

**SUBSTITUTE FOR  
SENATE BILL NO. 173**

A bill to amend 1979 PA 94, entitled  
"The state school aid act of 1979,"  
by amending sections 3, 4, 6, 6a, 11, 11a, 11j, 11k, 11m, 11s, 11x,  
15, 19, 20, 20d, 20f, 21f, 21h, 22a, 22b, 22c, 22d, 22m, 22p, 23a,  
24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 27a, 27b, 27c, 28, 31a, 31d,  
31f, 31j, 31n, 31p, 31aa, 32d, 32n, 32p, 32t, 35a, 35d, 39, 39a,  
41, 41b, 51a, 51c, 51d, 51e, 51g, 53a, 54, 54b, 54d, 55, 56, 61a,  
61b, 61c, 61d, 62, 65, 67, 67a, 67d, 74, 81, 94, 94a, 95b, 97a, 98,  
99h, 99s, 99t, 99u, 99x, 99ee, 101, 104, 104f, 104h, 107, 121, 147,  
147a, 147b, 147c, 147e, 152a, 152b, and 163 (MCL 388.1603,  
388.1604, 388.1606, 388.1606a, 388.1611, 388.1611a, 388.1611j,  
388.1611k, 388.1611m, 388.1611s, 388.1611x, 388.1615, 388.1619,  
388.1620, 388.1620d, 388.1620f, 388.1621f, 388.1621h, 388.1622a,

388.1622b, 388.1622c, 388.1622d, 388.1622m, 388.1622p, 388.1623a, 388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1626a, 388.1626b, 388.1626c, 388.1626d, 388.1627a, 388.1627b, 388.1627c, 388.1628, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631n, 388.1631p, 388.1631aa, 388.1632d, 388.1632n, 388.1632p, 388.1632t, 388.1635a, 388.1635d, 388.1639, 388.1639a, 388.1641, 388.1641b, 388.1651a, 388.1651c, 388.1651d, 388.1651e, 388.1651g, 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, 388.1667d, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1695b, 388.1697a, 388.1698, 388.1699h, 388.1699s, 388.1699t, 388.1699u, 388.1699x, 388.1699ee, 388.1701, 388.1704, 388.1704f, 388.1704h, 388.1707, 388.1721, 388.1747, 388.1747a, 388.1747b, 388.1747c, 388.1747e, 388.1752a, 388.1752b, and 388.1763), sections 3, 6, 6a, 11a, 11j, 11k, 11m, 11s, 15, 20, 20d, 20f, 21f, 21h, 22a, 22c, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 28, 31a, 31d, 31j, 31n, 31p, 32d, 32p, 35a, 35d, 39, 41, 51d, 51g, 54b, 54d, 55, 61a, 61b, 61c, 61d, 62, 65, 67, 67a, 74, 81, 94, 94a, 95b, 97a, 98, 99h, 99s, 99t, 99u, 99x, 101, 104, 104f, 104h, 107, 147, 147a, 147b, 147e, 152a, and 152b as amended and sections 11x, 27a, 27b, 27c, 31aa, 32n, 32t, 41b, 51e, 67d, and 99ee as added by 2022 PA 144, sections 4 and 19 as amended by 2021 PA 48, sections 11, 22b, 31f, 39a, 51a, 51c, 53a, 54, and 147c as amended by 2023 PA 3, section 23a as amended by 2020 PA 22, section 56 as amended by 2022 PA 212, section 121 as amended by 2006 PA 342, and section 163 as amended by 2021 PA 15, and by adding sections 11v, 11z, 12a, 12c, 23g, 27g, 27k, 27l, 27n, 27o, 27p, 27q, 30d, 31k, 31l, 31ff, 32e, 32m, 33, 35k, 35l, 35m, 61j, 61k, 61l, 61m, 67f, 74b, 97g, 98d, 99a, 99b, 99c, 99d, 99e, 99f, 99g, 99n, 99ff, 99gg, 99hh, and 99ii; and to

repeal acts and parts of acts.

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

1           Sec. 3. (1) "Average daily attendance", for the purposes of  
2 complying with federal law, means 92% of the pupils counted in  
3 membership on the pupil membership count day, as defined in section  
4 6(7).

