



STATE OF MICHIGAN
OFFICE OF THE GOVERNOR
LANSING

GRETCHEN WHITMER
GOVERNOR

GARLIN GILCHRIST II
LT. GOVERNOR

September 30, 2020

SENATE ENROLLING
SEP 30 '20 PM3:10

Michigan State Senate
State Capitol
Lansing, MI 48909-7536

Senators,

Today I have signed Enrolled Senate Bill 927, which makes appropriations to support public schools, intermediate school districts, community colleges, and public universities of the state, and which makes appropriations for certain other purposes relating to education for the fiscal year ending September 30, 2021. As we navigate an economic crisis and global pandemic, I am pleased that the executive and legislative branches of government came together and produced a budget that funds the programs and services that matter most to our residents, including education, public health, economic development, public safety, and the environment. We worked together to do what is expected and demanded of us and we now have a budget that will serve Michigan well.

I have disapproved one item pursuant to article 5, section 19 of the Michigan Constitution of 1963. That item veto is detailed in the attached copy of the bill that has been filed with the Secretary of State.

To provide direction regarding the implementation of this appropriations act, I note that those provisions of this bill that express merely the intent, advice, preferences, or wishes of the Legislature do not impose conditions upon appropriations and are non-binding.

Thank you for your attention to these matters.

Sincerely,

A handwritten signature in blue ink that reads "Gretchen Whitmer".

Gretchen Whitmer
Governor

cc: Michigan House of Representatives
The Honorable Jocelyn Benson

Act No. 165
Public Acts of 2020
Approved by the Governor
September 30, 2020
Filed with the Secretary of State
September 30, 2020
EFFECTIVE DATE: September 30, 2020

* Item Vetoes

Sec. 152b.
Entire Section. (Page 98)

**STATE OF MICHIGAN
100TH LEGISLATURE
REGULAR SESSION OF 2020**

Introduced by Senator Stamas

ENROLLED SENATE BILL No. 927

AN ACT to amend 1979 PA 94, entitled "An act to make appropriations to aid in the support of the public schools, the intermediate school districts, community colleges, and public universities of the state; to make appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to authorize the issuance of certain bonds and provide for the security of those bonds; to prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to create certain funds and provide for their expenditure; to prescribe penalties; and to repeal acts and parts of acts," by amending sections 2, 3, 6, 11, 11a, 11d, 11j, 11k, 11m, 11p, 11s, 15, 17c, 18, 18a, 20, 20d, 20f, 21h, 22a, 22b, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 28, 31a, 31d, 31f, 31j, 31n, 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, 98a, 99h, 99s, 99t, 99u, 99w, 99x, 101, 104, 105, 105c, 107, 147, 147a, 147c, 147e, 152a, 152b, 163, 201, 202a, 203, 205, 206, 207a, 207b, 207c, 209, 209a, 217, 222, 223, 226, 229, 229a, 230, 236, 236b, 236c, 237b, 238, 241, 242, 245, 245a, 256, 263, 264, 265, 265b, 267, 268, 269, 270, 275, 276, 277, 278, 279, 280, 281, 282, 289, and 296 (MCL 388.1602, 388.1603, 388.1606, 388.1611, 388.1611a, 388.1611d, 388.1611j, 388.1611k, 388.1611m, 388.1611p, 388.1611s, 388.1615, 388.1617c, 388.1618, 388.1618a, 388.1620, 388.1620d, 388.1620f, 388.1621h, 388.1622a, 388.1622b, 388.1622d, 388.1622m, 388.1622p, 388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1626a, 388.1626b, 388.1626c, 388.1628, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631n, 388.1632d, 388.1632p, 388.1635a, 388.1635b, 388.1639, 388.1639a, 388.1641, 388.1651a, 388.1651c, 388.1651d, 388.1651f, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1655, 388.1656, 388.1661a, 388.1661b, 388.1661d, 388.1662, 388.1665, 388.1667, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1695b, 388.1698, 388.1698a, 388.1699h, 388.1699s, 388.1699t, 388.1699u, 388.1699w, 388.1699x, 388.1701, 388.1704, 388.1705, 388.1705c, 388.1707, 388.1747, 388.1747a, 388.1747c, 388.1747e, 388.1752a, 388.1752b, 388.1763, 388.1801, 388.1802a, 388.1803, 388.1805, 388.1806, 388.1807a, 388.1807b, 388.1807c, 388.1809, 388.1809a, 388.1817, 388.1822, 388.1823, 388.1826, 388.1829, 388.1829a, 388.1830, 388.1836, 388.1836b, 388.1836c, 388.1837b, 388.1838, 388.1841, 388.1842, 388.1845, 388.1845a, 388.1856, 388.1863, 388.1864, 388.1865, 388.1865b, 388.1867, 388.1868, 388.1869, 388.1870, 388.1875, 388.1876, 388.1877, 388.1878, 388.1879, 388.1880, 388.1881, 388.1882, 388.1889, and 388.1896), section 2 as amended by 2018 PA 227, sections 3, 203, 222, 223, 237b, and 275 as amended by 2017 PA 108, sections 6, 11p, and 104 as amended by 2020 PA 149, sections 11, 11m, 20, 22a, 22b, 26c, 31j, 32d, 51a, 51c, 61a, 94a, 95b, 99h, 147c, 147e, 201, 236, and 256 as amended by 2020 PA 146, sections 11a, 11j, 11k, 11s, 15, 18, 20d, 20f, 21h, 22m, 22p, 24, 24a, 26a, 26b, 31d, 31f, 31n, 32p, 39, 39a, 41, 51d, 53a, 54, 54b, 56, 61b, 61d, 62, 65, 67, 74, 81, 94, 98, 99s, 107, 147, 147a, and 152a as amended by 2019 PA 58, section 11d as added by 2020 PA 146, sections 17c, 35b, and 99u as amended by 2018 PA 586, section 18a as amended by 2015 PA 85, sections 22d, 25f, 25g, 31a, and 35a as

