) Ensure that all intermediate district, district, community
22 college or university, Head Start grantee or delegate, private for-
23 profit, and private nonprofit providers are subject to a single
24 great start to quality rating system. The rating system must ensure
25 that regulators process all prospective providers at the same pace
26 on a first-come, first-served basis and must not allow 1 type of
27 provider to receive a great start to quality rating ahead of any
28 other type of provider.

29 (d) Not later than March 1 of each year, compile the results

1 of the information reported by each intermediate district or
 2 consortium under subsection (13) and report to the legislature a
 3 list by intermediate district or consortium with the number and
 4 percentage of each intermediate district's or consortium's total
 5 allocation allocated to community-based providers by provider type,
 6 including private for-profit, private nonprofit, community college
 7 or university, Head Start grantee or delegate, and district or
 8 intermediate district.

9 (16) A recipient of funds under this section shall report to
 10 the center in a form and manner prescribed by the center the
 11 information necessary to derive the number of children
 12 participating in the program who meet the program eligibility
 13 criteria under subsection (5) (b), ~~subject to subsection (27),~~ the
 14 number of eligible children not participating in the program and on
 15 a waitlist, and the total number of children participating in the
 16 program by various demographic groups and eligibility factors
 17 necessary to analyze equitable and priority access to services for
 18 the purposes of subsection (3).

19 (17) As used in this section:

20 (a) "GSRP/Head Start blended program" ~~, except as otherwise~~
 21 ~~provided in this section,~~ means a part-day program funded under
 22 this section and a Head Start program, which are combined for a
 23 school-day program.

24 (b) "Federal poverty guidelines" means the guidelines
 25 published annually in the Federal Register by the United States
 26 Department of Health and Human Services under its authority to
 27 revise the poverty line under 42 USC 9902.

28 (c) "Part-day program" ~~, except as otherwise provided in this~~
 29 ~~section,~~ means a program that operates at least 4 days per week, 30

1 weeks per year, for at least 3 hours of teacher-child contact time
2 per day but for fewer hours of teacher-child contact time per day
3 than a school-day program.

4 (d) "School-day program" ~~, except as otherwise provided in~~
5 ~~this section,~~ means a program that operates for at least the same
6 length of day as a district's first grade program for a minimum of
7 4 days per week, 30 weeks per year. A classroom that offers a
8 school-day program must enroll all children for the school day to
9 be considered a school-day program.

10 (18) An intermediate district or consortium of intermediate
11 districts receiving funds under this section shall establish and
12 charge tuition according to a sliding scale of tuition rates based
13 upon household income for children participating in an eligible
14 great start readiness program who live with families with a
15 household income that is more than 250% ~~, but, for 2020-2021 only,~~
16 ~~who live with families with a household income that is more than~~
17 ~~400%~~ of the federal poverty guidelines to be used by all of its
18 providers, as approved by the department.

19 (19) From the amount allocated in subsection (2), there is
20 allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed
21 \$10,000,000.00 for reimbursement of transportation costs for
22 children attending great start readiness programs funded under this
23 section. To receive reimbursement under this subsection, not later
24 than November 1 of each year, a program funded under this section
25 that provides transportation shall submit to the intermediate
26 district that is the fiscal agent for the program a projected
27 transportation budget. The amount of the reimbursement for
28 transportation under this subsection is no more than the projected
29 transportation budget or \$300.00 multiplied by the number of

1 children funded for the program under this section. If the amount
2 allocated under this subsection is insufficient to fully reimburse
3 the transportation costs for all programs that provide
4 transportation and submit the required information, the department
5 shall prorate the reimbursement in an equal amount per child
6 funded. The department shall make payments to the intermediate
7 district that is the fiscal agent for each program, and the
8 intermediate district shall then reimburse the program provider for
9 transportation costs as prescribed under this subsection.

10 (20) Subject to, and from the funds allocated under,
11 subsection (19), the department shall reimburse a program for
12 transportation costs related to parent- or guardian-accompanied
13 transportation provided by transportation service companies, buses,
14 or other public transportation services. To be eligible for
15 reimbursement under this subsection, a program must submit to the
16 intermediate district or consortia of intermediate districts all of
17 the following:

18 (a) The names of families provided with transportation support
19 along with a documented reason for the need for transportation
20 support and the type of transportation provided.

21 (b) Financial documentation of actual transportation costs
22 incurred by the program, including, but not limited to, receipts
23 and mileage reports, as determined by the department.

24 (c) Any other documentation or information determined
25 necessary by the department.

26 (21) The department shall implement a process to review and
27 approve age-appropriate comprehensive classroom level quality
28 assessments for GSRP grantees that support the early childhood
29 standards of quality for prekindergarten children adopted by the

1 state board. The department shall make available to intermediate
2 districts at least 2 classroom level quality assessments that were
3 approved in 2018.

4 (22) An intermediate district that is a GSRP grantee may
5 approve the use of a supplemental curriculum that aligns with and
6 enhances the age-appropriate educational curriculum in the
7 classroom. If the department objects to the use of a supplemental
8 curriculum approved by an intermediate district, the superintendent
9 shall establish a review committee independent of the department.
10 The review committee shall meet within 60 days of the department
11 registering its objection in writing and provide a final
12 determination on the validity of the objection within 60 days of
13 the review committee's first meeting.

14 (23) The department shall implement a process to evaluate and
15 approve age-appropriate educational curricula that are in
16 compliance with the early childhood standards of quality for
17 prekindergarten children adopted by the state board.

18 (24) From the funds allocated under subsection (1), there is
19 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
20 \$2,000,000.00 for payments to intermediate districts or consortia
21 of intermediate districts for professional development and training
22 materials for educators in programs implementing new curricula **or**
23 **child assessment tools approved for use in the great start**
24 **readiness program.**

25 (25) A great start readiness program or a GSRP/Head Start
26 blended program funded under this section is permitted to utilize
27 AmeriCorps Pre-K Reading Corps members in classrooms implementing
28 research-based early literacy intervention strategies.

29 ~~(26) For the 2020-2021 program year only, the hours, days, and~~

~~1 weeks specified within the definitions under subsection (17) (a),~~
~~2 (c), and (d) do not apply to all grantees and subrecipients under~~
~~3 this section. However, for the 2020-2021 fiscal year only, grantees~~
~~4 and subrecipients shall, at a minimum, provide pandemic learning~~
~~5 and programming on-site, at a different location, in-person,~~
~~6 online, digitally, by other remote means, in a synchronous or~~
~~7 asynchronous format, or through any combination therein that~~
~~8 results in an amount of hours, days, and weeks necessary to deliver~~
~~9 the educational or course content that would have been delivered in~~
~~10 a year in which pandemic learning was not provided and that~~
~~11 complies with requirements developed by the department. The~~
~~12 department shall publish uniform guidance concerning requirements~~
~~13 under this subsection for age-appropriate instruction that is~~
~~14 provided online, digitally, or by other remote means as part of~~
~~15 pandemic learning and programming provided under this subsection.~~
~~16 As used in this subsection, "pandemic learning" means a mode of~~
~~17 instruction provided as a result of the COVID-19 pandemic.~~

~~18 (27) For the 2020-2021 program year only, household income~~
~~19 eligibility thresholds requiring household incomes that are equal~~
~~20 to or less than 250% of the federal poverty guidelines under~~
~~21 subsections (5) (b) and (11) do not apply for all grantees and~~
~~22 subrecipients under this section. However, for the 2020-2021~~
~~23 program year, all grantees and subrecipients must continue to~~
~~24 enroll children in the quintile with the lowest household income~~
~~25 first before enrolling the next quintile and must implement the~~
~~26 ranking process described in subsection (11) by first enrolling~~
~~27 children from households with incomes that are equal to or less~~
~~28 than 250% of the federal poverty guidelines, then enrolling~~
~~29 children from households with incomes that are equal to an amount~~

~~that is greater than 250% but less than or equal to 300% of the federal poverty guidelines, then enrolling children from households with incomes equal to an amount that is greater than 300% but less than or equal to 350% of the federal poverty guidelines, and then continuing enrollment in an order increasing in percentage from a percentage greater than 350% in relation to the federal poverty guidelines until all available slots are filled.~~

~~(28) For the 2020-2021 program year only, intermediate districts will be awarded funding based on the total allocation under subsection (1) and the funding must be allocated to intermediate districts as prescribed under section 39. To receive funding as described in this subsection, an intermediate district must complete the department's process for accepting funds and implement its existing local process for funding current subrecipients under this section, including, but not limited to, adding any necessary new subrecipients and implementation of the program. Intermediate districts described in this subsection must report the children served under this section to the center for data-tracking purposes. The data described in this subsection must not be used to determine funding for the 2020-2021 program year or hold harmless funding levels for 2021-2022. Hold harmless funding for 2021-2022 must be determined based on the 2019-2020 final allocations under this section. Both of the following apply for the 2020-2021 program year:~~

~~(a) An intermediate district and its subrecipients under this section must conform to typical expenditures related to the operation of great start readiness programs to ensure the stability of the programs, including, but not limited to, ongoing program and staff costs.~~

~~(b) Funding remaining after serving all eligible children, in accordance with subsections (5) (b) and (11), subject to subsection (27), or remaining from other program savings due to pandemic learning must be used for the betterment of the program under this section and must be approved by the department. Intermediate districts and subrecipients under this section may only spend in accordance with the provisions of this subdivision if the intermediate district or subrecipient has demonstrated to the satisfaction of the department that no eligible children are on waitlists for the programs operated by the intermediate district or subrecipients under this section.~~

Sec. 32p. (1) From the ~~appropriation~~ **state school aid fund money appropriated** in section 11, there is allocated an amount not to exceed \$13,400,000.00 to intermediate districts for ~~2020-2021~~ **2021-2022** for the purpose of providing early childhood funding to intermediate districts to support the goals and outcomes under subsection (2) and subsection (4), and to provide early childhood programs for children from birth through age 8. The funding provided to each intermediate district under this section is determined by the distribution formula established by the department's office of great start to provide equitable funding statewide. In order to receive funding under this section, each intermediate district must provide an application to the office of great start not later than September 15 of the immediately preceding fiscal year indicating the strategies planned to be provided.

(2) Each intermediate district or consortium of intermediate districts that receives funding under this section shall convene a local great start collaborative and a parent coalition **that**

1 **includes an active partnership with at least 1 community-based**
2 **organization.** The goal of each great start collaborative and parent
3 coalition is to ensure the coordination and expansion of local
4 early childhood infrastructure and programs that allow every child
5 in the community to achieve the following outcomes:

6 (a) Children born healthy.

7 (b) Children healthy, thriving, and developmentally on track
8 from birth to ~~third~~-grade 3.

9 (c) Children developmentally ready to succeed in school at the
10 time of school entry.

11 (d) Children prepared to succeed in fourth grade and beyond by
12 reading proficiently by the end of third grade.

13 (3) Each local great start collaborative and parent coalition
14 shall convene workgroups to make recommendations about community
15 services designed to achieve the outcomes described in subsection
16 (2) and to ensure that its local great start system includes the
17 following supports for children from birth through age 8:

18 (a) Physical health.

19 (b) Social-emotional health.

20 (c) Family supports and basic needs.

21 (d) Parent education.

22 (e) Early education, including the child's development of
23 skills linked to success in foundational literacy, and care.

24 (4) From the funds allocated in subsection (1), at least
25 \$2,500,000.00 must be used for the purpose of providing home visits
26 to at-risk children and their families. The home visits must be
27 conducted as part of a locally coordinated, family-centered,
28 evidence-based, data-driven home visit strategic plan that is
29 approved by the department. The goals of the home visits funded

1 under this subsection are to improve school readiness using
2 evidence-based methods, including a focus on developmentally
3 appropriate outcomes for early literacy, to improve positive
4 parenting practices, and to improve family economic self-
5 sufficiency while reducing the impact of high-risk factors through
6 community resources and referrals. The department shall coordinate
7 the goals of the home visit strategic plans approved under this
8 subsection with other state agency home visit programs in a way
9 that strengthens Michigan's home visiting infrastructure and
10 maximizes federal funds available for the purposes of at-risk
11 family home visits. The coordination among departments and agencies
12 is intended to avoid duplication of state services and spending,
13 and should emphasize efficient service delivery of home visiting
14 programs.

15 (5) Not later than December 1 of each year, each intermediate
16 district shall provide a report to the department detailing the
17 strategies actually implemented during the immediately preceding
18 school year and the families and children actually served. At a
19 minimum, the report must include an evaluation of the services
20 provided with additional funding under subsection (4) for home
21 visits, using the goals identified in subsection (4) as the basis
22 for the evaluation, including the degree to which school readiness
23 was improved, the degree to which positive parenting practices were
24 improved, the degree to which there was improved family economic
25 self-sufficiency, and the degree to which community resources and
26 referrals were utilized. The department shall compile and summarize
27 these reports and submit its summary to the house and senate
28 appropriations subcommittees on school aid and to the house and
29 senate fiscal agencies not later than February 15 of each year.

(6) An intermediate district or consortium of intermediate districts that receives funding under this section may carry over any unexpended funds received under this section into the next fiscal year and may expend those unused funds through June 30 of the next fiscal year. However, an intermediate district or consortium of intermediate districts that receives funding for the purposes described in subsection (2) in fiscal year ~~2020-2021-2021-~~ **2022** shall not carry over into the next fiscal year any amount exceeding ~~30%-20%~~ of the amount awarded to the intermediate district or consortium in the ~~2020-2021-2021-2022~~ fiscal year. It is intended that the amount carried over from funding awarded for the purposes described in subsection (2) ~~in fiscal year 2021-2022 not exceed 20% of the amount awarded in that fiscal year and the amount carried over from funding awarded for the purposes described in subsection (2) in fiscal year 2022-2023 not exceed 15% of the amount awarded in that fiscal year.~~ A recipient of a grant shall return any unexpended grant funds to the department in the manner prescribed by the department not later than September 30 of the next fiscal year after the fiscal year in which the funds are received.

Sec. 34a. (1) From the federal funds allocated under section 11n, there is allocated \$155,000,000.00 for 2021-2022 from the federal funding awarded to this state from the coronavirus state fiscal recovery fund under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, to Grand Valley State University for, subject to subsection (7), the purposes described in subsections (2) and (3) to address learning loss among students, including, but not limited to, low-income students, children with disabilities, English learners, migrant students, students

1 experiencing homelessness, and children in foster care, by
2 providing information and assistance to parents and families to
3 effectively support students, including in a distance learning
4 environment.

5 (2) Subject to subsection (7), Grand Valley State University
6 shall use the funding it receives under subsection (1) toward the
7 establishment of a grant program as provided under this subsection.
8 By not later than August 1, 2021, Grand Valley State University
9 shall establish a grant program for reading scholarships to
10 eligible children.

11 (3) Grand Valley State University shall directly apply funding
12 it receives under subsection (1) for each eligible child as a
13 reading scholarship described in subsection (2) toward the payment
14 of eligible services selected by the eligible child's parent or
15 legal guardian in the application described in subsection (5).
16 Grand Valley State University may apply funding under subsection
17 (1) only toward eligible services, as provided under this
18 subsection, for eligible children. Grand Valley State University
19 may apply, from the funding under subsection (1), only an amount
20 not to exceed \$1,000.00 for each eligible child.

21 (4) Grand Valley State University shall develop a catalog of
22 eligible services and shall provide this catalog to the parent or
23 legal guardian of each eligible child. The catalog developed under
24 this subsection must be provided to all districts and must be
25 available to the general public through Grand Valley State
26 University's website homepage. The catalog described in this
27 subsection must include only services that provide any of the
28 following that are designed to improve reading or literacy:

29 (a) Instructional materials or curricula.

1 (b) Part-time tutoring services.

2 (c) Specialized summer education programming.

3 (d) After-school education programming.

4 (5) Grand Valley State University shall establish an
5 application process for applicants to apply for reading
6 scholarships through the grant program described in subsection (2).
7 The application process must provide for both of the following:

8 (a) The verification of the identity of the eligible child's
9 parent or legal guardian.

10 (b) Require the parent or legal guardian of the eligible child
11 who is seeking the reading scholarship to select, from the catalog
12 developed under subsection (4), which services the parent or legal
13 guardian would like his or her child to participate in through the
14 reading scholarship.

15 (6) A child to whom all of the following apply is an eligible
16 child under this section:

17 (a) The child is enrolled in kindergarten or any of grades 1,
18 2, 3, 4, or 5 in a district.

19 (b) The child is less than proficient in reading, based on
20 available assessment data, including benchmark assessment data and
21 state summative assessment data.

22 (c) The child has applied for a reading scholarship through
23 the grant program described in subsection (2) through the
24 application process described in subsection (5).

25 (7) From the funding allocated under subsection (1), an amount
26 not to exceed \$1,000,000.00 may be utilized by Grand Valley State
27 University for administrative costs associated with the
28 administration of the grant program described in subsection (2).
29 Grand Valley State University may charge a fee not exceeding 3% of

1 the total administrative costs associated with the administration
2 of the grant program described in subsection (2) for each
3 application submitted through the process described in subsection
4 (5).

5 (8) Each district shall notify the parent and legal guardian
6 of each eligible child enrolled in the district that his or her
7 child meets the criteria of an eligible child under this section.

8 (9) If the funds allocated under this section are insufficient
9 to provide for reading scholarships under this section in amount
10 equal to \$1,000.00 for each eligible child, Grand Valley State
11 University shall prorate the reading scholarships awarded under
12 this section on an equal dollar basis.

13 Sec. 35a. (1) From the appropriations in section 11, there is
14 allocated for ~~2020-2021-2021-2022~~ for the purposes of this section
15 an amount not to exceed ~~\$55,400,000.00~~ **\$61,400,000.00** from the
16 state school aid fund and there is allocated for ~~2020-2021-2021-~~
17 **2022** for the purposes of subsection (8) an amount not to exceed
18 ~~\$2,773,000.00~~ **\$3,500,000.00** from the general fund. ~~The~~ **Excluding**
19 **staff or contracted employees funded under subsection (8), the**
20 superintendent shall designate staff or contracted employees funded
21 under this section as critical shortage. Programs funded under this
22 section are intended to ensure that this state will be a top 10
23 state in grade 4 reading proficiency by 2025 according to the
24 National Assessment of Educational Progress (NAEP). **By December 31,**
25 **2021, the superintendent of public instruction shall do both of the**
26 **following:**

27 (a) Report in person to the house and senate appropriations
28 subcommittees on school aid regarding progress on the goal
29 described in this subsection and be available for questioning as

1 prescribed through a process developed by the chairs of the house
2 and senate appropriations subcommittees on school aid.

3 (b) Submit a written report to the house and senate
4 appropriations subcommittees on school aid regarding progress on
5 the goal described in this subsection.

6 (2) A district that receives funds under subsection (5) may
7 spend up to 5% of those funds for professional development for
8 educators in a department-approved research-based training program
9 related to current state literacy standards for pupils in grades
10 pre-K to 3. The professional development must also include training
11 in the use of screening and diagnostic tools, progress monitoring,
12 and intervention methods used to address barriers to learning and
13 delays in learning that are diagnosed through the use of these
14 tools.

15 (3) A district that receives funds under subsection (5) may
16 use up to 5% of those funds to administer department-approved
17 screening and diagnostic tools to monitor the development of early
18 literacy and early reading skills, **and risk factors for word-level**
19 **reading difficulties** of pupils in grades pre-K to 3 and to support
20 ~~research-based evidence-based professional development learning~~
21 **described in subsection (11)** for educators in administering **and**
22 **using** screening, **progress monitoring**, and diagnostic ~~tools and in~~
23 **assessment** data ~~interpretation of the results obtained through the~~
24 ~~use of those tools for the purpose of implementing a multi-tiered~~
25 ~~system of support to improve reading proficiency among pupils in~~
26 ~~grades pre-K to 3.~~ **to inform instruction through prevention and**
27 **intervention in a multi-tiered system of supports framework.** A
28 department-approved screening and diagnostic tool administered by a
29 district using funding under this section must include all of the

1 following components: phonemic awareness, phonics, fluency, **rapid**
 2 **automatized naming (RAN)**, and comprehension. Further, all of the
 3 following sub-skills must be assessed within each of these
 4 components:

5 (a) Phonemic awareness - segmentation, blending, and sound
 6 manipulation (deletion and substitution).

7 (b) Phonics - decoding (reading) and encoding (spelling).

8 (c) Fluency. ~~—reading rate, accuracy, and expression.~~

9 (d) Comprehension - making meaning of text.

10 (4) From the allocation under subsection (1), there is
 11 allocated an amount not to exceed \$31,500,000.00 for ~~2020-2021~~
 12 **2021-2022** for the purpose of providing early literacy coaches at
 13 intermediate districts to assist teachers in developing and
 14 implementing instructional strategies for pupils in grades pre-K to
 15 3 so that pupils are reading at grade level by the end of grade 3.
 16 All of the following apply to funding under this subsection:

17 (a) The department shall develop an application process
 18 consistent with the provisions of this subsection. An application
 19 must provide assurances that literacy coaches funded under this
 20 subsection are knowledgeable about at least the following:

21 (i) Current state literacy standards for pupils in grades pre-K
 22 to 3.

23 (ii) Implementing an instructional delivery model based on
 24 frequent use of formative, screening, and diagnostic tools, known
 25 as a multi-tiered system of ~~support~~, **supports**, to determine
 26 individual progress for pupils in grades pre-K to 3 so that pupils
 27 are reading at grade level by the end of grade 3.

28 (iii) The use of data from diagnostic tools to determine the
 29 necessary additional supports and interventions needed by

individual pupils in grades pre-K to 3 in order to be reading at grade level.

(b) From the allocation under this subsection, the department shall award grants to intermediate districts for the support of early literacy coaches. The department shall provide this funding in the following manner:

(i) The department shall award each intermediate district grant funding to support the cost of 1 early literacy coach in an equal amount per early literacy coach, not to exceed \$112,500.00.

(ii) After distribution of the grant funding under subparagraph (i), the department shall distribute the remainder of grant funding for additional early literacy coaches in an amount not to exceed \$112,500.00 per early literacy coach. The number of funded early literacy coaches for each intermediate district is based on the percentage of the total statewide number of pupils in grades K to 3 who meet the income eligibility standards for the federal free and reduced-price lunch programs who are enrolled in districts in the intermediate district.

(c) If an intermediate district that receives funding under this subsection uses an assessment tool that screens for ~~signs~~ **characteristics** of dyslexia, the intermediate district shall use the assessment results from that assessment tool to identify pupils who demonstrate ~~signs~~ **characteristics** of dyslexia.

(5) From the allocation under subsection (1), there is allocated an amount not to exceed \$19,900,000.00 for ~~2020-2021~~ **2021-2022** to districts that provide additional instructional time to those pupils in grades pre-K to 3 ~~, or, for 2020-2021 only,~~ ~~those pupils in grades pre-K to 12,~~ who have been identified by using department-approved screening and diagnostic tools as needing

1 additional supports and interventions in order to be reading at
 2 grade level by the end of grade 3. ~~7 or, for 2020-2021 only,~~
 3 ~~reading at the applicable grade level.~~ Additional instructional
 4 time may be provided before, during, and after regular school hours
 5 or as part of a year-round balanced school calendar. All of the
 6 following apply to funding under this subsection:

7 (a) In order to be eligible to receive funding, a district
 8 ~~shall~~**must** demonstrate to the satisfaction of the department that
 9 the district has done all of the following:

10 (i) Implemented a multi-tiered system of ~~support~~**supports**
 11 instructional delivery model that is an evidence-based model that
 12 uses data-driven problem solving to integrate academic and
 13 behavioral instruction and that uses intervention delivered to all
 14 pupils in varying intensities based on pupil needs. The multi-
 15 tiered system of supports must provide at least all of the
 16 following essential components:

17 (A) Team-based leadership.

18 (B) A tiered delivery system.

19 (C) Selection and implementation of instruction,
 20 interventions, and supports.

21 (D) A comprehensive screening and assessment system.

22 (E) Continuous data-based decision making.

23 (ii) Used department-approved research-based diagnostic tools
 24 to identify individual pupils in need of additional instructional
 25 time.

26 (iii) Used a reading instruction method that focuses on the 5
 27 fundamental building blocks of reading: phonics, phonemic
 28 awareness, fluency, vocabulary, and comprehension and content
 29 knowledge.

1 (iv) Provided teachers of pupils in grades pre-K to 3 with
2 research-based professional development in diagnostic data
3 interpretation.

4 (v) Complied with the requirements under section 1280f of the
5 revised school code, MCL 380.1280f.

6 (b) The department shall distribute funding allocated under
7 this subsection to eligible districts on an equal per-first-grade-
8 pupil basis.

9 (c) If the funds allocated under this subsection are
10 insufficient to fully fund the payments under this subsection,
11 payments under this subsection are prorated on an equal per-pupil
12 basis based on grade 1 pupils.

13 (6) Not later than September 1 of each year, a district that
14 receives funding under subsection (5) in conjunction with the
15 Michigan student data system, if possible, shall provide to the
16 department a report that includes at least both of the following,
17 in a form and manner prescribed by the department:

18 (a) For pupils in grades pre-K to 3, ~~or pre-K to 12, as~~
19 ~~applicable,~~ the **teachers**, pupils, schools, and grades served with
20 funds under this section and the categories of services provided.

21 (b) For pupils in grades pre-K to 3, ~~or pre-K to 12, as~~
22 ~~applicable,~~ pupil proficiency and growth data that allows analysis
23 both in the aggregate and by each of the following subgroups, as
24 applicable:

25 (i) School.

26 (ii) Grade level.

27 (iii) Gender.

28 (iv) Race.

29 (v) Ethnicity.

1 (vi) Economically disadvantaged status.

2 (vii) Disability.

3 (viii) Pupils identified as having reading deficiencies.

4 (7) From the allocation under subsection (1), there is
5 allocated an amount not to exceed ~~\$4,000,000.00~~ **\$6,000,000.00** for
6 ~~2020-2021~~ **2021-2022** to an intermediate district in which the
7 combined total number of pupils in membership of all of its
8 constituent districts is the fewest among all intermediate
9 districts. All of the following apply to the funding under this
10 subsection:

11 (a) Funding under this subsection must be used by the
12 intermediate district, in partnership with an association that
13 represents intermediate district administrators in this state, to
14 implement all of the following:

15 (i) Literacy essentials teacher and principal training modules.

16 (ii) Face-to-face and online professional learning of literacy
17 essentials teacher and principal training modules for literacy
18 coaches, principals, and teachers.

19 (iii) The placement of regional lead literacy coaches to
20 facilitate professional learning for early literacy coaches. These
21 regional lead literacy coaches shall provide support for new
22 literacy coaches, building teachers, and administrators and shall
23 facilitate regional data collection to evaluate the effectiveness
24 of statewide literacy coaches funded under this section.

25 (iv) Provide \$500,000.00 from this subsection for literacy
26 training, modeling, coaching, and feedback for district principals
27 or chief administrators, as applicable. The training described in
28 this subparagraph must use the pre-K and K to 3 essential
29 instructional practices in literacy created by the general

education leadership network as the framework for all training provided under this subparagraph.

(v) **Job-embedded professional learning opportunities for mathematics teachers through mathematics instructional coaching. Funding must be used for professional learning for coaches, professional developers, administrators, and teachers; coaching for early mathematics educators; the development of statewide and regional professional learning networks in mathematics instructions; and the development and support of digital professional learning modules.**

(b) Not later than September 1 of each year, the intermediate district described in this subsection, in consultation with grant recipients, shall submit a report to the chairs of the senate and house appropriations subcommittees on ~~state~~-school aid, the chairs of the senate and house standing committees responsible for education legislation, the house and senate fiscal agencies, and the state budget director. The report described under this subdivision must include student achievement results in English language arts **and mathematics** and survey results with feedback from parents and teachers regarding the initiatives implemented under this subsection.

(c) Up to 2% of funds allocated under this subsection may be used by the association representing intermediate district administrators that is in partnership with the intermediate district specified in this subsection to administer this subsection.

(8) From the general fund money allocated in subsection (1), the department shall allocate the amount of ~~\$2,773,000.00~~ **\$3,500,000.00** for ~~2020-2021-2021-2022~~ to the Michigan Education

1 Corps for the PreK Reading Corps, the K3 Reading Corps, and the
2 Math Corps. All of the following apply to funding under this
3 subsection:

4 (a) By September 1 of the current fiscal year, the Michigan
5 Education Corps shall provide a report concerning its use of the
6 funding to the senate and house appropriations subcommittees on
7 state school aid, the senate and house fiscal agencies, and the
8 senate and house caucus policy offices on outcomes and performance
9 measures of the Michigan Education Corps, including, but not
10 limited to, the degree to which the Michigan Education Corps'
11 replication of the PreK Reading Corps, the K3 Reading Corps, and
12 the Math Corps programs is demonstrating sufficient efficacy and
13 impact. The report must include data pertaining to at least all of
14 the following:

15 (i) The current impact of the programs on this state in terms
16 of numbers of children and schools receiving support. This portion
17 of the report must specify the number of children tutored,
18 including dosage and completion, and the demographics of those
19 children.

20 (ii) Whether the assessments and interventions are implemented
21 with fidelity. This portion of the report must include details on
22 the total number of assessments and interventions completed and the
23 range, mean, and standard deviation.

24 (iii) Whether the literacy or math improvement of children
25 participating in the programs is consistent with expectations. This
26 portion of the report must detail at least all of the following:

27 (A) Growth rate by grade or age level, in comparison to
28 targeted growth rate.

29 (B) Average linear growth rates.

1 (C) Exit rates.

2 (D) Percentage of children who exit who also meet or exceed
3 spring benchmarks.

4 (iv) The impact of the programs on organizations and
5 stakeholders, including, but not limited to, school administrators,
6 internal coaches, and AmeriCorps members.

7 (b) If the department determines that the Michigan Education
8 Corps has misused the funds allocated under this subsection, the
9 Michigan Education Corps shall reimburse this state for the amount
10 of state funding misused.

11 (c) The department may not reserve any portion of the
12 allocation provided under this subsection for an evaluation of the
13 Michigan Education Corps, the Michigan Education Corps' funding, or
14 the Michigan Education Corps' programming unless agreed to in
15 writing by the Michigan Education Corps. The department shall award
16 the entire ~~\$2,773,000.00~~ **\$3,500,000.00** allocated under this
17 subsection to the Michigan Education Corps and shall not condition
18 the awarding of this funding on the implementation of an
19 independent evaluation.

20 (9) If a district or intermediate district expends any funding
21 received under subsection (4) or (5) for professional development
22 in research-based effective reading instruction, the district or
23 intermediate district shall select a professional development
24 program from the list described under subdivision (a). All of the
25 following apply to the requirement under this subsection:

26 (a) The department shall issue a request for proposals for
27 professional development programs in research-based effective
28 reading instruction to develop an initial approved list of
29 professional development programs in research-based effective

1 reading instruction. The department shall make the initial approved
2 list public and shall determine if it will, on a rolling basis,
3 approve any new proposals submitted for addition to its initial
4 approved list.

5 (b) To be included as an approved professional development
6 program in research-based effective reading instruction under
7 subdivision (a), an applicant must demonstrate to the department in
8 writing the program's competency in all of the following topics:

9 (i) Understanding of phonemic awareness, phonics, fluency,
10 vocabulary, and comprehension.

11 (ii) Appropriate use of assessments and differentiated
12 instruction.

13 (iii) Selection of appropriate instructional materials.

14 (iv) Application of research-based instructional practices.

15 (c) As used in this subsection, "effective reading
16 instruction" means reading instruction scientifically proven to
17 result in improvement in pupil reading skills.

18 **(10) From the allocation under subsection (1), there is**
19 **allocated an amount not to exceed \$4,000,000.00 for 2021-2022 for**
20 **professional learning described in subsection (11), first to**
21 **educators in pre-K, kindergarten, and grade 1 and then to educators**
22 **in grade 2 and grade 3. All of the following apply to funding under**
23 **this subsection:**

24 (a) The department must establish and manage professional
25 learning opportunities that are open to all pre-K through grade 3
26 teachers as follows:

27 (i) The department must open voluntary enrollment for any pre-K
28 through grade 3 teacher on a first-come, first-served basis, with
29 voluntary enrollment prioritized for pre-K, kindergarten, and grade

1 1 teachers.

2 (ii) The department must maintain open enrollment until all
3 funds are expended.

4 (b) The department shall distribute funding allocated under
5 this subsection to eligible districts on an equal per-first-grade-
6 pupil basis.

7 (c) If the funds allocated under this subsection are
8 insufficient to fully fund the payments under this subsection,
9 payments under this subsection are prorated on an equal per-pupil
10 basis based on grade 1 pupils.

11 (11) The department shall provide a list of 1 or more approved
12 providers of professional learning outlined in this subsection for
13 pre-K to grade 3 teachers, administrators, and early literacy
14 coaches. In order to be approved, a provider of professional
15 learning must meet all of the following:

16 (a) Be offered through a system of training that provides
17 educators with the knowledge base to effectively implement any
18 class-wide, supplemental, or intervention reading approach and to
19 determine why some students struggle with reading, writing,
20 spelling, and language.

21 (b) Provide training activities that direct educators to
22 implement effective reading and spelling instruction supported by
23 scientifically based research and foster a direct explicit
24 instructional sequence that uses techniques to support teachers'
25 independence in using their newly-learned skills with students in
26 the classroom.

27 (c) Include integrated components for educators and
28 administrators in pre-K to grade 3 with embedded evaluation or
29 assessment of knowledge. Evaluation or assessment of knowledge

1 under this subdivision must incorporate evaluations of learning
 2 throughout each unit and include a summative assessment that must
 3 be completed to demonstrate successful course completion.

4 (d) Build teacher content knowledge and pedagogical knowledge
 5 of the critical components of literacy including how the brain
 6 learns to read, phonological and phonemic awareness; letter
 7 knowledge; phonics; advanced phonics; vocabulary and oral language;
 8 fluency; comprehension; spelling and writing; and the organization
 9 of language.

10 (e) Support educators in understanding how to effectively use
 11 screening, progress monitoring, and diagnostic assessment data to
 12 improve literacy outcomes through prevention and intervention for
 13 reading difficulties in a multi-tiered system of supports. The
 14 multi-tiered system of supports must include at least all of the
 15 following essential components:

16 (i) Team-based leadership.

17 (ii) A tiered delivery system.

18 (iii) Selection and implementation of instruction,
 19 interventions, and supports.

20 (iv) A comprehensive screening and assessment system.

21 (v) Continuous data-based decision making.

22 (12) ~~(10)~~ Notwithstanding section 17b, the department shall
 23 make payments made under subsections (7) and (8) on a schedule
 24 determined by the department.

25 (13) As used in this section:

26 (a) "Dyslexia" means both of the following:

27 (i) A specific learning disorder that is neurobiological in
 28 origin and characterized by difficulties with accurate or fluent
 29 word recognition and by poor spelling and decoding abilities that

1 typically result from a deficit in the phonological component of
2 language that is often unexpected in relation to other cognitive
3 abilities and the provision of effective classroom instruction.

4 (ii) A specific learning disorder that may include secondary
5 consequences, such as problems in reading comprehension and a
6 reduced reading experience that can impede the growth of vocabulary
7 and background knowledge and lead to social, emotional, and
8 behavioral difficulties.

9 (b) "Evidence-based" means an activity, program, process,
10 service, strategy, or intervention that demonstrates statistically
11 significant effects on improving pupil outcomes or other relevant
12 outcomes and that meets at least both of the following:

13 (i) At least 1 of the following:

14 (A) Is based on strong evidence from at least 1 well-designed
15 and well-implemented experimental study.

16 (B) Is based on moderate evidence from at least 1 well-
17 designed and well-implemented quasi-experimental study.

18 (C) Is based on promising evidence from at least 1 well-
19 designed and well-implemented correlational study with statistical
20 controls for selection bias.

21 (D) Demonstrates a rationale based on high-quality research
22 findings or positive evaluation that the activity, program,
23 process, service, strategy, or intervention is likely to improve
24 pupil outcomes or other relevant outcomes.

25 (ii) Includes ongoing efforts to examine the effects of the
26 activity, program, process, service, strategy, or intervention.

27 (c) "Explicit" means direct and deliberate instruction through
28 continuous pupil-teacher interaction that includes teacher
29 modeling, guided practice, and independent practice.

1 (d) "Fluency" means the ability to read with speed, accuracy,
2 and proper expression.

3 (e) "Multi-tiered system of supports" means a comprehensive
4 framework that includes 3 distinct tiers of instructional support
5 and is composed of a collection of evidence-based strategies
6 designed to meet the individual needs and assets of a whole pupil
7 at all achievement levels.

8 (f) "Phonemic awareness" means the conscious awareness of all
9 of the following:

10 (i) Individual speech sounds, including, but not limited to,
11 consonants and vowels, in spoken syllables.

12 (ii) The ability to consciously manipulate through, including,
13 but not limited to, matching, blending, segmenting, deleting, or
14 substituting, individual speech sounds described in subparagraph
15 (i).

16 (iii) All levels of the speech sound system, including, but not
17 limited to, word boundaries, rhyme recognition, stress patterns,
18 syllables, onset-rime units, and phonemes.

19 (g) "Phonological" means relating to the system of contrastive
20 relationships among the speech sounds that constitute the
21 fundamental components of a language.

22 (h) "Progress monitoring" means the assessing of students'
23 academic performance, quantifying students' rates of improvement or
24 progress toward goals, and determining how students are responding
25 to instruction.

26 (i) "Rapid automatized naming (RAN)" means a task that
27 measures how quickly individuals can name objects; pictures;
28 colors; or symbols, including letters and digits, aloud, which can
29 predict later reading abilities for preliterate children.