5           (2) "Board" means the governing body of a district or public  
6 school academy.

7           (3) "Center" means the center for educational performance and  
8 information created in section 94a.

9           (4) "Community district" means a school district organized  
10 under part 5b of the revised school code, MCL 380.381 to 380.396.

11           (5) "Cooperative education program" means a written voluntary  
12 agreement between and among districts to provide certain  
13 educational programs for pupils in certain groups of districts. The  
14 written agreement must be approved by all affected districts at  
15 least annually and must specify the educational programs to be  
16 provided and the estimated number of pupils from each district who  
17 will participate in the educational programs.

18           (6) "Department", except as otherwise provided in this  
19 article, means the department of education.

20           (7) "District" means, except as otherwise specifically  
21 provided in this act, a local school district established under the  
22 revised school code or, except in sections 6(4), 6(6), 11x, 11y,  
23 **12c**, 13, 20, 22a, 22p, 31a, 51a(14), 105, 105c, and 166b, a public  
24 school academy. Except in section 20, district also includes a  
25 community district.

26           (8) "District of residence", except as otherwise provided in  
27 this subsection, means the district in which a pupil's custodial

1 parent or parents or legal guardian resides. For a pupil described  
2 in section 24b, the pupil's district of residence is the district  
3 in which the pupil enrolls under that section. For a pupil  
4 described in section 6(4)(d), the pupil's district of residence is  
5 considered to be the district or intermediate district in which the  
6 pupil is counted in membership under that section. For a pupil  
7 under court jurisdiction who is placed outside the district in  
8 which the pupil's custodial parent or parents or legal guardian  
9 resides, the pupil's district of residence is considered to be the  
10 educating district or educating intermediate district.

11 (9) "District superintendent" means the superintendent of a  
12 district or the chief administrator of a public school academy.

13 Sec. 4. ~~(1) "Elementary pupil" means a pupil in membership in~~  
14 ~~grades K to 8 in a district not maintaining classes above grade 8~~  
15 ~~or in grades K to 6 in a district maintaining classes above grade 8~~  
16 ~~or a child enrolled and in regular attendance in a publicly funded~~  
17 ~~prekindergarten setting.~~

18 (1) ~~(2)~~ "Extended school year" means an educational program  
19 conducted by a district in which pupils must be enrolled but not  
20 necessarily in attendance on the pupil membership count day in an  
21 extended year program. The mandatory clock hours must be completed  
22 by each pupil not more than 365 calendar days after the pupil's  
23 first day of classes for the school year prescribed. The department  
24 shall prescribe pupil, personnel, and other reporting requirements  
25 for the educational program.

26 (2) ~~(3)~~ "Fiscal year" means the state fiscal year that  
27 commences October 1 and continues through September 30.

28 (3) ~~(4)~~ "High school equivalency certificate" means a  
29 certificate granted for the successful completion of a high school

1 equivalency test.

2       (4) ~~(5)~~—"High school equivalency test" means the G.E.D. test  
3 developed by the GED Testing Service, the HISET exam ~~developed by~~  
4 ~~Educational Testing Service (ETS)~~, **administered by PSI Services**, or  
5 another comparable test approved by the department of labor and  
6 economic opportunity.

7       (5) ~~(6)~~—"High school equivalency test preparation program"  
8 means a program that has high school level courses in English  
9 language arts, social studies, science, and mathematics and that  
10 prepares an individual to successfully complete a high school  
11 equivalency test.

12       (6) ~~(7)~~—"High school pupil" means a pupil in membership in  
13 grades 7 to 12, except in a district not maintaining grades above  
14 grade 8.