(iv) "Retirement board" means the board that administers the retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

(v) "Retirement system" means the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

Sec. 147e. (1) From the appropriation in section 11, there is allocated for 2020-2021 an amount not to exceed \$51,400,000.00 from the state school aid fund for payments to participating entities.

(2) The payment to each participating entity under this section is the sum of the amounts under this subsection as follows:

(a) An amount equal to the contributions made by a participating entity for the additional contribution made to a qualified participant's Tier 2 account in an amount equal to the contribution made by the qualified participant not to exceed 3% of the qualified participant's compensation as provided for under section 131(6) of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1431.

(b) Beginning October 1, 2017, an amount equal to the contributions made by a participating entity for a qualified participant who is only a Tier 2 qualified participant under section 81d of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1381d, not to exceed 4%, and, beginning February 1, 2018, not to exceed 1%, of the qualified participant's compensation.

(c) An amount equal to the increase in employer normal cost contributions under section 41b(2) of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341b, for a member that was hired after February 1, 2018 and chose to participate in Tier 1, compared to the employer normal cost contribution for a member under section 41b(1) of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341b.

(3) As used in this section:

(a) "Member" means that term as defined under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

(b) "Participating entity" means a district, intermediate district, or community college that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

(c) "Qualified participant" means that term as defined under section 124 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1424.

Sec. 152a. (1) As required by the court in the consolidated cases known as *Adair v State of Michigan*, 486 Mich 468 (2010), from the state school aid fund money appropriated in section 11, there is allocated for 2020-2021 an amount not to exceed \$38,000,500.00 to be used solely for the purpose of paying necessary costs related to the state-mandated collection, maintenance, and reporting of data to this state.

(2) From the allocation in subsection (1), the department shall make payments to districts and intermediate districts in an equal amount per-pupil based on the total number of pupils in membership in each district and intermediate district. The department shall not make any adjustment to these payments after the final installment payment under section 17b is made.

Stu ~~Sec. 152b. (1) From the general fund money appropriated under section 11, there is allocated an amount not to exceed \$100.00 for 2020-2021 to reimburse actual costs incurred by nonpublic schools in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state.~~

Stu ~~(2) By January 1 of each applicable fiscal year, the department shall publish a form for reporting actual costs incurred by a nonpublic school in complying with a health, safety, or welfare requirement mandated under state law containing each health, safety, or welfare requirement mandated by a law or administrative rule of this state applicable to a nonpublic school and with a reference to each relevant provision of law or administrative rule for the requirement. The form must be posted on the department's website in electronic form.~~