1 Sec. 35b. (1) From the general fund money appropriated in
2 section 11, there is allocated for ~~2020-2021~~**2021-2022** an amount
3 not to exceed \$250,000.00 for a grant to be distributed by the
4 department to the Children's Choice Initiative for a program to use
5 a multisensory structured language education method to improve
6 reading proficiency rates and to comply with section 1280f of the
7 revised school code, MCL 380.1280f.

8 (2) Grant funds awarded under this section must be expended
9 for the following purposes:

10 (a) Professional development including training staff and
11 tutors in a multisensory, sequential, systematic education
12 approach.

13 (b) Additional instructional time before, during, or after
14 school for pupils in grades K to 3 identified as having an early
15 literacy delay or reading deficiency using a multisensory,
16 sequential, systematic education approach.

17 (3) Not later than December 1, 2021, an entity that receives
18 grant funds under this section shall report to the house and senate
19 appropriations subcommittees on school aid, the house and senate
20 fiscal agencies, and the state budget director on all of the
21 following for the grant funds awarded under this section:

22 (a) The number of staff and tutors trained.

23 (b) The number of pupils in grades K to 3 identified as having
24 an early literacy delay or reading deficiency served.

25 (c) The number of hours of added instructional time provided
26 to pupils served.

27 (d) Pupil reading proficiency and growth data of pupils served
28 necessary to evaluate the effectiveness of the program.

29 Sec. 35d. (1) From the general fund money appropriated under

section 11, for ~~2020-2021~~, **2021-2022**, there is allocated an amount not to exceed ~~\$500,000.00~~ **\$1,000,000.00** for the department to provide grants to districts and intermediate districts for the purchase of 1 or more components or trainings through an eligible ~~1-on-1 tutoring~~ **teacher training** program for children with dyslexia from a provider of an eligible ~~1-on-1 tutoring~~ **teacher training** program for children with dyslexia as provided under this section.

(2) A provider that provides programming that meets all of the following is considered to be a provider of an eligible ~~1-on-1 tutoring~~ **teacher training** program for purposes of this section:

(a) Allows teachers to incorporate the 5 components essential to an effective reading program into their daily lessons. The 5 components described in this subdivision are phonemic awareness, phonics, vocabulary, fluency, and comprehension.

(b) Trains educators to teach reading using a proven, multisensory approach.

(c) Educates teachers on how to explicitly and effectively teach reading to beginning readers.

(d) Breaks reading and spelling down into smaller skills involving letters and sounds, and then builds on these skills over time.

(e) Uses multisensory teaching strategies to teach reading by using sight, hearing, touch, and movement to help students connect and learn the concepts being taught.

(3) Districts and intermediate districts may apply to the department for grants to purchase components or training through an eligible ~~1-on-1 tutoring~~ **teacher training** program from a provider of an eligible ~~1-on-1 tutoring~~ **teacher training** program, and, upon receiving an application but except as otherwise provided in this

1 subsection, the department shall make payments to districts and
2 intermediate districts for those purchases. The department shall
3 make payments under this section on a first-come, first-served
4 basis until funds are depleted.

5 Sec. 35e. (1) From the general fund money appropriated under
6 section 11, there is allocated an amount not to exceed
7 ~~\$1,000,000.00~~ **\$2,000,000.00** for ~~2020-2021~~ **2021-2022** for a grant to
8 be distributed by the department to an organization to provide
9 early literacy and academic support to at-need youth in this state.

10 (2) To qualify for a grant under this section, an organization
11 must be exempt from federal income tax under section 501(c)(3) of
12 the internal revenue code, 26 USC 501, and must be affiliated and
13 in good standing with a national congressionally chartered
14 organization's standards under 36 USC 20101 to 240112, and must
15 meet both of the following:

16 (a) Is facility-based and provides proven and tested
17 recreational, educational, and character building programs for
18 children ages 6 to 18.

19 (b) Provides after-school and summer programs in at least 25
20 communities statewide, with youth development services available at
21 least 20 hours per week during the school year and 30 hours per
22 week during summer programming.

23 (3) A grant recipient under this section shall administer an
24 early learning literacy program targeted at students in grades K-3.
25 At least 60% of the participants in the program must qualify for
26 free or reduced-priced lunch. Each entity receiving funds to
27 implement the program shall report to the department on the number
28 of children served, the types of services, and the outcome of those
29 services.

1 (4) Notwithstanding section 17b, the department shall make
2 grant payments under this section on a schedule determined by the
3 department.

4 Sec. 35f. From the general fund money appropriated in section
5 11, there is allocated for ~~2020-2021~~**2021-2022** an amount not to
6 exceed ~~\$500,000.00~~**\$750,000.00** for the department to award to the
7 Chaldean community foundation. The Chaldean community foundation
8 shall use funds received under this section to support and expand
9 early childhood learning opportunities, improve early literacy
10 achievement, increase high school graduation rates for new
11 Americans, and assist with diploma acquisition, skills training,
12 and postsecondary education.

13 **Sec. 35g. (1) From the state school aid fund money**
14 **appropriated in section 11, there is allocated an amount not to**
15 **exceed \$1,000,000.00 for 2021-2022 for competitive grants to**
16 **eligible districts that have established innovative community**
17 **libraries.**

18 **(2) A district that has established an innovative community**
19 **library that meets all of the following is an eligible district**
20 **under this section:**

21 **(a) The library provides for the engagement and connection of**
22 **readers.**

23 **(b) The library provides for resources that are used to**
24 **further reading skills.**

25 **(c) The library provides for the involvement of community**
26 **volunteers and donations.**

27 **(3) An eligible district may partner with an existing library**
28 **to provide an innovative community library described in subsection**
29 **(2).**

1 (4) For the purpose of this section, an innovative community
2 library described in subsection (2) does not need to be in a
3 physical building.

4 (5) To receive funding under this section, an eligible
5 district must apply for the funding to the department's innovation
6 council, in a form and manner prescribed by the department's
7 innovation council, by not later than March 15, 2022. The
8 department's innovation council must develop an application process
9 for the submission of applications for funding under this section
10 by not later than December 15, 2021. The department's innovation
11 council must score applications and award up to 20 grants under
12 this section based on the following criteria by not later than July
13 15, 2022:

14 (a) How the innovative community library has addressed early
15 childhood literacy gaps.

16 (b) How community partners of the innovative community library
17 have engaged in addressing literacy gaps.

18 (c) How the innovative community library has connected
19 different readers together.

20 (d) How the innovative community library will promote its
21 approach to other districts or communities in addressing early
22 literacy gaps.

23 (6) The grant awards under subsection (5) must be ranked in a
24 manner in which there are 2 first-place grant awards, 2 second-
25 place grant awards, 2 third-place grant awards, 2 fourth-place
26 grant awards, 2 fifth-place grant awards, 2 sixth-place grant
27 awards, 2 seventh-place grant awards, 2 eighth-place grant awards,
28 2 ninth-place grant awards, and 2 tenth-place grant awards. The
29 first-place grant awards described in this subsection must receive

1 the highest award of funding under this section and the amount of
2 funding awarded under this section must decline sequentially with
3 each numerical-place award described in this subsection, with the
4 lowest award of funding under this section going to the tenth-place
5 grant award recipients.

6 (7) Notwithstanding section 17b, subject to subsection (5),
7 the department shall make payments to eligible districts under this
8 section on a schedule determined by the department.

9 Sec. 35h. From the general fund money appropriated in section
10 11, there is allocated for 2021-2022 an amount not to exceed
11 \$1,700,000.00 to the Jewish Federation of Metro Detroit to support
12 day schools, day camps, and summer programming to help mitigate the
13 impact of remote learning on students' mental health and physical
14 well-being.

15 Sec. 39. (1) An eligible applicant receiving funds under
16 section 32d shall submit an application, in a form and manner
17 prescribed by the department, by a date specified by the department
18 in the immediately preceding fiscal year. An eligible applicant is
19 not required to amend the applicant's current accounting cycle or
20 adopt this state's fiscal year accounting cycle in accounting for
21 financial transactions under this section. The application must
22 include all of the following:

23 (a) The estimated total number of children in the community
24 who meet the criteria of section 32d, as provided to the applicant
25 by the department utilizing the most recent population data
26 available from the American Community Survey conducted by the
27 United States Census Bureau. The department shall ensure that it
28 provides updated American Community Survey population data at least
29 once every 3 years.

1 (b) The estimated number of children in the community who meet
2 the criteria of section 32d and are being served exclusively by
3 Head Start programs operating in the community.

4 (c) The number of children whom the applicant has the capacity
5 to serve who meet the criteria of section 32d including a
6 verification of physical facility and staff resources capacity.

7 (2) After notification of funding allocations, an applicant
8 receiving funds under section 32d shall also submit an
9 implementation plan for approval, in a form and manner prescribed
10 by the department, by a date specified by the department, that
11 details how the applicant complies with the program components
12 established by the department pursuant to section 32d.

13 (3) The initial allocation to each eligible applicant under
14 section 32d is the lesser of the following:

15 (a) The sum of the number of children served in a school-day
16 program in the preceding school year multiplied by ~~\$7,250.00~~
17 **\$8,700.00** and the number of children served in a GSRP/Head Start
18 blended program or a part-day program in the preceding school year
19 multiplied by ~~\$3,625.00~~ **\$4,350.00**.

20 (b) The sum of the number of children the applicant has the
21 capacity to serve in the current school year in a school-day
22 program multiplied by ~~\$7,250.00~~ **\$8,700.00** and the number of
23 children served in a GSRP/Head Start blended program or a part-day
24 program the applicant has the capacity to serve in the current
25 school year multiplied by ~~\$3,625.00~~ **\$4,350.00**.

26 (4) If funds remain after the allocations under subsection
27 (3), the department shall distribute the remaining funds to each
28 intermediate district or consortium of intermediate districts that
29 serves less than the state percentage benchmark determined under

1 subsection (5). The department shall distribute these remaining
2 funds to each eligible applicant based upon each applicant's
3 proportionate share of the remaining unserved children necessary to
4 meet the statewide percentage benchmark in intermediate districts
5 or consortia of intermediate districts serving less than the
6 statewide percentage benchmark. When all applicants have been given
7 the opportunity to reach the statewide percentage benchmark, the
8 statewide percentage benchmark may be reset, as determined by the
9 department, until greater equity of opportunity to serve eligible
10 children across all intermediate school districts has been
11 achieved.

12 (5) For the purposes of subsection (4), the department shall
13 calculate a percentage of children served by each intermediate
14 district or consortium of intermediate districts by adding the
15 number of children served in the immediately preceding year by that
16 intermediate district or consortium with the number of eligible
17 children under section 32d served exclusively by head start, as
18 reported in a form and manner prescribed by the department, within
19 the intermediate district or consortia service area and dividing
20 that total by the total number of children within the intermediate
21 district or consortium of intermediate districts who meet the
22 criteria of section 32d as determined by the department utilizing
23 the most recent population data available from the American
24 Community Survey conducted by the United States Census Bureau. The
25 department shall compare the resulting percentage of eligible
26 children served to a statewide percentage benchmark to determine if
27 the intermediate district or consortium is eligible for additional
28 funds under subsection (4). The statewide percentage benchmark is
29 ~~60%-100%~~.

(6) If, taking into account the total amount to be allocated to the applicant as calculated under this section, an applicant determines that it is able to include additional eligible children in the great start readiness program without additional funds under section 32d, the applicant may include additional eligible children but does not receive additional funding under section 32d for those children.

(7) The department shall review the program components under section 32d and under this section at least biennially. The department also shall convene a committee of internal and external stakeholders at least once every 5 years to ensure that the funding structure under this section reflects current system needs under section 32d.

(8) As used in this section, "GSRP/Head Start blended program", "part-day program", and "school-day program" mean those terms as defined in section 32d. ~~as, for 2020-2021, impacted by section 32d(26).~~

(9) For the 2020-2021 program year only, the number of children reported on the application described in subsection (1)(a), (b), and (c) must not be used by the department for the purpose of calculating hold harmless funding levels for 2021-2022. Hold harmless funding for 2021-2022 must be determined based on the 2019-2020 final allocations calculated and paid under section 32d in 2019-2020.

Sec. 39a. (1) From the federal funds appropriated in section 11, there is allocated for 2020-2021 to districts, intermediate districts, and other eligible entities all available federal funding, estimated at ~~\$749,200,000.00~~ **\$752,300,000.00 and there is allocated for 2021-2022 to districts, intermediate districts, and**

1 **other eligible entities all available federal funding, estimated at**
2 **\$752,300,000.00**, for the federal programs under the no child left
3 behind act of 2001, Public Law 107-110, or the every student
4 succeeds act, Public Law 114-95. These funds are allocated as
5 follows:

6 (a) An amount estimated at \$1,200,000.00 for 2020-2021 **and**
7 **estimated at \$1,200,000.00 for 2021-2022** to provide students with
8 drug- and violence-prevention programs and to implement strategies
9 to improve school safety, funded from DED-OESE, drug-free schools
10 and communities funds.

11 (b) An amount estimated at \$100,000,000.00 for 2020-2021 **and**
12 **estimated at \$100,000,000.00 for 2021-2022** for the purpose of
13 preparing, training, and recruiting high-quality teachers and class
14 size reduction, funded from DED-OESE, improving teacher quality
15 funds.

16 (c) An amount estimated at ~~\$11,000,000.00~~ **\$13,000,000.00** for
17 2020-2021 **and estimated at \$13,000,000.00 for 2021-2022** for
18 programs to teach English to limited English proficient (LEP)
19 children, funded from DED-OESE, language acquisition state grant
20 funds.

21 (d) An amount estimated at \$2,800,000.00 for 2020-2021 **and**
22 **estimated at \$2,800,000.00 for 2021-2022** for rural and ~~low income~~
23 **low-income** schools, funded from DED-OESE, rural and low income
24 school funds.

25 (e) An amount estimated at \$535,000,000.00 for 2020-2021 **and**
26 **estimated at \$535,000,000.00 for 2021-2022** to provide supplemental
27 programs to enable educationally disadvantaged children to meet
28 challenging academic standards, funded from DED-OESE, title I,
29 disadvantaged children funds.

(f) An amount estimated at \$9,200,000.00 for 2020-2021 **and estimated at \$9,200,000.00 for 2021-2022** for the purpose of identifying and serving migrant children, funded from DED-OESE, title I, migrant education funds.

(g) An amount estimated at \$39,000,000.00 for 2020-2021 **and estimated at \$39,000,000.00 for 2021-2022** for the purpose of providing high-quality extended learning opportunities, after school and during the summer, for children in low-performing schools, funded from DED-OESE, twenty-first century community learning center funds.

(h) An amount estimated at \$14,000,000.00 for 2020-2021 **and estimated at \$14,000,000.00 for 2021-2022** to help support local school improvement efforts, funded from DED-OESE, title I, local school improvement grants.

(i) An amount estimated at \$35,000,000.00 for 2020-2021 **and estimated at \$35,000,000.00 for 2021-2022** to improve the academic achievement of students, funded from DED-OESE, title IV, student support and academic enrichment grants.

(j) **An amount estimated at \$3,100,000.00 for 2020-2021 and estimated at \$3,100,000.00 for 2021-2022 for literacy programs that advance literacy skills for students from birth through grade 12, including, but not limited to, English-proficient students and students with disabilities, funded from DED-OESE, striving readers comprehensive literacy program.**

(2) From the federal funds appropriated in section 11, there is allocated to districts, intermediate districts, and other eligible entities all available federal funding, estimated at ~~\$55,000,000.00~~ **\$77,867,000.00** for 2020-2021 **and estimated at \$56,500,000.00 for 2021-2022** for the following programs that are

1 funded by federal grants:

2 (a) An amount estimated at ~~\$3,000,000.00~~ **\$24,367,000.00** for
3 2020-2021 **and estimated at \$3,000,000.00 for 2021-2022** to provide
4 services to homeless children and youth, funded from DED-OVAE,
5 homeless children and youth funds.

6 (b) An amount estimated at \$24,000,000.00 for 2020-2021 **and**
7 **estimated at \$24,000,000.00 for 2021-2022** for providing career and
8 technical education services to pupils, funded from DED-OVAE, basic
9 grants to states.

10 (c) An amount estimated at \$14,000,000.00 for 2020-2021 **and**
11 **estimated at \$14,000,000.00 for 2021-2022** for the Michigan charter
12 school subgrant program, funded from DED-OII, public charter
13 schools program funds.

14 (d) An amount estimated at \$14,000,000.00 for 2020-2021 **and**
15 **estimated at \$14,000,000.00 for 2021-2022** for the purpose of
16 promoting and expanding high-quality preschool services, funded
17 from HHS-OCC, preschool development funds.

18 (e) **An amount estimated at \$1,500,000.00 for 2020-2021 and**
19 **estimated at \$1,500,000.00 for 2021-2022 for the purpose of**
20 **addressing priority substance abuse treatment, prevention, and**
21 **mental health needs, funded from HHS-SAMHSA.**

22 (3) The department shall distribute all federal funds
23 allocated under this section in accordance with federal law and
24 with flexibility provisions outlined in Public Law 107-116, and in
25 the education flexibility partnership act of 1999, Public Law 106-
26 25. Notwithstanding section 17b, the department shall make payments
27 of federal funds to districts, intermediate districts, and other
28 eligible entities under this section on a schedule determined by
29 the department.

(4) For the purposes of applying for federal grants appropriated under this article, the department shall allow an intermediate district to submit a consortium application on behalf of 2 or more districts with the agreement of those districts as appropriate according to federal rules and guidelines.

(5) For the purposes of funding federal title I grants under this article, in addition to any other federal grants for which the strict discipline academy is eligible, the department shall allocate to a strict discipline academy out of title I, part A an amount equal to what the strict discipline academy would have received if included and calculated under title I, part D, or what it would receive under the formula allocation under title I, part A, whichever is greater.

(6) As used in this section:

(a) "DED" means the United States Department of Education.

(b) "DED-OESE" means the DED Office of Elementary and Secondary Education.

(c) "DED-OII" means the DED Office of Innovation and Improvement.

(d) "DED-OVAE" means the DED Office of Vocational and Adult Education.

(e) "HHS" means the United States Department of Health and Human Services.

(f) "HHS-OCC" means the HHS Office of Child Care.

(g) "HHS-SAMHSA" means the HHS Substance Abuse and Mental Health Services Project.

Sec. 41. (1) For a district to be eligible to receive funding under this section, the district must administer to English language learners the English language proficiency assessment known

as the "WIDA ACCESS for English language learners" or the "WIDA Alternate ACCESS". From the ~~appropriation~~ **state school aid fund money appropriated** in section 11, there is allocated an amount not to exceed ~~\$13,000,000.00~~ **\$25,200,000.00** for ~~2020-2021~~ **2021-2022** for payments to eligible districts for services for English language learners who have been administered the WIDA ACCESS for English language learners.

(2) The department shall distribute funding allocated under subsection (1) to eligible districts based on the number of full-time equivalent English language learners as follows:

(a) ~~\$900.00~~ **\$935.00** per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 1.0 and 1.9, or less, as applicable to each assessment.

(b) ~~\$620.00~~ **\$645.00** per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 2.0 and 2.9, or less, as applicable to each assessment.

(c) ~~\$100.00~~ **\$105.00** per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 3.0 and 3.9, or less, as applicable to each assessment.

(3) If funds allocated under subsection (1) are insufficient to fully fund the payments as prescribed under subsection (2), the department shall prorate payments on an equal percentage basis, with the same percentage proration applied to all funding

1 categories.

2 (4) Each district receiving funds under subsection (1) shall
3 submit to the department by July 15 of each fiscal year a report,
4 not to exceed 10 pages, on the usage by the district of funds under
5 subsection (1) in a form and manner determined by the department,
6 including a brief description of each program conducted or services
7 performed by the district using funds under subsection (1) and the
8 amount of funds under subsection (1) allocated to each of those
9 programs or services. If a district does not comply with this
10 subsection, the department shall withhold an amount equal to the
11 August payment due under this section until the district complies
12 with this subsection. If the district does not comply with this
13 subsection by the end of the fiscal year, the withheld funds are
14 forfeited to the school aid fund.

15 (5) In order to receive funds under subsection (1), a district
16 must allow access for the department or the department's designee
17 to audit all records related to the program for which it receives
18 those funds. The district shall reimburse this state for all
19 disallowances found in the audit.

20 (6) Beginning July 1, 2020, and every 3 years thereafter, the
21 department shall review the per-pupil distribution under subsection
22 (2), to ensure that funding levels are appropriate and make
23 recommendations for adjustments to the members of the senate and
24 house subcommittees on K-12 school aid appropriations.

25 **Sec. 41a. From the general fund money appropriated in section**
26 **11, there is allocated for 2021-2022 an amount not to exceed**
27 **\$450,000.00 for Mi Alma and the Exito Educativo program. Mi Alma**
28 **shall use funds allocated under this section for Exito Educativo,**
29 **an after-school program that brings Latino parents and their**

1 children who are in high school together to learn about the
 2 requirements for high school graduation, the different sources of
 3 support, and the pathways to college.

4 Sec. 51a. (1) From the ~~appropriation~~ **state school aid fund**
 5 **money** in section 11, there is allocated an amount not to exceed
 6 ~~\$1,023,996,100.00~~ **\$1,079,296,100.00** for ~~2019-2020~~ **2020-2021** and
 7 there is allocated an amount not to exceed ~~\$1,079,296,100.00~~
 8 **\$1,123,696,100.00** for ~~2020-2021~~ **2021-2022** from state sources and
 9 all available federal funding under sections ~~611-1411~~ to ~~619-1419~~
 10 of part B of the individuals with disabilities education act, 20
 11 USC 1411 to 1419, estimated at ~~\$370,000,000.00~~ **\$456,752,000.00** for
 12 ~~2019-2020~~ **2020-2021** and ~~\$375,000,000.00~~ **\$380,000,000.00** for ~~2020-~~
 13 ~~2021,~~ **2021-2022**, plus any carryover federal funds from previous
 14 year appropriations. The allocations under this subsection are for
 15 the purpose of reimbursing districts and intermediate districts for
 16 special education programs, services, and special education
 17 personnel as prescribed in article 3 of the revised school code,
 18 MCL 380.1701 to 380.1761; net tuition payments made by intermediate
 19 districts to the Michigan Schools for the Deaf and Blind; and
 20 special education programs and services for pupils who are eligible
 21 for special education programs and services according to statute or
 22 rule. For meeting the costs of special education programs and
 23 services not reimbursed under this article, a district or
 24 intermediate district may use money in general funds or special
 25 education funds, not otherwise restricted, or contributions from
 26 districts to intermediate districts, tuition payments, gifts and
 27 contributions from individuals or other entities, or federal funds
 28 that may be available for this purpose, as determined by the
 29 intermediate district plan prepared under article 3 of the revised

1 school code, MCL 380.1701 to 380.1761. Notwithstanding section 17b,
 2 the department shall make payments of federal funds to districts,
 3 intermediate districts, and other eligible entities under this
 4 section on a schedule determined by the department.

5 (2) From the funds allocated under subsection (1), there is
 6 allocated the amount necessary, estimated at ~~\$286,900,000.00~~
 7 **\$319,000,000.00** for ~~2019-2020-2020-2021~~ and estimated at
 8 ~~\$307,500,000.00~~ **\$332,000,000.00** for ~~2020-2021, 2021-2022~~, for
 9 payments toward reimbursing districts and intermediate districts
 10 for 28.6138% of total approved costs of special education,
 11 excluding costs reimbursed under section 53a, and 70.4165% of total
 12 approved costs of special education transportation. Allocations
 13 under this subsection are made as follows:

14 (a) The department shall calculate the initial amount
 15 allocated to a district under this subsection toward fulfilling the
 16 specified percentages by multiplying the district's special
 17 education pupil membership, excluding pupils described in
 18 subsection (11), times the foundation allowance under section 20 of
 19 the pupil's district of residence, **plus the amount of the**
 20 **district's per-pupil allocation under section 20m**, not to exceed
 21 the target foundation allowance for the current fiscal year, or,
 22 for a special education pupil in membership in a district that is a
 23 public school academy, times an amount equal to the amount per
 24 membership pupil calculated under section 20(6). For an
 25 intermediate district, the amount allocated under this subdivision
 26 toward fulfilling the specified percentages is an amount per
 27 special education membership pupil, excluding pupils described in
 28 subsection (11), and is calculated in the same manner as for a
 29 district, using the foundation allowance under section 20 of the

1 pupil's district of residence, not to exceed the target foundation
2 allowance for the current fiscal year, **and that district's per-**
3 **pupil allocation under section 20m.**

4 (b) After the allocations under subdivision (a), the
5 department shall pay a district or intermediate district for which
6 the payments calculated under subdivision (a) do not fulfill the
7 specified percentages the amount necessary to achieve the specified
8 percentages for the district or intermediate district.

9 (3) From the funds allocated under subsection (1), there is
10 allocated for ~~2019-2020~~**2020-2021** an amount not to exceed
11 \$1,000,000.00 and there is allocated for ~~2020-2021~~**2021-2022** an
12 amount not to exceed \$1,000,000.00 to make payments to districts
13 and intermediate districts under this subsection. If the amount
14 allocated to a district or intermediate district for a fiscal year
15 under subsection (2)(b) is less than the sum of the amounts
16 allocated to the district or intermediate district for 1996-97
17 under sections 52 and 58, there is allocated to the district or
18 intermediate district for the fiscal year an amount equal to that
19 difference, adjusted by applying the same proration factor that was
20 used in the distribution of funds under section 52 in 1996-97 as
21 adjusted to the district's or intermediate district's necessary
22 costs of special education used in calculations for the fiscal
23 year. This adjustment is to reflect reductions in special education
24 program operations or services between 1996-97 and subsequent
25 fiscal years. The department shall make adjustments for reductions
26 in special education program operations or services in a manner
27 determined by the department and shall include adjustments for
28 program or service shifts.

29 (4) If the department determines that the sum of the amounts

1 allocated for a fiscal year to a district or intermediate district
 2 under subsection (2)(a) and (b) is not sufficient to fulfill the
 3 specified percentages in subsection (2), then the department shall
 4 pay the shortfall to the district or intermediate district during
 5 the fiscal year beginning on the October 1 following the
 6 determination and shall adjust payments under subsection (3) as
 7 necessary. If the department determines that the sum of the amounts
 8 allocated for a fiscal year to a district or intermediate district
 9 under subsection (2)(a) and (b) exceeds the sum of the amount
 10 necessary to fulfill the specified percentages in subsection (2),
 11 then the department shall deduct the amount of the excess from the
 12 district's or intermediate district's payments under this article
 13 for the fiscal year beginning on the October 1 following the
 14 determination and shall adjust payments under subsection (3) as
 15 necessary. However, if the amount allocated under subsection (2)(a)
 16 in itself exceeds the amount necessary to fulfill the specified
 17 percentages in subsection (2), there is no deduction under this
 18 subsection.

19 (5) State funds are allocated on a total approved cost basis.
 20 Federal funds are allocated under applicable federal requirements.

21 (6) From the amount allocated in subsection (1), there is
 22 allocated an amount not to exceed \$2,200,000.00 for ~~2019-2020-2020-~~
 23 **2021** and there is allocated an amount not to exceed \$2,200,000.00
 24 for ~~2020-2021-2021-2022~~ to reimburse 100% of the net increase in
 25 necessary costs incurred by a district or intermediate district in
 26 implementing the revisions in the administrative rules for special
 27 education that became effective on July 1, 1987. As used in this
 28 subsection, "net increase in necessary costs" means the necessary
 29 additional costs incurred solely because of new or revised

1 requirements in the administrative rules minus cost savings
2 permitted in implementing the revised rules. The department shall
3 determine net increase in necessary costs in a manner specified by
4 the department.

5 (7) For purposes of ~~sections 51a~~ **this section and sections 51b**
6 to 58, all of the following apply:

7 (a) "Total approved costs of special education" are determined
8 in a manner specified by the department and may include indirect
9 costs, but must not exceed 115% of approved direct costs for
10 section 52 and section 53a programs. The total approved costs
11 include salary and other compensation for all approved special
12 education personnel for the program, including payments for Social
13 Security and Medicare and public school employee retirement system
14 contributions. The total approved costs do not include salaries or
15 other compensation paid to administrative personnel who are not
16 special education personnel as that term is defined in section 6 of
17 the revised school code, MCL 380.6. Costs reimbursed by federal
18 funds, other than those federal funds included in the allocation
19 made under this article, are not included. Special education
20 approved personnel not utilized full time in the evaluation of
21 students or in the delivery of special education programs,
22 ancillary, and other related services are reimbursed under this
23 section only for that portion of time actually spent providing
24 these programs and services, with the exception of special
25 education programs and services provided to youth placed in child
26 caring institutions or juvenile detention programs approved by the
27 department to provide an on-grounds education program.

28 (b) Beginning with the 2004-2005 fiscal year, a district or
29 intermediate district that employed special education support

1 services staff to provide special education support services in
2 2003-2004 or in a subsequent fiscal year and that in a fiscal year
3 after 2003-2004 receives the same type of support services from
4 another district or intermediate district shall report the cost of
5 those support services for special education reimbursement purposes
6 under this article. This subdivision does not prohibit the transfer
7 of special education classroom teachers and special education
8 classroom aides if the pupils counted in membership associated with
9 those special education classroom teachers and special education
10 classroom aides are transferred and counted in membership in the
11 other district or intermediate district in conjunction with the
12 transfer of those teachers and aides.

13 (c) If the department determines before bookclosing for a
14 fiscal year that the amounts allocated for that fiscal year under
15 subsections (2), (3), (6), and (11) and sections 53a, 54, and 56
16 will exceed expenditures for that fiscal year under subsections
17 (2), (3), (6), and (11) and sections 53a, 54, and 56, then for a
18 district or intermediate district whose reimbursement for that
19 fiscal year would otherwise be affected by subdivision (b),
20 subdivision (b) does not apply to the calculation of the
21 reimbursement for that district or intermediate district and the
22 department shall calculate reimbursement for that district or
23 intermediate district in the same manner as it was for 2003-2004.
24 If the amount of the excess allocations under subsections (2), (3),
25 (6), and (11) and sections 53a, 54, and 56 is not sufficient to
26 fully fund the calculation of reimbursement to those districts and
27 intermediate districts under this subdivision, then the department
28 shall prorate calculations and resulting reimbursement under this
29 subdivision on an equal percentage basis. Beginning in 2015-2016,

1 the amount of reimbursement under this subdivision for a fiscal
2 year must not exceed \$2,000,000.00 for any district or intermediate
3 district.

4 (d) Reimbursement for ancillary and other related services, as
5 **that term is** defined by R 340.1701c of the Michigan Administrative
6 Code, is not provided when those services are covered by and
7 available through private group health insurance carriers or
8 federal reimbursed program sources unless the department and
9 district or intermediate district agree otherwise and that
10 agreement is approved by the state budget director. Expenses, other
11 than the incidental expense of filing, must not be borne by the
12 parent. In addition, the filing of claims must not delay the
13 education of a pupil. A district or intermediate district is
14 responsible for payment of a deductible amount and for an advance
15 payment required until the time a claim is paid.

16 (e) Beginning with calculations for 2004-2005, if an
17 intermediate district purchases a special education pupil
18 transportation service from a constituent district that was
19 previously purchased from a private entity; if the purchase from
20 the constituent district is at a lower cost, adjusted for changes
21 in fuel costs; and if the cost shift from the intermediate district
22 to the constituent does not result in any net change in the revenue
23 the constituent district receives from payments under sections 22b
24 and 51c, then upon application by the intermediate district, the
25 department shall direct the intermediate district to continue to
26 report the cost associated with the specific identified special
27 education pupil transportation service and shall adjust the costs
28 reported by the constituent district to remove the cost associated
29 with that specific service.

(8) A pupil who is enrolled in a full-time special education program conducted or administered by an intermediate district or a pupil who is enrolled in the Michigan Schools for the Deaf and Blind is not included in the membership count of a district, but is counted in membership in the intermediate district of residence.

(9) Special education personnel transferred from 1 district to another to implement the revised school code are entitled to the rights, benefits, and tenure to which the person would otherwise be entitled had that person been employed by the receiving district originally.

(10) If a district or intermediate district uses money received under this section for a purpose other than the purpose or purposes for which the money is allocated, the department may require the district or intermediate district to refund the amount of money received. The department shall deposit money that is refunded in the state treasury to the credit of the state school aid fund.

(11) From the funds allocated in subsection (1), there is allocated the amount necessary, estimated at ~~\$3,100,000.00~~ **\$2,400,000.00** for ~~2019-2020-2020-2021~~ and estimated at ~~\$3,000,000.00~~ **\$2,900,000.00** for ~~2020-2021, 2021-2022~~, to pay the foundation allowances for pupils described in this subsection. The department shall calculate the allocation to a district under this subsection by multiplying the number of pupils described in this subsection who are counted in membership in the district times the sum of the foundation allowance under section 20 of the pupil's district of residence, **plus the amount of the district's per-pupil allocation under section 20m**, not to exceed the target foundation allowance for the current fiscal year, or, for a pupil described in

1 this subsection who is counted in membership in a district that is
2 a public school academy, times an amount equal to the amount per
3 membership pupil under section 20(6). The department shall
4 calculate the allocation to an intermediate district under this
5 subsection in the same manner as for a district, using the
6 foundation allowance under section 20 of the pupil's district of
7 residence not to exceed the target foundation allowance for the
8 current fiscal year **and that district's per-pupil allocation under**
9 **section 20m.** This subsection applies to all of the following
10 pupils:

11 (a) Pupils described in section 53a.

12 (b) Pupils counted in membership in an intermediate district
13 who are not special education pupils and are served by the
14 intermediate district in a juvenile detention or child caring
15 facility.

16 (c) Pupils with an emotional impairment counted in membership
17 by an intermediate district and provided educational services by
18 the department of health and human services.

19 (12) If it is determined that funds allocated under subsection
20 (2) or (11) or under section 51c will not be expended, funds up to
21 the amount necessary and available may be used to supplement the
22 allocations under subsection (2) or (11) or under section 51c in
23 order to fully fund those allocations. After payments under
24 subsections (2) and (11) and section 51c, the department shall
25 expend the remaining funds from the allocation in subsection (1) in
26 the following order:

27 (a) 100% of the reimbursement required under section 53a.

28 (b) 100% of the reimbursement required under subsection (6).

29 (c) 100% of the payment required under section 54.

1 (d) 100% of the payment required under subsection (3).

2 (e) 100% of the payments under section 56.

3 (13) The allocations under subsections (2), (3), and (11) are
4 allocations to intermediate districts only and are not allocations
5 to districts, but instead are calculations used only to determine
6 the state payments under section 22b.

7 (14) If a public school academy that is not a cyber school, as
8 that term is defined in section 551 of the revised school code, MCL
9 380.551, enrolls under this section a pupil who resides outside of
10 the intermediate district in which the public school academy is
11 located and who is eligible for special education programs and
12 services according to statute or rule, or who is a child with
13 ~~disabilities~~, **a disability**, as **that term is** defined under the
14 individuals with disabilities education act, Public Law 108-446,
15 the intermediate district in which the public school academy is
16 located and the public school academy shall enter into a written
17 agreement with the intermediate district in which the pupil resides
18 for the purpose of providing the pupil with a free appropriate
19 public education, and the written agreement must include at least
20 an agreement on the responsibility for the payment of the added
21 costs of special education programs and services for the pupil. If
22 the public school academy that enrolls the pupil does not enter
23 into an agreement under this subsection, the public school academy
24 shall not charge the pupil's resident intermediate district or the
25 intermediate district in which the public school academy is located
26 the added costs of special education programs and services for the
27 pupil, and the public school academy is not eligible for any
28 payouts based on the funding formula outlined in the resident or
29 nonresident intermediate district's plan. If a pupil is not

1 enrolled in a public school academy under this subsection, the
2 provision of special education programs and services and the
3 payment of the added costs of special education programs and
4 services for a pupil described in this subsection are the
5 responsibility of the district and intermediate district in which
6 the pupil resides.

7 (15) For the purpose of receiving its federal allocation under
8 part B of the individuals with disabilities education act, Public
9 Law 108-446, a public school academy that is a cyber school, as
10 that term is defined in section 551 of the revised school code, MCL
11 380.551, and is in compliance with section 553a of the revised
12 school code, MCL 380.553a, directly receives the federal allocation
13 under part B of the individuals with disabilities education act,
14 Public Law 108-446, from the intermediate district in which the
15 cyber school is located, as the subrecipient. If the intermediate
16 district does not distribute the funds described in this subsection
17 to the cyber school by the part B application due date of July 1,
18 the department may distribute the funds described in this
19 subsection directly to the cyber school according to the formula
20 prescribed in 34 CFR 300.705 and 34 CFR 300.816.

21 (16) For a public school academy that is a cyber school, as
22 that term is defined in section 551 of the revised school code, MCL
23 380.551, and is in compliance with section 553a of the revised
24 school code, MCL 380.553a, that enrolls a pupil under this section,
25 the intermediate district in which the cyber school is located
26 shall ensure that the cyber school complies with sections 1701a,
27 1703, 1704, 1751, 1752, 1756, and 1757 of the revised school code,
28 MCL 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756,
29 and 380.1757; applicable rules; and the individuals with

1 disabilities education act, Public Law 108-446.

2 (17) For the purposes of this section, the department or the
3 center shall only require a district or intermediate district to
4 report information that is not already available from the financial
5 information database maintained by the center.