15       Sec. 6. (1) "Center program" means a program operated by a  
16 district or by an intermediate district for special education  
17 pupils from several districts in programs for pupils with autism  
18 spectrum disorder, pupils with severe cognitive impairment, pupils  
19 with moderate cognitive impairment, pupils with severe multiple  
20 impairments, pupils with hearing impairment, pupils with visual  
21 impairment, and pupils with physical impairment or other health  
22 impairment. Programs for pupils with emotional impairment housed in  
23 buildings that do not serve regular education pupils also qualify.  
24 Unless otherwise approved by the department, a center program  
25 either serves all constituent districts within an intermediate  
26 district or serves several districts with less than 50% of the  
27 pupils residing in the operating district. In addition, special  
28 education center program pupils placed part-time in noncenter  
29 programs to comply with the least restrictive environment

1 provisions of section 1412 of the individuals with disabilities  
2 education act, 20 USC 1412, may be considered center program pupils  
3 for pupil accounting purposes for the time scheduled in either a  
4 center program or a noncenter program.

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

8 (3) "District and high school graduation report" means a  
9 report of the number of pupils, excluding adult education  
10 participants, in the district for the immediately preceding school  
11 year, adjusted for those pupils who have transferred into or out of  
12 the district or high school, who leave high school with a diploma  
13 or other credential of equal status.

14 (4) "Membership", except as otherwise provided in this  
15 article, means for a district, a public school academy, or an  
16 intermediate district the sum of the product of .90 times the  
17 number of full-time equated pupils in grades K to 12 actually  
18 enrolled and in regular daily attendance in the district, public  
19 school academy, or intermediate district on the pupil membership  
20 count day for the current school year, plus the product of .10  
21 times the final audited count from the supplemental count day of  
22 full-time equated pupils in grades K to 12 actually enrolled and in  
23 regular daily attendance in the district, public school academy, or  
24 intermediate district for the immediately preceding school year. A  
25 district's, public school academy's, or intermediate district's  
26 membership is adjusted as provided under section 25e for pupils who  
27 enroll after the pupil membership count day in a strict discipline  
28 academy operating under sections 1311b to 1311m of the revised  
29 school code, MCL 380.1311b to 380.1311m. All pupil counts used in

1 this subsection are as determined by the department and calculated  
2 by adding the number of pupils registered for attendance plus  
3 pupils received by transfer and minus pupils lost as defined by  
4 rules promulgated by the superintendent, and as corrected by a  
5 subsequent department audit. The amount of the foundation allowance  
6 for a pupil in membership is determined under section 20. In making  
7 the calculation of membership, all of the following, as applicable,  
8 apply to determining the membership of a district, a public school  
9 academy, or an intermediate district:

10 (a) Except as otherwise provided in this subsection, and  
11 pursuant to subsection (6), a pupil is counted in membership in the  
12 pupil's educating district or districts. ~~An~~**Except as otherwise**  
13 **provided in this subsection, an** individual pupil must not be  
14 counted for more than a total of 1.0 full-time equated membership.

15 (b) If a pupil is educated in a district other than the  
16 pupil's district of residence, if the pupil is not being educated  
17 as part of a cooperative education program, if the pupil's district  
18 of residence does not give the educating district its approval to  
19 count the pupil in membership in the educating district, and if the  
20 pupil is not covered by an exception specified in subsection (6) to  
21 the requirement that the educating district must have the approval  
22 of the pupil's district of residence to count the pupil in  
23 membership, the pupil is not counted in membership in any district.

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

26 (d) A pupil placed by a court or state agency in an on-grounds  
27 program of a juvenile detention facility, a child caring  
28 institution, or a mental health institution, or a pupil funded  
29 under section 53a, is counted in membership in the district or

1 intermediate district approved by the department to operate the  
2 program.

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

6 (f) A pupil enrolled in a career and technical education  
7 program supported by a millage levied over an area larger than a  
8 single district or in an area vocational-technical education  
9 program established under section 690 of the revised school code,  
10 MCL 380.690, is counted in membership only in the pupil's district  
11 of residence.