Stu ~~(3) By June 30 of each applicable fiscal year, a nonpublic school seeking reimbursement for actual costs incurred in complying with a health, safety, or welfare requirement under a law or administrative rule of this state during each applicable school year shall submit a completed form described in subsection (2) to the department. This section does not require a nonpublic school to submit a form described in subsection (2). A nonpublic school is not eligible for reimbursement under this section if the nonpublic school does not submit the form described in subsection (2) in a timely manner.~~

Stu ~~(4) By August 15 of each applicable fiscal year, the department shall distribute funds to each nonpublic school that submits a completed form described under subsection (2) in a timely manner. The superintendent shall determine the amount of funds to be paid to each nonpublic school in an amount that does not exceed the nonpublic~~

~~school's actual costs in complying with a health, safety, or welfare requirement under a law or administrative rule of this state. The superintendent shall calculate a nonpublic school's actual cost in accordance with this section.~~

~~(5) If the funds allocated under this section are insufficient to fully fund payments as otherwise calculated under this section, the department shall distribute funds under this section on a prorated or other equitable basis as determined by the superintendent.~~

~~(6) The department may review the records of a nonpublic school submitting a form described in subsection (2) only for the limited purpose of verifying the nonpublic school's compliance with this section. If a nonpublic school does not allow the department to review records under this subsection, the nonpublic school is not eligible for reimbursement under this section.~~

~~(7) The funds appropriated under this section are for purposes related to education, are considered to be incidental to the operation of a nonpublic school, are noninstructional in character, and are intended for the public purpose of ensuring the health, safety, and welfare of the children in nonpublic schools and to reimburse nonpublic schools for costs described in this section.~~

~~(8) Funds allocated under this section are not intended to aid or maintain any nonpublic school, support the attendance of any student at a nonpublic school, employ any person at a nonpublic school, support the attendance of any student at any location where instruction is offered to a nonpublic school student, or support the employment of any person at any location where instruction is offered to a nonpublic school student.~~

~~(9) For purposes of this section, "actual cost" means the hourly wage for the employee or employees performing a task or tasks required to comply with a health, safety, or welfare requirement under a law or administrative rule of this state identified by the department under subsection (2) and is to be calculated in accordance with the form published by the department under subsection (2), which must include a detailed itemization of costs. The nonpublic school shall not charge more than the hourly wage of its lowest-paid employee capable of performing a specific task regardless of whether that individual is available and regardless of who actually performs a specific task. Labor costs under this subsection must be estimated and charged in increments of 15 minutes or more, with all partial time increments rounded down. When calculating costs under subsection (4), fee components must be itemized in a manner that expresses both the hourly wage and the number of hours charged. The nonpublic school may not charge any applicable labor charge amount to cover or partially cover the cost of health or fringe benefits. A nonpublic school shall not charge any overtime wages in the calculation of labor costs.~~

~~(10) For the purposes of this section, the actual cost incurred by a nonpublic school for taking daily student attendance is considered an actual cost in complying with a health, safety, or welfare requirement under a law or administrative rule of this state. Training fees, inspection fees, and criminal background check fees are considered actual costs in complying with a health, safety, or welfare requirement under a law or administrative rule of this state.~~

~~(11) The funds allocated under this section for 2017-2018 are a work project appropriation, and any unexpended funds for 2017-2018 are carried forward into 2018-2019. The purpose of the work project is to continue to reimburse nonpublic schools for actual costs incurred in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state. The estimated completion date of the work project is September 30, 2022.~~

~~(12) The funds allocated under this section for 2018-2019 are a work project appropriation, and any unexpended funds for 2018-2019 are carried forward into 2019-2020. The purpose of the work project is to continue to reimburse nonpublic schools for actual costs incurred in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state. The estimated completion date of the work project is September 30, 2022.~~

~~(13) The funds allocated under this section for 2020-2021 are a work project appropriation, and any unexpended funds for 2020-2021 are carried forward into 2021-2022. The purpose of the work project is to continue to reimburse nonpublic schools for actual costs incurred in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state. The estimated completion date of the work project is September 30, 2023.~~

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

(a) An individual who is not appropriately placed under a valid certificate, valid substitute permit, authorization, or approval issued under rules promulgated by the department to teach in an elementary or secondary school.

(b) An individual who does not satisfy the requirements of section 1233 of the revised school code, MCL 380.1233, and rules promulgated by the department to provide school counselor services to pupils in an elementary or secondary school.