6 Sec. 51c. As required by the court in the consolidated cases
7 known as *Durant v State of Michigan*, 456 Mich 175 (1997), from the
8 allocation under section 51a(1), there is allocated for ~~2019-2020~~
9 **2020-2021** and for ~~2020-2021, 2021-2022~~, the amount necessary,
10 estimated at ~~\$678,600,000.00~~ **\$702,500,000.00** for ~~2019-2020~~ **2020-**
11 **2021** and ~~\$713,400,000.00~~ **\$733,400,000.00** for ~~2020-2021, 2021-2022~~,
12 for payments to reimburse districts for 28.6138% of total approved
13 costs of special education excluding costs reimbursed under section
14 53a, and 70.4165% of total approved costs of special education
15 transportation. Funds allocated under this section that are not
16 expended in the fiscal year for which they were allocated, as
17 determined by the department, may be used to supplement the
18 allocations under sections 22a and 22b to fully fund those
19 allocations for the same fiscal year. For each fund transfer as
20 described in the immediately preceding sentence that occurs, the
21 state budget director shall send notification of the transfer to
22 the house and senate appropriations subcommittees on state school
23 aid and the house and senate fiscal agencies by not later than 14
24 calendar days after the transfer occurs.

25 Sec. 51d. (1) From the federal funds appropriated in section
26 11, there is allocated for 2020-2021 **all available federal funding,**
27 **estimated at \$83,195,000.00, and there is allocated for 2021-2022**
28 **all available federal funding, estimated at \$71,000,000.00, for**
29 **special education programs and services that are funded by federal**

1 grants. The department shall distribute all federal funds allocated
 2 under this section in accordance with federal law. Notwithstanding
 3 section 17b, the department shall make payments of federal funds to
 4 districts, intermediate districts, and other eligible entities
 5 under this section on a schedule determined by the department.

6 (2) From the federal funds allocated under subsection (1), the
 7 following amounts are allocated: ~~for 2020-2021:~~

8 (a) ~~An~~ **For 2020-2021, an amount estimated at \$19,822,000.00**
 9 **for handicapped infants and toddlers, funded from DED-OSERS,**
 10 **handicapped infants and toddlers funds. For 2021-2022, an** amount
 11 estimated at \$14,000,000.00 for handicapped infants and toddlers,
 12 funded from DED-OSERS, handicapped infants and toddlers funds.

13 (b) ~~An~~ **For 2020-2021, an amount estimated at \$20,373,000.00**
 14 **for preschool grants under Public Law 94-142, funded from DED-**
 15 **OSERS, handicapped preschool incentive funds. For 2021-2022, an**
 16 amount estimated at \$14,000,000.00 for preschool grants ~~(Public Law~~
 17 ~~94-142),~~ **under Public Law 94-142,** funded from DED-OSERS,
 18 handicapped preschool incentive funds.

19 (c) ~~An~~ **For 2020-2021 and for 2021-2022, an** amount estimated at
 20 \$43,000,000.00 for special education programs funded by DED-OSERS,
 21 handicapped program, individuals with disabilities act funds.

22 (3) As used in this section, "DED-OSERS" means the United
 23 States Department of Education Office of Special Education and
 24 Rehabilitative Services.

25 Sec. 51f. (1) From the funds appropriated under section 11,
 26 there is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed
 27 ~~\$60,207,000.00~~ **\$90,207,000.00** for payments to districts and
 28 intermediate districts to increase the level of reimbursement of
 29 costs associated with providing special education services required

1 under state and federal law.

2 (2) A district's or intermediate district's allocation under
3 this section is equal to the level percentage multiplied by each
4 district's or intermediate district's costs reported to the center
5 on the special education actual cost report, known as "SE-4096" as
6 referred to under section 18(6), as approved by the department.

7 (3) The total reimbursement under this section and under
8 section 51c must not exceed the total reported costs for a district
9 or intermediate district.

10 (4) For ~~2020-2021~~, **2021-2022**, the level percentage is
11 estimated at ~~2.0%~~ **3.0%**.

12 (5) For the purposes of this section, "level percentage" means
13 the percentage calculated by dividing the allocation in subsection
14 (1) by the total of costs reported to the center on the special
15 education actual cost report, known as "SE-4096" as referred to
16 under section 18(6), as approved by the department.

17 **Sec. 51g. From the general fund money appropriated in section**
18 **11, \$3,000,000.00 is allocated for 2021-2022 to an association for**
19 **administrators of special education services to develop content for**
20 **use by special education students, teachers, and others. Any**
21 **content that is developed as described in this section must be**
22 **accessible throughout this state. Funds received by an association**
23 **under this section may be used to support the development of**
24 **assessment tools to measure the needs of students with special**
25 **education needs in remote learning environments and the**
26 **effectiveness of various educational methods and tools, in**
27 **collaboration with the department. Funds under this section may**
28 **also be utilized to identify any available federal funds for**
29 **research related to special education in remote learning.**

1 Sec. 53a. (1) For districts, reimbursement for pupils
2 described in subsection (2) is 100% of the total approved costs of
3 operating special education programs and services approved by the
4 department and included in the intermediate district plan adopted
5 under article 3 of the revised school code, MCL 380.1701 to
6 380.1761, minus the district's foundation allowance calculated
7 under section 20 **and minus the district's per-pupil allocation**
8 **under section 20m.** For intermediate districts, the department shall
9 calculate reimbursement for pupils described in subsection (2) in
10 the same manner as for a district, using the foundation allowance
11 under section 20 of the pupil's district of residence, not to
12 exceed the target foundation allowance under section 20 for the
13 current fiscal year **plus the amount of the district's per-pupil**
14 **allocation under section 20m.**

15 (2) Reimbursement under subsection (1) is for the following
16 special education pupils:

17 (a) Pupils assigned to a district or intermediate district
18 through the community placement program of the courts or a state
19 agency, if the pupil was a resident of another intermediate
20 district at the time the pupil came under the jurisdiction of the
21 court or a state agency.

22 (b) Pupils who are residents of institutions operated by the
23 department of health and human services.

24 (c) Pupils who are former residents of department of community
25 health institutions for the developmentally disabled who are placed
26 in community settings other than the pupil's home.

27 (d) Pupils enrolled in a department-approved on-grounds
28 educational program longer than 180 days, but not longer than 233
29 days, at a residential child care institution, if the child care

1 institution offered in 1991-92 an on-grounds educational program
2 longer than 180 days but not longer than 233 days.

3 (e) Pupils placed in a district by a parent for the purpose of
4 seeking a suitable home, if the parent does not reside in the same
5 intermediate district as the district in which the pupil is placed.

6 (3) Only those costs that are clearly and directly
7 attributable to educational programs for pupils described in
8 subsection (2), and that would not have been incurred if the pupils
9 were not being educated in a district or intermediate district, are
10 reimbursable under this section.

11 (4) The costs of transportation are funded under this section
12 and are not reimbursed under section 58.

13 (5) The department shall not allocate more than \$10,500,000.00
14 of the allocation for ~~2020-2021~~**2021-2022** in section 51a(1) under
15 this section.

16 Sec. 54. Each intermediate district receives an amount ~~per-~~
17 ~~pupil~~**per pupil** for each pupil in attendance at the Michigan
18 Schools for the Deaf and Blind. The amount is proportionate to the
19 total instructional cost at each school. The department shall not
20 allocate more than \$1,688,000.00 of the allocation for ~~2020-2021~~
21 **2021-2022** in section 51a(1) under this section.

22 Sec. 54b. (1) From the general fund money appropriated in
23 section 11, there is allocated an amount not to exceed
24 \$1,600,000.00 for ~~2020-2021~~**2021-2022** to continue the
25 implementation of the recommendations of the special education
26 reform task force published in January 2016.

27 (2) The department shall use funds allocated under this
28 section for the purpose of piloting statewide implementation of the
29 Michigan Integrated Behavior and Learning Support Initiative

(MiBLSI), a nationally recognized program that includes positive behavioral intervention and supports and provides a statewide structure to support local initiatives for an integrated behavior and reading program. With the assistance of the intermediate districts involved in MiBLSI, the department shall identify a number of intermediate districts to participate in the pilot that is sufficient to ensure that MiBLSI can be implemented statewide with fidelity and sustainability. In addition, the department shall identify an intermediate district to act as a fiscal agent for these funds.

Sec. 54d. (1) From the ~~appropriations~~ **state school aid fund money appropriated** in section 11, there is allocated an amount not to exceed ~~\$7,150,000.00~~ **\$14,150,000.00** for ~~2020-2021~~ **2021-2022** to intermediate districts for the purpose of providing state early on services programs for children from birth to 3 years of age with a developmental delay or a disability, or both, and their families, as described in the early on Michigan state plan, as approved by the department.

(2) To be eligible to receive grant funding under this section, each intermediate district must apply in a form and manner determined by the department.

(3) The grant funding allocated under this section must be used to increase early on services and resources available to children that demonstrate developmental delays to help prepare them for success as they enter school. State early on services include evaluating and providing early intervention services for eligible infants and toddlers and their families to address developmental delays, including those affecting physical, cognitive, communication, adaptive, social, or emotional development. Grant

1 funds must not be used to supplant existing services that are
2 currently being provided.

3 (4) The department shall distribute the funds allocated under
4 subsection (1) to intermediate districts according to the
5 department's early on funding formula utilized to distribute the
6 federal award to Michigan under part C of the individuals with
7 disabilities education act, **Public Law 108-446**. Funds received
8 under this section must not supplant existing funds or resources
9 allocated for early on early intervention services. An intermediate
10 district receiving funds under this section shall maximize the
11 capture of Medicaid funds to support early on early intervention
12 services to the extent possible.

13 (5) Each intermediate district that receives funds under this
14 section shall report data and other information to the department
15 in a form, manner, and frequency prescribed by the department to
16 allow for monitoring and evaluation of the program and to ensure
17 that the children described in subsection (1) received appropriate
18 levels and types of services delivered by qualified personnel,
19 based on the individual needs of the children and their families.

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

23 **(7) Grant funds awarded and allocated to an intermediate**
24 **district under this section must be expended by the grant recipient**
25 **before June 30 of the fiscal year immediately following the fiscal**
26 **year in which the funds were received.**

27 Sec. 55. (1) From the general fund money appropriated in
28 section 11, there is allocated an amount not to exceed \$250,000.00
29 for ~~2020-2021~~**2021-2022** to the Conductive Learning Center located

1 at Aquinas College. This funding must be used to support the
 2 operational costs of the conductive education model taught at the
 3 Conductive Learning Center to maximize the independence and
 4 mobility of children and adults with neuromotor disabilities. The
 5 conductive education model funded under this section must be based
 6 on the concept of neuroplasticity and the ability of people to
 7 learn and improve when they are motivated, regardless of the
 8 severity of their disability.

9 (2) Notwithstanding section 17b, the department shall
 10 distribute the funding allocated under this section to the
 11 Conductive Learning Center not later than December 1, ~~2020~~**2021**.

12 Sec. 56. (1) For the purposes of this section:

13 (a) "Membership" means for a particular fiscal year the total
 14 membership ~~for the immediately preceding fiscal year~~ of the
 15 intermediate district and the districts constituent to the
 16 intermediate district, **except that if a district has elected not to**
 17 **come under part 30 of the revised school code, MCL 380.1711 to**
 18 **380.1741, membership of the district is not included in the**
 19 **membership of the intermediate district.**

20 (b) "Millage levied" means the millage levied for special
 21 education under part 30 of the revised school code, MCL 380.1711 to
 22 380.1741, including a levy for debt service obligations.

23 (c) "Taxable value" means the total taxable value of the
 24 districts constituent to an intermediate district, except that if a
 25 district has elected not to come under part 30 of the revised
 26 school code, MCL 380.1711 to 380.1741, ~~membership and taxable value~~
 27 of the district ~~are~~**is** not included in the ~~membership and taxable~~
 28 value of the intermediate district.

29 (2) From the allocation under section 51a(1), there is

1 allocated ~~\$40,008,100.00 for 2019-2020~~ and an amount not to exceed
 2 \$40,008,100.00 for 2020-2021 **and an amount not to exceed**
 3 **\$40,008,100.00 for 2021-2022** to reimburse intermediate districts
 4 levying millages for special education under part 30 of the revised
 5 school code, MCL 380.1711 to 380.1741. The purpose, use, and
 6 expenditure of the reimbursement are limited as if the funds were
 7 generated by these millages and governed by the intermediate
 8 district plan adopted under article 3 of the revised school code,
 9 MCL 380.1701 to 380.1761. As a condition of receiving funds under
 10 this section, an intermediate district distributing any portion of
 11 special education millage funds to its constituent districts must
 12 submit for departmental approval and implement a distribution plan.

13 ~~(3) Except as otherwise provided in this subsection,~~
 14 ~~reimbursement for those millages levied in 2018-2019 is made in~~
 15 ~~2019-2020 at an amount per 2018-2019 membership pupil computed by~~
 16 ~~subtracting from \$201,700.00 the 2018-2019 taxable value behind~~
 17 ~~each membership pupil and multiplying the resulting difference by~~
 18 ~~the 2018-2019 millage levied, and then subtracting from that amount~~
 19 ~~the 2018-2019 local community stabilization share revenue for~~
 20 ~~special education purposes behind each membership pupil for~~
 21 ~~reimbursement of personal property exemption loss under the local~~
 22 ~~community stabilization authority act, 2014 PA 86, MCL 123.1341 to~~
 23 ~~123.1362. Reimbursement in 2019-2020 for an intermediate district~~
 24 ~~whose 2017-2018 allocation was affected by the operation of~~
 25 ~~subsection (5) is an amount equal to 102.5% of the 2017-2018~~
 26 ~~allocation to that intermediate district.~~

27 **(3)** ~~(4)~~ Except as otherwise provided in this subsection,
 28 reimbursement for those millages levied in 2019-2020 is made in
 29 2020-2021 at an amount per 2019-2020 membership pupil computed by

1 subtracting from ~~\$209,000.00~~ **\$208,800.00** the 2019-2020 taxable
2 value behind each membership pupil and multiplying the resulting
3 difference by the 2019-2020 millage levied, and then subtracting
4 from that amount the 2019-2020 local community stabilization share
5 revenue for special education purposes behind each membership pupil
6 for reimbursement of personal property exemption loss under the
7 local community stabilization authority act, 2014 PA 86, MCL
8 123.1341 to 123.1362. Reimbursement in 2020-2021 for an
9 intermediate district whose 2017-2018 allocation was affected by
10 the operation of subsection (5) is an amount equal to 102.5% of the
11 2017-2018 allocation to that intermediate district.

12 **(4) Except as otherwise provided in this subsection,**
13 **reimbursement for those millages levied in 2020-2021 is made in**
14 **2021-2022 at an amount per 2020-2021 membership pupil computed by**
15 **subtracting from \$215,900.00 the 2020-2021 taxable value behind**
16 **each membership pupil and multiplying the resulting difference by**
17 **the 2020-2021 millage levied, and then subtracting from that amount**
18 **the 2020-2021 local community stabilization share revenue for**
19 **special education purposes behind each membership pupil for**
20 **reimbursement of personal property exemption loss under the local**
21 **community stabilization authority act, 2014 PA 86, MCL 123.1341 to**
22 **123.1362. Reimbursement in 2021-2022 for an intermediate district**
23 **whose 2017-2018 allocation was affected by the operation of**
24 **subsection (5) is an amount equal to 102.5% of the 2017-2018**
25 **allocation to that intermediate district.**

26 (5) The department shall ensure that the amount paid to a
27 single intermediate district under this section does not exceed
28 62.9% of the total amount allocated under subsection (2).

29 (6) The department shall ensure that the amount paid to a

1 single intermediate district under this section is not less than
2 75% of the amount allocated to the intermediate district under this
3 section for the immediately preceding fiscal year.

4 (7) From the state school aid fund money appropriated in
5 section 11, there is allocated an amount not to exceed
6 \$34,200,000.00 for 2021-2022 to provide payments to intermediate
7 districts levying millages for special education under part 30 of
8 the revised school code, MCL 380.1711 to 380.1741. The purpose,
9 use, and expenditure of the payments under this subsection are
10 limited as if the funds were generated by these millages and
11 governed by the intermediate district plan adopted under article 3
12 of the revised school code, MCL 380.1701 to 380.1761. The
13 department shall provide a payment under this subsection to each
14 intermediate district described in this subsection as follows:

15 (a) Except as otherwise provided in this subsection, for an
16 intermediate district with a 2020-2021 3-year average special
17 education millage revenue per pupil that is less than \$251.00 and
18 that is levying at least 46.2% but less than 60.0% of its maximum
19 millage rate allowed under section 1724a of the revised school
20 code, MCL 380.1724a, an amount computed by subtracting from \$251.00
21 the 2020-2021 3-year average special education millage revenue per
22 pupil and, only if the millage levied by the intermediate district
23 is less than 1, multiplying that amount by the number of mills
24 levied divided by 1, and then multiplying that amount by the 2020-
25 2021 3-year average membership, and then subtracting from that
26 amount the amount allocated under subsection (2) for 2021-2022. If
27 the calculation under this subdivision results in an amount below
28 zero, there is no payment under this subdivision.

29

(b) Except as otherwise provided in this subsection, for an intermediate district with a 2020-2021 3-year average special education millage revenue per pupil that is less than \$281.00 and that is levying at least 60.0% of its maximum millage rate allowed under section 1724a of the revised school code, MCL 380.1724a, an amount computed by subtracting from \$281.00 the 2020-2021 3-year average special education millage revenue per pupil, and, only if the millage levied by the intermediate district is less than 1, multiplying that amount by the number of mills levied divided by 1, and then multiplying that amount by the 2020-2021 3-year average membership, and then subtracting from that amount the amount allocated under subsection (2) for 2021-2022. If the calculation under this subdivision results in an amount below zero, there is no payment under this subdivision.

(8) As used in subsection (7):

(a) "2020-2021 3-year average membership" means the 3-year average pupil membership for 2018-2019, 2019-2020, and 2020-2021.

(b) "2020-2021 3-year average special education millage revenue per pupil" means the 3-year average taxable value per mill levied behind each membership pupil for 2018-2019, 2019-2020, and 2020-2021 multiplied by the 2020-2021 millage levied.

Sec. 61a. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$37,611,300.00 for ~~2020-2021~~**2021-2022** to reimburse on an added cost basis districts, except for a district that served as the fiscal agent for a vocational education consortium in the 1993-94 school year and that has a foundation allowance as calculated under section 20 greater than the minimum foundation allowance under that section, and secondary area vocational-technical

1 education centers for secondary-level career and technical
2 education programs according to rules approved by the
3 superintendent. Applications for participation in the programs must
4 be submitted in the form prescribed by the department. The
5 department shall determine the added cost for each career and
6 technical education program area. The department shall prioritize
7 the allocation of added cost funds based on the capital and program
8 expenditures needed to operate the career and technical education
9 programs provided; the number of pupils enrolled; the advancement
10 of pupils through the instructional program; the existence of an
11 articulation agreement with at least 1 postsecondary institution
12 that provides pupils with opportunities to earn postsecondary
13 credit during the pupil's participation in the career and technical
14 education program and transfers those credits to the postsecondary
15 institution upon completion of the career and technical education
16 program; and the program rank in student placement, job openings,
17 and wages, and shall ensure that the allocation does not exceed 75%
18 of the added cost of any program. Notwithstanding any rule or
19 department determination to the contrary, when determining a
20 district's allocation or the formula for making allocations under
21 this section, the department shall include the participation of
22 pupils in grade 9 in all of those determinations and in all
23 portions of the formula. With the approval of the department, the
24 board of a district maintaining a secondary career and technical
25 education program may offer the program for the period from the
26 close of the school year until September 1. The program shall use
27 existing facilities and must be operated as prescribed by rules
28 promulgated by the superintendent.

29 (2) Except for a district that served as the fiscal agent for

1 a vocational education consortium in the 1993-94 school year, the
 2 department shall reimburse districts and intermediate districts for
 3 local career and technical education administration, shared time
 4 career and technical education administration, and career education
 5 planning district career and technical education administration.
 6 The superintendent shall adopt guidelines for the definition of
 7 what constitutes administration and shall make reimbursement
 8 pursuant to those guidelines. The department shall not distribute
 9 more than \$800,000.00 of the allocation in subsection (1) under
 10 this subsection.

11 (3) A career and technical education program funded under this
 12 section may provide an opportunity for participants who are
 13 eligible to be funded under section 107 to enroll in the career and
 14 technical education program funded under this section if the
 15 participation does not occur during regular school hours.

16 Sec. 61b. (1) From the funds appropriated under section 11,
 17 there is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
 18 \$8,000,000.00 from the state school aid fund appropriation for CTE
 19 ~~early/middle~~**early middle** college and CTE dual enrollment programs
 20 authorized under this section and for planning grants for the
 21 development or expansion of CTE ~~early/middle~~**early middle** college
 22 programs. The purpose of these programs is to increase the number
 23 of Michigan residents with high-quality degrees or credentials, and
 24 to increase the number of students who are college and career ready
 25 upon high school graduation.

26 (2) From the funds allocated under subsection (1), the
 27 department shall allocate an amount as determined under this
 28 subsection to each intermediate district serving as a fiscal agent
 29 for state-approved CTE ~~early/middle~~**early middle** college and CTE

dual enrollment programs in each of the career education planning districts identified by the department. An intermediate district shall not use more than 5% of the funds allocated under this subsection for administrative costs for serving as the fiscal agent.

(3) To be an eligible fiscal agent, an intermediate district must agree to do all of the following in a form and manner determined by the department:

(a) Distribute funds to eligible CTE ~~early/middle~~**early middle** college and CTE dual enrollment programs in a career education planning district as described in this section.

(b) Collaborate with the career and educational advisory council in the workforce development board service delivery area to develop 1 regional strategic plan under subsection (4) that aligns CTE programs and services into an efficient and effective delivery system for high school students. The department will align career education planning districts, workforce development board service delivery areas, and intermediate districts for the purpose of creating 1 regional strategic plan for each workforce development board service delivery area.

(c) Implement a regional process to rank career clusters in the workforce development board service delivery area as described under subsection (4). Regional processes must be approved by the department before the ranking of career clusters.

(d) Report CTE ~~early/middle~~**early middle** college and CTE dual enrollment program and student data and information as prescribed by the department and the center.

(e) The local education agency responsible for student reporting in the Michigan student data system (MSDS) will report

1 the total number of college credits the student earned, at the time
 2 of high school graduation, as determined by the department and the
 3 center.

4 (f) The local education agency will report each award outcome
 5 in the Michigan student data system (MSDS) that the CTE early
 6 middle college student attained. For purposes of this subsection,
 7 an on-track CTE early middle college graduate is a graduate who
 8 obtained their high school diploma and at least 1 of the following:

9 (i) An associate's degree.

10 (ii) 60 transferrable college credits.

11 (iii) Professional certification.

12 (iv) A Michigan Early Middle College Association certificate.

13 (v) Participation in a registered apprenticeship.

14 (4) A regional strategic plan must be approved by the career
 15 and educational advisory council before submission to the
 16 department. A regional strategic plan must include, but is not
 17 limited to, the following:

18 (a) An identification of regional employer need based on a
 19 ranking of all career clusters in the workforce development board
 20 service delivery area ranked by 10-year **projections of annual** job
 21 openings ~~projections~~ and median wage for each standard occupational
 22 code in each career cluster as obtained from the United States
 23 Bureau of Labor Statistics. Standard occupational codes within
 24 high-ranking clusters also may be further ranked by median wage **and**
 25 **annual job openings**. The career and educational advisory council
 26 located in the workforce development board service delivery area
 27 shall review the rankings and modify them if necessary to
 28 accurately reflect employer demand for talent in the workforce
 29 development board service delivery area. A career and educational

1 advisory council shall document that it has conducted this review
 2 and certify that it is accurate. These career cluster rankings must
 3 be determined and updated once every 4 years.

4 (b) An identification of educational entities in the workforce
 5 development board service delivery area that will provide eligible
 6 CTE ~~early/middle~~**early middle** college and CTE dual enrollment
 7 programs including districts, intermediate districts, postsecondary
 8 institutions, and noncredit occupational training programs leading
 9 to an industry-recognized credential.

10 (c) A strategy to inform parents and students of CTE
 11 ~~early/middle~~**early middle** college and CTE dual enrollment programs
 12 in the workforce development board service delivery area.

13 (d) Any other requirements as defined by the department.

14 (5) An eligible CTE program is a program that meets all of the
 15 following:

16 (a) Has been identified in the highest 5 career cluster
 17 rankings in any of the 16 workforce development board service
 18 delivery area strategic plans jointly approved by the department of
 19 labor and economic opportunity and the department.

20 (b) Has a coherent sequence of courses **in a specific career**
 21 **cluster** that will allow a student to earn a high school diploma and
 22 achieve at least 1 of the following: ~~in a specific career cluster:~~

23 ~~(i) An associate degree.~~

24 ~~(ii) An industry-recognized technical certification approved by~~
 25 ~~the department of labor and economic opportunity.~~

26 ~~(iii) Up to 60 transferable college credits.~~

27 ~~(iv) Participation in a registered apprenticeship, pre-~~
 28 ~~apprenticeship, or apprentice readiness program.~~

29 (i) **For CTE early middle college, outcomes as defined in**

1 subsection (3) (f).

2 (ii) For CTE dual enrollment, 1 of the following:

3 (A) An associate degree.

4 (B) An industry-recognized technical certification approved by
5 the department of labor and economic opportunity.

6 (C) Up to 60 transferable college credits.

7 (D) Participation in a registered apprenticeship, pre-
8 apprenticeship, or apprentice readiness program.

9 (c) Is aligned with the Michigan merit curriculum.

10 (d) Has an articulation **or a college credit** agreement with at
11 least 1 postsecondary institution that provides students with
12 opportunities to receive postsecondary credits during the student's
13 participation in the CTE ~~early/middle~~ **early middle** college or CTE
14 dual enrollment program and transfers those credits to the
15 postsecondary institution upon completion of the CTE ~~early/middle~~
16 **early middle** college or CTE dual enrollment program.

17 (e) Provides instruction that is supervised, directed, or
18 coordinated by an appropriately certificated CTE teacher or, for
19 concurrent enrollment courses, a postsecondary faculty member.

20 (f) Provides for highly integrated student support services
21 that include at least the following:

22 (i) Teachers as academic advisors.

23 (ii) Supervised course selection.

24 (iii) Monitoring of student progress and completion.

25 (iv) Career planning services provided by a local one-stop
26 service center as described in the Michigan works one-stop service
27 center system act, 2006 PA 491, MCL 408.111 to 408.135, or by a
28 high school counselor or advisor.

29 (g) Has courses that are taught on a college campus, are

1 college courses offered at the high school and taught by college
 2 faculty, or are courses taught in combination with online
 3 instruction.

4 (6) The department shall distribute funds to eligible CTE
 5 ~~early/middle~~**early middle** college and CTE dual enrollment programs
 6 as follows:

7 (a) The department shall determine statewide average CTE costs
 8 per pupil for each CIP code program by calculating statewide
 9 average costs for each CIP code program for the 3 most recent
 10 fiscal years.

11 (b) The distribution to each eligible CTE ~~early/middle~~**early**
 12 **middle** college or CTE dual enrollment program is the product of 50%
 13 of CTE costs per pupil times the pupil enrollment of each eligible
 14 CTE ~~early/middle~~**early middle** college or CTE dual enrollment
 15 program in the immediately preceding school year.

16 (7) In order to receive funds under this section, a CTE
 17 ~~early/middle~~**early middle** college or CTE dual enrollment program
 18 shall furnish to the intermediate district that is the fiscal agent
 19 identified in subsection (2), in a form and manner determined by
 20 the department, all information needed to administer this program
 21 and meet federal reporting requirements; shall allow the department
 22 or the department's designee to review all records related to the
 23 program for which it receives funds; and shall reimburse the state
 24 for all disallowances found in the review, as determined by the
 25 department.

26 (8) There is allocated for ~~2020-2021~~**2021-2022** from the funds
 27 under subsection (1) an amount not to exceed \$500,000.00 from the
 28 state school aid fund allocation for grants to intermediate
 29 districts or consortia of intermediate districts for the purpose of

1 planning for new or expanded ~~early/middle~~**early middle** college
 2 programs. Applications for grants must be submitted in a form and
 3 manner determined by the department. The amount of a grant under
 4 this subsection must not exceed \$50,000.00. To be eligible for a
 5 grant under this subsection, an intermediate district or consortia
 6 of intermediate districts must provide matching funds equal to the
 7 grant received under this subsection. Notwithstanding section 17b,
 8 the department shall make payments under this subsection in the
 9 manner determined by the department.

10 (9) Funds distributed under this section may be used to fund
 11 program expenditures that would otherwise be paid from foundation
 12 allowances. A program receiving funding under section 61a may
 13 receive funding under this section for allowable costs that exceed
 14 the reimbursement the program received under section 61a. The
 15 combined payments received by a program under section 61a and this
 16 section must not exceed the total allowable costs of the program. A
 17 program provider shall not use more than 5% of the funds allocated
 18 under this section to the program for administrative costs.

19 (10) If the allocation under subsection (1) is insufficient to
 20 fully fund payments as otherwise calculated under this section, the
 21 department shall prorate payments under this section on an equal
 22 percentage basis.

23 (11) If pupils enrolled in a career cluster in an eligible CTE
 24 ~~early/middle~~**early middle** college or CTE dual enrollment program
 25 qualify to be reimbursed under this section, those pupils continue
 26 to qualify for reimbursement until graduation, even if the career
 27 cluster is no longer identified as being in the highest 5 career
 28 cluster rankings.

29 (12) As used in this section:

(a) "Allowable costs" means those costs directly attributable to the program as jointly determined by the department of labor and economic opportunity and the department.

(b) "Career and educational advisory council" means an advisory council to the local workforce development boards located in a workforce development board service delivery area consisting of educational, employer, labor, and parent representatives.

(c) "CIP" means classification of instructional programs.

(d) "CTE" means career and technical education programs.

(e) "CTE dual enrollment program" means a 4-year high school program of postsecondary courses offered by eligible postsecondary educational institutions that leads to an industry-recognized certification or degree.

(f) "~~Early/middle~~ **Early middle** college program" means a 5-year high school program.

(g) "Eligible postsecondary educational institution" means that term as defined in section 3 of the career and technical preparation act, 2000 PA 258, MCL 388.1903.

Sec. 61c. (1) From the general fund ~~appropriation~~ **money** **appropriated** in section 11, there is allocated for ~~2018-2019-2021-~~ **2022** an amount not to exceed ~~\$2,500,000.00~~ **\$7,500,000.00** to eligible career education planning districts for the CTE skilled trades initiative described in subsections (2) to (5). To be eligible to receive funding under this section, at least 50% of the area served by a CEPD must be located in an intermediate district that did not levy a vocational education millage in ~~2018-2021~~.

(2) To receive funding under subsection (1), each eligible CEPD ~~shall~~ **must** apply in a form and manner ~~determined~~ **prescribed** by the department. Funding to each eligible CEPD ~~shall~~ **must** be equal

1 to the quotient of the allocation under subsection (1) and the sum
 2 of the number of career education planning districts applying for
 3 funding under subsection (1) that are located in an intermediate
 4 district that did not levy a vocational education millage in
 5 ~~2018-2021~~.

6 (3) At least 50% of the funding allocated to each eligible
 7 CEPD ~~shall~~**must** be used to update equipment in current CTE programs
 8 that have been identified in the highest 5 career cluster rankings
 9 in ~~any of the 10~~**the most recent CEPD** regional strategic plans
 10 jointly approved by the Michigan talent investment agency in the
 11 department of ~~talent and economic development~~**labor and economic**
 12 **opportunity** and the department, for training on new equipment, for
 13 professional development relating to computer science or coding, or
 14 for new and emerging certified CTE programs to allow CEPD
 15 administrators to provide programming in communities that will
 16 enhance economic development. The funding for equipment should be
 17 used to support and enhance community areas that have sustained job
 18 growth, and act as a commitment to build a more qualified and
 19 skilled workforce. In addition, each CEPD is encouraged to explore
 20 the option of leasing equipment from local private industry to
 21 encourage the use of the most advanced equipment.

22 (4) The allocation of funds at the local level ~~shall~~**must** be
 23 determined by CEPD administrators using data from the state,
 24 region, and local sources to make well-informed decisions on
 25 program equipment improvements. Grants awarded by CEPD
 26 administrators for capital infrastructure ~~shall~~**must** be used to
 27 ensure that CTE programs can deliver educational programs in high-
 28 wage, high-skill, and high-demand occupations. Each CEPD shall
 29 continue to ensure that program advisory boards make

1 recommendations on needed improvements for equipment that support
2 job growth and job skill development and retention for both the
3 present and the future.

4 (5) Not later than September 15 of each fiscal year, each CEPD
5 receiving funding shall annually report to the department, the
6 senate and house appropriations subcommittees on ~~state~~-school aid,
7 ~~and the senate and house fiscal agencies,~~ and legislature on
8 equipment purchased under subsection (1). In addition, the report
9 ~~shall~~**must** identify growth data on program involvement, retention,
10 and development of student skills.

11 (6) As used in this section:

12 (a) "CEPD" means a career education planning district
13 described in this section.

14 (b) "CTE" means career and technical education.

15 Sec. 61d. (1) From the appropriation in section 11, there is
16 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
17 \$5,000,000.00 from the state school aid fund for additional
18 payments to districts for career and technical education programs
19 for the purpose of increasing the number of Michigan residents with
20 high-quality degrees or credentials, and to increase the number of
21 pupils who are college- and career-ready upon high school
22 graduation.

23 (2) The department shall calculate payments to districts under
24 this section in the following manner:

25 (a) A payment of \$35.00 multiplied by the number of pupils in
26 grades 9 to 12 who are counted in membership in the district and
27 are enrolled in at least 1 career and technical education program.

28 (b) An additional payment of \$35.00 multiplied by the number
29 of pupils in grades 9 to 12 who are counted in membership in the

1 district and are enrolled in at least 1 career and technical
2 education program that provides instruction in critical skills and
3 high-demand career fields.

4 (3) If the allocation under subsection (1) is insufficient to
5 fully fund payments under subsection (2), the department shall
6 prorate payments under this section on an equal per-pupil basis.

7 (4) As used in this section:

8 (a) "Career and technical education program" means a state-
9 approved career and technical education program, as determined by
10 the department.

11 (b) "Career and technical education program that provides
12 instruction in critical skills and high-demand career field" means
13 a career and technical education program classified under any of
14 the following 2-digit classification of instructional programs
15 (CIP) codes:

16 (i) 01, which refers to "agriculture, agriculture operations,
17 and related sciences".

18 (ii) 03, which refers to "natural resources and conservation".

19 (iii) 10 through 11, which refers to "communications
20 technologies/technicians and support services" and "computer and
21 information sciences and support services".

22 (iv) 14 through 15, which refers to "engineering" and
23 "engineering technologies and engineering-related fields".

24 (v) 26, which refers to "biological and biomedical sciences".

25 (vi) 46 through 48, which refers to "construction trades",
26 "mechanic and repair technologies/technicians", and "precision
27 production".

28 (vii) 51, which refers to "health professions and related
29 programs".

1 Sec. 61g. (1) From the state school aid fund money
2 appropriated under section 11, there is allocated for 2021-2022
3 only an amount not to exceed \$2,500,000.00 to an intermediate
4 district in which the combined total number of pupils in membership
5 of all of its constituent districts is at least 6,500 but not more
6 than 7,500 and the intermediate district is located in prosperity
7 region 3.

8 (2) An intermediate district receiving funds under this
9 section shall use the funds to support its career and technical
10 education offerings. Funds must be used by the intermediate
11 district for building retrofitting, equipment purchases, and other
12 associated expenditures necessary to provide career and technical
13 education programming and services.

14 (3) As used in this section, "constituent district" means a
15 district, including a district that is a public school academy,
16 that is located within the geographic boundaries of an intermediate
17 district.

18 Sec. 62. (1) For the purposes of this section:

19 (a) "Membership" means for a particular fiscal year the total
20 membership ~~for the immediately preceding fiscal year~~ of the
21 intermediate district and the districts constituent to the
22 intermediate district or the total membership ~~for the immediately~~
23 ~~preceding fiscal year~~ of the area vocational-technical program,
24 except that if a district has elected not to come under sections
25 681 to 690 of the revised school code, MCL 380.681 to 380.690, the
26 membership of that district are not included in the membership of
27 the intermediate district. However, the membership of a district
28 that has elected not to come under sections 681 to 690 of the
29 revised school code, MCL 380.681 to 380.690, is included in the

1 membership of the intermediate district if the district meets both
2 of the following:

3 (i) The district operates the area vocational-technical
4 education program pursuant to a contract with the intermediate
5 district.

6 (ii) The district contributes an annual amount to the operation
7 of the program that is commensurate with the revenue that would
8 have been raised for operation of the program if millage were
9 levied in the district for the program under sections 681 to 690 of
10 the revised school code, MCL 380.681 to 380.690.

11 (b) "Millage levied" means the millage levied for area
12 vocational-technical education under sections 681 to 690 of the
13 revised school code, MCL 380.681 to 380.690, including a levy for
14 debt service obligations incurred as the result of borrowing for
15 capital outlay projects and in meeting capital projects fund
16 requirements of area vocational-technical education.

17 (c) "Taxable value" means the total taxable value of the
18 districts constituent to an intermediate district or area
19 vocational-technical education program, except that if a district
20 has elected not to come under sections 681 to 690 of the revised
21 school code, MCL 380.681 to 380.690, the ~~membership and~~ taxable
22 value of that district ~~are~~**is** not included in the ~~membership and~~
23 taxable value of the intermediate district. However, the ~~membership~~
24 ~~and~~ taxable value of a district that has elected not to come under
25 sections 681 to 690 of the revised school code, MCL 380.681 to
26 380.690, ~~are~~**is** included in the ~~membership and~~ taxable value of the
27 intermediate district if the district meets both of the following:

28 (i) The district operates the area vocational-technical
29 education program pursuant to a contract with the intermediate

1 district.

2 (ii) The district contributes an annual amount to the operation
3 of the program that is commensurate with the revenue that would
4 have been raised for operation of the program if millage were
5 levied in the district for the program under sections 681 to 690 of
6 the revised school code, MCL 380.681 to 380.690.