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

14 (h) For the purposes of this section and section 6a, for a  
15 cyber school, as that term is defined in section 551 of the revised  
16 school code, MCL 380.551, that is in compliance with section 553a  
17 of the revised school code, MCL 380.553a, a pupil's participation  
18 in the cyber school's educational program is considered regular  
19 daily attendance, and for a district or public school academy, a  
20 pupil's participation in a virtual course as that term is defined  
21 in section 21f is considered regular daily attendance. Beginning  
22 July 1, 2021, this subdivision is subject to section 8c. It is the  
23 intent of the legislature that the immediately preceding sentence  
24 apply retroactively and is effective July 1, 2021. For the purposes  
25 of this subdivision, for a pupil enrolled in a cyber school, all of  
26 the following apply with regard to the participation requirement as  
27 described in this subdivision:

28 (i) Except as otherwise provided in this subdivision, the pupil  
29 shall participate in each scheduled course on pupil membership



1 count day or supplemental count day, as applicable. If the pupil is  
2 absent on pupil membership count day or supplemental count day, as  
3 applicable, the pupil must attend and participate in class during  
4 the next 10 consecutive school days if the absence was unexcused,  
5 or during the next 30 calendar days if the absence was excused.

6 (ii) For a pupil who is not learning sequentially, 1 or more of  
7 the following must be met on pupil membership count day or  
8 supplemental count day, as applicable, for each scheduled course to  
9 satisfy the participation requirement under this subdivision:

10 (A) The pupil attended a live lesson from the teacher.

11 (B) The pupil logged into a lesson or lesson activity and the  
12 login can be documented.

13 (C) The pupil and teacher engaged in a subject-oriented  
14 telephone conversation.

15 (D) There is documentation of an email dialogue between the  
16 pupil and teacher.

17 (E) There is documentation of activity or work between the  
18 learning coach and pupil.

19 (F) An alternate form of attendance as determined and agreed  
20 upon by the cyber school and the pupil membership auditor was met.

21 (iii) For a pupil using sequential learning, the participation  
22 requirement under this subdivision is satisfied if either of the  
23 following occurs:

24 (A) Except as otherwise provided in this sub-subparagraph, the  
25 pupil and the teacher of record or mentor complete a 2-way  
26 interaction for 1 course during the week on which pupil membership  
27 count day or supplemental count day, as applicable, occurs, and the  
28 3 consecutive weeks following that week. However, if a school break  
29 is scheduled during any of the weeks described in this sub-

1 subparagraph that is 4 or more days in length or instruction has  
2 been canceled districtwide during any of the weeks described in  
3 this sub-subparagraph for 3 or more school days, the district is  
4 not required to ensure that the pupil and the teacher of record or  
5 mentor completed a 2-way interaction for that week. As used in this  
6 sub-subparagraph:

7 (I) "2-way interaction" means the communication that occurs  
8 between the teacher of record or mentor and pupil, where 1 party  
9 initiates communication and a response from the other party follows  
10 that communication. Responses as described in this sub-sub-  
11 subparagraph must be to the communication initiated by the teacher  
12 of record or mentor, and not some other action taken. This  
13 interaction may occur through, but is not limited to, means such as  
14 email, telephone, instant messaging, or face-to-face conversation.  
15 A parent- or legal-guardian-facilitated 2-way interaction is  
16 considered a 2-way interaction if the pupil is in any of grades K  
17 to 5 and does not yet possess the skills necessary to participate  
18 in 2-way interactions unassisted. The interactions described in  
19 this sub-sub-subparagraph must relate to a virtual course on the  
20 pupil's schedule and pertain to course content or progress.

21 (II) "Mentor" means a professional employee of the district  
22 who monitors the pupil's progress, ensures the pupil has access to  
23 needed technology, is available for assistance, and ensures access  
24 to the teacher of record. A mentor may also be the teacher of  
25 record if the mentor meets the definition of a teacher of record  
26 under this sub-subparagraph and the district is the provider for  
27 the course.

28 (III) "Teacher of record" means a teacher to whom all of the  
29 following apply:

1 (1) He or she is responsible for providing instruction,  
2 determining instructional methods for each pupil, diagnosing  
3 learning needs, assessing pupil learning, prescribing intervention  
4 strategies and modifying lessons, reporting outcomes, and  
5 evaluating the effects of instruction and support strategies. The  
6 teacher of record may coordinate the distribution and assignment of  
7 the responsibilities described in this sub-sub-sub-subparagraph  
8 with other teachers participating in the instructional process for  
9 a course.

10 (2) He or she is certified for the grade level or is working  
11 under a valid substitute permit, authorization, or approval issued  
12 by the department.