7 (2) From the appropriation in section 11, there is allocated
8 an amount not to exceed \$9,190,000.00 each fiscal year for ~~2019-~~
9 ~~2020 and for 2020-2021~~ **and for 2021-2022** to reimburse intermediate
10 districts and area vocational-technical education programs
11 established under section 690(3) of the revised school code, MCL
12 380.690, levying millages for area vocational-technical education
13 under sections 681 to 690 of the revised school code, MCL 380.681
14 to 380.690. The purpose, use, and expenditure of the reimbursement
15 are limited as if the funds were generated by those millages.

16 (3) Reimbursement for those millages levied in ~~2018-2019-2019-~~
17 ~~2020~~ is made in ~~2019-2020-2020-2021~~ at an amount per ~~2018-2019~~
18 ~~2019-2020~~ membership pupil computed by subtracting from ~~\$210,800.00~~
19 **\$218,700.00** the ~~2018-2019-2019-2020~~ taxable value behind each
20 membership pupil and multiplying the resulting difference by the
21 ~~2018-2019-2019-2020~~ millage levied, and then subtracting from that
22 amount the ~~2018-2019-2019-2020~~ local community stabilization share
23 revenue for area vocational technical education behind each
24 membership pupil for reimbursement of personal property exemption
25 loss under the local community stabilization authority act, 2014 PA
26 86, MCL 123.1341 to 123.1362.

27 (4) Reimbursement for those millages levied in ~~2019-2020-2020-~~
28 ~~2021~~ is made in ~~2020-2021-2021-2022~~ at an amount per ~~2019-2020~~
29 ~~2020-2021~~ membership pupil computed by subtracting from ~~\$218,800.00~~

1 **\$224,800.00** the ~~2019-2020-2020-2021~~ taxable value behind each
 2 membership pupil and multiplying the resulting difference by the
 3 ~~2019-2020-2020-2021~~ millage levied, and then subtracting from that
 4 amount the ~~2019-2020-2020-2021~~ local community stabilization share
 5 revenue for area vocational technical education behind each
 6 membership pupil for reimbursement of personal property exemption
 7 loss under the local community stabilization authority act, 2014 PA
 8 86, MCL 123.1341 to 123.1362.

9 (5) The department shall ensure that the amount paid to a
 10 single intermediate district under this section does not exceed
 11 38.4% of the total amount allocated under subsection (2).

12 (6) The department shall ensure that the amount paid to a
 13 single intermediate district under this section is not less than
 14 75% of the amount allocated to the intermediate district under this
 15 section for the immediately preceding fiscal year.

16 Sec. 65. (1) From the appropriation under section 11, there is
 17 allocated an amount not to exceed \$400,000.00 for ~~2020-2021-2021-~~
 18 **2022** for a pre-college engineering K-12 educational program that is
 19 focused on the development of a diverse future Michigan workforce,
 20 that serves multiple communities within southeast Michigan, that
 21 enrolls pupils from multiple districts, and that received funds
 22 appropriated for this purpose in the appropriations act that
 23 provided the Michigan strategic fund budget for 2014-2015.

24 (2) To be eligible for funding under this section, a program
 25 must have the ability to expose pupils to, and motivate and prepare
 26 pupils for, science, technology, engineering, and mathematics
 27 careers and postsecondary education with special attention given to
 28 groups of pupils who are at-risk and underrepresented in technical
 29 professions and careers.

1 Sec. 67. (1) From the general fund money appropriated in
2 section 11, there is allocated an amount not to exceed
3 \$3,000,000.00 for ~~2020-2021~~**2021-2022** for college access programs.
4 The programs funded under this section are intended to inform
5 students of college and career options and to provide resources
6 intended to increase the number of pupils who are adequately
7 prepared with the information needed to make informed decisions on
8 college and career. The funds appropriated under this section are
9 intended to be used to increase the number of Michigan residents
10 with high-quality degrees or credentials. Funds appropriated under
11 this section must not be used to supplant funding for counselors
12 already funded by districts.

13 (2) The department of labor and economic opportunity shall
14 administer funds allocated under this section in collaboration with
15 the Michigan college access network. These funds may be used for
16 any of the following purposes:

17 (a) Michigan college access network operations, programming,
18 and services to local college access networks.

19 (b) Local college access networks, which are community-based
20 college access/success partnerships committed to increasing the
21 college participation and completion rates within geographically
22 defined communities through a coordinated strategy.

23 (c) The Michigan college advising program, a program intended
24 to place trained, recently graduated college advisors in high
25 schools that serve significant numbers of low-income and first-
26 generation college-going pupils. State funds used for this purpose
27 may not exceed 33% of the total funds available under this
28 subsection.

29 (d) Subgrants of up to \$5,000.00 to districts with

1 comprehensive high schools that establish a college access team and
2 implement specific strategies to create a college-going culture in
3 a high school in a form and manner approved by the Michigan college
4 access network and the department of labor and economic
5 opportunity.

6 (e) The Michigan college access portal, an online one-stop
7 portal to help pupils and families plan and apply for college.

8 (f) Public awareness and outreach campaigns to encourage low-
9 income and first-generation college-going pupils to take necessary
10 steps toward college and to assist pupils and families in
11 completing a timely and accurate free application for federal
12 student aid.

13 (g) Subgrants to postsecondary institutions to recruit, hire,
14 and train college student mentors and college advisors to assist
15 high school pupils in navigating the postsecondary planning and
16 enrollment process.

17 (3) For the purposes of this section, "college" means any
18 postsecondary educational opportunity that leads to a career,
19 including, but not limited to, a postsecondary degree, industry-
20 recognized technical certification, or registered apprenticeship.

21 Sec. 67a. (1) From the general fund money appropriated under
22 section 11, there is allocated an amount not to exceed \$50,000.00
23 for ~~2020-2021~~**2021-2022** for a grant to be distributed by the
24 department to an organization to provide industrial and
25 technological education and workforce preparation for students and
26 professional development opportunities and support for teachers.

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

1 **Sec. 67b. From the federal funds allocated under section 11n,**
 2 **there is allocated \$6,000,000.00 from the federal funding awarded**
 3 **to this state from the coronavirus state fiscal recovery fund under**
 4 **the American rescue plan act of 2021, title IX, subtitle M of**
 5 **Public Law 117-2, for 2021-2022 to the SME Education Foundation's**
 6 **Partnership Response Initiative. The SME Education Foundation's**
 7 **Partnership Response Initiative shall use the funding it receives**
 8 **under this section to provide high schools in this state with cost-**
 9 **effective and tailored engineering/manufacturing programs that**
 10 **provide equipment, curricula, professional development,**
 11 **scholarships, and STEM-focused curricular activities to students**
 12 **enrolled in and teachers teaching in the high schools of this**
 13 **state.**

14 **Sec. 74. (1) From the ~~amount appropriated~~ state school aid**
 15 **fund money appropriated in section 11, there is allocated an amount**
 16 **not to exceed ~~\$3,814,500.00~~ \$3,805,800.00 for ~~2020-2021~~ 2021-2022**
 17 **for the purposes of this section.**

18 (2) From the allocation in subsection (1), there is allocated
 19 for ~~2020-2021~~ 2021-2022 the amount necessary for payments to state
 20 supported colleges or universities and intermediate districts
 21 providing school bus driver safety instruction under section 51 of
 22 the pupil transportation act, 1990 PA 187, MCL 257.1851. The
 23 department shall make payments in an amount determined by the
 24 department not to exceed the actual cost of instruction and driver
 25 compensation for each public or nonpublic school bus driver
 26 attending a course of instruction. For the purpose of computing
 27 compensation, the hourly rate allowed each school bus driver must
 28 not exceed the hourly rate received for driving a school bus. The
 29 department shall make reimbursement compensating the driver during

1 the course of instruction to the college or university or
2 intermediate district providing the course of instruction.

3 (3) From the allocation in subsection (1), there is allocated
4 for ~~2020-2021~~**2021-2022** the amount necessary to pay the reasonable
5 costs of nonspecial education auxiliary services transportation
6 provided under section 1323 of the revised school code, MCL
7 380.1323. Districts funded under this subsection do not receive
8 funding under any other section of this article for nonspecial
9 education auxiliary services transportation.

10 (4) From the funds allocated in subsection (1), there is
11 allocated an amount not to exceed ~~\$1,789,500.00~~**\$1,780,800.00** for
12 ~~2020-2021~~**2021-2022** for reimbursement to districts and intermediate
13 districts for costs associated with the inspection of school buses
14 and pupil transportation vehicles by the department of state police
15 as required under section 715a of the Michigan vehicle code, 1949
16 PA 300, MCL 257.715a, and section 39 of the pupil transportation
17 act, 1990 PA 187, MCL 257.1839. The department of state police
18 shall prepare a statement of costs attributable to each district
19 for which bus inspections are provided and submit it to the
20 department and to an intermediate district serving as fiduciary in
21 a time and manner determined jointly by the department and the
22 department of state police. Upon review and approval of the
23 statement of cost, the department shall forward to the designated
24 intermediate district serving as fiduciary the amount of the
25 reimbursement on behalf of each district and intermediate district
26 for costs detailed on the statement within 45 days after receipt of
27 the statement. The designated intermediate district shall make
28 payment in the amount specified on the statement to the department
29 of state police within 45 days after receipt of the statement. The

total reimbursement of costs under this subsection must not exceed the amount allocated under this subsection. Notwithstanding section 17b, the department shall make payments to eligible entities under this subsection on a schedule prescribed by the department.

Sec. 78. (1) From the state school aid fund money appropriated under section 11, there is allocated for 2021-2022 an amount not to exceed \$1,000,000.00 for payments to eligible districts for transportation costs as provided under this section. To be eligible for funding under this section, a district must meet all of the following:

(a) Receive the minimum foundation allowance as calculated under section 20.

(b) Have at least 7,800 pupils in membership but not more than 20,000 pupils in membership.

(c) Have at least 98 square miles in the district's boundaries.

(d) Provide busing to general education and special education students.

(e) Use buses to distribute school meals.

(f) Be not eligible for funding under section 22d.

(2) A district that is eligible for funding under this section shall receive an equal amount per pupil from the funds appropriated under this section.

Sec. 81. (1) From the ~~appropriation~~ state school aid fund money appropriated in section 11, there is allocated for 2020-2021 to the intermediate districts the sum necessary, but not to exceed \$69,138,000.00, and there is allocated for 2021-2022 to the intermediate districts the sum necessary, but not to exceed \$71,903,600.00 to provide state aid to intermediate districts under

1 this section.

2 (2) The amount allocated under this section **for 2020-2021** to
3 each intermediate district is an amount equal to 100% of the amount
4 allocated to the intermediate district under this section for 2019-
5 2020. **The amount allocated under this section for 2021-2022 to each**
6 **intermediate district is an amount equal to 104% of the amount**
7 **allocated to the intermediate district under this section for 2020-**
8 **2021.** An intermediate district shall use funding provided under
9 this section to comply with requirements of this article and the
10 revised school code that are applicable to intermediate districts,
11 and for which funding is not provided elsewhere in this article,
12 and to provide technical assistance to districts as authorized by
13 the intermediate school board.

14 (3) Intermediate districts receiving funds under this section
15 shall collaborate with the department to develop expanded
16 professional development opportunities for teachers to update and
17 expand their knowledge and skills needed to support the Michigan
18 merit curriculum.

19 (4) From the allocation in subsection (1), there is allocated
20 to an intermediate district, formed by the consolidation or
21 annexation of 2 or more intermediate districts or the attachment of
22 a total intermediate district to another intermediate district or
23 the annexation of all of the constituent K-12 districts of a
24 previously existing intermediate district which has disorganized,
25 an additional allotment of \$3,500.00 each fiscal year for each
26 intermediate district included in the new intermediate district for
27 3 years following consolidation, annexation, or attachment.

28 (5) In order to receive funding under this section, an
29 intermediate district shall do all of the following:

1 (a) Demonstrate to the satisfaction of the department that the
2 intermediate district employs at least 1 person who is trained in
3 pupil accounting and auditing procedures, rules, and regulations.

4 (b) Demonstrate to the satisfaction of the department that the
5 intermediate district employs at least 1 person who is trained in
6 rules, regulations, and district reporting procedures for the
7 individual-level student data that serves as the basis for the
8 calculation of the district and high school graduation and dropout
9 rates.

10 (c) Comply with sections 1278a and 1278b of the revised school
11 code, MCL 380.1278a and 380.1278b.

12 (d) Furnish data and other information required by state and
13 federal law to the center and the department in the form and manner
14 specified by the center or the department, as applicable.

15 (e) Comply with section 1230g of the revised school code, MCL
16 380.1230g.

17 **(f) Provide advice, guidance, and leadership to assist all**
18 **districts located within its geographic boundaries to assist in the**
19 **preparedness and response efforts toward addressing COVID-19. At a**
20 **minimum, this must include the coordination and collaboration with**
21 **any local public health agency that has jurisdiction within the**
22 **intermediate district's geographic boundaries and may include the**
23 **coordination of bulk purchasing of personal protective equipment,**
24 **technology, or other products or services necessary for students to**
25 **return to school. An intermediate district shall ensure that all**
26 **districts located within its geographic boundaries have equitable**
27 **access to the intermediate district's coordination activities and**
28 **services, intermediate district-wide or regional meetings,**
29 **regularly scheduled superintendent meetings, programming, events,**

1 or other coordination or collaboration activities. In ensuring that
2 all districts located within the geographic boundaries of the
3 intermediate district have equitable access to services, meetings,
4 programming, events, or activities as described in the immediately
5 preceding sentence, the intermediate district shall ensure that
6 districts that are public school academies that are located within
7 its geographic boundaries are not excluded from said services,
8 meetings, programming, events, or activities if districts that are
9 not public school academies that are located within the geographic
10 boundaries of the intermediate district are not excluded.

11 Sec. 94. (1) From the general fund money appropriated in
12 section 11, there is allocated to the department for ~~2020-2021~~
13 **2021-2022** an amount not to exceed \$1,200,000.00 for efforts to
14 increase the number of pupils who participate and succeed in
15 advanced placement and international baccalaureate programs, and to
16 support the college-level examination program (CLEP).

17 (2) From the funds allocated under this section, the
18 department shall award funds to cover all or part of the costs of
19 advanced placement test fees or international baccalaureate test
20 fees and international baccalaureate registration fees for low-
21 income pupils who take an advanced placement or an international
22 baccalaureate test and CLEP fees for low-income pupils who take a
23 CLEP test.

24 (3) The department shall only award funds under this section
25 if the department determines that all of the following criteria are
26 met:

27 (a) Each pupil for whom payment is made meets eligibility
28 requirements of the federal advanced placement test fee program
29 under section 1701 of the no child left behind act of 2001, Public

1 Law 107-110, or under a corresponding provision of the every
2 student succeeds act, Public Law 114-95.

3 (b) The tests are administered by the college board, the
4 international baccalaureate organization, or another test provider
5 approved by the department.

6 (c) The pupil for whom payment is made pays at least \$5.00
7 toward the cost of each test for which payment is made.

8 (4) The department shall establish procedures for awarding
9 funds under this section.

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

13 Sec. 94a. (1) There is created within the state budget office
14 in the department of technology, management, and budget the center
15 for educational performance and information. The center shall do
16 all of the following:

17 (a) Coordinate the collection of all data required by state
18 and federal law from districts, intermediate districts, and
19 postsecondary institutions.

20 (b) Create, maintain, and enhance this state's P-20
21 longitudinal data system and ensure that it meets the requirements
22 of subsection (4).

23 (c) Collect data in the most efficient manner possible in
24 order to reduce the administrative burden on reporting entities,
25 including, but not limited to, electronic transcript services.

26 (d) Create, maintain, and enhance this state's web-based
27 educational portal to provide information to school leaders,
28 teachers, researchers, and the public in compliance with all
29 federal and state privacy laws. Data must include, but are not

1 limited to, all of the following:

2 (i) Data sets that link teachers to student information,
3 allowing districts to assess individual teacher impact on student
4 performance and consider student growth factors in teacher and
5 principal evaluation systems.

6 (ii) Data access or, if practical, data sets, provided for
7 regional data hubs that, in combination with local data, can
8 improve teaching and learning in the classroom.

9 (iii) Research-ready data sets for researchers to perform
10 research that advances this state's educational performance.

11 (e) Provide data in a useful manner to allow state and local
12 policymakers to make informed policy decisions.

13 (f) Provide public reports to the residents of this state to
14 allow them to assess allocation of resources and the return on
15 their investment in the education system of this state.

16 (g) Other functions as assigned by the state budget director.

17 (2) Each state department, officer, or agency that collects
18 information from districts, intermediate districts, or
19 postsecondary institutions as required under state or federal law
20 shall make arrangements with the center to ensure that the state
21 department, officer, or agency is in compliance with subsection
22 (1). This subsection does not apply to information collected by the
23 department of treasury under the uniform budgeting and accounting
24 act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal
25 finance act, 2001 PA 34, MCL 141.2101 to 141.2821; the school bond
26 qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to
27 388.1939; or section 1351a of the revised school code, MCL
28 380.1351a.

29 (3) The center may enter into any interlocal agreements

1 necessary to fulfill its functions.

2 (4) The center shall ensure that the P-20 longitudinal data
3 system required under subsection (1)(b) meets all of the following:

4 (a) Includes data at the individual student level from
5 preschool through postsecondary education and into the workforce.

6 (b) Supports interoperability by using standard data
7 structures, data formats, and data definitions to ensure linkage
8 and connectivity in a manner that facilitates the exchange of data
9 among agencies and institutions within the state and between
10 states.

11 (c) Enables the matching of individual teacher and student
12 records so that an individual student may be matched with those
13 teachers providing instruction to that student.

14 (d) Enables the matching of individual teachers with
15 information about their certification and the institutions that
16 prepared and recommended those teachers for state certification.

17 (e) Enables data to be easily generated for continuous
18 improvement and decision-making, including timely reporting to
19 parents, teachers, and school leaders on student achievement.

20 (f) Ensures the reasonable quality, validity, and reliability
21 of data contained in the system.

22 (g) Provides this state with the ability to meet federal and
23 state reporting requirements.

24 (h) For data elements related to preschool through grade 12
25 and postsecondary, meets all of the following:

26 (i) Contains a unique statewide student identifier that does
27 not permit a student to be individually identified by users of the
28 system, except as allowed by federal and state law.

29 (ii) Contains student-level enrollment, demographic, and

1 program participation information.

2 (iii) Contains student-level information about the points at
3 which students exit, transfer in, transfer out, drop out, or
4 complete education programs.

5 (iv) Has the capacity to communicate with higher education data
6 systems.

7 (i) For data elements related to preschool through grade 12
8 only, meets all of the following:

9 (i) Contains yearly test records of individual students for
10 assessments approved by DED-OESE for accountability purposes under
11 section 1111(b) of the elementary and secondary education act of
12 1965, 20 USC 6311, including information on individual students not
13 tested, by grade and subject.

14 (ii) Contains student-level transcript information, including
15 information on courses completed and grades earned.

16 (iii) Contains student-level college readiness test scores.

17 (j) For data elements related to postsecondary education only:

18 (i) Contains data that provide information regarding the extent
19 to which individual students transition successfully from secondary
20 school to postsecondary education, including, but not limited to,
21 all of the following:

22 (A) Enrollment in remedial coursework.

23 (B) Completion of 1 year's worth of college credit applicable
24 to a degree within 2 years of enrollment.

25 (ii) Contains data that provide other information determined
26 necessary to address alignment and adequate preparation for success
27 in postsecondary education.

28 (5) From the general fund money appropriated in section 11,
29 there is allocated an amount not to exceed ~~\$16,848,900.00~~

1 **\$18,802,500.00** for ~~2020-2021~~**-2021-2022** to the department of
2 technology, management, and budget to support the operations of the
3 center. In addition, from the federal funds appropriated in section
4 11, there is allocated for ~~2020-2021~~**-2021-2022** the amount
5 necessary, estimated at \$193,500.00, to support the operations of
6 the center and to establish a P-20 longitudinal data system
7 necessary for state and federal reporting purposes. The center
8 shall cooperate with the department to ensure that this state is in
9 compliance with federal law and is maximizing opportunities for
10 increased federal funding to improve education in this state.

11 (6) From the funds allocated in subsection (5), the center may
12 use an amount determined by the center for competitive grants for
13 ~~2020-2021~~**-2021-2022** to support collaborative efforts on the P-20
14 longitudinal data system. All of the following apply to grants
15 awarded under this subsection:

16 (a) The center shall award competitive grants to eligible
17 intermediate districts or a consortium of intermediate districts
18 based on criteria established by the center.

19 (b) Activities funded under the grant must support the P-20
20 longitudinal data system portal and may include portal hosting,
21 hardware and software acquisition, maintenance, enhancements, user
22 support and related materials, and professional learning tools and
23 activities aimed at improving the utility of the P-20 longitudinal
24 data system.

25 (c) An applicant that received a grant under this subsection
26 for the immediately preceding fiscal year has priority for funding
27 under this section. However, after 3 fiscal years of continuous
28 funding, an applicant is required to compete openly with new
29 applicants.

(7) Funds allocated under this section that are not expended in the fiscal year in which they were allocated may be carried forward to a subsequent fiscal year and are appropriated for the purposes for which the funds were originally allocated.

(8) The center may bill departments as necessary in order to fulfill reporting requirements of state and federal law. The center may also enter into agreements to supply custom data, analysis, and reporting to other principal executive departments, state agencies, local units of government, and other individuals and organizations. The center may receive and expend funds in addition to those authorized in subsection (5) to cover the costs associated with salaries, benefits, supplies, materials, and equipment necessary to provide such data, analysis, and reporting services.

(9) As used in this section, ÷

~~(a)~~ "DED-OESE" means the United States Department of Education Office of Elementary and Secondary Education.

~~(b)~~ "State education agency" means the department.

Sec. 94c. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed \$1,500,000.00 for 2021-2022 to the department to select a vendor through a competitive bid process that will compile a report to be sent to the legislature that includes all of the following:

(a) A strategy for streamlining the reporting that districts and intermediate districts are required to submit under state law.

(b) Recommendations for an annual process to measure and compare noninstructional staffing and spending by districts and intermediate districts and propose options to help districts and intermediate districts optimize noninstructional spending over time. Districts and intermediate districts are not required to

1 modify their spending due to the operation of this subdivision. As
2 used in this subdivision, "noninstructional spending" does not
3 include facility costs, leases, rental payments, or other capital
4 costs.

5 (c) Subject to subsection (2), recommendations for an
6 information technology strategy for the K to 12 system and a short
7 list of information technology systems that districts and
8 intermediate districts may choose from that meet both of the
9 following:

10 (i) Are aligned to the information technology strategy
11 described in this subdivision.

12 (ii) Can be used by districts and intermediate districts in
13 transition as existing information technology systems are retired.

14 (2) A district or intermediate district is not required to
15 select for use an information technology system described in
16 subsection (1)(c) due to the operation of subsection (1)(c).

17 (3) This section does not impose any new or additional
18 reporting requirements upon districts and intermediate districts.

19 (4) The center, to the extent practicable, shall provide data
20 requested by the vendor selected under subsection (1) to the
21 vendor.

22 (5) In its evaluation of vendors through the competitive bid
23 process under subsection (1), the department shall consider at
24 least all of the following criteria:

25 (a) The vendor's knowledge of this state's K to 12 system.

26 (b) The vendor's knowledge of center and National Center for
27 Education Statistics (NCES) data.

28 (c) The vendor's knowledge of existing K to 12 reports.

29 (d) The vendor's knowledge of existing K to 12 technology

1 systems.

2 (e) The vendor's knowledge of reporting, information
3 technology, and benchmarking best practices.

4 (f) The vendor's expertise in providing advice to this state's
5 K to 12 systems on efficiency measures.

6 (6) The department, center, or the vendor selected under
7 subsection (1) shall not require that a district or intermediate
8 district implement the strategies or recommendations developed
9 under this section by the vendor selected under subsection (1)
10 unless legislation is enacted that allows the department, center,
11 or a vendor selected under subsection (1) to require said
12 implementation.

13 Sec. 94d. (1) From the state school aid fund money
14 appropriated in section 11, there is allocated an amount not to
15 exceed \$1,500,000.00 for 2021-2022 for the purposes of this
16 section.

17 (2) Funds under this section must be used to create and
18 support a task force that will develop a comprehensive multi-year
19 plan to attract, prepare, and retain qualified personnel for
20 children with disabilities. The task force described in this
21 subsection shall provide all of the following:

22 (a) An identification of the barriers to attracting and
23 training qualified personnel to work with children with
24 disabilities.

25 (b) An analysis of current educator preparation processes,
26 including the degree to which they meet the needs of special
27 education students and whether the preparation process could be
28 streamlined to increase the number of qualified personnel entering
29 the field of special education.

1 (c) An analysis of attrition rates for qualified personnel
2 leaving the field of special education and recommendations for ways
3 that this state or districts could better retain talent.

4 (d) An analysis of this state's licensing requirements and
5 whether they could be streamlined to increase the number of
6 qualified personnel entering the field of special education.

7 (e) Policy changes that should be enacted into law to address
8 the barriers identified in this subsection, with specific changes
9 to applicable state laws or applicable state rules.

10 (3) The task force described in subsection (2) must include
11 representation from all special education stakeholder communities,
12 including, but not limited to, teachers, school administrators,
13 parents of special education students, students, educator
14 preparation programs, the department, the legislative branch, the
15 executive branch, the business community, and special education
16 advocacy groups.

17 (4) The department shall identify an intermediate district
18 that will serve as the fiscal agent for the funding under this
19 section.

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

23 (6) It is the intent of the legislature that the funding under
24 this section support the task force described in subsection (2) for
25 3 years.

26 (7) The funds allocated under this section for 2021-2022 are a
27 work project appropriation, and any unexpended funds for 2021-2022
28 do not lapse to the state school aid fund and are carried forward
29 into 2022-2023. The purpose of the work project is to continue

1 support for the task force described in subsection (2). The
2 estimated completion date of the work project is September 30,
3 2024.

4 Sec. 95b. (1) From the general fund money appropriated under
5 section 11, there is allocated an amount not to exceed
6 \$2,000,000.00 for **2021-2022** for the model value-added growth and
7 projection analytics system. The department shall continue the
8 model value-added growth and projection analytics system and
9 incorporate that model into its reporting requirements under the
10 every student succeeds act, Public Law 114-95. ~~It is the intent of~~
11 ~~the legislature to fund the model under this section for 2021-2022~~
12 ~~only if at least 50% of districts that are not public school~~
13 ~~academies opt in to student-teacher linkages provided by the model~~
14 ~~value-added growth and projection analytics system and there is~~
15 ~~verification that the value added reporting platform continued~~
16 ~~hosting and delivery of historical reporting as determined based on~~
17 ~~the report under subsection (5).~~ The model described in this
18 subsection must do at least all of the following:

19 (a) Utilize existing assessments and any future assessments
20 that are suitable for measuring student growth.

21 (b) Report student growth measures at the district, school,
22 teacher, and subgroup levels.

23 (c) Recognize the growth of tested students, including those
24 who may have missing assessment data.

25 (d) Include all available prior standardized assessment data
26 that meet inclusion criteria across grades, subjects, and state and
27 local assessments.

28 (e) Allow student growth results to be disaggregated.

29 (f) Provide individual student projections showing the

1 probability of a student reaching specific performance levels on
2 future assessments. Given school closures and extended
3 cancellations related to COVID-19, the data under this subdivision
4 may be used to inform decisions about student placement or students
5 that could benefit from additional supports or interventions.

6 (g) Demonstrate any prior success with this state's
7 assessments through the Michigan council of educator effectiveness
8 teacher evaluation pilot.

9 (h) Demonstrate prior statewide implementation in at least 2
10 other states for at least 10 years.

11 (i) Have a native roster verification system built into the
12 value-added reporting platform that has been implemented statewide
13 in at least 2 other states.

14 (j) Have a "help/contact us" ticketing system built into the
15 value-added reporting platform.

16 (k) Given school closures that have occurred pursuant to an
17 executive order issued by the governor, the value-added reporting
18 platform must provide continued hosting and delivery of reporting
19 and offer the department additional supports in the areas of
20 research, analysis, web reporting, and training.

21 (l) The department and the platform vendor shall provide
22 statewide training for educators to understand the reporting that
23 details the impact to student learning and growth.

24 (2) The department shall provide internet-based electronic
25 student growth and projection reporting based on the model under
26 subsection (1) to educators at the school, district, and state
27 levels. The model must include role-based permissions that allow
28 educators to access information about the performance of the
29 students within their immediate responsibility in accordance with

1 applicable privacy laws.

2 (3) The model under subsection (1) must not be a mandatory
3 part of teacher evaluation or educator pay-for-performance systems.

4 (4) The model under subsection (1) must be a model that
5 received funding under this section in 2018-2019.

6 (5) By March 31, ~~2021~~, **2022**, the department shall work with
7 the center to provide a report to the senate and house
8 appropriations subcommittees on ~~state~~-school aid and the senate and
9 house fiscal agencies regarding the number of districts that are
10 not public school academies that opted in to student-teacher
11 linkages in their use of the model value-added growth and
12 projection analytics system under this section. The report under
13 this subsection must also include verification that the value-added
14 reporting platform continued hosting and delivery of historical
15 reporting and specify any additional research and analysis offered
16 to the department.

17 **Sec. 97. (1) For 2021-2022, from the state school aid fund**
18 **money appropriated under section 11, there is allocated an amount**
19 **not to exceed \$7,500,000.00 and from the general fund money**
20 **appropriated under section 11, there is allocated an amount not to**
21 **exceed \$2,500,000.00 for competitive grants to public schools,**
22 **nonpublic schools, districts, and intermediate districts to**
23 **purchase technology equipment, upgrade hardening measures, or**
24 **conduct school building safety assessments to improve the safety**
25 **and security of school buildings, pupils or students, and school**
26 **staff with the goal of creating a safer school environment through**
27 **equipment and technology enhancements. The department of state**
28 **police, grants and community services division, shall administer**
29 **the grant program described in this subsection. All grants under**

1 this subsection must be funded on a reimbursement-only basis.
2 Grants under this subsection must not exceed \$50,000.00 for each
3 public school or nonpublic school and \$250,000.00 for each district
4 or intermediate district.

5 (2) All of the following apply to the application process for
6 funding under subsection (1):

7 (a) To receive funding under subsection (1), a public school,
8 nonpublic school, district, or intermediate district shall submit
9 an application for funding under subsection (1) directly to the
10 department of state police, grants and community services division.

11 (b) An application from a district or intermediate district
12 under this subsection must be for 1 or more buildings that have
13 some or all of pre-K to grade 12 classrooms and pupils.

14 (c) An applicant may submit only 1 application.

15 (d) An individual public school may submit its own application
16 but must not also be included in its district's application if the
17 district submits an application under this subsection.

18 (e) The department of state police shall award grants to
19 applicants based on eligibility, the project description, and
20 whether the project reflects the highest security need of the
21 applicant within grant funding constraints, the budget narrative,
22 the budget, project goals, objectives, and performance measures.

23 (f) The department of state police shall give priority to all
24 of the following applicants:

25 (i) Applicants seeking funding for projects that involve
26 multiple agencies working in partnership.

27 (ii) Applicants seeking funding for proposals that seek to
28 secure exterior access points of school buildings.

29 (iii) Applicants that did not receive a school safety grant in

1 the past.

2 (iv) Applicants that did not receive a grant under section 1001
3 of article XX of 2018 PA 207 or under section 115 of 2018 PA 618.

4 (g) To be awarded a grant, an applicant must demonstrate proof
5 that the public school, nonpublic school, district, or intermediate
6 district has an emergency operation plan that was updated after
7 August 1, 2017 to align with the state emergency operations plan
8 guidance and statewide school safety information policy developed
9 under section 1308 of the revised school code, MCL 380.1308.

10 (h) The department of state police shall issue grant guidance
11 and application materials, including required performance measures,
12 not later than February 1, 2022.

13 (3) The department of state police shall not award funding
14 under subsection (1) to a public school, nonpublic school,
15 district, or intermediate district in relation to the same school
16 building more than once. If a district submits an application under
17 subsection (2) relating to a school building and a public school
18 within that district also submits an application for funding in
19 relation to that same school building, the department of state
20 police shall not allocate funding under subsection (1) twice for
21 that school building. If a public school, nonpublic school,
22 district, or intermediate district submits more than 1 application,
23 the department of state police shall first consider the most recent
24 application submitted in considering funding under subsection (1).

25 (4) Eligible expenses for reimbursement under subsection (1)
26 must be consistent with the recommendations of the school safety
27 task force created by Executive Order No. 2018-5. The department of
28 state police shall list the eligible expenses in the grant guidance
29 and application materials described under subsection (2). The

1 following items are not eligible expenses for which grant funds
2 under subsection (1) may be applied:

3 (a) Weapons, including tasers.

4 (b) Personal body armor for routine use.

5 (c) Construction of new facilities.

6 (d) Costs in applying for the grant, such as consultants and
7 grant writers.

8 (e) Expenses incurred before the date of the award or after
9 the end of the performance period of the grant award.

10 (f) Personnel costs or operation costs related to a capital
11 improvement.

12 (g) Indirect costs or indirect administrative expenses.

13 (h) Travel.

14 (i) Contributions or donations.

15 (j) Management or administrative training and conferences,
16 except as otherwise preapproved by the department of state police.

17 (k) Management studies or research and development.

18 (l) Memberships and dues, except for a specific requirement of
19 the project that has been preapproved by the department of state
20 police.

21 (m) Vehicles, watercraft, or aircraft, including unmanned or
22 remotely piloted aircraft and vehicles.

23 (n) Service contracts and training beyond the performance
24 period of the grant award.

25 (o) Food, refreshments, and snacks.

26 (5) A grantee under section 1001 of article XX of 2018 PA 207
27 that is a public school, nonpublic school, district, or
28 intermediate district or a grantee under section 115 of 2018 PA 618
29 that is a public school, nonpublic school, district, or

1 intermediate district is not prohibited from applying for, and
2 receiving, a grant award under this section.

3 (6) The department of state police shall begin issuing awards
4 for grants under subsection (1) not later than May 1, 2022. A
5 project that is awarded a grant under this section must be
6 completed by July 1, 2023.

7 (7) The department of state police shall report on grant
8 activities under this section, including available performance
9 outcomes as identified in individual grant agreements, to the
10 senate and house appropriations subcommittees on state police, the
11 senate and house fiscal agencies, and the state budget office by
12 August 1, 2023.

13 (8) The funds allocated for school safety grants under this
14 section for 2021-2022 are a work project appropriation, and any
15 unexpended funds for 2021-2022 do not lapse to the state school aid
16 fund or general fund and are carried forward into 2022-2023. The
17 purpose of the work project is to continue promoting safer school
18 environments. The estimated completion date of the work project is
19 July 1, 2023.

20 (9) The department of state police shall ensure that a grant
21 to a nonpublic school under this section is funded from the general
22 fund money allocated under this section.

23 Sec. 97a. From the general fund money appropriated in section
24 11, there is allocated an amount not to exceed \$1,947,000.00 for
25 2021-2022 for Michigan Virtual University to support Navigate 360.

26 Sec. 98. (1) From the general fund money appropriated in
27 section 11, there is allocated an amount not to exceed
28 \$7,500,000.00 for ~~2020-2021~~ 2021-2022 for the purposes described in
29 this section. The Michigan Virtual University shall provide a

1 report to the legislature not later than November 1 of each year
2 that includes its mission, its plans, and proposed benchmarks it
3 must meet, including a plan to achieve the organizational
4 priorities identified in this section, in order to receive full
5 funding for ~~2021-2022.~~ **2022-2023**. Not later than March 1 of each
6 year, the Michigan Virtual University shall provide an update to
7 the house and senate appropriations subcommittees on school aid to
8 show the progress being made to meet the benchmarks identified.

9 (2) The Michigan Virtual University shall operate the Michigan
10 Virtual Learning Research Institute. The Michigan Virtual Learning
11 Research Institute shall do all of the following:

12 (a) Support and accelerate innovation in education through the
13 following activities:

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

16 (ii) Research, design, and recommend virtual education delivery
17 models for use by pupils and teachers that include age-appropriate
18 multimedia instructional content.

19 (iii) Research, develop, and recommend annually to the
20 department criteria by which cyber schools and virtual course
21 providers should be monitored and evaluated to ensure a quality
22 education for their pupils.

23 (iv) Based on pupil completion and performance data reported to
24 the department or the center from cyber schools and other virtual
25 course providers operating in this state, analyze the effectiveness
26 of virtual learning delivery models in preparing pupils to be
27 college- and career-ready and publish a report that highlights
28 enrollment totals, completion rates, and the overall impact on
29 pupils. The Michigan Virtual Learning Research Institute shall

1 submit the report to the house and senate appropriations
2 subcommittees on ~~state~~-school aid, the state budget director, the
3 house and senate fiscal agencies, the department, districts, and
4 intermediate districts not later than March 31 of each year.

5 (v) Provide an extensive professional development program to
6 at least 30,000 educational personnel, including teachers, school
7 administrators, and school board members, that focuses on the
8 effective integration of virtual learning into curricula and
9 instruction. The Michigan Virtual Learning Research Institute is
10 encouraged to work with the MiSTEM ~~advisory council created under~~
11 **described in** section 99s to coordinate professional development of
12 teachers in applicable fields. In addition, the Michigan Virtual
13 Learning Research Institute and external stakeholders are
14 encouraged to coordinate with the department for professional
15 development in this state. Not later than December 1 of each year,
16 the Michigan Virtual Learning Research Institute shall submit a
17 report to the house and senate appropriations subcommittees on
18 ~~state~~-school aid, the state budget director, the house and senate
19 fiscal agencies, and the department on the number of teachers,
20 school administrators, and school board members who have received
21 professional development services from the Michigan Virtual
22 University. The report must also identify barriers and other
23 opportunities to encourage the adoption of virtual learning in the
24 public education system.

25 (vi) Identify and share best practices for planning,
26 implementing, and evaluating virtual and blended education delivery
27 models with intermediate districts, districts, and public school
28 academies to accelerate the adoption of innovative education
29 delivery models statewide.

1 (b) Provide leadership for this state's system of virtual
2 learning education by doing the following activities:

3 (i) Develop and report policy recommendations to the governor
4 and the legislature that accelerate the expansion of effective
5 virtual learning in this state's schools.

6 (ii) Provide a clearinghouse for research reports, academic
7 studies, evaluations, and other information related to virtual
8 learning.

9 (iii) Promote and distribute the most current instructional
10 design standards and guidelines for virtual teaching.

11 (iv) In collaboration with the department and interested
12 colleges and universities in this state, support implementation and
13 improvements related to effective virtual learning instruction.

14 (v) Pursue public/private partnerships that include districts
15 to study and implement competency-based technology-rich virtual
16 learning models.

17 (vi) Create a statewide network of school-based mentors serving
18 as liaisons between pupils, virtual instructors, parents, and
19 school staff, as provided by the department or the center, and
20 provide mentors with research-based training and technical
21 assistance designed to help more pupils be successful virtual
22 learners.

23 (vii) Convene focus groups and conduct annual surveys of
24 teachers, administrators, pupils, parents, and others to identify
25 barriers and opportunities related to virtual learning.

26 (viii) Produce an annual consumer awareness report for schools
27 and parents about effective virtual education providers and
28 education delivery models, performance data, cost structures, and
29 research trends.

1 (ix) Provide an internet-based platform that educators can use
2 to create student-centric learning tools and resources for sharing
3 in the state's open educational resource repository and facilitate
4 a user network that assists educators in using the content creation
5 platform and state repository for open educational resources. As
6 part of this initiative, the Michigan Virtual University shall work
7 collaboratively with districts and intermediate districts to
8 establish a plan to make available virtual resources that align to
9 Michigan's K-12 curriculum standards for use by students,
10 educators, and parents.

11 (x) Create and maintain a public statewide catalog of virtual
12 learning courses being offered by all public schools and community
13 colleges in this state. The Michigan Virtual Learning Research
14 Institute shall identify and develop a list of nationally
15 recognized best practices for virtual learning and use this list to
16 support reviews of virtual course vendors, courses, and
17 instructional practices. The Michigan Virtual Learning Research
18 Institute shall also provide a mechanism for intermediate districts
19 to use the identified best practices to review content offered by
20 constituent districts. The Michigan Virtual Learning Research
21 Institute shall review the virtual course offerings of the Michigan
22 Virtual University, and make the results from these reviews
23 available to the public as part of the statewide catalog. The
24 Michigan Virtual Learning Research Institute shall ensure that the
25 statewide catalog is made available to the public on the Michigan
26 Virtual University website and shall allow the ability to link it
27 to each district's website as provided for in section 21f. The
28 statewide catalog must also contain all of the following:

29 (A) The number of enrollments in each virtual course in the

1 immediately preceding school year.

2 (B) The number of enrollments that earned 60% or more of the
3 total course points for each virtual course in the immediately
4 preceding school year.

5 (C) The pass rate for each virtual course.

6 (xi) Support registration, payment services, and transcript
7 functionality for the statewide catalog and train key stakeholders
8 on how to use new features.

9 (xii) Collaborate with key stakeholders to examine district
10 level accountability and teacher effectiveness issues related to
11 virtual learning under section 21f and make findings and
12 recommendations publicly available.

13 (xiii) Provide a report on the activities of the Michigan
14 Virtual Learning Research Institute.

15 (3) To further enhance its expertise and leadership in virtual
16 learning, the Michigan Virtual University shall continue to operate
17 the Michigan Virtual School as a statewide laboratory and quality
18 model of instruction by implementing virtual and blended learning
19 solutions for Michigan schools in accordance with the following
20 parameters:

21 (a) The Michigan Virtual School must maintain its
22 accreditation status from recognized national and international
23 accrediting entities.

24 (b) The Michigan Virtual University shall use no more than
25 \$1,000,000.00 of the amount allocated under this section to
26 subsidize the cost paid by districts for virtual courses.

27 (c) In providing educators responsible for the teaching of
28 virtual courses as provided for in this section, the Michigan
29 Virtual School shall follow the requirements to request and assess,

1 and the department of state police shall provide, a criminal
2 history check and criminal records check under sections 1230 and
3 1230a of the revised school code, MCL 380.1230 and 380.1230a, in
4 the same manner as if the Michigan Virtual School were a school
5 district under those sections.

6 (4) From the funds allocated under subsection (1), the
7 Michigan Virtual University shall allocate up to \$500,000.00 to
8 support the expansion of new online and blended educator
9 professional development programs.

10 (5) If the course offerings are included in the statewide
11 catalog of virtual courses under subsection (2)(b)(x), the Michigan
12 Virtual School operated by the Michigan Virtual University may
13 offer virtual course offerings, including, but not limited to, all
14 of the following:

15 (a) Information technology courses.

16 (b) College level equivalent courses, as **that term is** defined
17 in section 1471 of the revised school code, MCL 380.1471.

18 (c) Courses and dual enrollment opportunities.

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

20 (e) High school equivalency test preparation courses for
21 adjudicated youth.

22 (f) Special interest courses.

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

25 (6) If a home-schooled or nonpublic school student is a
26 resident of a district that subscribes to services provided by the
27 Michigan Virtual School, the student may use the services provided
28 by the Michigan Virtual School to the district without charge to
29 the student beyond what is charged to a district pupil using the

1 same services.

2 (7) Not later than December 1 of each fiscal year, the
3 Michigan Virtual University shall provide a report to the house and
4 senate appropriations subcommittees on ~~state~~-school aid, the state
5 budget director, the house and senate fiscal agencies, and the
6 department that includes at least all of the following information
7 related to the Michigan Virtual School for the preceding state
8 fiscal year:

9 (a) A list of the districts served by the Michigan Virtual
10 School.

11 (b) A list of virtual course titles available to districts.

12 (c) The total number of virtual course enrollments and
13 information on registrations and completions by course.

14 (d) The overall course completion rate percentage.

15 (8) In addition to the information listed in subsection (7),
16 the report under subsection (7) must also include a plan to serve
17 at least 600 schools with courses from the Michigan Virtual School
18 or with content available through the internet-based platform
19 identified in subsection (2) (b) (ix).

20 (9) The governor may appoint an advisory group for the
21 Michigan Virtual Learning Research Institute established under
22 subsection (2). The members of the advisory group serve at the
23 pleasure of the governor and without compensation. The purpose of
24 the advisory group is to make recommendations to the governor, the
25 legislature, and the president and board of the Michigan Virtual
26 University that will accelerate innovation in this state's
27 education system in a manner that will prepare elementary and
28 secondary students to be career and college ready and that will
29 promote the goal of increasing the percentage of residents of this

1 state with high-quality degrees and credentials to at least 60% by
2 2025.

3 (10) Not later than November 1 of each year, the Michigan
4 Virtual University shall submit to the house and senate
5 appropriations subcommittees on ~~state~~-school aid, the state budget
6 director, and the house and senate fiscal agencies a detailed
7 budget for that fiscal year that includes a breakdown on its
8 projected costs to deliver virtual educational services to
9 districts and a summary of the anticipated fees to be paid by
10 districts for those services. Not later than March 1 each year, the
11 Michigan Virtual University shall submit to the house and senate
12 appropriations subcommittees on ~~state~~-school aid, the state budget
13 director, and the house and senate fiscal agencies a breakdown on
14 its actual costs to deliver virtual educational services to
15 districts and a summary of the actual fees paid by districts for
16 those services based on audited financial statements for the
17 immediately preceding fiscal year.

18 (11) As used in this section:

19 (a) "Blended learning" means a hybrid instructional delivery
20 model where pupils are provided content, instruction, and
21 assessment, in part at a supervised educational facility away from
22 home where the pupil and a teacher with a valid Michigan teaching
23 certificate are in the same physical location and in part through
24 internet-connected learning environments with some degree of pupil
25 control over time, location, and pace of instruction.

26 (b) "Cyber school" means a full-time instructional program of
27 virtual courses for pupils that may or may not require attendance
28 at a physical school location.

29 (c) "Virtual course" means a course of study that is capable

1 of generating a credit or a grade and that is provided in an
2 interactive learning environment in which the majority of the
3 curriculum is delivered using the internet and in which pupils are
4 separated from their instructor or teacher of record by time or
5 location, or both.

6 **Sec. 98b. (1) In order to receive state aid under this article**
7 **for 2021-2022, a district must do all of the following:**

8 **(a) By not later than the first meeting of the board that**
9 **occurs in February of 2022 and by not later than the last day of**
10 **the 2021-2022 school year, the district superintendent or chief**
11 **administrator of the district, as applicable, shall present both of**
12 **the following at a public meeting of the board:**

13 **(i) Subject to state and federal privacy laws, the results from**
14 **benchmark assessments and local benchmark assessments, as**
15 **applicable, administered under section 104a.**

16 **(ii) For each school operated by the district, each school's**
17 **progress toward meeting the educational goals described in**
18 **subdivision (d).**

19 **(b) The district shall ensure that the information presented**
20 **under subdivision (a) is disaggregated by grade level, by student**
21 **demographics, and by the mode of instruction received by the pupils**
22 **to which the information applies.**

23 **(c) The information presented under subdivision (a) must also**
24 **be compiled into a report that the district shall make available**
25 **through the transparency reporting link located on the district's**
26 **website.**

27 **(d) The district shall ensure that, by not later than**
28 **September 15, 2021, each school building leader of each school**
29 **operated by the district, in conjunction with all teachers and**

1 school administrators of the school, establishes educational goals
2 expected to be achieved for the 2021-2022 school year for the
3 school. The goals described in this subdivision must specify which
4 educational goals are expected to be achieved by not later than the
5 middle of the school year and which goals are expected to be
6 achieved by not later than the last day of the 2021-2022 school
7 year. All the following apply to the educational goals described in
8 this subdivision:

9 (i) The goals must include increased pupil achievement or, if
10 growth can be validly and reliably measured using a benchmark
11 assessment or benchmark assessments or a local benchmark
12 assessment, growth on a benchmark assessment or benchmark
13 assessments or a local benchmark assessment described in
14 subparagraph (ii) in the aggregate and for all subgroups of pupils
15 broken down by grade level, student demographics, and mode of
16 instruction.

17 (ii) The goals must include an assurance that the district
18 shall select a benchmark assessment or benchmark assessments or a
19 local benchmark assessment that are aligned to state standards and
20 an assurance that the district shall administer the benchmark
21 assessment or benchmark assessments or local benchmark assessment
22 to all pupils as prescribed under section 104a to determine whether
23 pupils are making meaningful progress toward mastery of these
24 standards.

25 (iii) The goals must be measurable through a benchmark
26 assessment or benchmark assessments or a local benchmark assessment
27 described in subparagraph (ii).

28 (iv) For districts that provided instruction under an approved
29 extended COVID-19 learning plan under section 98a, the goals must

1 correlate to the educational goals that were included in the
2 district's COVID-19 learning plan under section 98a for the 2020-
3 2021 school year.

4 (e) In implementing a benchmark assessment system under
5 section 104a, the district ensures that it is in compliance with
6 section 104a(1)(f).

7 (2) The department shall create a statewide uniform template
8 for districts to utilize in the development of educational goals
9 under subsection (1)(d) and shall make this template available to
10 all districts by not later than June 30, 2022.

11 (3) By not later than June 15, 2022, subject to state and
12 federal privacy laws, the superintendent of public instruction
13 shall submit a report to the house and senate appropriations
14 subcommittees on school aid and the house and senate standing
15 committees on education that includes the results of benchmark
16 assessments administered under section 104a that the superintendent
17 of public instruction has received from districts. All of the
18 following apply to the data included in the report described in
19 this subsection:

20 (a) It must be disaggregated by grade level, student
21 demographics, and the modes of instruction received by pupils.

22 (b) It must be broken down so as to show a comparison of
23 growth among pupils within a grade level, within certain student
24 demographics, and based on the modes of instruction received by the
25 pupils.

26 (4) If requested to do so by the chairs of the house and
27 senate appropriations subcommittees on school aid and the chairs of
28 the house and senate standing committees on education, the
29 superintendent of public instruction shall present his or her

1 report submitted under subsection (3) in person to the house and
2 senate appropriations subcommittees on school aid and the house and
3 senate standing committees on education.

4 Sec. 98d. (1) From the state school aid fund money
5 appropriated under section 11, there is allocated for ~~2020-2021~~
6 **2021-2022** an amount not to exceed \$2,000,000.00 to Northern
7 Michigan University to support the MLC as described in this
8 section. Northern Michigan University shall not retain any portion
9 of the funding received under this section for administrative
10 purposes and shall provide funding to support the MLC. All of the
11 following apply to the MLC:

12 (a) The MLC must be created to help bridge equity gaps in K to
13 12 education linked to a student's ability to engage in distance
14 learning because of inadequate internet access or a lack of devices
15 in the home.

16 (b) The MLC shall provide over-the-air broadcasts 24 hours
17 each day for 7 days each week of quality instructional content that
18 is aligned with this state's K to 12 educational standards. Over-
19 the-air broadcasts as described in this subdivision must be
20 streamed live and must be archived for on-demand viewing on a
21 companion website, along with additional learning materials
22 relevant to lessons.

23 (c) The MLC must be managed and operated by DPTV, and DPTV
24 shall assume all risk, liability, and responsibility for the MLC in
25 accordance with regulations by the ~~U.S.~~ **United States** Federal
26 Communications Commission, PBS broadcast standards, and standard
27 nonprofit business standards. DPTV shall serve as the fiduciary
28 agent and service manager for the MLC. The MLC shall originate from
29 a central operations center that is responsible for providing the

1 infrastructure, content, and engagement of the MLC in partnership
2 with this state's educational leadership organizations.

3 (d) The MLC shall require that DPTV provide technology,
4 funding, staff training, and central management of the MLC to
5 station partners to insert additional channels into each station's
6 broadcast streams and to support staffing and engagement as
7 outlined in a memorandum of understanding among the stations.

8 (e) The MLC shall require that DPTV partner with at least 5
9 other Michigan public television stations including, but not
10 limited to, WKAR, WGVU, WDCQ, WCMU, and WNMU, to deliver the over-
11 the-air MLC broadcasts described in this section and to support
12 engagement with local educators. Stations described in this
13 subdivision must be able to use the infrastructure provided by the
14 MLC to develop their own local content that best serves their
15 communities.

16 (f) The MLC shall not use the funds received from Northern
17 Michigan University under this section in support of the MLC for
18 any purposes fully funded by the governor's emergency education
19 relief fund grant.

20 (2) Not later than February 1, ~~2021~~, **2022**, the MLC shall
21 provide a report to the house and senate appropriations
22 subcommittees responsible for ~~state~~-school aid, the house and
23 senate fiscal agencies, and the state budget director detailing the
24 MLC's compliance with ensuring that conditions listed under
25 subsection (1) were met.

26 (3) Notwithstanding section 17b, the department shall make
27 payments under this section not later than December 1, ~~2020~~.**2021**.

28 (4) As used in this section:

29 (a) "DPTV" means Detroit public television.

1 (b) "MLC" means the Michigan learning channel.

2 Sec. 99h. (1) From the state school aid fund money
3 appropriated in section 11, there is allocated an amount not to
4 exceed ~~\$4,400,000.00~~ **\$4,723,200.00** for ~~2020-2021~~ **2021-2022** for
5 competitive grants to districts and intermediate districts, and
6 from the general fund money appropriated in section 11, there is
7 allocated ~~\$300,000.00~~ **\$600,000.00** for ~~2020-2021~~ **2021-2022** for
8 competitive grants to nonpublic schools, that provide pupils in
9 grades pre-K to 12 with expanded opportunities to improve
10 mathematics, science, and technology skills by participating in
11 events hosted by a science and technology development program known
12 as FIRST (for inspiration and recognition of science and
13 technology) Robotics, including JR FIRST Lego League, FIRST Lego
14 League, FIRST Tech challenge, and FIRST Robotics competition, or
15 other competitive robotics programs, including VEX, **Square One**, and
16 those hosted by the Robotics Education and Competition (REC)
17 Foundation. Programs funded under this section are intended to
18 increase the number of pupils demonstrating proficiency in science
19 and mathematics on the state assessments and to increase the number
20 of pupils who are college- and career-ready upon high school
21 graduation. Notwithstanding section 17b, the department shall make
22 grant payments to districts, nonpublic schools, and intermediate
23 districts under this section on a schedule determined by the
24 department. The department shall set maximum grant awards for each
25 different level of programming and competition in a manner that
26 both maximizes the number of teams that will be able to receive
27 funds and expands the geographical distribution of teams.

28 (2) A district, nonpublic school, or intermediate district
29 applying for a grant under this section shall submit an application

1 in a form and manner prescribed by the department. To be eligible
2 for a grant, a district, nonpublic school, or intermediate district
3 must demonstrate in its application that the district, nonpublic
4 school, or intermediate district has established a partnership for
5 the purposes of the robotics program with at least 1 sponsor,
6 business entity, higher education institution, or technical school,
7 shall submit a spending plan, and shall provide a local in-kind or
8 cash match from other private or local funds of at least 25% of the
9 cost of the robotics program award.

10 (3) The department shall distribute the grant funding under
11 this section for the following purposes:

12 (a) Grants to districts, nonpublic schools, or intermediate
13 districts to pay for stipends not to exceed \$1,500.00 per building
14 for coaching.

15 (b) Grants to districts, nonpublic schools, or intermediate
16 districts for event registrations, materials, travel costs, and
17 other expenses associated with the preparation for and attendance
18 at robotics events and competitions.

19 (c) Grants to districts, nonpublic schools, or intermediate
20 districts for awards to teams that advance to the next levels of
21 competition as determined by the department. The department shall
22 determine an equal amount per team for those teams that advance.

23 (4) The funds allocated under this section for ~~2020-2021-2021-~~
24 ~~2022~~ are a work project appropriation, and any unexpended funds for
25 ~~2020-2021-2021-2022~~ are carried forward into ~~2021-2022.~~ **2022-2023.**
26 The purpose of the work project is to continue support of FIRST
27 Robotics and must not be used to support other robotics
28 competitions. The estimated completion date of the work project is
29 September 30, 2023.

1 (5) A nonpublic school that receives a grant under this
2 section may use the funds for either robotics or Science Olympiad
3 programs.

4 (6) To be eligible to receive funds under this section, a
5 nonpublic school must be a nonpublic school registered with the
6 department and must meet all applicable state reporting
7 requirements for nonpublic schools.

8 Sec. 99i. From the general fund money appropriated in section
9 11, there is allocated for ~~2020-2021~~**2021-2022** an amount not to
10 exceed \$150,000.00 to support the Michigan council of women in
11 technology foundation. The funds awarded under this section must be
12 used to support the girls-exploring-together-information-technology
13 clubs for middle and high school girls that provide structured
14 hands-on learning activities through a comprehensive technology-
15 focused curriculum.

16 Sec. 99s. (1) From the funds appropriated under section 11,
17 there is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
18 \$7,634,300.00 from the state school aid fund appropriation and an
19 amount not to exceed \$300,000.00 from the general fund
20 appropriation for Michigan science, technology, engineering, and
21 mathematics (MiSTEM) programs. In addition, from the federal funds
22 appropriated in section 11, there is allocated to the department
23 for ~~2020-2021~~**2021-2022** an amount estimated at \$235,000.00 from
24 DED-OESE, title II, mathematics and science partnership grants. The
25 MiSTEM network may receive funds from private sources. If the
26 MiSTEM network receives funds from private sources, the MiSTEM
27 network shall expend those funds in alignment with the statewide
28 STEM strategy. Programs funded under this section are intended to
29 increase the number of pupils demonstrating proficiency in science

1 and mathematics on the state assessments, to increase the number of
2 pupils who are college- and career-ready upon high school
3 graduation, and to promote certificate and degree attainment in
4 STEM fields. Notwithstanding section 17b, the department shall make
5 payments under this section on a schedule determined by the
6 department.

7 ~~(2) All of the following apply to the MiSTEM advisory council:~~

8 ~~(a) The MiSTEM advisory council is created. The MiSTEM~~
9 ~~advisory council shall provide to the governor, legislature,~~
10 ~~department of labor and economic opportunity, and department~~
11 ~~recommendations designed to improve and promote innovation in STEM~~
12 ~~education and to prepare students for careers in science,~~
13 ~~technology, engineering, and mathematics.~~

14 ~~(b) The MiSTEM advisory council created under subdivision (a)~~
15 ~~consists of the following members:~~

16 ~~(i) The governor shall appoint 11 voting members who are~~
17 ~~representative of business sectors that are important to Michigan's~~
18 ~~economy and rely on a STEM-educated workforce, nonprofit~~
19 ~~organizations and associations that promote STEM education, K-12~~
20 ~~and postsecondary education entities involved in STEM-related~~
21 ~~career education, or other sectors as considered appropriate by the~~
22 ~~governor. Each of these members serves at the pleasure of the~~
23 ~~governor and for a term determined by the governor.~~

24 ~~(ii) The senate majority leader shall appoint 2 members of the~~
25 ~~senate to serve as nonvoting, ex officio members of the MiSTEM~~
26 ~~advisory council, including 1 majority party member and 1 minority~~
27 ~~party member.~~

28 ~~(iii) The speaker of the house of representatives shall appoint~~
29 ~~2 members of the house of representatives to serve as nonvoting,~~

~~ex-officio members of the MiSTEM advisory council, including 1 majority party member and 1 minority party member.~~

~~(iv) The governor shall appoint 1 state officer or employee to serve as a nonvoting, ex-officio member of the MiSTEM advisory council.~~

~~(c) Each member of the MiSTEM advisory council serves without compensation.~~

(2) ~~(d)~~ The MiSTEM ~~advisory~~ council annually shall review and make recommendations to the governor, the legislature, and the department concerning changes to the statewide strategy adopted by the council for delivering STEM education-related opportunities to pupils. The MiSTEM ~~advisory~~ council shall use funds received under this subsection to ensure that its members or their designees are trained in the Change the Equation STEMworks rating system program for the purpose of rating STEM programs.

(3) The MiSTEM ~~advisory~~ council shall make specific funding recommendations for the funds allocated under subsection (4) by December 15 of each fiscal year. Each specific funding recommendation must be for a program approved by the MiSTEM ~~advisory~~ council. All of the following apply:

(a) To be eligible for MiSTEM ~~advisory~~ council approval as described in this subsection, a program must satisfy all of the following:

(i) Align with this state's academic standards.

(ii) Have STEMworks certification.

(iii) Provide project-based experiential learning, student programming, or educator professional learning experiences.

(iv) Focus predominantly on classroom-based STEM experiences or professional learning experiences.

(b) The MiSTEM ~~advisory~~ council shall approve programs that represent all network regions and include a diverse array of options for students and educators and at least 1 program in each of the following areas:

(i) Robotics.

(ii) Computer science or coding.

(iii) Engineering or bioscience.

(c) The MiSTEM ~~advisory~~ council is encouraged to work with the MiSTEM network to develop locally and regionally developed programs and professional learning experiences for the programs on the list of approved programs.

(d) If the MiSTEM ~~advisory~~ council is unable to make specific funding recommendations by December 15 of a fiscal year, the department shall award and distribute the funds allocated under subsection (4) on a competitive grant basis that at least follows the statewide STEM strategy plan and rating system recommended by the MiSTEM ~~advisory~~ council. Each grant must provide STEM education-related opportunities for pupils.

(e) The MiSTEM ~~advisory~~ council shall work with the ~~executive director of the MiSTEM network~~ **department of labor and economic opportunity** to implement the statewide STEM strategy adopted by the MiSTEM ~~advisory~~ council.

(4) ~~From~~ **Except as otherwise provided in this subsection, from** the state school aid fund money allocated under subsection (1), there is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed \$3,050,000.00 for the purpose of funding programs under this section for ~~2020-2021~~ **2021-2022** as recommended by the MiSTEM ~~advisory~~ council. **However, from the allocation under this subsection, the MiSTEM council shall recommend and the department**

1 shall award \$350,000.00 in grants to intermediate districts to
2 implement fabrication laboratories (Fab Labs). The MiSTEM council
3 shall recommend and the department shall only award 10 grants
4 described in the immediately preceding sentence in an amount not to
5 exceed \$35,000.00 each.

6 (5) From the state school aid fund money allocated under
7 subsection (1), there is allocated an amount not to exceed
8 \$3,834,300.00 for ~~2020-2021~~**2021-2022** to support the activities and
9 programs of the MiSTEM network regions. In addition, from the
10 federal funds allocated under subsection (1), there is allocated
11 for ~~2020-2021~~**2021-2022** an amount estimated at \$235,000.00 from
12 DED-OESE, title II, mathematics and science partnership grants, for
13 the purposes of this subsection. From the money allocated under
14 this subsection, the department shall award the fiscal agent for
15 each MiSTEM network region \$200,000.00 for the base operations of
16 each region. The department shall distribute the remaining funds to
17 each fiscal agent in an equal amount per pupil, based on the number
18 of K to 12 pupils enrolled in districts within each region in the
19 immediately preceding fiscal year.

20 (6) A MiSTEM network region shall do all of the following:

21 (a) Collaborate with the career and educational advisory
22 council that is located in the MiSTEM region to develop a regional
23 strategic plan for STEM education that creates a robust regional
24 STEM culture, that empowers STEM teachers, that integrates business
25 and education into the STEM network, and that ensures high-quality
26 STEM experiences for pupils. At a minimum, a regional STEM
27 strategic plan should do all of the following:

28 (i) Identify regional employer need for STEM.

29 (ii) Identify processes for regional employers and educators to

1 create guided pathways for STEM careers that include internships or
 2 externships, apprenticeships, and other experiential engagements
 3 for pupils.

4 (iii) Identify educator professional ~~development~~ **learning**
 5 opportunities, including internships or externships and
 6 apprenticeships, that integrate this state's science standards into
 7 high-quality STEM experiences that engage pupils.

8 (b) Facilitate regional STEM events such as educator and
 9 employer networking and STEM career fairs to raise STEM awareness.

10 (c) Contribute to the MiSTEM website and engage in other
 11 MiSTEM network functions to further the mission of STEM in this
 12 state in coordination with the MiSTEM ~~advisory council and its~~
 13 ~~executive director.~~ **the department of labor and economic**
 14 **opportunity.**

15 (d) Facilitate application and implementation of state and
 16 federal funds under this subsection and any other grants or funds
 17 for the MiSTEM network region.

18 (e) Work with districts to provide STEM programming and
 19 professional learning.

20 (f) Coordinate recurring discussions and work with the career
 21 and educational advisory council to ensure that feedback and best
 22 practices are being shared, including funding, program,
 23 professional learning opportunities, and regional strategic plans.

24 (7) From the state school aid fund money allocated under
 25 subsection (1), the department shall distribute for ~~2020-2021-2021-~~
 26 **2022** an amount not to exceed \$750,000.00, in a form and manner
 27 determined by the department, to those network regions able to
 28 ~~provide curriculum and professional development support to assist~~
 29 ~~districts in implementing the Michigan merit curriculum components~~

~~for mathematics and science.~~ **further the statewide STEM strategy recommended by the MiSTEM council.**

(8) In order to receive state or federal funds under subsection (5) or (7), or to receive funds from private sources as authorized under subsection (1), a grant recipient must allow access for the department or the department's designee to audit all records related to the program for which it receives those funds. The grant recipient shall reimburse the state for all disallowances found in the audit.

(9) In order to receive state funds under subsection (5) or (7), a grant recipient must provide at least a 10% local match from local public or private resources for the funds received under this subsection.

(10) Not later than July 1 of each year, a MiSTEM network region that receives funds under subsection (5) shall report to the executive director of the MiSTEM network in a form and manner prescribed by the executive director on performance measures developed by the MiSTEM network regions and approved by the executive director. The performance measures must be designed to ensure that the activities of the MiSTEM network are improving student academic outcomes.

(11) Not more than 5% of a MiSTEM network region grant under subsection (5) or (7) may be retained by a fiscal agent for serving as the fiscal agent of a MiSTEM network region.

(12) From the general fund money allocated under subsection (1), there is allocated an amount not to exceed \$300,000.00 to the department of labor and economic opportunity to support the ~~functions of the executive director and executive assistant~~ **staff** for the MiSTEM network, and for administrative, training, and

1 travel costs related to the MiSTEM ~~advisory~~ council. The ~~executive~~
2 ~~director and executive assistant~~ **staff** for the MiSTEM network shall
3 do all of the following:

4 (a) Serve as a liaison among and between the department, the
5 department of labor and economic opportunity, the MiSTEM ~~advisory~~
6 council, the governor's ~~future talent council~~, **workforce**
7 **development board**, the MiSTEM regions, and any other relevant
8 organization or entity in a manner that creates a robust statewide
9 STEM culture, that empowers STEM teachers, that integrates business
10 and education into the STEM network, and that ensures high-quality
11 STEM experiences for pupils.

12 (b) Coordinate the implementation of a marketing campaign,
13 including, but not limited to, a website that includes dashboards
14 of outcomes, to build STEM awareness and communicate STEM needs and
15 opportunities to pupils, parents, educators, and the business
16 community.

17 (c) Work with the department and the MiSTEM ~~advisory~~ council
18 to coordinate, award, and monitor MiSTEM state and federal grants
19 to the MiSTEM network regions and conduct reviews of grant
20 recipients, including, but not limited to, pupil experience and
21 feedback.

22 (d) Report to the governor, the legislature, the department,
23 and the MiSTEM ~~advisory~~ council annually on the activities and
24 performance of the MiSTEM network regions.

25 (e) Coordinate recurring discussions and work with regional
26 staff to ensure that a network or loop of feedback and best
27 practices are shared, including funding, programming, professional
28 learning opportunities, discussion of MiSTEM strategic vision, and
29 regional objectives.

(f) Coordinate major grant application efforts with the MiSTEM ~~advisory~~ council to assist regional staff with grant applications on a local level. The MiSTEM ~~advisory~~ council shall leverage private and nonprofit relationships to coordinate and align private funds in addition to funds appropriated under this section.

(g) Train state and regional staff in the STEMworks rating system, in collaboration with the MiSTEM ~~advisory~~ council and the department.

(h) Hire MiSTEM network region staff in collaboration with the network region fiscal agent.

(13) As used in this section:

(a) "Career and educational advisory council" means an advisory council to the local workforce development boards located in a prosperity region consisting of educational, employer, labor, and parent representatives.

(b) "DED" means the United States Department of Education.

(c) "DED-OESE" means the DED Office of Elementary and Secondary Education.

(d) "MiSTEM Council" means the Michigan Science, Technology, Engineering, and Mathematics Education Advisory Council created as an advisory body within the department of labor and economic opportunity by Executive Reorganization Order No. 2019-3, MCL 125.1998.

(e) ~~(d)~~ "STEM" means science, technology, engineering, and mathematics delivered in an integrated fashion using cross-disciplinary learning experiences that can include language arts, performing and fine arts, and career and technical education.

Sec. 99t. (1) From the general fund appropriation under section 11, there is allocated an amount not to exceed

1 ~~\$1,000,000.00~~ **\$2,000,000.00** for ~~2020-2021~~ **2021-2022** to purchase
 2 statewide access to an online algebra tool that meets all of the
 3 following:

4 (a) Provides students statewide with complete access to videos
 5 aligned with state standards including study guides and workbooks
 6 that are aligned with the videos.

7 (b) Provides students statewide with access to a personalized
 8 online algebra learning tool including adaptive diagnostics.

9 (c) Provides students statewide with dynamic algebra practice
 10 assessments that emulate the state assessment with immediate
 11 feedback and help solving problems.

12 (d) Provides students statewide with online access to algebra
 13 help 24 hours a day and 7 days a week from study experts, teachers,
 14 and peers on a moderated social networking platform.

15 (e) Provides an online algebra professional development
 16 network for teachers.

17 (f) Is already provided under a statewide contract in at least
 18 1 other state that has a population of at least 18,000,000 but not
 19 more than 19,000,000 according to the most recent decennial census
 20 and is offered in that state in partnership with a public
 21 university.

22 (2) The department shall purchase the online algebra tool that
 23 was chosen under this section in 2016-2017.

24 (3) A grantee receiving funding under this section shall
 25 comply with the requirements of section 19b.

26 Sec. 99u. (1) From the general fund money appropriated under
 27 section 11, there is allocated for ~~2020-2021~~ **2021-2022** an amount
 28 not to exceed ~~\$1,500,000.00~~ **\$6,000,000.00** to a provider that is a
 29 provider of both of the following:

1 (a) An online mathematics tool that meets all of the
2 following:

3 (i) Provides students statewide with complete access to
4 mathematics support aligned with state standards through a program
5 that has all of the following elements:

6 (A) Student motivation.

7 (B) Valid and reliable assessments.

8 (C) Personalized learning pathways.

9 (D) Highly qualified, live teachers available all day and all
10 year.

11 (E) Twenty-four-hour reporting.

12 (F) Content built for rigorous mathematics.

13 (ii) Has a record of improving student mathematics scores in at
14 least 5 other states.

15 (iii) Received funding under this section in 2017-2018.

16 (b) A program that provides explicit, targeted literacy
17 instruction within an individualized learning path that continually
18 adjusts to a pupil's needs. A program described in this subdivision
19 that is funded under this subsection must be funded through a grant
20 to a provider described in this subsection that also promotes
21 literacy through the teaching of critical language and literacy
22 concepts, such as reading and listening comprehension, basic
23 vocabulary, academic language, grammar, phonological awareness,
24 phonics, and fluency.

25 (2) A grantee that receives funding under this section shall
26 comply with the requirements of section 19b.

27 (3) Notwithstanding section 17b, the department shall make
28 payments under this section by not later than December 1,
29 ~~2020~~.2021.

1 Sec. 99w. (1) From the general fund money appropriated under
 2 section 11, there is allocated an amount not to exceed \$400,000.00
 3 for ~~2020-2021~~**2021-2022** to facilitate a culture of health and
 4 physical activity as part of daily life. Funding under this section
 5 must be a grant to the Michigan Fitness Foundation to work with the
 6 department to invest in a physical education curriculum. Funding
 7 under this section may support staff, evaluation, assessment,
 8 technology, meetings, training, travel, materials, and other
 9 administrative expenses in support of an updated physical education
 10 curriculum. Funding under this section may be used as matching
 11 dollars to qualify for federal and private resources to support
 12 physical education.

13 ~~(2) An entity that received funding under this section for~~
 14 ~~2018-2019 may expend those funds through September 30, 2021.~~

15 (2) ~~(3)~~ Notwithstanding section 17b, the department shall make
 16 payments under this section by not later than December 1,
 17 ~~2020-2021.~~

18 Sec. 99x. (1) From the general fund money appropriated under
 19 section 11, there is allocated for ~~2020-2021~~**2021-2022** an amount
 20 not to exceed \$1,000,000.00 for Teach for America to host a summer
 21 training institute in the city of Detroit, recruit teachers into a
 22 master teacher fellowship, and retain a committed alumni community.
 23 A program funded under this section must provide coaching and
 24 professional development, with the goal to produce highly effective
 25 teachers that move pupils beyond their growth benchmarks.

26 (2) Notwithstanding section 17b, the department shall make
 27 payments under this section by not later than December 1,
 28 ~~2020-2021.~~

29 **Sec. 99aa. (1) From the state school aid fund money**

1 appropriated in section 11, there is allocated an amount not to
2 exceed \$1,500,000.00 for 2021-2022 to 1 eligible intermediate
3 district to provide opportunities for high school students with
4 disabilities to train for, gain, and maintain competitive
5 employment.

6 (2) An intermediate district that has partnered with Project
7 SEARCH to provide the opportunities described in subsection (1) is
8 an eligible intermediate district under this section.

9 (3) The funds allocated under this section for 2021-2022 are a
10 work project appropriation, and any unexpended funds for 2021-2022
11 are carried forward into 2022-2023. The purpose of the work project
12 is to provide for the continuation of opportunities for high school
13 students with disabilities as described in subsection (1). The
14 estimated completion date of the work project is September 30,
15 2023.

16 Sec. 99bb. (1) From the general fund money appropriated in
17 section 11, there is allocated an amount not to exceed
18 \$3,750,000.00 for 2021-2022 to the State Alliance of Michigan YMCAs
19 for competitive grants to eligible districts, intermediate
20 districts, and nonpublic schools to provide students in grades 6 to
21 12 with hands-on civics and model-government programs that offer
22 statewide engagement with peers across this state for the purpose
23 of expanding those students' opportunities to improve their social
24 studies knowledge, thinking skills, and intellectual processes and
25 dispositions required for active engagement in fulfilling
26 responsibilities of civic participation.

27 (2) In making grant payments to eligible districts,
28 intermediate districts, and nonpublic schools under this section,
29 the State Alliance of Michigan YMCAs shall set a maximum grant

1 award for each grant recipient in a manner that accomplishes both
2 of the following:

3 (a) Maximizes the geographical distribution of grant
4 recipients that will be able to participate in offering programs
5 described in this section.

6 (b) Prioritizes funding levels for grant recipients based on
7 geographic location, with consideration given to the travel that
8 will be required of grant recipients for statewide events and
9 conferences.

10 (3) Maximum grant award amounts under subsection (2) do not
11 have to be the same for all grant recipients.

12 (4) To receive a grant award under this section, a district,
13 intermediate district, or nonpublic school must submit an
14 application for the grant award in a form and manner prescribed by
15 the State Alliance of Michigan YMCAs.

16 (5) A district, intermediate district, or nonpublic school to
17 which all of the following apply is an eligible district,
18 intermediate district, or nonpublic school under this section:

19 (a) Has established a relationship with at least 1 elected
20 official who serves the community in which the district,
21 intermediate district, or nonpublic school is located.