13 (3) He or she has a personnel identification code provided by  
14 the center.

15 (IV) "Week" means a period that starts on Wednesday and ends  
16 the following Tuesday.

17 (B) The pupil completes a combination of 1 or more of the  
18 following activities for each scheduled course on pupil membership  
19 count day or supplemental count day, as applicable:

20 (I) Documented attendance in a virtual course where  
21 synchronous, live instruction occurred with the teacher.

22 (II) Documented completion of a course assignment.

23 (III) Documented completion of a course lesson or lesson  
24 activity.

25 (IV) Documented pupil access to an ongoing lesson, which does  
26 not include a login.

27 (V) Documented physical attendance on pupil membership count  
28 day or supplemental count day, as applicable, in each scheduled  
29 course, if the pupil will attend at least 50% of the instructional

1 time for each scheduled course on-site, face-to-face with the  
2 teacher of record. As used in this sub-sub-subparagraph, "teacher  
3 of record" means that term as defined in subparagraph (iii) (A).

4 (iv) For purposes of subparagraph (iii), each scheduled course  
5 currently being attempted by the pupil, rather than every course on  
6 the pupil's schedule for the entire term, is considered a part of  
7 each scheduled course for the pupil.

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

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

23 (ii) If operations begin after the pupil membership count day  
24 for the fiscal year and not later than the supplemental count day  
25 for the fiscal year, membership is the final audited count of the  
26 number of full-time equated pupils in grades K to 12 actually  
27 enrolled and in regular daily attendance on the supplemental count  
28 day for the current school year.

29 (j) If a district is the authorizing body for a public school

1 academy, then, in the first school year in which pupils are counted  
 2 in membership on the pupil membership count day in the public  
 3 school academy, the determination of the district's membership  
 4 excludes from the district's pupil count for the immediately  
 5 preceding supplemental count day any pupils who are counted in the  
 6 public school academy on that first pupil membership count day who  
 7 were also counted in the district on the immediately preceding  
 8 supplemental count day.

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

13 (l) To be counted in membership, a pupil must meet the minimum  
 14 age requirement to be eligible to attend school under section 1147  
 15 of the revised school code, MCL 380.1147, and must be less than 20  
 16 years of age on September 1 of the school year except as follows:

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

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

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

28 (B) Had dropped out of school.

29 (C) Is less than 22 years of age as of September 1 of the

1 current school year.

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

9 (iv) **A child who is enrolled in a district pre-K program under  
10 section 32e that meets the requirements of section 32e may be  
11 counted in membership as provided under subdivision (mm).**

12 (m) An individual who has achieved a high school diploma is  
13 not counted in membership. An individual who has achieved a high  
14 school equivalency certificate is not counted in membership unless  
15 the individual is a student with a disability as that term is  
16 defined in R 340.1702 of the Michigan Administrative Code. An  
17 individual participating in a job training program funded under  
18 former section 107a or a jobs program funded under former section  
19 107b, administered by the department of labor and economic  
20 opportunity, or participating in any successor of either of those 2  
21 programs, is not counted in membership.

22 (n) If a pupil counted in membership in a public school  
23 academy is also educated by a district or intermediate district as  
24 part of a cooperative education program, the pupil is counted in  
25 membership only in the public school academy unless a written  
26 agreement signed by all parties designates the party or parties in  
27 which the pupil is counted in membership, and the instructional  
28 time scheduled for the pupil in the district or intermediate  
29 district is included in the full-time equated membership

1 determination under subdivision (q) and section 101. However, for  
2 pupils receiving instruction in both a public school academy and in  
3 a district or intermediate district but not as a part of a  
4 cooperative education program, the following apply:

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

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

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

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

3 (q) The number of class hours used to calculate full-time  
4 equated memberships must be consistent with section 101. In  
5 determining full-time equated memberships for pupils who are  
6 enrolled in a postsecondary institution or for pupils engaged in an  
7 internship or work experience under section 1279h of the revised  
8 school code, MCL 380.1279h, a pupil is not considered to be less  
9 than a full-time equated pupil solely because of the effect of his  
10 or her postsecondary enrollment or engagement in the internship or  
11 work experience, including necessary travel time, on the number of  
12 class hours provided by the district to the pupil.