22 (b) Submits a spending plan with its application for a grant
23 award under this section.

24 (c) Pledges to provide a local in-kind or cash match from
25 other private or local funds of at least 10% of the grant award it
26 receives under this section.

27 (d) For a nonpublic school, is registered as a nonpublic
28 school with the department and must meet all applicable state
29 reporting requirements for nonpublic schools.

1 (6) An eligible district, intermediate district, or nonpublic
2 school that receives a grant award under this section shall only
3 use the funding for the following purposes:

4 (a) To pay Civic Health Champion stipends for up to 1 teacher
5 advisor per school operated by the district, intermediate district,
6 or nonpublic school. Each stipend to a teacher advisor under this
7 subdivision must not be in an amount exceeding \$1,500.00.

8 (b) Event registrations, materials, travel costs, and other
9 expenses associated with the preparation for and attendance to
10 associated mock-government conferences and events.

11 (c) Awards to students who advance to national mock government
12 events and competitions, as determined by the State Alliance of
13 Michigan YMCAs. For the purpose of determining the amount of an
14 award under this subdivision to a student described in this
15 subdivision, the State Alliance of Michigan YMCAs shall determine
16 an equal amount per student for each eligible district,
17 intermediate district, or nonpublic school.

18 (7) The funds allocated under this section for 2021-2022 are a
19 work project appropriation, and any unexpended funds for 2021-2022
20 are carried forward to 2022-2023. The purpose of the work project
21 is to continue the support of civics-education experiences. The
22 estimated completion date of the work project is September 30,
23 2023.

24 (8) It is the intent of the legislature that programs
25 implemented from the funding allocated under this section increase
26 the number of students who engage with the pillars of responsible
27 citizenship and engage, beyond the classroom, in civic
28 perspectives, inquiry, public discourse, and decision making.

29 Sec. 101. (1) To be eligible to receive state aid under this

1 article, not later than the fifth Wednesday after the pupil
 2 membership count day and not later than the fifth Wednesday after
 3 the supplemental count day, each district superintendent shall
 4 submit and certify to the center and the intermediate
 5 superintendent, in the form and manner prescribed by the center,
 6 the number of pupils enrolled and in regular daily attendance, ~~or,~~
 7 ~~for 2020-2021 only, the number of pupils engaged in pandemic~~
 8 ~~learning for fall 2020 or the number of pupils engaged in pandemic~~
 9 ~~learning for spring 2021, as applicable, or, for a district that~~
 10 ~~operates as a cyber school, as that term is defined in section 551~~
 11 ~~of the revised school code, MCL 380.551, the number of pupils~~
 12 ~~enrolled and in regular daily attendance, including identification~~
 13 ~~of tuition-paying pupils, in the district as of the pupil~~
 14 ~~membership count day and as of the supplemental count day, as~~
 15 ~~applicable, for the current school year. In addition, a district~~
 16 ~~maintaining school during the entire year shall submit and certify~~
 17 ~~to the center and the intermediate superintendent, in the form and~~
 18 ~~manner prescribed by the center, the number of pupils enrolled and~~
 19 ~~in regular daily attendance in the district or, for 2020-2021 only,~~
 20 ~~the number of pupils engaged in pandemic learning for fall 2020 or~~
 21 ~~the number of pupils engaged in pandemic learning for spring 2021,~~
 22 ~~as applicable, or, for a district that operates as a cyber school,~~
 23 ~~as that term is defined in section 551 of the revised school code,~~
 24 ~~MCL 380.551, the number of pupils enrolled and in regular daily~~
 25 ~~attendance, for the current school year pursuant to rules~~
 26 ~~promulgated by the superintendent. Not later than the sixth~~
 27 ~~Wednesday after the pupil membership count day and not later than~~
 28 ~~the sixth Wednesday after the supplemental count day, the district~~
 29 ~~shall resolve any pupil membership conflicts with another district,~~

1 correct any data issues, and recertify the data in a form and
2 manner prescribed by the center and file the certified data with
3 the intermediate superintendent. If a district fails to submit and
4 certify the attendance data, as required under this subsection, the
5 center shall notify the department and the department shall
6 withhold state aid due to be distributed under this article from
7 the defaulting district immediately, beginning with the next
8 payment after the failure and continuing with each payment until
9 the district complies with this subsection. If a district does not
10 comply with this subsection by the end of the fiscal year, the
11 district forfeits the amount withheld. A person who willfully
12 falsifies a figure or statement in the certified and sworn copy of
13 enrollment is subject to penalty as prescribed by section 161. ~~As~~
14 ~~used in this subsection, "pupils engaged in pandemic learning for~~
15 ~~spring 2021" means that term as defined in section 6a.~~

16 (2) To be eligible to receive state aid under this article,
17 not later than the twenty-fourth Wednesday after the pupil
18 membership count day and not later than the twenty-fourth Wednesday
19 after the supplemental count day, an intermediate district shall
20 submit to the center, in a form and manner prescribed by the
21 center, the audited enrollment and attendance data as described in
22 subsection (1) for the pupils of its constituent districts and of
23 the intermediate district. If an intermediate district fails to
24 submit the audited data as required under this subsection, the
25 department shall withhold state aid due to be distributed under
26 this article from the defaulting intermediate district immediately,
27 beginning with the next payment after the failure and continuing
28 with each payment until the intermediate district complies with
29 this subsection. If an intermediate district does not comply with

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

3 (3) Except as otherwise provided in subsections (11) ~~and~~
4 (12) ~~and (13)~~, all of the following apply to the provision of
5 pupil instruction:

6 (a) Except as otherwise provided in this section, each
7 district shall provide at least 1,098 hours and 180 days of pupil
8 instruction. If a collective bargaining agreement that provides a
9 complete school calendar was in effect for employees of a district
10 as of June 24, 2014, and if that school calendar is not in
11 compliance with this subdivision, then this subdivision does not
12 apply to that district until after the expiration of that
13 collective bargaining agreement. A district may apply for a waiver
14 under subsection (9) from the requirements of this subdivision.

15 (b) Except as otherwise provided in this article, a district
16 failing to comply with the required minimum hours and days of pupil
17 instruction under this subsection forfeits from its total state aid
18 allocation an amount determined by applying a ratio of the number
19 of hours or days the district was in noncompliance in relation to
20 the required minimum number of hours and days under this
21 subsection. Not later than **the first business day in** August, ~~1,~~ the
22 board of each district shall either certify to the department that
23 the district was in full compliance with this section regarding the
24 number of hours and days of pupil instruction in the previous
25 school year, or report to the department, in a form and manner
26 prescribed by the center, each instance of noncompliance. If the
27 district did not provide at least the required minimum number of
28 hours and days of pupil instruction under this subsection, the
29 department shall make the deduction of state aid in the following

1 fiscal year from the first payment of state school aid. A district
2 is not subject to forfeiture of funds under this subsection for a
3 fiscal year in which a forfeiture was already imposed under
4 subsection (6).

5 (c) Hours or days lost because of strikes or teachers'
6 conferences are not counted as hours or days of pupil instruction.

7 (d) Except as otherwise provided in subdivisions (e) ~~and~~
8 (f), ~~and (h)~~, if a district does not have at least 75% of the
9 district's membership in attendance on any day of pupil
10 instruction, the department shall pay the district state aid in
11 that proportion of 1/180 that the actual percent of attendance
12 bears to 75%.

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

29 (f) 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 shall grant a waiver from the requirements of subdivision (d). The
4 waiver must provide that an eligible district is subject to the
5 proration provisions of subdivision (d) 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 (g) All of the following apply to a waiver granted under
19 subdivision (f):

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
28 participates in the educational program for at least 1,098 hours
29 during a school year, a waiver that is granted for the 2011-2012

1 fiscal year or a subsequent fiscal year remains in effect unless it
2 is revoked by the superintendent.

3 (iii) A waiver that is not a waiver described in subparagraph
4 (i) or (ii) is valid for 3 fiscal years, unless it is revoked by the
5 superintendent, and must be renewed at the end of the 3-year period
6 to remain in effect.

7 ~~(h) For the 2020-2021 school year only, subdivision (d) does~~
8 ~~not apply for any day of pupil instruction. However, for the 2020-~~
9 ~~2021 school year only, a district shall ensure that 1 2-way~~
10 ~~interaction occurs between a pupil enrolled in the district and the~~
11 ~~pupil's teacher or at least 1 of the pupil's teachers or another~~
12 ~~district employee who has responsibility for the pupil's learning,~~
13 ~~grade progression, or academic progress during each month of the~~
14 ~~school year for at least 75% of pupils enrolled in the district. As~~
15 ~~used in the immediately preceding sentence, "school year" means a~~
16 ~~period comprising at least 9 calendar months that are chosen by a~~
17 ~~district and that are designated as part of the district's 2020-~~
18 ~~2021 school year. If a district does not ensure that the~~
19 ~~interactions required under this subdivision occur for at least 75%~~
20 ~~of pupils enrolled in the district as required under this~~
21 ~~subdivision, the department shall pay the district state aid in~~
22 ~~that proportion of 1/9 that the actual percentage of interaction~~
23 ~~during each month bears to 75%. As used in this subdivision, "2-way~~
24 ~~interaction" means a communication that occurs between a pupil and~~
25 ~~the pupil's teacher or at least 1 of the pupil's teachers or~~
26 ~~another district employee who has responsibility for the pupil's~~
27 ~~learning, grade progression, or academic progress, where 1 party~~
28 ~~initiates communication and a response from the other party follows~~
29 ~~that communication, and that is relevant to course progress or~~

~~course content for at least 1 of the courses in which the pupil is enrolled or relevant to the pupil's overall academic progress or grade progression. Responses, as described in this subdivision, must be to communication initiated by the teacher, by another district employee who has responsibility for the pupil's learning, grade progression, or academic progress, or by the pupil, and not some other action taken. The communication described in this subdivision may occur through, but is not limited to, any of the following means:~~

~~(i) Electronic mail.~~

~~(ii) Telephone.~~

~~(iii) Instant messaging.~~

~~(iv) Face-to-face conversation.~~

(h) ~~(i)~~ The superintendent shall promulgate rules for the implementation of this subsection.

(4) Except as otherwise provided in this subsection, the first 6 days or the equivalent number of hours for which pupil instruction is not provided because of conditions not within the control of school authorities, such as severe storms, fires, epidemics, utility power unavailability, water or sewer failure, or health conditions as defined by the city, county, or state health authorities, are counted as hours and days of pupil instruction. With the approval of the superintendent of public instruction, the department shall count as hours and days of pupil instruction for a fiscal year not more than 3 additional days or the equivalent number of additional hours for which pupil instruction is not provided in a district due to unusual and extenuating occurrences resulting from conditions not within the control of school authorities such as those conditions described in this subsection.

1 Subsequent such hours or days are not counted as hours or days of
2 pupil instruction.

3 (5) A district does not forfeit part of its state aid
4 appropriation because it adopts or has in existence an alternative
5 scheduling program for pupils in kindergarten if the program
6 provides at least the number of hours required under subsection (3)
7 for a full-time equated membership for a pupil in kindergarten as
8 provided under section 6(4).

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

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

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

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

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

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

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

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

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

1 consider more travel time to be pupil instruction time for this
2 purpose.

3 (e) In grades 7 through 12, instructional time that is part of
4 a Junior Reserve Officer Training Corps (JROTC) program is
5 considered to be pupil instruction time regardless of whether the
6 instructor is a certificated teacher if all of the following are
7 met:

8 (i) The instructor has met all of the requirements established
9 by the United States Department of Defense and the applicable
10 branch of the armed services for serving as an instructor in the
11 Junior Reserve Officer Training Corps program.

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

18 (8) Except as otherwise provided in subsections (11) ~~and~~
19 (12), ~~and (13),~~ the department shall apply the guidelines under
20 subsection (7) in calculating the full-time equivalency of pupils.

21 (9) Upon application by the district for a particular fiscal
22 year, the superintendent shall waive for a district the minimum
23 number of hours and days of pupil instruction requirement of
24 subsection (3) for a department-approved alternative education
25 program or another innovative program approved by the department,
26 including a 4-day school week. If a district applies for and
27 receives a waiver under this subsection and complies with the terms
28 of the waiver, the district is not subject to forfeiture under this
29 section for the specific program covered by the waiver. If the

1 district does not comply with the terms of the waiver, the amount
2 of the forfeiture is calculated based upon a comparison of the
3 number of hours and days of pupil instruction actually provided to
4 the minimum number of hours and days of pupil instruction required
5 under subsection (3). A district shall report pupils enrolled in a
6 department-approved alternative education program under this
7 subsection to the center in a form and manner determined by the
8 center. All of the following apply to a waiver granted under this
9 subsection:

10 (a) If the waiver is for a blended model of delivery, a waiver
11 that is granted for the 2011-2012 fiscal year or a subsequent
12 fiscal year remains in effect unless it is revoked by the
13 superintendent.

14 (b) If the waiver is for a 100% online model of delivery and
15 the educational program for which the waiver is granted makes
16 educational services available to pupils for a minimum of at least
17 1,098 hours during a school year and ensures that each pupil is on
18 track for course completion at proficiency level, a waiver that is
19 granted for the 2011-2012 fiscal year or a subsequent fiscal year
20 remains in effect unless it is revoked by the superintendent.

21 (c) A waiver that is not a waiver described in subdivision (a)
22 or (b) is valid for 3 fiscal years, unless it is revoked by the
23 superintendent, and must be renewed at the end of the 3-year period
24 to remain in effect.

25 (10) A district may count up to 38 hours of professional
26 development for teachers as hours of pupil instruction. All of the
27 following apply to the counting of professional development as
28 pupil instruction under this subsection:

29 (a) If the professional development exceeds 5 hours in a

1 single day, that day may be counted as a day of pupil instruction.

2 (b) At least 8 hours of the professional development counted
3 as hours of pupil instruction under this subsection must be
4 recommended by a districtwide professional development advisory
5 committee appointed by the district board. The advisory committee
6 must be composed of teachers employed by the district who represent
7 a variety of grades and subject matter specializations, including
8 special education; nonteaching staff; parents; and administrators.
9 The majority membership of the committee must be composed of
10 teaching staff.

11 (c) Professional development provided online is allowable and
12 encouraged, as long as the instruction has been approved by the
13 district. The department shall issue a list of approved online
14 professional development providers that must include the Michigan
15 Virtual School.

16 (d) Professional development may only be counted as hours of
17 pupil instruction under this subsection for the pupils of those
18 teachers scheduled to participate in the professional development.

19 (e) The professional development must meet all of the
20 following to be counted as pupil instruction under this subsection:

21 (i) Be aligned to the school or district improvement plan for
22 the school or district in which the professional development is
23 being provided.

24 (ii) Be linked to 1 or more criteria in the evaluation tool
25 developed or adopted by the district or intermediate district under
26 section 1249 of the revised school code, MCL 380.1249.

27 (iii) Has been approved by the department as counting for state
28 continuing education clock hours. The number of hours of
29 professional development counted as hours of pupil instruction

1 under this subsection may not exceed the number of state continuing
2 education clock hours for which the professional development was
3 approved.

4 (iv) Not more than a combined total of 10 hours of the
5 professional development takes place before the first scheduled day
6 of school for the school year ending in the fiscal year and after
7 the last scheduled day of school for that school year.

8 (v) Not more than 10 hours of the professional development
9 takes place in a single month.

10 (vi) At least 75% of teachers scheduled to participate in the
11 professional development are in attendance.

12 (11) Subsections (3) and (8) do not apply to a school of
13 excellence that is a cyber school, as that term is defined in
14 section 551 of the revised school code, MCL 380.551, and is in
15 compliance with section 553a of the revised school code, MCL
16 380.553a.

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

21 ~~(13) For the 2020-2021 school year only, the minimum number of~~
22 ~~hours and days of pupil instruction requirement under subsection~~
23 ~~(3) is waived for each district that, at a minimum, provides pupil~~
24 ~~instruction for the 2020-2021 school year at school, at a different~~
25 ~~location, in person, online, digitally, by other remote means, in a~~
26 ~~synchronous or asynchronous format, or through any combination~~
27 ~~therein that results in an amount of hours and days necessary to~~
28 ~~deliver the educational or course content that would have been~~
29 ~~delivered in 180 days and 1,098 hours in a school year in which~~

~~pandemic learning was not provided and that would have led to course completion. As used in this subsection, "pandemic learning" means a mode of pupil instruction provided as a result of the COVID-19 pandemic.~~

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

Sec. 104. (1) In order to receive state aid under this article, a district shall comply with sections 1249, 1278a, 1278b, 1279g, and 1280b of the revised school code, MCL 380.1249, 380.1278a, 380.1278b, 380.1279g, and 380.1280b, and 1970 PA 38, MCL 388.1081 to 388.1086. Subject to subsection (2), from the state school aid fund money appropriated in section 11, there is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed ~~\$31,009,400.00~~ **\$29,509,400.00** for payments on behalf of districts for costs associated with complying with those provisions of law. In addition, from the federal funds appropriated in section 11, there is allocated for ~~2020-2021~~ **2021-2022** an amount estimated at \$6,250,000.00 funded from DED-OESE, title VI, state assessment funds, and from DED-OSERS, ~~section 504 of part B of the individuals with disabilities education act, Public Law 94-142,~~ **20 USC 1411 to 1419**, plus any carryover federal funds from previous year appropriations, for the purposes of complying with the every student succeeds act, Public Law 114-95.

(2) The results of each test administered as part of the Michigan student test of educational progress (M-STEP), including

1 tests administered to high school students, must include an item
2 analysis that lists all items that are counted for individual pupil
3 scores and the percentage of pupils choosing each possible
4 response. The department shall work with the center to identify the
5 number of students enrolled at the time assessments are given by
6 each district. In calculating the percentage of pupils assessed for
7 a district's scorecard, the department shall use only the number of
8 pupils enrolled in the district at the time the district
9 administers the assessments and shall exclude pupils who enroll in
10 the district after the district administers the assessments.

11 (3) The department shall distribute federal funds allocated
12 under this section in accordance with federal law and with
13 flexibility provisions outlined in Public Law 107-116, and in the
14 education flexibility partnership act of 1999, Public Law 106-25.

15 ~~(4) From the funds allocated in subsection (1), there is~~
16 ~~allocated an amount not to exceed \$1,500,000.00 to an intermediate~~
17 ~~district described in this subsection for, except as otherwise~~
18 ~~provided in this subsection, statewide implementation of the~~
19 ~~Michigan kindergarten entry observation tool (MKEO), utilizing the~~
20 ~~Maryland-Ohio observational tool, also referred to as the~~
21 ~~Kindergarten Readiness Assessment, as piloted under this subsection~~
22 ~~in 2017-2018 and implemented in 2018-2019 and 2019-2020. The~~
23 ~~funding in this subsection is allocated to an intermediate district~~
24 ~~in prosperity region 9 with at least 3,000 kindergarten pupils~~
25 ~~enrolled in its constituent districts. An intermediate district~~
26 ~~described in this subsection is not required to carry out the~~
27 ~~statewide implementation of the Michigan kindergarten entry~~
28 ~~observation tool (MKEO), as described in this subsection, for the~~
29 ~~fall of 2020. It is the intent of the legislature to account for~~

~~health, safety, and welfare concerns related to the COVID-19 pandemic by temporarily suspending the requirement for statewide implementation of the Michigan kindergarten entry observation tool (MKEO) under this subsection for the fall of 2020. All of the following apply to the implementation of the kindergarten entry observation tool under this subsection:~~

~~(a) The department, in collaboration with all intermediate districts, shall ensure that the Michigan kindergarten entry observation tool is administered in each kindergarten classroom to either the full census of kindergarten pupils enrolled in the classroom or to a representative sample of not less than 35% of the total kindergarten pupils enrolled in each classroom. If a district elects to administer the Michigan kindergarten entry observation tool to a random sample of pupils within each classroom, the district's intermediate district shall select the pupils who will receive the assessment based on the same random method. Beginning in 2021, the observation tool must be administered within 45 days after the start of the school year.~~

~~(b) The intermediate district that receives funding under this subsection, in collaboration with all other intermediate districts, shall implement a "train the trainer" professional development model on the usage of the Michigan kindergarten entry observation tool. This training model must provide training to intermediate district staff so that they may provide similar training for staff of their constituent districts. This training model must also ensure that the tool produces reliable data and that there are a sufficient number of trainers to train all kindergarten teachers statewide.~~

~~(c) By March 1, 2022, and each year thereafter, the department~~

~~1 and the intermediate district that receives funding under this
2 subsection shall report to the house and senate appropriations
3 subcommittees on state school aid, the house and senate fiscal
4 agencies, and the state budget director on the results of the
5 statewide implementation, including, but not limited to, an
6 evaluation of the demonstrated readiness of kindergarten pupils
7 statewide and the effectiveness of state and federal early
8 childhood programs that are designed for school readiness under
9 this state's authority, including the great start readiness program
10 and the great start readiness/Head Start blended program, as
11 referenced under section 32d. By September 1, 2022, and each year
12 thereafter, the department and the center shall provide a method
13 for districts and public school academies with kindergarten
14 enrollment to look up and verify their student enrollment data for
15 pupils who were enrolled in a publicly funded early childhood
16 program in the year before kindergarten, including the individual
17 great start readiness program, individual great start
18 readiness/Head Start blended program, individual title I preschool
19 program, individual section 31a preschool program, individual early
20 childhood special education program, or individual developmental
21 kindergarten or program for young 5-year-olds in which each tested
22 child was enrolled. A participating district shall analyze the data
23 to determine whether high-performing children were enrolled in any
24 specific early childhood program and, if so, report that finding to
25 the department and to the intermediate district that receives
26 funding under this subsection.~~

~~27 (d) The department shall approve the language and literacy
28 domain within the Kindergarten Readiness Assessment for use by
29 districts as an initial assessment that may be delivered to all~~

~~kindergarten pupils to assist with identifying any possible area of concern for a pupil in English language arts.~~

~~(c) As used in this subsection:~~

~~(i) "Kindergarten" includes a classroom for young 5-year-olds, commonly referred to as "young 5s" or "developmental kindergarten".~~

~~(ii) "Representative sample" means a sample capable of producing valid and reliable assessment information on all or major subgroups of kindergarten pupils in a district.~~

~~(4) (5)~~ The department may recommend, but may not require, districts to allow pupils to use an external keyboard with tablet devices for online M-STEP testing, including, but not limited to, open-ended test items such as constructed response or equation builder items.

~~(5) (6)~~ Notwithstanding section 17b, the department shall make payments on behalf of districts, intermediate districts, and other eligible entities under this section on a schedule determined by the department.

~~(6) (7)~~ From the allocation in subsection (1), there is allocated an amount not to exceed \$500,000.00 for ~~2020-2021~~ **2021-2022** for the operation of an online reporting tool to provide student-level assessment data in a secure environment to educators, parents, and pupils immediately after assessments are scored. The department and the center shall ensure that any data collected by the online reporting tool do not provide individually identifiable student data to the federal government.

~~(8) In order to receive state aid under this article for 2020-2021, a district shall meet both of the following requirements:~~

~~(a) Within the first 9 weeks of the 2020-2021 school year, the district shall administer 1 or more benchmark assessments provided~~

~~by a provider approved under subsection (9), benchmark assessments described in subsection (10), or local benchmark assessments, or any combination thereof, to all pupils in grades K to 8 to measure proficiency in reading and mathematics.~~

~~(b) In addition to the benchmark assessment or benchmark assessments administered under subdivision (a), by not later than the last day of the 2020-2021 school year, the district shall administer 1 or more benchmark assessments provided by a provider approved under subsection (9), benchmark assessments described in subsection (10), or local benchmark assessments, or any combination thereof, to all pupils in grades K to 8 to measure proficiency in reading and mathematics.~~

~~(9) The department shall approve at least 4 but not more than 5 providers of benchmark assessments for the purposes of subsection (8). The department shall inform districts of all of the providers approved under this subsection in an equitable manner. The benchmark assessments provided for the purposes of subsection (8) by approved providers under this subsection, with the exclusion of the benchmark assessment described in subsection (14), must meet all of the following:~~

~~(a) Be 1 of the most commonly administered benchmark assessments in this state.~~

~~(b) Be aligned to the content standards of this state.~~

~~(c) Complement the state's summative assessment system.~~

~~(d) Be internet-delivered and include a standards-based remote, in-person, or both remote and in-person assessment using a computer-adaptive model to target the instructional level of each pupil.~~

~~(e) Provide information on pupil achievement with regard to~~

~~learning content required in a given year or grade span.~~

~~(f) Provide immediate feedback to pupils and teachers.~~

~~(g) Be nationally normed.~~

~~(h) Provide multiple measures of growth and provide for multiple testing opportunities.~~

~~(10) A district may administer 1 or more of the following benchmark assessments toward meeting the requirement under subsection (8):~~

~~(a) A benchmark assessment in reading for students in grades K to 9 that contains progress monitoring tools and enhanced diagnostic assessments.~~

~~(b) A benchmark assessment in math for students in grades K to 8 that contains progress monitoring tools.~~

~~(11) To the extent practicable, if a district administers a benchmark assessment or benchmark assessments under this section, the district shall administer the same benchmark assessment or benchmark assessments provided by a provider approved under subsection (9), benchmark assessment or benchmark assessments described in subsection (10), or local benchmark assessment or local benchmark assessments that it administered to pupils in previous school years, as applicable.~~

~~(12) By not later than June 30, 2021, a district shall send the aggregate district-level data from a benchmark assessment or benchmark assessments, excluding data from a local benchmark assessment or local benchmark assessments, administered under this section to a regional data hub that is part of the Michigan data hub network that shall compile the data and send it to the center. Not later than September 1, 2021, the department and the center shall provide a report to the governor and the senate and house~~

~~standing committees responsible for education legislation identifying the number and percentage of pupils in this state who are significantly behind grade level as determined by the department and the center based on the data provided to the center under this subsection. The benchmark assessment data under this subsection may also be used to measure pupils' growth based on their performance on state summative assessments to identify districts and schools where pupil achievement has increased or decreased. However, the benchmark assessment data under this subsection must not be utilized for the state accountability system. It is the intent of the legislature that the benchmark assessment data under this subsection be primarily utilized to determine the loss of learning, if any, resulting from the COVID-19 pandemic. After the administration of statewide assessments resumes, the department shall also provide a report to the governor and the senate and house standing committees responsible for education legislation identifying the specific pupil groups whose expected trajectory toward grade-level proficiency were most impacted by school closures that occurred pursuant to the COVID-19 pandemic.~~

~~(13) If a district administers a benchmark assessment or benchmark assessments under this section, the district shall provide each pupil's data from the benchmark assessment or benchmark assessments, as available, to the pupil's parent or legal guardian within 30 days of administering the benchmark assessment or benchmark assessments.~~

~~(14) The department shall make 1 of the benchmark assessments provided by a provider approved under subsection (9) available to districts at no cost to the districts. The benchmark assessment~~

described in this subsection must meet all of the following:

(a) Be aligned to the content standards of this state.

(b) Complement the state's summative assessment system.

(c) Be internet-delivered and include a standards-based assessment.

(d) Provide information on pupil achievement with regard to learning content required in a given year or grade span.

(e) Provide timely feedback to pupils and teachers.

(f) Be nationally normed.

(g) Provide information to educators about student growth and allow for multiple testing opportunities.

(15) If a local benchmark assessment or local benchmark assessments are administered under subsection (8), the district shall report to the department and the center, in a form and manner prescribed by the center, the local benchmark assessment or local benchmark assessments that were administered and how that assessment or those assessments measure changes, including any losses, as applicable, in learning, and the district's plan for addressing any losses in learning.

(16) From the general fund money appropriated in section 11, there is allocated for 2020-2021 an amount not to exceed \$150,000.00 to a higher education institution or other entity that is not a state governmental entity that has expertise in conducting a study described in this subsection to conduct a study that, at a minimum, accomplishes all of the following:

(a) Provides for an assessment of the distance-learning programs utilized in this state that were effective at meeting educational goals and attainment.

(b) Provides for an assessment of how the programs described

1 ~~in subdivision (a) operated.~~

2 ~~(c) Provides for an assessment of the best practices~~
3 ~~implemented by the programs described in subdivision (a) that~~
4 ~~should be replicated by schools engaged in distance learning.~~

5 ~~(d) Notes distance-learning models that were ineffective in~~
6 ~~achieving educational goals.~~

7 (7) ~~(17)~~ As used in this section:

8 (a) "DED" means the United States Department of Education.

9 (b) "DED-OESE" means the DED Office of Elementary and
10 Secondary Education.

11 (c) "DED-OSERS" means the DED Office of Special Education and
12 Rehabilitative Services.

13 Sec. 104a. (1) From the federal fund money allocated under
14 section 11n awarded to this state from the governor's emergency
15 education relief (GEER) fund under the coronavirus response and
16 relief supplemental appropriations act, 2021, division M of Public
17 Law 116-260, there is allocated for 2020-2021 an amount not to
18 exceed \$2,572,000.00, and from the federal fund money allocated
19 under section 11n awarded to this state from the elementary and
20 secondary school emergency relief (ESSER) fund under the
21 coronavirus response and relief supplemental appropriations act,
22 2021, division M of Public Law 116-260, there is allocated for
23 2020-2021 an amount not to exceed \$4,949,300.00, and from the state
24 school aid fund money appropriated under section 11, there is
25 allocated for 2020-2021 an amount not to exceed \$4,197,900.00 to
26 districts to begin implementation of a benchmark assessment system
27 for the 2021-2022 school year. All of the following apply to the
28 benchmark assessment system described in this subsection:

29 (a) The system must provide for all of the following:

1 (i) That, within the first 9 weeks of the 2021-2022 school
2 year, the district shall administer 1 or more benchmark assessments
3 provided by a provider approved under ~~section 104(9),~~ **subsection**
4 **(4)**, benchmark assessments described in subdivision (b), or local
5 benchmark assessments, or any combination thereof, to all pupils in
6 grades K to 8 to measure proficiency in reading and mathematics.

7 (ii) That, in addition to the benchmark assessment or benchmark
8 assessments administered under subparagraph (i), by not later than
9 the last day of the 2021-2022 school year, the district shall
10 administer 1 or more benchmark assessments provided by a provider
11 approved under ~~section 104(9),~~ **subsection (4)**, benchmark
12 assessments described in subdivision (b), or local benchmark
13 assessments, or any combination thereof, to all pupils in grades K
14 to 8 to measure proficiency in reading and mathematics.

15 (b) A district may administer 1 or more of the following
16 benchmark assessments toward meeting the requirements under
17 subdivision (a):

18 (i) A benchmark assessment in reading for students in grades K
19 to 9 that contains progress monitoring tools and enhanced
20 diagnostic assessments.

21 (ii) A benchmark assessment in math for students in grades K to
22 8 that contains progress monitoring tools.

23 (c) The system must provide that, to the extent practicable,
24 if a district administers a benchmark assessment or benchmark
25 assessments under this section, the district shall administer the
26 same benchmark assessment or benchmark assessments provided by a
27 provider approved under ~~section 104(9),~~ **subsection (4)**, benchmark
28 assessment or benchmark assessments described in subdivision (b),
29 or local benchmark assessment or local benchmark assessments that

1 it administered to pupils in previous school years, as applicable.

2 (d) The system must provide that, if a district administers a
3 benchmark assessment or benchmark assessments under this section,
4 the district shall provide each pupil's data from the benchmark
5 assessment or benchmark assessments, as available, to the pupil's
6 parent or legal guardian within 30 days of administering the
7 benchmark assessment or benchmark assessments.

8 (e) The system must provide that, if a local benchmark
9 assessment or local benchmark assessments are administered under
10 subdivision (a), the district shall report to the department and
11 the center, in a form and manner prescribed by the center, the
12 local benchmark assessment or local benchmark assessments that were
13 administered and how that assessment or those assessments measure
14 changes, including any losses, as applicable, in learning, and the
15 district's plan for addressing any losses in learning.

16 (f) The system must provide that, by not later than 30 days
17 after a benchmark assessment or benchmark assessments are
18 administered as described in this subsection, the district shall
19 send benchmark assessment data, excluding data from a local
20 benchmark assessment, as applicable, aggregated by grade level,
21 **student demographic subgroups, and mode of instruction** to the
22 department. If available, the data described in this subdivision
23 must include information concerning pupil growth from fall 2020 to
24 fall 2021.

25 (2) To receive funding under this section, a district must
26 apply for the funding in a form and manner prescribed by the
27 department.

28 (3) The department shall pay an amount equal to \$12.50 per
29 membership pupil in grades K to 8 in the district to each district

1 that applies for funding under this section.

2 (4) The department shall approve at least 4 but not more than
3 6 providers of benchmark assessments for the purposes of this
4 section. The department shall inform districts of all of the
5 providers approved under this subsection in an equitable manner.
6 The benchmark assessments provided for the purposes of this section
7 by approved providers under this subsection, with the exclusion of
8 the benchmark assessment described in subsection (5) or the
9 benchmark assessment described in subsection (6), must meet all of
10 the following:

11 (a) Be aligned to the content standards of this state.

12 (b) Complement the state's summative assessment system.

13 (c) Be internet-delivered and include a standards-based
14 remote, in-person, or both remote and in-person assessment using a
15 computer-adaptive model to target the instructional level of each
16 pupil.

17 (d) Provide information on pupil achievement with regard to
18 learning content required in a given year or grade span.

19 (e) Provide immediate feedback to pupils and teachers.

20 (f) Be nationally normed.

21 (g) Provide multiple measures of growth and provide for
22 multiple testing opportunities.

23 (5) ~~+(4)~~—The department shall make 1 of the benchmark
24 assessments provided by a provider approved under ~~section 104(9)~~
25 **subsection (4)** available to districts at no cost to the districts
26 for purposes of meeting the requirements under this section. The
27 benchmark assessment described in this subsection must meet all of
28 the following:

29 (a) Be aligned to the content standards of this state.

1 (b) Complement the state's summative assessment system.

2 (c) Be internet-delivered and include a standards-based
3 assessment.

4 (d) Provide information on pupil achievement with regard to
5 learning content required in a given year or grade span.

6 (e) Provide timely feedback to pupils and teachers.

7 (f) Be nationally normed.

8 (g) Provide information to educators about student growth and
9 allow for multiple testing opportunities.

10 (6) The department shall approve at least 1 of the benchmark
11 assessments provided by a provider approved under subsection (4)
12 that meets all of the following:

13 (a) Be aligned to the content standards of this state.

14 (b) Complement the state's summative assessment system.

15 (c) Be internet-delivered and include a standards-based
16 remote, in-person, or both remote and in-person assessment using a
17 computer-adaptive model to target the instructional level of each
18 pupil.

19 (d) Provide information on pupil achievement with regard to
20 learning content required in a given year or grade span.

21 (e) Provide immediate feedback to pupils and teachers.

22 (f) Be nationally normed.

23 (g) Provide multiple measures of growth and provide for
24 multiple testing opportunities.

25 (h) Have the option of providing an oral reading fluency
26 online assessment.

27 (7) ~~(5)~~—By not later than December 31, 2021, the department
28 shall submit a report to the house and senate appropriations
29 committees, the house and senate appropriations subcommittees on

1 school aid, and the house and senate fiscal agencies regarding the
2 benchmark assessment data received under this section,
3 disaggregated by grade level for each district. If information
4 concerning pupil growth is included in the data described in this
5 subsection, it must be incorporated in the report described in this
6 subsection.

7 Sec. 104c. (1) In order to receive state aid under this
8 article, a district shall administer the state assessments
9 described in this section.

10 (2) For the purposes of this section, the department shall
11 develop and administer the Michigan student test of educational
12 progress (M-STEP) assessments in English language arts and
13 mathematics. These assessments shall be aligned to state standards.

14 (3) For the purposes of this section, the department shall
15 implement a summative assessment system that is proven to be valid
16 and reliable for administration to pupils as provided under this
17 subsection. The summative assessment system must meet all of the
18 following requirements:

19 (a) The summative assessment system must measure student
20 proficiency on the current state standards, must measure student
21 growth for consecutive grade levels in which students are assessed
22 in the same subject area in both grade levels, and must be capable
23 of measuring individual student performance.

24 (b) The summative assessments for English language arts and
25 mathematics must be administered to all public school pupils in
26 grades 3 to 11, including those pupils as required by the federal
27 individuals with disabilities education act, Public Law 108-446,
28 and by title I of the federal every student succeeds act (ESSA),
29 Public Law 114-95.

1 (c) The summative assessments for science must be administered
2 to all public school pupils in at least grades 5 and 8, including
3 those pupils as required by the federal individuals with
4 disabilities education act, Public Law 108-446, and by title I of
5 the federal every student succeeds act (ESSA), Public Law 114-95.

6 (d) The summative assessments for social studies must be
7 administered to all public school pupils in at least grades 5 and
8 8, including those pupils as required by the federal individuals
9 with disabilities education act, Public Law 108-446, and by title I
10 of the federal every student succeeds act (ESSA), Public Law 114-
11 95.

12 (e) The content of the summative assessments must be aligned
13 to state standards.

14 (f) The pool of questions for the summative assessments must
15 be subject to a transparent review process for quality, bias, and
16 sensitive issues involving educator review and comment. The
17 department shall post samples from tests or retired tests featuring
18 questions from this pool for review by the public.

19 (g) The summative assessment system must ensure that students,
20 parents, and teachers are provided with reports that convey
21 individual student proficiency and growth on the assessment and
22 that convey individual student domain-level performance in each
23 subject area, including representative questions, and individual
24 student performance in meeting state standards.

25 (h) The summative assessment system must be capable of
26 providing, and the department shall ensure that students, parents,
27 teachers, administrators, and community members are provided with,
28 reports that convey aggregate student proficiency and growth data
29 by teacher, grade, school, and district.

1 (i) The summative assessment system must ensure the capability
2 of reporting the available data to support educator evaluations.