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

28 (s) For a district or a public school academy that has pupils  
29 enrolled in a grade level that was not offered by the district or



1 public school academy in the immediately preceding school year, the  
2 number of pupils enrolled in that grade level to be counted in  
3 membership is the average of the number of those pupils enrolled  
4 and in regular daily attendance on the pupil membership count day  
5 and the supplemental count day of the current school year.  
6 Membership is calculated by adding the number of pupils registered  
7 for attendance in that grade level on the pupil membership count  
8 day plus pupils received by transfer and minus pupils lost as  
9 defined by rules promulgated by the superintendent, and as  
10 corrected by subsequent department audit, plus the final audited  
11 count from the supplemental count day for the current school year,  
12 and dividing that sum by 2.

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

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

1 providing appropriate instruction if all of the following are met:

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

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

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

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

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

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

1           (x) If a district's membership for a particular fiscal year,  
2 as otherwise calculated under this subsection, would be less than  
3 1,550 pupils, the district has 4.5 or fewer pupils per square mile,  
4 as determined by the department, and the district does not receive  
5 funding under section 22d(2), the district's membership is  
6 considered to be the membership figure calculated under this  
7 subdivision. If a district educates and counts in its membership  
8 pupils in grades 9 to 12 who reside in a contiguous district that  
9 does not operate grades 9 to 12 and if 1 or both of the affected  
10 districts request the department to use the determination allowed  
11 under this sentence, the department shall include the square  
12 mileage of both districts in determining the number of pupils per  
13 square mile for each of the districts for the purposes of this  
14 subdivision. If a district has established a community engagement  
15 advisory committee in partnership with the department of treasury,  
16 is required to submit a deficit elimination plan or an enhanced  
17 deficit elimination plan under section 1220 of the revised school  
18 code, MCL 380.1220, and is located in a city with a population  
19 between 9,000 and 11,000, as determined by the department, that is  
20 in a county with a population between 150,000 and 160,000, as  
21 determined by the department, the district's membership is  
22 considered to be the membership figure calculated under this  
23 subdivision. The membership figure calculated under this  
24 subdivision is the greater of the following:

25           (i) The average of the district's membership for the 3-fiscal-  
26 year period ending with that fiscal year, calculated by adding the  
27 district's actual membership for each of those 3 fiscal years, as  
28 otherwise calculated under this subsection, and dividing the sum of  
29 those 3 membership figures by 3.

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

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

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

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

28           (bb) A district or public school academy that educates a pupil  
29 who attends a United States Olympic Education Center may count the

1 pupil in membership regardless of whether or not the pupil is a  
2 resident of this state.

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

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

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

26 (ii) The pupil meets the district's definition under section  
27 23a of satisfactory monthly progress for that month or, if the  
28 pupil does not meet that definition of satisfactory monthly  
29 progress for that month, the pupil did meet that definition of

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

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

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

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

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

28 (ii) A part-time pupil enrolled in a nonpublic school in  
29 grades K to 12 in accordance with section 166b must not be counted

1 as more than 0.75 of a full-time equated membership.

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

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

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

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

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

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

4           (kk) A pupil enrolled in a middle college program may be  
5 counted for more than a total of 1.0 full-time equated membership  
6 **for any of the school years in which the pupil is enrolled in the**  
7 **middle college program, but the total full-time equated membership**  
8 **for that pupil for all of the school years in which the pupil is**  
9 **enrolled in the middle college program must not be greater than**  
10 **5.00 full-time equated membership** if the pupil is enrolled in more  
11 than the minimum number of instructional days and hours required  
12 under section 101 and the pupil is expected to complete the 5-year  
13 program with both a high school diploma and at least 60  
14 transferable college credits or is expected to earn an associate's  
15 degree in fewer than 5 years. **A pupil who graduates with both a**  
16 **high school diploma and at least 60 transferable college credits or**  
17 **an associate degree at least 1 semester early is considered to have**  
18 **completed the middle college program in fewer than 5 years.**

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

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



1 must not exceed 10%.