3 (j) The summative assessment system must ensure that the
4 reports provided to districts containing individual student data
5 are available within 60 days after completion of the assessments.

6 (k) The summative assessment system must ensure that access to
7 individually identifiable student data meets all of the following:

8 (i) Is in compliance with 20 USC 1232g, commonly referred to as
9 the family educational rights and privacy act of 1974.

10 (ii) Except as may be provided for in an agreement with a
11 vendor to provide assessment services, as necessary to support
12 educator evaluations pursuant to subdivision (i), or for research
13 or program evaluation purposes, is available only to the student;
14 to the student's parent or legal guardian; and to a school
15 administrator or teacher, to the extent that he or she has a
16 legitimate educational interest.

17 (l) The summative assessment system must ensure that the
18 assessments are pilot tested before statewide implementation.

19 (m) The summative assessment system must ensure that
20 assessments are designed so that the maximum total combined length
21 of time that schools are required to set aside for a pupil to
22 answer all test questions on all assessments that are part of the
23 system for the pupil's grade level does not exceed that maximum
24 total combined length of time for the previous statewide assessment
25 system or 9 hours, whichever is less. This subdivision does not
26 limit the amount of time a district may allow a pupil to complete a
27 test.

28 (n) The total cost of executing the summative assessment
29 system statewide each year, including, but not limited to, the cost

1 of contracts for administration, scoring, and reporting, must not
 2 exceed an amount equal to 2 times the cost of executing the
 3 previous statewide assessment after adjustment for inflation.

4 (o) ~~Beginning with the 2017-2018 school year, the~~**The**
 5 summative assessment system must not require more than 3 hours in
 6 duration, on average, for an individual pupil to complete the
 7 combined administration of the math and English language arts
 8 portions of the assessment for any 1 grade level.

9 (p) The summative assessments for English language arts and
 10 mathematics for pupils in grades 8 to 10 must be aligned to the
 11 college entrance test portion of the Michigan merit examination
 12 required under section 104b.

13 (4) The department shall offer benchmark assessments in the
 14 fall and spring of each school year to measure English language
 15 arts and mathematics in each of grades K to 2. Full implementation
 16 must occur not later than the 2019-2020 school year. These
 17 assessments are necessary to determine a pupil's proficiency level
 18 before grade 3. ~~and must meet the requirements under section~~
 19 ~~104d(4).~~

20 (5) This section does not prohibit districts from adopting
 21 interim assessments.

22 (6) As used in this section, "English language arts" means
 23 that term as defined in section 104b.

24 Sec. 104f. (1) From the ~~general~~**state school aid** fund money
 25 appropriated under section 11, there is allocated an amount not to
 26 exceed \$500,000.00 **to a district** for the implementation of an
 27 assessment digital literacy preparation program for pupils enrolled
 28 in grades K to 8 for ~~2020-2021.~~**2021-2022.** The department shall
 29 ensure that a program funded under this subsection satisfies all of

1 the following:

2 (a) Is available to districts in the ~~2020-2021~~**2021-2022**
3 school year.

4 (b) Focuses on ensuring pupils have the necessary skills
5 required for state online assessments by assessing pupil digital
6 literacy skill levels and providing teachers with a digital
7 curriculum targeted at areas of determined weakness.

8 (c) Allows pupils to engage with the digital curriculum in an
9 independent or teacher-facilitated modality.

10 (d) Includes training and professional development for
11 teachers.

12 (e) Is implemented in at least 100 districts that operate
13 grades K to 8 and that represent a diverse geography and socio-
14 economic demographic.

15 (2) Funding under subsection (1) must be allocated to a
16 district that did not receive funding under former section 104e for
17 2017-2018 and that operates at least grades K to 8 and has a
18 partnership with a third party that is experienced in the
19 assessment of digital literacy and the preparation of digital
20 literacy skills and has demonstrable experience serving districts
21 in this state and local education agencies in 10 other states. The
22 district, along with its third-party partner, shall provide a
23 report to the house and senate appropriations subcommittees on
24 ~~state~~-school aid and the house and senate fiscal agencies on the
25 efficacy and usefulness of the assessment digital literacy
26 preparation program no later than July 1, ~~2021~~**2022**.

27 (3) Notwithstanding section 17b, the department shall make
28 payments under subsection (1) by not later than December 1,
29 ~~2020~~**2021**.

1 Sec. 104g. (1) For the ~~2020-2021~~**2021-2022** school year only, a
2 district shall make the SAT available in the fall of ~~2020-2021~~ to
3 ~~pupils~~**both of the following:**

4 **(a) Pupils** who were in grade 11 during the ~~2019-2020~~**2020-2021**
5 school year and who were not able to take the examination during
6 the ~~2019-2020~~**2020-2021** school year.

7 **(b) Pupils who took the examination during the 2020-2021**
8 **school year and request to take the examination again in the fall**
9 **of 2021.**

10 (2) For the ~~2020-2021~~**2021-2022** school year only, a district
11 shall make the PSAT available in the fall of ~~2020-2021~~ to ~~pupils~~
12 **both of the following:**

13 **(a) Pupils** who were in grades 8, 9, and 10 during the ~~2019-~~
14 ~~2020~~**2020-2021** school year and who were not able to take the
15 examination during the ~~2019-2020~~**2020-2021** school year.

16 **(b) Pupils who took the examination during the 2020-2021**
17 **school year and request to take the examination again in the fall**
18 **of 2021.**

19 (3) The examinations offered by a district in subsections (1)
20 and (2) are not considered state summative assessments or the
21 college entrance portion of the Michigan merit examination for the
22 ~~2020-2021~~**2021-2022** school year.

23 (4) Pupils must be encouraged but not required to take the
24 examinations under subsections (1) and (2).

25 **(5) The department shall grant credits to districts that**
26 **administer the exams described under this section upon submission**
27 **of an invoice and proof of payment from any school eligible to**
28 **administer the examinations.**

29 Sec. 104h. (1) From the state school aid fund money

1 appropriated under section 11, there is allocated for 2021-2022 an
2 amount not to exceed \$11,500,000.00 to districts to begin
3 implementation of a benchmark assessment system for the 2022-2023
4 school year. All of the following apply to the benchmark assessment
5 system described in this subsection:

6 (a) The system must provide for all of the following:

7 (i) That, within the first 9 weeks of the 2022-2023 school
8 year, the district shall administer 1 or more benchmark assessments
9 provided by a provider approved under subsection (6), benchmark
10 assessments described in subdivision (b), or local benchmark
11 assessments, or any combination thereof, to all pupils in grades K
12 to 8 to measure proficiency in reading and mathematics.

13 (ii) That, in addition to the benchmark assessment or benchmark
14 assessments administered under subparagraph (i), by not later than
15 the last day of the 2022-2023 school year, the district shall
16 administer 1 or more benchmark assessments provided by a provider
17 approved under subsection (6), benchmark assessments described in
18 subdivision (b), or local benchmark assessments, or any combination
19 thereof, to all pupils in grades K to 8 to measure proficiency in
20 reading and mathematics.

21 (b) A district may administer 1 or more of the following
22 benchmark assessments toward meeting the requirements under
23 subdivision (a):

24 (i) A benchmark assessment in reading for students in grades K
25 to 9 that contains progress monitoring tools and enhanced
26 diagnostic assessments.

27 (ii) A benchmark assessment in math for students in grades K to
28 8 that contains progress monitoring tools.

29 (c) The system must provide that, to the extent practicable,

1 if a district administers a benchmark assessment or benchmark
2 assessments under this section, the district shall administer the
3 same benchmark assessment or benchmark assessments provided by a
4 provider approved under subsection (6), benchmark assessment or
5 benchmark assessments described in subdivision (b), or local
6 benchmark assessment or local benchmark assessments that it
7 administered to pupils in previous school years, as applicable.

8 (d) The system must provide that, if a district administers a
9 benchmark assessment or benchmark assessments under this section,
10 the district shall provide each pupil's data from the benchmark
11 assessment or benchmark assessments, as available, to the pupil's
12 parent or legal guardian within 30 days of administering the
13 benchmark assessment or benchmark assessments.

14 (e) The system must provide that, if a local benchmark
15 assessment or local benchmark assessments are administered under
16 subdivision (a), the district shall report to the department and
17 the center, in a form and manner prescribed by the center, the
18 local benchmark assessment or local benchmark assessments that were
19 administered and how that assessment or those assessments measure
20 changes, including any losses, as applicable, in learning, and the
21 district's plan for addressing any losses in learning.

22 (f) The system must provide that, by not later than 30 days
23 after a benchmark assessment or benchmark assessments are
24 administered under subparagraph (1) (a) (ii), the district shall send
25 benchmark assessment data from all benchmark assessments
26 administered in the 2022-2023 school year, excluding data from a
27 local benchmark assessment, as applicable, aggregated by grade
28 level, student demographic subgroups, and mode of instruction to
29 the department. If available, the data described in this

1 subdivision must include information concerning pupil growth from
2 fall 2022 to spring 2023.

3 (2) To receive funding under this section, a district must
4 apply for the funding in a form and manner prescribed by the
5 department.

6 (3) The department shall pay an amount equal to \$12.50 per
7 membership pupil in grades K to 8 in the district to each district
8 that applies for funding under this section.

9 (4) The department shall make 1 of the benchmark assessments
10 provided by a provider approved under subsection (6) available to
11 districts at no cost to the districts for purposes of meeting the
12 requirements under this section. The benchmark assessment described
13 in this subsection must meet all of the following:

14 (a) Be aligned to the content standards of this state.

15 (b) Complement the state's summative assessment system.

16 (c) Be internet-delivered and include a standards-based
17 assessment.

18 (d) Provide information on pupil achievement with regard to
19 learning content required in a given year or grade span.

20 (e) Provide timely feedback to pupils and teachers.

21 (f) Be nationally normed.

22 (g) Provide information to educators about student growth and
23 allow for multiple testing opportunities.

24 (5) By not later than June 15, 2023, the department shall
25 submit a report to the house and senate appropriations committees,
26 the house and senate appropriations subcommittees on school aid,
27 and the house and senate fiscal agencies regarding the benchmark
28 assessment data received under this section, disaggregated by grade
29 level and demographic subgroup for each district. If information

1 concerning pupil growth is included in the data described in this
2 subsection, it must be incorporated in the report described in this
3 subsection.

4 (6) The department shall approve at least 4 but not more than
5 6 providers of benchmark assessments for the purposes of this
6 section. The department shall inform districts of all of the
7 providers approved under this subsection in an equitable manner.
8 The benchmark assessments, with the exclusion of the benchmark
9 assessment described in subsection (4), provided by approved
10 providers under this subsection must meet all of the following:

11 (a) Be aligned to the content standards of this state.

12 (b) Complement the state's summative assessment system.

13 (c) Be internet-delivered and include a standards-based
14 remote, in-person, or both remote and in-person assessment using a
15 computer-adaptive model to target the instructional level of each
16 pupil.

17 (d) Provide information on pupil achievement with regard to
18 learning content required in a given year or grade span.

19 (e) Provide immediate feedback to pupils and teachers.

20 (f) Be nationally normed.

21 (g) Provide multiple measures of growth and provide for
22 multiple testing opportunities.

23 Sec. 105. (1) In order to avoid a penalty under this section,
24 and in order to count a nonresident pupil residing within the same
25 intermediate district in membership without the approval of the
26 pupil's district of residence, a district must comply with this
27 section.

28 (2) Except as otherwise provided in this section, a district
29 shall determine whether or not it will accept applications for

1 enrollment by nonresident applicants residing within the same
2 intermediate district for the next school year. If the district
3 determines to accept applications for enrollment of a number of
4 nonresidents, beyond those entitled to preference under this
5 section, the district shall use the following procedures for
6 accepting applications from and enrolling nonresidents:

7 (a) The district shall publish the grades, schools, and
8 special programs, if any, for which enrollment may be available to,
9 and for which applications will be accepted from, nonresident
10 applicants residing within the same intermediate district.

11 (b) If the district has a limited number of positions
12 available for nonresidents residing within the same intermediate
13 district in a grade, school, or program, all of the following apply
14 to accepting applications for and enrollment of nonresidents in
15 that grade, school, or program:

16 (i) The district shall do all of the following not later than
17 the second Friday in August:

18 (A) Provide notice to the general public that applications
19 will be taken for a period of at least 15 calendar days but not
20 more than 30 calendar days from nonresidents residing within the
21 same intermediate district for enrollment in that grade, school, or
22 program. The notice must identify the dates of the application
23 period and the place and manner for submitting applications.

24 (B) During the application period under sub-subparagraph (A),
25 accept applications from nonresidents residing within the same
26 intermediate district for enrollment in that grade, school, or
27 program.

28 (C) Within 15 calendar days after the end of the application
29 period under sub-subparagraph (A), ~~or, for 2020-2021 only, not~~

~~later than October 13, 2020,~~ using the procedures and preferences
 required under this section, determine which nonresident applicants
 will be allowed to enroll in that grade, school, or program, using
 the random draw system required under subsection ~~(14)~~ **(13)** as
 necessary, and notify the parent or legal guardian of each
 nonresident applicant of whether or not the applicant may enroll in
 the district. The notification to parents or legal guardians of
 nonresident applicants accepted for enrollment must contain
 notification of the date by which the applicant must enroll in the
 district and procedures for enrollment. The date for enrollment
 must be no later than the end of the first week of school. ~~, or,~~
~~for 2020-2021 only, not later than October 13, 2020.~~

(ii) Beginning on the third Monday in August and not later than
 the end of the first week of school, ~~or, for 2020-2021 only, not~~
~~later than October 13, 2020,~~ if any positions become available in a
 grade, school, or program due to accepted applicants failing to
 enroll or to more positions being added, the district may enroll
 nonresident applicants from the waiting list maintained under
 subsection ~~(14)~~ **(13)**, offering enrollment in the order that
 applicants appear on the waiting list. If there are still positions
 available after enrolling all applicants from the waiting list who
 desire to enroll, the district may not fill those positions until
 the second semester or trimester enrollment under subsection (3),
 as provided under that subsection, or until the next school year.

(c) For a grade, school, or program that has an unlimited
 number of positions available for nonresidents residing within the
 same intermediate district, all of the following apply to
 enrollment of nonresidents in that grade, school, or program:

(i) The district may accept applications for enrollment in that

1 grade, school, or program, and may enroll nonresidents residing
 2 within the same intermediate district in that grade, school, or
 3 program until the end of the first week of school. ~~or, for 2020-~~
 4 ~~2021 only, the district may enroll nonresidents residing within the~~
 5 ~~same intermediate district in that grade, school, or program until~~
 6 ~~October 13, 2020 if the application was received by the end of the~~
 7 ~~first week of school.~~ The district shall provide notice to the
 8 general public of the place and manner for submitting applications
 9 and, if the district has a limited application period, the notice
 10 must include the dates of the application period. The application
 11 period shall be at least a 15-calendar-day period.

12 (ii) Not later than the end of the first week of school, ~~or,~~
 13 ~~for 2020-2021 only, not later than October 13, 2020,~~ the district
 14 shall notify the parent or legal guardian of each nonresident
 15 applicant who is accepted for enrollment that the applicant has
 16 been accepted for enrollment in the grade, school, or program and
 17 of the procedures for enrollment. The date for enrollment must be
 18 no later than the end of the first week of school. ~~or, for 2020-~~
 19 ~~2021 only, not later than October 13, 2020.~~

20 (3) If a district determines during the first semester or
 21 trimester of a school year that it has positions available for
 22 enrollment of a number of nonresidents residing within the same
 23 intermediate district, beyond those entitled to preference under
 24 this section, for the second semester or trimester of the school
 25 year, the district may accept applications from and enroll
 26 nonresidents residing within the same intermediate district for the
 27 second semester or trimester using the following procedures:

28 (a) Not later than 2 weeks before the end of the first
 29 semester or trimester, the district shall publish the grades,

1 schools, and special programs, if any, for which enrollment for the
2 second semester or trimester may be available to, and for which
3 applications will be accepted from, nonresident applicants residing
4 within the same intermediate district.

5 (b) During the last 2 weeks of the first semester or
6 trimester, the district shall accept applications from nonresidents
7 residing within the same intermediate district for enrollment for
8 the second semester or trimester in the available grades, schools,
9 and programs.

10 (c) By the beginning of the second semester or trimester,
11 using the procedures and preferences required under this section,
12 the district shall determine which nonresident applicants will be
13 allowed to enroll in the district for the second semester or
14 trimester and notify the parent or legal guardian of each
15 nonresident applicant residing within the same intermediate
16 district of whether or not the applicant may enroll in the
17 district. The notification to parents or legal guardians of
18 nonresident applicants accepted for enrollment must contain
19 notification of the date by which the applicant must enroll in the
20 district and procedures for enrollment. The date for enrollment
21 must be no later than the end of the first week of school.

22 (4) If deadlines similar to those described in subsection (2)
23 or (3) have been established in an intermediate district, and if
24 those deadlines are not later than the deadlines under subsection
25 (2) or (3), the districts within the intermediate district may use
26 those deadlines.

27 (5) A district offering to enroll nonresident applicants
28 residing within the same intermediate district may limit the number
29 of nonresident pupils it accepts in a grade, school, or program, at

1 its discretion, and may use that limit as the reason for refusal to
2 enroll an applicant.

3 (6) A nonresident applicant residing within the same
4 intermediate district must not be granted or refused enrollment
5 based on intellectual, academic, artistic, or other ability,
6 talent, or accomplishment, or lack thereof, or based on a mental or
7 physical disability, except that a district may refuse to admit a
8 nonresident applicant if the applicant does not meet the same
9 criteria, other than residence, that an applicant who is a resident
10 of the district must meet to be accepted for enrollment in a grade
11 or a specialized, magnet, or intra-district choice school or
12 program to which the applicant applies.

13 (7) A nonresident applicant residing within the same
14 intermediate district must not be granted or refused enrollment
15 based on age, except that a district may refuse to admit a
16 nonresident applicant applying for a program that is not
17 appropriate for the age of the applicant.

18 (8) A nonresident applicant residing within the same
19 intermediate district must not be granted or refused enrollment
20 based upon religion, race, color, national origin, sex, height,
21 weight, marital status, or athletic ability, or, generally, in
22 violation of any state or federal law prohibiting discrimination.

23 (9) Subject to subsection (10), a district may refuse to
24 enroll a nonresident applicant if any of the following are met:

25 (a) The applicant is, or has been within the preceding 2
26 years, suspended from another school.

27 (b) The applicant, at any time before enrolling under this
28 section, has been expelled from another school.

29 (c) The applicant, at any time before enrolling under this

1 section, has been convicted of a felony.

2 (10) If a district has counted a pupil in membership on either
3 the pupil membership count day or the supplemental count day, the
4 district shall not refuse to enroll or refuse to continue to enroll
5 that pupil for a reason specified in subsection (9). This
6 subsection does not prohibit a district from expelling a pupil
7 described in this subsection for disciplinary reasons.

8 (11) A district shall continue to allow a pupil who was
9 enrolled in and attended the district under this section in the
10 school year or semester or trimester immediately preceding the
11 school year or semester or trimester in question to enroll in the
12 district until the pupil graduates from high school. This
13 subsection does not prohibit a district from expelling a pupil
14 described in this subsection for disciplinary reasons.

15 (12) A district shall give preference for enrollment under
16 this section over all other nonresident applicants residing within
17 the same intermediate district to other school-age children who
18 reside in the same household as a pupil described in subsection
19 (11).

20 ~~(13) If a nonresident pupil was enrolled in and attending~~
21 ~~school in a district as a nonresident pupil in the 1995-96 school~~
22 ~~year and continues to be enrolled continuously each school year in~~
23 ~~that district, the district shall allow that nonresident pupil to~~
24 ~~continue to enroll in and attend school in the district until high~~
25 ~~school graduation, without requiring the nonresident pupil to apply~~
26 ~~for enrollment under this section. This subsection does not~~
27 ~~prohibit a district from expelling a pupil described in this~~
28 ~~subsection for disciplinary reasons.~~

29 (13) ~~(14)~~ If the number of qualified nonresident applicants

1 eligible for acceptance in a school, grade, or program does not
2 exceed the positions available for nonresident pupils in the
3 school, grade, or program, the school district shall accept for
4 enrollment all of the qualified nonresident applicants eligible for
5 acceptance. If the number of qualified nonresident applicants
6 residing within the same intermediate district eligible for
7 acceptance exceeds the positions available in a grade, school, or
8 program in a district for nonresident pupils, the district shall
9 use a random draw system, subject to the need to abide by state and
10 federal antidiscrimination laws and court orders and subject to
11 preferences allowed by this section. The district shall develop and
12 maintain a waiting list based on the order in which nonresident
13 applicants were drawn under this random draw system.

14 **(14)** ~~(15)~~—If a district, or the nonresident applicant,
15 requests the district in which a nonresident applicant resides to
16 supply information needed by the district for evaluating the
17 applicant's application for enrollment or for enrolling the
18 applicant, the district of residence shall provide that information
19 on a timely basis.

20 **(15)** ~~(16)~~—If a district is subject to a court-ordered
21 desegregation plan, and if the court issues an order prohibiting
22 pupils residing in that district from enrolling in another district
23 or prohibiting pupils residing in another district from enrolling
24 in that district, this section is subject to the court order.

25 **(16)** ~~(17)~~—This section does not require a district to provide
26 transportation for a nonresident pupil enrolled in the district
27 under this section or for a resident pupil enrolled in another
28 district under this section. However, at the time a nonresident
29 pupil enrolls in the district, a district shall provide to the

1 pupil's parent or legal guardian information on available
2 transportation to and from the school in which the pupil enrolls.

3 (17) ~~(18)~~ A district may participate in a cooperative
4 education program with 1 or more other districts or intermediate
5 districts whether or not the district enrolls any nonresidents
6 under this section.

7 (18) ~~(19)~~ A district that, under this section, enrolls a
8 nonresident pupil who is eligible for special education programs
9 and services according to statute or rule, or who is a child with
10 ~~disabilities,~~ **a disability**, as **that term is** defined under the
11 individuals with disabilities education act, Public Law 108-446, is
12 considered to be the resident district of the pupil for the purpose
13 of providing the pupil with a free appropriate public education.
14 Consistent with state and federal law, that district is responsible
15 for developing and implementing an individualized education program
16 annually for a nonresident pupil described in this subsection.

17 (19) ~~(20)~~ If a district does not comply with this section, the
18 district forfeits 5% of the total state school aid allocation to
19 the district under this act.

20 (20) ~~(21)~~ Upon application by a district, the superintendent
21 may grant a waiver for the district from a specific requirement
22 under this section for not more than 1 year.

23 Sec. 105c. (1) In order to avoid a penalty under this section,
24 and in order to count a nonresident pupil residing in a district
25 located in a contiguous intermediate district in membership without
26 the approval of the pupil's district of residence, a district must
27 comply with this section.

28 (2) Except as otherwise provided in this section, a district
29 shall determine whether or not it will accept applications for

1 enrollment by nonresident applicants residing in a district located
2 in a contiguous intermediate district for the next school year. If
3 the district determines to accept applications for enrollment of a
4 number of nonresidents under this section, beyond those entitled to
5 preference under this section, the district shall use the following
6 procedures for accepting applications from and enrolling
7 nonresidents under this section:

8 (a) The district shall publish the grades, schools, and
9 special programs, if any, for which enrollment may be available to,
10 and for which applications will be accepted from, nonresident
11 applicants residing in a district located in a contiguous
12 intermediate district.

13 (b) If the district has a limited number of positions
14 available for nonresidents residing in a district located in a
15 contiguous intermediate district in a grade, school, or program,
16 all of the following apply to accepting applications for and
17 enrollment of nonresidents under this section in that grade,
18 school, or program:

19 (i) The district shall do all of the following not later than
20 the second Friday in August:

21 (A) Provide notice to the general public that applications
22 will be taken for a period of at least 15 calendar days but not
23 more than 30 calendar days from nonresidents residing in a district
24 located in a contiguous intermediate district for enrollment in
25 that grade, school, or program. The notice must identify the dates
26 of the application period and the place and manner for submitting
27 applications.

28 (B) During the application period under sub-subparagraph (A),
29 accept applications from nonresidents residing in a district

1 located in a contiguous intermediate district for enrollment in
2 that grade, school, or program.

3 (C) Within 15 calendar days after the end of the application
4 period under sub-subparagraph (A), ~~or, for 2020-2021 only, not~~
5 ~~later than October 13, 2020,~~ using the procedures and preferences
6 required under this section, determine which nonresident applicants
7 will be allowed to enroll under this section in that grade, school,
8 or program, using the random draw system required under subsection
9 ~~(14)~~ **(13)** as necessary, and notify the parent or legal guardian of
10 each nonresident applicant of whether or not the applicant may
11 enroll in the district. The notification to parents or legal
12 guardians of nonresident applicants accepted for enrollment under
13 this section must contain notification of the date by which the
14 applicant must enroll in the district and procedures for
15 enrollment. The date for enrollment must be no later than the end
16 of the first week of school. ~~or, for 2020-2021 only, not later than~~
17 ~~October 13, 2020.~~

18 (ii) Beginning on the third Monday in August and not later than
19 the end of the first week of school, ~~or, for 2020-2021 only, not~~
20 ~~later than October 13, 2020,~~ if any positions become available in a
21 grade, school, or program due to accepted applicants failing to
22 enroll or to more positions being added, the district may enroll
23 nonresident applicants from the waiting list maintained under
24 subsection ~~(14)~~ **(13)**, offering enrollment in the order that
25 applicants appear on the waiting list. If there are still positions
26 available after enrolling all applicants from the waiting list who
27 desire to enroll, the district may not fill those positions until
28 the second semester or trimester enrollment under subsection (3),
29 as provided under that subsection, or until the next school year.

1 (c) For a grade, school, or program that has an unlimited
2 number of positions available for nonresidents residing in a
3 district located in a contiguous intermediate district, all of the
4 following apply to enrollment of nonresidents in that grade,
5 school, or program under this section:

6 (i) The district may accept applications for enrollment in that
7 grade, school, or program, and may enroll nonresidents residing in
8 a district located in a contiguous intermediate district in that
9 grade, school, or program until the end of the first week of
10 school. ~~or, for 2020-2021 only, the district may enroll~~
11 ~~nonresidents residing in a district located in a contiguous~~
12 ~~intermediate district in that grade, school, or program until~~
13 ~~October 13, 2020 if the application was received by the end of the~~
14 ~~first week of school.~~ The district shall provide notice to the
15 general public of the place and manner for submitting applications
16 and, if the district has a limited application period, the notice
17 must include the dates of the application period. The application
18 period must be at least a 15-calendar-day period.

19 (ii) Not later than the end of the first week of school, ~~or,~~
20 ~~for 2020-2021 only, not later than October 13, 2020,~~ the district
21 shall notify the parent or legal guardian of each nonresident
22 applicant who is accepted for enrollment under this section that
23 the applicant has been accepted for enrollment in the grade,
24 school, or program and of the date by which the applicant must
25 enroll in the district and the procedures for enrollment. The date
26 for enrollment must be no later than the end of the first week of
27 school. ~~or, for 2020-2021 only, not later than October 13, 2020.~~

28 (3) If a district determines during the first semester or
29 trimester of a school year that it has positions available for

1 enrollment of a number of nonresidents residing in a district
2 located in a contiguous intermediate district, beyond those
3 entitled to preference under this section, for the second semester
4 or trimester of the school year, the district may accept
5 applications from and enroll nonresidents residing in a district
6 located in a contiguous intermediate district for the second
7 semester or trimester using the following procedures:

8 (a) Not later than 2 weeks before the end of the first
9 semester or trimester, the district shall publish the grades,
10 schools, and special programs, if any, for which enrollment for the
11 second semester or trimester may be available to, and for which
12 applications will be accepted from, nonresident applicants residing
13 in a district located in a contiguous intermediate district.

14 (b) During the last 2 weeks of the first semester or
15 trimester, the district shall accept applications from nonresidents
16 residing in a district located in a contiguous intermediate
17 district for enrollment for the second semester or trimester in the
18 available grades, schools, and programs.

19 (c) By the beginning of the second semester or trimester,
20 using the procedures and preferences required under this section,
21 the district shall determine which nonresident applicants will be
22 allowed to enroll under this section in the district for the second
23 semester or trimester and notify the parent or legal guardian of
24 each nonresident applicant residing in a district located in a
25 contiguous intermediate district of whether or not the applicant
26 may enroll in the district. The notification to parents or legal
27 guardians of nonresident applicants accepted for enrollment must
28 contain notification of the date by which the applicant must enroll
29 in the district and procedures for enrollment. The date for

1 enrollment must be no later than the end of the first week of
2 school.

3 (4) If deadlines similar to those described in subsection (2)
4 or (3) have been established in an intermediate district, and if
5 those deadlines are not later than the deadlines under subsection
6 (2) or (3), the districts within the intermediate district may use
7 those deadlines.

8 (5) A district offering to enroll nonresident applicants
9 residing in a district located in a contiguous intermediate
10 district may limit the number of those nonresident pupils it
11 accepts in a grade, school, or program, at its discretion, and may
12 use that limit as the reason for refusal to enroll an applicant
13 under this section.

14 (6) A nonresident applicant residing in a district located in
15 a contiguous intermediate district must not be granted or refused
16 enrollment based on intellectual, academic, artistic, or other
17 ability, talent, or accomplishment, or lack thereof, or based on a
18 mental or physical disability, except that a district may refuse to
19 admit a nonresident applicant under this section if the applicant
20 does not meet the same criteria, other than residence, that an
21 applicant who is a resident of the district must meet to be
22 accepted for enrollment in a grade or a specialized, magnet, or
23 intra-district choice school or program to which the applicant
24 applies.

25 (7) A nonresident applicant residing in a district located in
26 a contiguous intermediate district must not be granted or refused
27 enrollment under this section based on age, except that a district
28 may refuse to admit a nonresident applicant applying for a program
29 that is not appropriate for the age of the applicant.

1 (8) A nonresident applicant residing in a district located in
2 a contiguous intermediate district must not be granted or refused
3 enrollment under this section based upon religion, race, color,
4 national origin, sex, height, weight, marital status, or athletic
5 ability, or, generally, in violation of any state or federal law
6 prohibiting discrimination.

7 (9) Subject to subsection (10), a district may refuse to
8 enroll a nonresident applicant under this section if any of the
9 following are met:

10 (a) The applicant is, or has been within the preceding 2
11 years, suspended from another school.

12 (b) The applicant, at any time before enrolling under this
13 section, has been expelled from another school.

14 (c) The applicant, at any time before enrolling under this
15 section, has been convicted of a felony.

16 (10) If a district has counted a pupil in membership on either
17 the pupil membership count day or the supplemental count day, the
18 district shall not refuse to enroll or refuse to continue to enroll
19 that pupil for a reason specified in subsection (9). This
20 subsection does not prohibit a district from expelling a pupil
21 described in this subsection for disciplinary reasons.

22 (11) A district shall continue to allow a pupil who was
23 enrolled in and attended the district under this section in the
24 school year or semester or trimester immediately preceding the
25 school year or semester or trimester in question to enroll in the
26 district until the pupil graduates from high school. This
27 subsection does not prohibit a district from expelling a pupil
28 described in this subsection for disciplinary reasons.

29 (12) A district shall give preference for enrollment under

1 this section over all other nonresident applicants residing in a
2 district located in a contiguous intermediate district to other
3 school-age children who reside in the same household as a pupil
4 described in subsection (11).

5 ~~(13) If a nonresident pupil was enrolled in and attending~~
6 ~~school in a district as a nonresident pupil in the 1995-96 school~~
7 ~~year and continues to be enrolled continuously each school year in~~
8 ~~that district, the district shall allow that nonresident pupil to~~
9 ~~continue to enroll in and attend school in the district until high~~
10 ~~school graduation, without requiring the nonresident pupil to apply~~
11 ~~for enrollment under this section. This subsection does not~~
12 ~~prohibit a district from expelling a pupil described in this~~
13 ~~subsection for disciplinary reasons.~~

14 **(13)** ~~(14)~~ If the number of qualified nonresident applicants
15 eligible for acceptance under this section in a school, grade, or
16 program does not exceed the positions available for nonresident
17 pupils under this section in the school, grade, or program, the
18 school district shall accept for enrollment all of the qualified
19 nonresident applicants eligible for acceptance. If the number of
20 qualified nonresident applicants residing in a district located in
21 a contiguous intermediate district eligible for acceptance under
22 this section exceeds the positions available in a grade, school, or
23 program in a district for nonresident pupils, the district shall
24 use a random draw system, subject to the need to abide by state and
25 federal antidiscrimination laws and court orders and subject to
26 preferences allowed by this section. The district shall develop and
27 maintain a waiting list based on the order in which nonresident
28 applicants were drawn under this random draw system.

29 **(14)** ~~(15)~~ If a district, or the nonresident applicant,

1 requests the district in which a nonresident applicant resides to
2 supply information needed by the district for evaluating the
3 applicant's application for enrollment or for enrolling the
4 applicant under this section, the district of residence shall
5 provide that information on a timely basis.

6 **(15)** ~~(16)~~—If a district is subject to a court-ordered
7 desegregation plan, and if the court issues an order prohibiting
8 pupils residing in that district from enrolling in another district
9 or prohibiting pupils residing in another district from enrolling
10 in that district, this section is subject to the court order.

11 **(16)** ~~(17)~~—This section does not require a district to provide
12 transportation for a nonresident pupil enrolled in the district
13 under this section or for a resident pupil enrolled in another
14 district under this section. However, at the time a nonresident
15 pupil enrolls in the district, a district shall provide to the
16 pupil's parent or legal guardian information on available
17 transportation to and from the school in which the pupil enrolls.

18 **(17)** ~~(18)~~—A district may participate in a cooperative
19 education program with 1 or more other districts or intermediate
20 districts whether or not the district enrolls any nonresidents
21 pursuant to this section.

22 **(18)** ~~(19)~~—In order for a district or intermediate district to
23 enroll under this section a nonresident pupil who resides in a
24 district located in a contiguous intermediate district and who is
25 eligible for special education programs and services according to
26 statute or rule, or who is a child with disabilities, as defined
27 under the individuals with disabilities education act, Public Law
28 108-446, the enrolling district shall have a written agreement with
29 the resident district of the pupil for the purpose of providing the

pupil with a free appropriate public education. The written agreement must include, but is not limited to, an agreement on the responsibility for the payment of the added costs of special education programs and services for the pupil. The written agreement must address how the agreement must be amended in the event of significant changes in the costs or level of special education programs or services required by the pupil.

(19) ~~(20)~~—If a district does not comply with this section, the district forfeits 5% of the total state school aid allocation to the district under this act.

(20) ~~(21)~~—Upon application by a district, the superintendent may grant a waiver for the district from a specific requirement under this section for not more than 1 year.

(21) ~~(22)~~—This section is repealed if the final decision of a court of competent jurisdiction holds that any portion of this section is unconstitutional, ineffective, invalid, or in violation of federal law.

(22) ~~(23)~~—As used in this section, "district located in a contiguous intermediate district" means a district located in an intermediate district that is contiguous to the intermediate district in which a pupil's district of residence is located.

Sec. 107. (1) From the appropriation in section 11, there is allocated an amount not to exceed \$30,000,000.00 for ~~2020-2021~~ **2021-2022** for adult education programs authorized under this section. Except as otherwise provided under subsections (14) and (15), funds allocated under this section are restricted for adult education programs as authorized under this section only. A recipient of funds under this section shall not use those funds for any other purpose.

1 (2) To be eligible for funding under this section, an eligible
2 adult education provider shall employ certificated teachers and
3 qualified administrative staff and shall offer continuing education
4 opportunities for teachers to allow them to maintain certification.

5 (3) To be eligible to be a participant funded under this
6 section, an individual must be enrolled in an adult basic education
7 program, an adult secondary education program, an adult English as
8 a second language program, a high school equivalency test
9 preparation program, or a high school completion program, that
10 meets the requirements of this section, and for which instruction
11 is provided, and the individual must be at least 18 years of age **by**
12 **July 1 of the program year** and the individual's graduating class
13 must have graduated.

14 (4) By April 1 of each fiscal year, the intermediate districts
15 within a prosperity region or subregion shall determine which
16 intermediate district will serve as the prosperity region's or
17 subregion's fiscal agent for the next fiscal year and shall notify
18 the department in a form and manner determined by the department.
19 The department shall approve or disapprove of the prosperity
20 region's or subregion's selected fiscal agent. From the funds
21 allocated under subsection (1), an amount as determined under this
22 subsection is allocated to each intermediate district serving as a
23 fiscal agent for adult education programs in each of the prosperity
24 regions or subregions identified by the department. An intermediate
25 district shall not use more than 5% of the funds allocated under
26 this subsection for administration costs for serving as the fiscal
27 agent. The allocation provided to each intermediate district
28 serving as a fiscal agent ~~is an amount equal to what the~~
29 ~~intermediate district received in 2018-2019.~~ **must be calculated as**

1 follows:

2 (a) Sixty percent of this portion of the funding must be
3 distributed based upon the proportion of the state population of
4 individuals between the ages of 18 and 24 that are not high school
5 graduates that resides in each of the prosperity regions or
6 subregions located within the intermediate district, as reported by
7 the most recent 5-year estimates from the American Community Survey
8 (ACS) from the United States Census Bureau.

9 (b) Thirty-five percent of this portion of the funding must be
10 distributed based upon the proportion of the state population of
11 individuals age 25 or older who are not high school graduates that
12 resides in each of the prosperity regions or subregions located
13 within the intermediate district, as reported by the most recent 5-
14 year estimates from the American Community Survey (ACS) from the
15 United States Census Bureau.

16 (c) Five percent of this portion of the funding must be
17 distributed based upon the proportion of the state population of
18 individuals age 18 or older who lack basic English language
19 proficiency that resides in each of the prosperity regions or
20 subregions located within the intermediate district, as reported by
21 the most recent 5-year estimates from the American Community Survey
22 (ACS) from the United States Census Bureau.

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

26 (a) Distribute funds to adult education programs in a
27 prosperity region or subregion as described in this section.

28 (b) Collaborate with the career and educational advisory
29 council, which is an advisory council of the workforce development

boards located in the prosperity region or subregion, or its successor, to develop a regional strategy that aligns adult education programs and services into an efficient and effective delivery system for adult education learners, with special consideration for providing contextualized learning and career pathways and addressing barriers to education and employment.

(c) Collaborate with the career and educational advisory council, which is an advisory council of the workforce development boards located in the prosperity region or subregion, or its successor, to create a local process and criteria that will identify eligible adult education providers to receive funds allocated under this section based on location, demand for services, past performance, quality indicators as identified by the department, and cost to provide instructional services. The fiscal agent shall determine all local processes, criteria, and provider determinations. However, the local processes, criteria, and provider services must be approved by the department before funds may be distributed to the fiscal agent.

(d) Provide oversight to its adult education providers throughout the program year to ensure compliance with the requirements of this section.

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

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

(a) The program enrolls adults who are determined by a department-approved assessment, in a form and manner prescribed by

1 the department, to be below twelfth grade level in reading or
2 mathematics, or both, or to lack basic English proficiency.

3 (b) The program tests individuals for eligibility under
4 subdivision (a) before enrollment and upon completion of the
5 program in compliance with the state-approved assessment policy.

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

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

10 (ii) The participant fails to show progress on 2 successive
11 assessments after having completed at least 450 hours of
12 instruction.

13 (d) A participant in an adult secondary education program is
14 eligible for reimbursement until 1 of the following occurs:

15 (i) The participant's reading and mathematics proficiency are
16 assessed above the twelfth grade level.

17 (ii) The participant fails to show progress on 2 successive
18 assessments after having at least 450 hours of instruction.

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

22 (i) The participant is assessed as having attained basic
23 English proficiency as determined by a department-approved
24 assessment.

25 (ii) The participant fails to show progress on 2 successive
26 department-approved assessments after having completed at least 450
27 hours of instruction. The department shall provide information to a
28 funding recipient regarding appropriate assessment instruments for
29 this program.

1 (7) A high school equivalency test preparation program
2 operated on a year-round or school year basis may be funded under
3 this section, subject to all of the following:

4 (a) The program enrolls adults who do not have a high school
5 diploma or a high school equivalency certificate.

6 (b) The program administers a pre-test approved by the
7 department before enrolling an individual to determine the
8 individual's literacy levels, administers a high school equivalency
9 practice test to determine the individual's potential for success
10 on the high school equivalency test, and administers a post-test
11 upon completion of the program in compliance with the state-
12 approved assessment policy.

13 (c) A funding recipient receives funding according to
14 subsection (9) for a participant, and a participant may be enrolled
15 in the program until 1 of the following occurs:

16 (i) The participant achieves a high school equivalency
17 certificate.

18 (ii) The participant fails to show progress on 2 successive
19 department-approved assessments used to determine readiness to take
20 a high school equivalency test after having completed at least 450
21 hours of instruction.

22 (8) A high school completion program operated on a year-round
23 or school year basis may be funded under this section, subject to
24 all of the following:

25 (a) The program enrolls adults who do not have a high school
26 diploma.

27 (b) The program tests participants described in subdivision
28 (a) before enrollment and upon completion of the program in
29 compliance with the state-approved assessment policy.

1 (c) A funding recipient receives funding according to
2 subsection (9) for a participant in a course offered under this
3 subsection until 1 of the following occurs:

4 (i) The participant passes the course and earns a high school
5 diploma.

6 (ii) The participant fails to earn credit in 2 successive
7 semesters or terms in which the participant is enrolled after
8 having completed at least 900 hours of instruction.

9 (9) The department shall make payments to a funding recipient
10 under this section in accordance with all of the following:

11 (a) Statewide allocation criteria, including 3-year average
12 enrollments, census data, and local needs.

13 (b) Participant completion of the adult basic education
14 objectives by achieving an educational gain as determined by the
15 national reporting system levels; for achieving basic English
16 proficiency, as determined by the department; for achieving a high
17 school equivalency certificate or passage of 1 or more individual
18 high school equivalency tests; for attainment of a high school
19 diploma or passage of a course required for a participant to attain
20 a high school diploma; for enrollment in a postsecondary
21 institution, or for entry into or retention of employment, as
22 applicable.

23 (c) Participant completion of core indicators as identified in
24 the innovation and opportunity act.

25 (d) Allowable expenditures.

26 (10) A person who is not eligible to be a participant funded
27 under this section may receive adult education services upon the
28 payment of tuition. In addition, a person who is not eligible to be
29 served in a program under this section due to the program

1 limitations specified in subsection (6), (7), or (8) may continue
2 to receive adult education services in that program upon the
3 payment of tuition. The local or intermediate district conducting
4 the program shall determine the tuition amount.

5 (11) An individual who is an inmate in a state correctional
6 facility is not counted as a participant under this section.

7 (12) A funding recipient shall not commingle money received
8 under this section or from another source for adult education
9 purposes with any other funds and shall establish a separate ledger
10 account for funds received under this section. This subsection does
11 not prohibit a district from using general funds of the district to
12 support an adult education or community education program.

13 (13) A funding recipient receiving funds under this section
14 may establish a sliding scale of tuition rates based upon a
15 participant's family income. A funding recipient may charge a
16 participant tuition to receive adult education services under this
17 section from that sliding scale of tuition rates on a uniform
18 basis. The amount of tuition charged per participant must not
19 exceed the actual operating cost per participant minus any funds
20 received under this section per participant. A funding recipient
21 may not charge a participant tuition under this section if the
22 participant's income is at or below 200% of the federal poverty
23 guidelines published by the United States Department of Health and
24 Human Services.

25 (14) In order to receive funds under this section, a funding
26 recipient shall furnish to the department, in a form and manner
27 determined by the department, all information needed to administer
28 this program and meet federal reporting requirements; shall allow
29 the department or the department's designee to review all records

1 related to the program for which it receives funds; and shall
2 reimburse the state for all disallowances found in the review, as
3 determined by the department. In addition, a funding recipient
4 shall agree to pay to a career and technical education program
5 under section 61a the amount of funding received under this section
6 in the proportion of career and technical education coursework used
7 to satisfy adult basic education programming, as billed to the
8 funding recipient by programs operating under section 61a. In
9 addition to the funding allocated under subsection (1), there is
10 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
11 \$500,000.00 to reimburse funding recipients for administrative and
12 instructional expenses associated with commingling programming
13 under this section and section 61a. The department shall make
14 payments under this subsection to each funding recipient in the
15 same proportion as funding calculated and allocated under
16 subsection (4).

17 (15) From the amount appropriated in subsection (1), an amount
18 not to exceed \$4,000,000.00 is allocated for ~~2020-2021~~**2021-2022**
19 for grants to adult education or state-approved career technical
20 center programs that connect adult education participants with
21 employers as provided under this subsection. The department shall
22 determine the amount of the grant to each program under this
23 subsection, not to exceed \$350,000.00. To be eligible for funding
24 under this subsection, a program must provide a collaboration
25 linking adult education programs within the county, the area career
26 technical center, and local employers. To receive funding under
27 this subsection, an eligible program must satisfy all of the
28 following:

29 (a) Connect adult education participants directly with

1 employers by linking adult education, career and technical skills,
2 and workforce development.

3 (b) Require adult education staff to work with Michigan Works!
4 agency to identify a cohort of participants who are most prepared
5 to successfully enter the workforce. Except as otherwise provided
6 under this subdivision, participants identified under this
7 subsection must be dually enrolled in adult education programming
8 and in at least 1 state-approved technical course at the area
9 career and technical center. A program that links participants
10 identified under this subsection with adult education programming
11 and commercial driver license courses does not need to enroll the
12 participants in at least 1 state-approved technical course at the
13 area career and technical center to be considered an eligible
14 program under this subsection.

15 (c) Employ an individual staffed as an adult education
16 navigator who will serve as a caseworker for each participant
17 identified under subdivision (b). The navigator shall work with
18 adult education staff and potential employers to design an
19 educational program best suited to the personal and employment
20 needs of the participant and shall work with human service agencies
21 or other entities to address any barrier in the way of participant
22 access.

23 (16) Each program funded under subsection (15) will receive
24 funding for 3 years. After 3 years of operations and funding, a
25 program must reapply for funding.

26 (17) Not later than December 1 of each year, a program funded
27 under subsection (15) shall provide a report to the senate and
28 house appropriations subcommittees on school aid, to the senate and
29 house fiscal agencies, and to the state budget director identifying

1 the number of participants, graduation rates, and a measure of
2 transition to employment.

3 ~~(18) It is the intent of the legislature to implement a~~
4 ~~phased-in cap on the percentage of adult education participants~~
5 ~~under subsection (15) that may already have a high school diploma~~
6 ~~or a high school equivalency certificate at the time of~~
7 ~~enrollment.~~**Except as otherwise provided in this subsection,**
8 **participants under subsection (15) must be concurrently enrolled**
9 **and actively working toward obtaining a high school diploma or a**
10 **high school equivalency certificate. Concurrent enrollment is not**
11 **required under this subsection for a participant that was enrolled**
12 **in adult education during the same program year and obtained a high**
13 **school diploma or a high school equivalency certificate prior to**
14 **enrollment in an eligible career and technical skills program under**
15 **subsection (15). Up to 25% of adult education participants served**
16 **under subsection (15) may already have a high school diploma or a**
17 **high school equivalency certificate at the time of enrollment in an**
18 **eligible career and technical skills program under subsection (15)**
19 **and receive remediation services. It is intended that the cap**
20 **described in the immediately preceding sentence is continually**
21 **lowered on an annual basis until it eventually is 0%.**

22 (19) The department shall approve at least 3 high school
23 equivalency tests and determine whether a high school equivalency
24 certificate meets the requisite standards for high school
25 equivalency in this state.

26 (20) As used in this section:

27 (a) "Career and educational advisory council" means an
28 advisory council to the local workforce development boards located
29 in a prosperity region consisting of educational, employer, labor,

1 and parent representatives.

2 (b) "Career pathway" means a combination of rigorous and high-
3 quality education, training, and other services that comply with
4 all of the following:

5 (i) Aligns with the skill needs of industries in the economy of
6 this state or in the regional economy involved.

7 (ii) Prepares an individual to be successful in any of a full
8 range of secondary or postsecondary education options, including
9 apprenticeships registered under the act of August 16, 1937,
10 ~~(commonly known as the "national apprenticeship act")~~, **commonly**
11 **referred to as the national apprenticeship act**, 29 USC 50 et seq.

12 (iii) Includes counseling to support an individual in achieving
13 the individual's education and career goals.

14 (iv) Includes, as appropriate, education offered concurrently
15 with and in the same context as workforce preparation activities
16 and training for a specific occupation or occupational cluster.

17 (v) Organizes education, training, and other services to meet
18 the particular needs of an individual in a manner that accelerates
19 the educational and career advancement of the individual to the
20 extent practicable.

21 (vi) Enables an individual to attain a secondary school diploma
22 or its recognized equivalent, and at least 1 recognized
23 postsecondary credential.

24 (vii) Helps an individual enter or advance within a specific
25 occupation or occupational cluster.

26 (c) "Department" means the department of labor and economic
27 opportunity.

28 (d) "Eligible adult education provider" means a district,
29 intermediate district, a consortium of districts, a consortium of

1 intermediate districts, or a consortium of districts and
2 intermediate districts that is identified as part of the local
3 process described in subsection (5)(c) and approved by the
4 department.

5 Sec. 147. (1) The allocation for ~~2020-2021~~**2021-2022** for the
6 public school employees' retirement system pursuant to the public
7 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301
8 to 38.1437, is made using the individual projected benefit entry
9 age normal cost method of valuation and risk assumptions adopted by
10 the public school employees retirement board and the department of
11 technology, management, and budget.

12 (2) The annual level percentage of payroll contribution rates
13 for the ~~2020-2021~~**2021-2022** fiscal year, as determined by the
14 retirement system, are estimated as follows:

15 (a) ~~For~~**Except as otherwise provided in this subdivision, for**
16 public school employees who first worked for a public school
17 reporting unit before July 1, 2010 and who are enrolled in the
18 health premium subsidy, the annual level percentage of payroll
19 contribution rate is estimated at ~~42.72%~~**43.28%** with ~~28.21%~~**28.23%**
20 paid directly by the employer. **For 2021-2022, if the retirement**
21 **system determines that the annual level percentage of payroll**
22 **contribution rate estimated in the immediately preceding sentence**
23 **needs to be adjusted, the annual level percentage of payroll**
24 **contribution rate estimations under this subdivision are the**
25 **estimations determined by the retirement system. If the retirement**
26 **system makes a determination as described in the immediately**
27 **preceding sentence, it shall issue its estimations publicly and**
28 **describe the need for the adjustment described in the immediately**
29 **preceding sentence.**

1 (b) ~~For~~ **Except as otherwise provided in this subdivision, for**
2 public school employees who first worked for a public school
3 reporting unit on or after July 1, 2010 and who are enrolled in the
4 health premium subsidy, the annual level percentage of payroll
5 contribution rate is estimated at ~~39.76%~~ **40.36%** with ~~25.25%~~ **25.31%**
6 paid directly by the employer. **For 2021-2022, if the retirement**
7 **system determines that the annual level percentage of payroll**
8 **contribution rate estimated in the immediately preceding sentence**
9 **needs to be adjusted, the annual level percentage of payroll**
10 **contribution rate estimations under this subdivision are the**
11 **estimations determined by the retirement system. If the retirement**
12 **system makes a determination as described in the immediately**
13 **preceding sentence, it shall issue its estimations publicly and**
14 **describe the need for the adjustment described in the immediately**
15 **preceding sentence.**

16 (c) ~~For~~ **Except as otherwise provided in this subdivision, for**
17 public school employees who first worked for a public school
18 reporting unit on or after July 1, 2010 and who participate in the
19 personal healthcare fund, the annual level percentage of payroll
20 contribution rate is estimated at ~~38.90%~~ **39.50%** with ~~24.39%~~ **24.45%**
21 paid directly by the employer. **For 2021-2022, if the retirement**
22 **system determines that the annual level percentage of payroll**
23 **contribution rate estimated in the immediately preceding sentence**
24 **needs to be adjusted, the annual level percentage of payroll**
25 **contribution rate estimations under this subdivision are the**
26 **estimations determined by the retirement system. If the retirement**
27 **system makes a determination as described in the immediately**
28 **preceding sentence, it shall issue its estimations publicly and**
29 **describe the need for the adjustment described in the immediately**

1 preceding sentence.

2 (d) ~~For~~**Except as otherwise provided in this subdivision, for**
3 public school employees who first worked for a public school
4 reporting unit on or after September 4, 2012, who elect defined
5 contribution, and who participate in the personal healthcare fund,
6 the annual level percentage of payroll contribution rate is
7 estimated at ~~35.47%~~**36.01%** with 20.96% paid directly by the
8 employer. **For 2021-2022, if the retirement system determines that**
9 **the annual level percentage of payroll contribution rate estimated**
10 **in the immediately preceding sentence needs to be adjusted, the**
11 **annual level percentage of payroll contribution rate estimations**
12 **under this subdivision are the estimations determined by the**
13 **retirement system. If the retirement system makes a determination**
14 **as described in the immediately preceding sentence, it shall issue**
15 **its estimations publicly and describe the need for the adjustment**
16 **described in the immediately preceding sentence.**

17 (e) ~~For~~**Except as otherwise provided in this subdivision, for**
18 public school employees who first worked for a public school
19 reporting unit before July 1, 2010, who elect defined contribution,
20 and who are enrolled in the health premium subsidy, the annual
21 level percentage of payroll contribution rate is estimated at
22 ~~36.33%~~**36.87%** with 21.82% paid directly by the employer. **For 2021-**
23 **2022, if the retirement system determines that the annual level**
24 **percentage of payroll contribution rate estimated in the**
25 **immediately preceding sentence needs to be adjusted, the annual**
26 **level percentage of payroll contribution rate estimations under**
27 **this subdivision are the estimations determined by the retirement**
28 **system. If the retirement system makes a determination as described**
29 **in the immediately preceding sentence, it shall issue its**

1 estimations publicly and describe the need for the adjustment
2 described in the immediately preceding sentence.

3 (f) ~~For~~ Except as otherwise provided in this subdivision, for
4 public school employees who first worked for a public school
5 reporting unit before July 1, 2010, who elect defined contribution,
6 and who participate in the personal healthcare fund, the annual
7 level percentage of payroll contribution rate is estimated at
8 ~~35.47%~~ 36.01% with 20.96% paid directly by the employer. For 2021-
9 2022, if the retirement system determines that the annual level
10 percentage of payroll contribution rate estimated in the
11 immediately preceding sentence needs to be adjusted, the annual
12 level percentage of payroll contribution rate estimations under
13 this subdivision are the estimations determined by the retirement
14 system. If the retirement system makes a determination as described
15 in the immediately preceding sentence, it shall issue its
16 estimations publicly and describe the need for the adjustment
17 described in the immediately preceding sentence.

18 (g) ~~For~~ Except as otherwise provided in this subdivision, for
19 public school employees who first worked for a public school
20 reporting unit before July 1, 2010 and who participate in the
21 personal healthcare fund, the annual level percentage of payroll
22 contribution rate is estimated at ~~41.86%~~ 42.42% with ~~27.35%~~ 27.37%
23 paid directly by the employer. For 2021-2022, if the retirement
24 system determines that the annual level percentage of payroll
25 contribution rate estimated in the immediately preceding sentence
26 needs to be adjusted, the annual level percentage of payroll
27 contribution rate estimations under this subdivision are the
28 estimations determined by the retirement system. If the retirement
29 system makes a determination as described in the immediately

1 preceding sentence, it shall issue its estimations publicly and
 2 describe the need for the adjustment described in the immediately
 3 preceding sentence.

4 (h) ~~For~~ Except as otherwise provided in this subdivision, for
 5 public school employees who first worked for a public school
 6 reporting unit after January 31, 2018 and who elect to become
 7 members of the MPSERS plan, the annual level percentage of payroll
 8 contribution rate is estimated at ~~41.67%~~ **42.21%** with 27.16% paid
 9 directly by the employer. **For 2021-2022, if the retirement system**
 10 **determines that the annual level percentage of payroll contribution**
 11 **rate estimated in the immediately preceding sentence needs to be**
 12 **adjusted, the annual level percentage of payroll contribution rate**
 13 **estimations under this subdivision are the estimations determined**
 14 **by the retirement system. If the retirement system makes a**
 15 **determination as described in the immediately preceding sentence,**
 16 **it shall issue its estimations publicly and describe the need for**
 17 **the adjustment described in the immediately preceding sentence.**

18 (3) In addition to the employer payments described in
 19 subsection (2), the employer shall pay the applicable contributions
 20 to the Tier 2 plan, as determined by the public school employees
 21 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

22 (4) The contribution rates in subsection (2) reflect an
 23 amortization period of ~~18~~ **17** years for ~~2020-2021~~ **2021-2022**. The
 24 public school employees' retirement system board shall notify each
 25 district and intermediate district by February 28 of each fiscal
 26 year of the estimated contribution rate for the next fiscal year.

27 Sec. 147a. (1) From the appropriation in section 11, there is
 28 allocated for 2020-2021 **an amount not to exceed \$100,000,000.00 and**
 29 **for 2021-2022** an amount not to exceed \$100,000,000.00 for payments

1 to participating districts. A participating district that receives
 2 money under this subsection shall use that money solely for the
 3 purpose of offsetting a portion of the retirement contributions
 4 owed by the district for the fiscal year in which it is received.
 5 The amount allocated to each participating district under this
 6 subsection is based on each participating district's percentage of
 7 the total statewide payroll for all participating districts for the
 8 immediately preceding fiscal year. As used in this subsection,
 9 "participating district" means a district that is a reporting unit
 10 of the Michigan public school employees' retirement system under
 11 the public school employees retirement act of 1979, 1980 PA 300,
 12 MCL 38.1301 to 38.1437, and that reports employees to the Michigan
 13 public school employees' retirement system for the applicable
 14 fiscal year.

15 (2) In addition to the allocation under subsection (1), from
 16 the state school aid fund money appropriated under section 11,
 17 there is allocated **an amount not to exceed \$190,430,000.00 for**
 18 **2020-2021 and** an amount not to exceed ~~\$155,136,000.00~~
 19 **\$177,400,000.00 for 2020-2021-2021-2022** for payments to
 20 participating districts and intermediate districts and from the
 21 general fund money appropriated under section 11, there is
 22 allocated **an amount not to exceed \$70,000.00 for 2020-2021 and** an
 23 amount not to exceed ~~\$70,000.00~~ **\$60,000.00 for 2020-2021-2021-2022**
 24 for payments to participating district libraries. The amount
 25 allocated to each participating entity under this subsection is
 26 based on each participating entity's reported quarterly payroll for
 27 members that became tier 1 prior to February 1, 2018 for the
 28 current fiscal year. A participating entity that receives money
 29 under this subsection shall use that money solely for the purpose

1 of offsetting a portion of the normal cost contribution rate. As
2 used in this subsection:

3 (a) "District library" means a district library established
4 under the district library establishment act, 1989 PA 24, MCL
5 397.171 to 397.196.

6 (b) "Participating entity" means a district, intermediate
7 district, or district library that is a reporting unit of the
8 Michigan public school employees' retirement system under the
9 public school employees retirement act of 1979, 1980 PA 300, MCL
10 38.1301 to 38.1437, and that reports employees to the Michigan
11 public school employees' retirement system for the applicable
12 fiscal year.

13 Sec. 147b. (1) The MPERS retirement obligation reform reserve
14 fund is created as a separate account within the state school aid
15 fund.

16 (2) The state treasurer may receive money or other assets from
17 any source for deposit into the MPERS retirement obligation reform
18 reserve fund. The state treasurer shall direct the investment of
19 the MPERS retirement obligation reform reserve fund. The state
20 treasurer shall credit to the MPERS retirement obligation reform
21 reserve fund interest and earnings from the MPERS retirement
22 obligation reform reserve fund.

23 (3) Money available in the MPERS retirement obligation reform
24 reserve fund ~~shall~~**must** not be expended without a specific
25 appropriation.

26 (4) Money in the MPERS retirement obligation reform reserve
27 fund at the close of the fiscal year ~~shall remain~~**remains** in the
28 MPERS retirement obligation reform reserve fund and ~~shall not~~**does**
29 **not** lapse to the state school aid fund or to the general fund. The

department of treasury ~~shall be~~ **is** the administrator of the MPSERS retirement obligation reform reserve fund for auditing purposes.

Sec. 147c. From the state school aid fund money appropriated in section 11, there is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed ~~\$1,219,300,000.00~~ **\$1,468,500,000.00** for payments to districts and intermediate districts that are participating entities of the Michigan public school employees' retirement system. In addition, from the general fund money appropriated in section 11, there is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed \$500,000.00 for payments to district libraries that are participating entities of the Michigan public school employees' retirement system. All of the following apply to funding under this ~~subsection~~ **section**:

(a) ~~For 2020-2021,~~ **Except as otherwise provided in this subdivision, for 2021-2022,** the amounts allocated under this ~~subsection~~ **section** are estimated to provide an average MPSERS rate cap per pupil amount of ~~\$827.00~~ **\$911.00** and are estimated to provide a rate cap per pupil for districts ranging between \$5.00 and ~~\$4,000.00~~ **\$4,200.00**. **For 2021-2022, if the retirement system determines the average MPSERS rate cap per pupil amount and rate cap per pupil for districts estimated in the immediately preceding sentence need to be adjusted, the estimated average MPSERS rate cap per pupil amount and estimated rate cap per pupil for districts under this subdivision are the estimations determined by the retirement system. If the retirement system makes a determination as described in the immediately preceding sentence, it shall issue its estimations publicly and describe the need for the adjustment described in the immediately preceding sentence.**

(b) Payments made under this ~~subsection~~ **section** are equal to

1 the difference between the unfunded actuarial accrued liability
2 contribution rate as calculated pursuant to section 41 of the
3 public school employees retirement act of 1979, 1980 PA 300, MCL
4 38.1341, as calculated without taking into account the maximum
5 employer rate of 20.96% included in section 41 of the public school
6 employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the
7 maximum employer rate of 20.96% included in section 41 of the
8 public school employees retirement act of 1979, 1980 PA 300, MCL
9 38.1341.

10 (c) The amount allocated to each participating entity under
11 this ~~subsection~~**section** is based on each participating entity's
12 proportion of the total covered payroll for the immediately
13 preceding fiscal year for the same type of participating entities.
14 A participating entity that receives funds under this ~~subsection~~
15 **section** shall use the funds solely for the purpose of retirement
16 contributions as specified in subdivision (d).

17 (d) Each participating entity receiving funds under this
18 ~~subsection~~**section** shall forward an amount equal to the amount
19 allocated under subdivision (c) to the retirement system in a form,
20 manner, and time frame determined by the retirement system.

21 (e) Funds allocated under this ~~subsection~~**section** should be
22 considered when comparing a district's growth in total state aid
23 funding from 1 fiscal year to the next.

24 (f) Not later than December 20, ~~2020~~**2021**, the department
25 shall publish and post on its website an estimated MPSERS rate cap
26 per pupil for each district.

27 (g) The office of retirement services shall first apply funds
28 allocated under this ~~subsection~~**section** to pension contributions
29 and, if any funds remain after that payment, shall apply those

1 remaining funds to other postemployment benefit contributions.

2 (h) As used in this section:

3 (i) "District library" means a district library established
4 under the district library establishment act, 1989 PA 24, MCL
5 397.171 to 397.196.

6 (ii) "MPSERS rate cap per pupil" means an amount equal to the
7 quotient of the district's payment under this ~~subsection~~**section**
8 divided by the district's pupils in membership.

9 (iii) "Participating entity" means a district, intermediate
10 district, or district library that is a reporting unit of the
11 Michigan public school employees' retirement system under the
12 public school employees retirement act of 1979, 1980 PA 300, MCL
13 38.1301 to 38.1437, and that reports employees to the Michigan
14 public school employees' retirement system for the applicable
15 fiscal year.

16 (iv) "Retirement board" means the board that administers the
17 retirement system under the public school employees retirement act
18 of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

19 (v) "Retirement system" means the Michigan public school
20 employees' retirement system under the public school employees
21 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

22 Sec. 147e. (1) From the ~~appropriation~~**state school aid fund**
23 **money appropriated** in section 11, **there is allocated for 2020-2021**
24 **an amount not to exceed \$33,800,000.00 and** there is allocated for
25 ~~2020-2021-2021-2022~~ an amount not to exceed ~~\$51,400,000.00 from the~~
26 ~~state school aid fund~~**\$65,300,000.00** for payments to participating
27 entities.

28 (2) The payment to each participating entity under this
29 section is the sum of the amounts under this subsection as follows:

1 (a) An amount equal to the contributions made by a
2 participating entity for the additional contribution made to a
3 qualified participant's Tier 2 account in an amount equal to the
4 contribution made by the qualified participant not to exceed 3% of
5 the qualified participant's compensation as provided for under
6 section 131(6) of the public school employees retirement act of
7 1979, 1980 PA 300, MCL 38.1431.

8 (b) Beginning October 1, 2017, an amount equal to the
9 contributions made by a participating entity for a qualified
10 participant who is only a Tier 2 qualified participant under
11 section 81d of the public school employees retirement act of 1979,
12 1980 PA 300, MCL 38.1381d, not to exceed 4%, and, beginning
13 February 1, 2018, not to exceed 1%, of the qualified participant's
14 compensation.

15 (c) An amount equal to the increase in employer normal cost
16 contributions under section 41b(2) of the public school employees
17 retirement act of 1979, 1980 PA 300, MCL 38.1341b, for a member
18 that was hired after February 1, 2018 and chose to participate in
19 Tier 1, compared to the employer normal cost contribution for a
20 member under section 41b(1) of the public school employees
21 retirement act of 1979, 1980 PA 300, MCL 38.1341b.

22 (3) As used in this section:

23 (a) "Member" means that term as defined under the public
24 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301
25 to 38.1437.

26 (b) "Participating entity" means a district, intermediate
27 district, or community college that is a reporting unit of the
28 Michigan public school employees' retirement system under the
29 public school employees retirement act of 1979, 1980 PA 300, MCL

1 38.1301 to 38.1437, and that reports employees to the Michigan
 2 public school employees' retirement system for the applicable
 3 fiscal year.

4 (c) "Qualified participant" means that term as defined under
 5 section 124 of the public school employees retirement act of 1979,
 6 1980 PA 300, MCL 38.1424.

7 Sec. 152a. (1) As required by the court in the consolidated
 8 cases known as *Adair v State of Michigan*, 486 Mich 468 (2010), from
 9 the state school aid fund money appropriated in section 11, there
 10 is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed
 11 \$38,000,500.00 to be used solely for the purpose of paying
 12 necessary costs related to the state-mandated collection,
 13 maintenance, and reporting of data to this state.

14 (2) From the allocation in subsection (1), the department
 15 shall make payments to districts and intermediate districts in an
 16 equal amount ~~per pupil~~ **per pupil** based on the total number of
 17 pupils in membership in each district and intermediate district.
 18 The department shall not make any adjustment to these payments
 19 after the final installment payment under section 17b is made.

20 Sec. 152b. (1) From the general fund money appropriated under
 21 section 11, there is allocated ~~an amount not to exceed~~
 22 ~~\$2,500,000.00 for 2017-2018 and an amount not to exceed \$250,000.00~~
 23 **\$1,000,000.00** for ~~2018-2019~~ **2021-2022** to reimburse actual costs
 24 incurred by nonpublic schools in complying with a health, safety,
 25 or welfare requirement mandated by a law or administrative rule of
 26 this state.

27 (2) By January 1 of each applicable fiscal year, the
 28 department shall publish a form for reporting actual costs incurred
 29 by a nonpublic school in complying with a health, safety, or

1 welfare requirement mandated under state law containing each
2 health, safety, or welfare requirement mandated by a law or
3 administrative rule of this state applicable to a nonpublic school
4 and with a reference to each relevant provision of law or
5 administrative rule for the requirement. The form shall be posted
6 on the department's website in electronic form.

7 (3) By June 30 of each applicable fiscal year, a nonpublic
8 school seeking reimbursement for actual costs incurred in complying
9 with a health, safety, or welfare requirement under a law or
10 administrative rule of this state during each applicable school
11 year shall submit a completed form described in subsection (2) to
12 the department. This section does not require a nonpublic school to
13 submit a form described in subsection (2). A nonpublic school is
14 not eligible for reimbursement under this section if the nonpublic
15 school does not submit the form described in subsection (2) in a
16 timely manner.

17 (4) By August 15 of each applicable fiscal year, the
18 department shall distribute funds to each nonpublic school that
19 submits a completed form described under subsection (2) in a timely
20 manner. The superintendent shall determine the amount of funds to
21 be paid to each nonpublic school in an amount that does not exceed
22 the nonpublic school's actual costs in complying with a health,
23 safety, or welfare requirement under a law or administrative rule
24 of this state. The superintendent shall calculate a nonpublic
25 school's actual cost in accordance with this section.

26 (5) If the funds allocated under this section are insufficient
27 to fully fund payments as otherwise calculated under this section,
28 the department shall distribute funds under this section on a
29 prorated or other equitable basis as determined by the

1 superintendent.

2 (6) The department may review the records of a nonpublic
3 school submitting a form described in subsection (2) only for the
4 limited purpose of verifying the nonpublic school's compliance with
5 this section. If a nonpublic school does not allow the department
6 to review records under this subsection, the nonpublic school is
7 not eligible for reimbursement under this section.

8 (7) The funds appropriated under this section are for purposes
9 related to education, are considered to be incidental to the
10 operation of a nonpublic school, are noninstructional in character,
11 and are intended for the public purpose of ensuring the health,
12 safety, and welfare of the children in nonpublic schools and to
13 reimburse nonpublic schools for costs described in this section.

14 (8) Funds allocated under this section are not intended to aid
15 or maintain any nonpublic school, support the attendance of any
16 student at a nonpublic school, employ any person at a nonpublic
17 school, support the attendance of any student at any location where
18 instruction is offered to a nonpublic school student, or support
19 the employment of any person at any location where instruction is
20 offered to a nonpublic school student.

21 (9) For purposes of this section, "actual cost" means the
22 hourly wage for the employee or employees performing a task or
23 tasks required to comply with a health, safety, or welfare
24 requirement under a law or administrative rule of this state
25 identified by the department under subsection (2) and is to be
26 calculated in accordance with the form published by the department
27 under subsection (2), which shall include a detailed itemization of
28 costs. The nonpublic school shall not charge more than the hourly
29 wage of its lowest-paid employee capable of performing a specific

1 task regardless of whether that individual is available and
2 regardless of who actually performs a specific task. Labor costs
3 under this subsection shall be estimated and charged in increments
4 of 15 minutes or more, with all partial time increments rounded
5 down. When calculating costs under subsection (4), fee components
6 shall be itemized in a manner that expresses both the hourly wage
7 and the number of hours charged. The nonpublic school may not
8 charge any applicable labor charge amount to cover or partially
9 cover the cost of health or fringe benefits. A nonpublic school
10 shall not charge any overtime wages in the calculation of labor
11 costs.

12 (10) For the purposes of this section, the actual cost
13 incurred by a nonpublic school for taking daily student attendance
14 shall be considered an actual cost in complying with a health,
15 safety, or welfare requirement under a law or administrative rule
16 of this state. Training fees, inspection fees, and criminal
17 background check fees are considered actual costs in complying with
18 a health, safety, or welfare requirement under a law or
19 administrative rule of this state.

20 (11) The funds allocated under this section for 2017-2018 are
21 a work project appropriation, and any unexpended funds for 2017-
22 2018 are carried forward into 2018-2019. The purpose of the work
23 project is to continue to reimburse nonpublic schools for actual
24 costs incurred in complying with a health, safety, or welfare
25 requirement mandated by a law or administrative rule of this state.
26 The estimated completion date of the work project is September 30,
27 ~~2020-2022~~.

28 (12) The funds allocated under this section for 2018-2019 are
29 a work project appropriation, and any unexpended funds for 2018-

1 2019 are carried forward into 2019-2020. The purpose of the work
2 project is to continue to reimburse nonpublic schools for actual
3 costs incurred in complying with a health, safety, or welfare
4 requirement mandated by a law or administrative rule of this state.
5 The estimated completion date of the work project is September 30,
6 ~~2020-2022~~.

7 (13) The funds allocated under this section for 2021-2022 are
8 a work project appropriation, and any unexpended funds for 2021-
9 2022 are carried forward into 2022-2023. The purpose of the work
10 project is to continue to reimburse nonpublic schools for actual
11 costs incurred in complying with a health, safety, or welfare
12 requirement mandated by a law or administrative rule of this state.
13 The estimated completion date of the work project is September 30,
14 2023.

15 (14) The department shall reimburse nonpublic schools for
16 actual costs incurred in complying with health, safety, or welfare
17 requirements under a law or administrative rule of this state from
18 2018-2019 through 2020-2021 using work project funds or, if those
19 funds are insufficient to fund reimbursements under this
20 subsection, from the allocation under subsection (1).

21 Enacting section 1. In accordance with section 30 of article
22 IX of the state constitution of 1963, total state spending on
23 school aid under article I of the state school aid act of 1979,
24 1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2020 PA 165,
25 2021 PA 3, and this amendatory act, from state sources for fiscal
26 year 2020-2021 is estimated at \$13,850,072,600.00 and state
27 appropriations for school aid to be paid to local units of
28 government for fiscal year 2020-2021 are estimated at
29 \$13,680,775,500.00. In accordance with section 30 of article IX of

1 the state constitution of 1963, total state spending on school aid
2 under article I of the state school aid act of 1979, 1979 PA 94,
3 MCL 388.1601 to 388.1772, as amended by this amendatory act, from
4 state sources for fiscal year 2021-2022 is estimated at
5 14,954,632,200.00 and state appropriations for school aid to be
6 paid to local units of government for fiscal year 2021-2022 are
7 estimated at 14,744,857,700.00.

8 Enacting section 2. Sections 11d, 11p, 11q, 23b, 23c, 23e,
9 25j, 29a, 31k, 91a, 91c, 94b, 104d, and 105b of the state school
10 aid act of 1979, 1979 PA 94, MCL 388.1611d, 388.1611p, 388.1611q,
11 388.1623b, 388.1623c, 388.1623e, 388.1625j, 388.1629a, 388.1631k,
12 388.1691a, 388.1691c, 388.1694b, 388.1704d, and 388.1705b, are
13 repealed effective October 1, 2021.

14 Enacting section 3. (1) Except as otherwise provided in
15 subsection (2), this amendatory act takes effect October 1, 2021.

16 (2) Sections 6(8), 6a, 11, 11m, 11n, 11s(3), 22a, 22b, 24,
17 26c, 29a, 31d, 31f, 39a, 51a, 51c, 51d, 56, 62, 81, 104a, 147a, and
18 147e of the state school aid act of 1979, 1979 PA 94, MCL 388.1606,
19 388.1606a, 388.1611, 388.1611m, 388.1611n, 388.1611s, 388.1622a,
20 388.1622b, 388.1624, 388.1626c, 388.1629a, 388.1631d, 388.1631f,
21 388.1639a, 388.1651a, 388.1651c, 388.1651d, 388.1656, 388.1662,
22 388.1681, 388.1704a, 388.1747a, and 388.1747e, as amended and
23 sections 11t, 31p, and 39(9) of the state school aid act of 1979,
24 1979 PA 94, as added by this amendatory act, take effect upon
25 enactment of this amendatory act.