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

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

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

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

19 **(mm) For a pupil enrolled in a district pre-K program under**  
20 **section 32e that meets the requirements of section 32e, the pupil**  
21 **is counted as 1.2 full-time equated membership. A pupil counted**  
22 **under this subdivision shall not be counted as more than 1.2 full-**  
23 **time equated membership under any other provision of this act.**

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

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

1 following:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

27 (j) An expelled pupil who has been denied reinstatement by the  
28 expelling district and is reinstated by another school board under  
29 section 1311 or 1311a of the revised school code, MCL 380.1311 and

1 380.1311a.

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

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

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

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

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

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

25 (a) Except as provided in subdivision (b) **or (c), ~~the either~~**  
26 **of the following:**

27 (i) **The** first Wednesday in October each school year. ~~or, for~~

28 (ii) **For** a district or building in which school is not in  
29 session on ~~that~~ **the** Wednesday **described in subparagraph (i)** due to

1 conditions not within the control of school authorities, with the  
 2 approval of the superintendent, the immediately following day on  
 3 which school is in session in the district or building.

4 (b) ~~For~~ **Except as otherwise provided in subdivision (c), for a**  
 5 district or intermediate district maintaining school during the  
 6 entire school year, the following days:

7 (i) Fourth Wednesday in July.

8 (ii) First Wednesday in October.

9 (iii) Second Wednesday in February.

10 (iv) Fourth Wednesday in April.

11 (c) **If a date listed in subdivision (a) or (b) is on a day of**  
 12 **religious or cultural significance, as determined by the**  
 13 **department, the immediately following day on which school is in**  
 14 **session in the district or building.**

15 (8) "Pupils in grades K to 12 actually enrolled and in regular  
 16 daily attendance" means, except as otherwise provided in this  
 17 section, pupils in grades K to 12 **and pupils enrolled in a district**  
 18 **pre-K program under section 32e that meets the requirements of**  
 19 **section 32e** in attendance and receiving instruction in all classes  
 20 for which they are enrolled on the pupil membership count day or  
 21 the supplemental count day, as applicable. Except as otherwise  
 22 provided in this section and subsection, a pupil who is absent from  
 23 any of the classes in which the pupil is enrolled on the pupil  
 24 membership count day or supplemental count day and who does not  
 25 attend each of those classes during the 10 consecutive school days  
 26 immediately following the pupil membership count day or  
 27 supplemental count day, except for a pupil who has been excused by  
 28 the district, is not counted as 1.0, **or, for a pupil who is**  
 29 **enrolled in a district pre-K program under section 32e, 1.2 full-**

1 time equated membership. Except as otherwise provided in this  
 2 section, a pupil who is excused from attendance on the pupil  
 3 membership count day or supplemental count day and who fails to  
 4 attend each of the classes in which the pupil is enrolled within 30  
 5 calendar days after the pupil membership count day or supplemental  
 6 count day is not counted as 1.0, **or, for a pupil who is enrolled in**  
 7 **a district pre-K program under section 32e, 1.2** full-time equated  
 8 membership. Except as otherwise provided in this section, in  
 9 addition, a pupil who was enrolled and in attendance in a district,  
 10 intermediate district, or public school academy before the pupil  
 11 membership count day or supplemental count day of a particular year  
 12 but was expelled or suspended on the pupil membership count day or  
 13 supplemental count day is only counted as 1.0, **or, for a pupil who**  
 14 **is enrolled in a district pre-K program under section 32e, 1.2**  
 15 full-time equated membership if the pupil resumed attendance in the  
 16 district, intermediate district, or public school academy within 45  
 17 days after the pupil membership count day or supplemental count day  
 18 of that particular year. Except as otherwise provided in this  
 19 section, a pupil not counted as 1.0, **or, for a pupil who is**  
 20 **enrolled in a district pre-K program under section 32e, 1.2** full-  
 21 time equated membership due to an absence from a class is counted  
 22 as a prorated membership for the classes the pupil attended. For  
 23 purposes of this subsection:

24 (a) **"Appropriately placed" means holding a valid Michigan**  
 25 **educator credential with the required grade range and discipline or**  
 26 **subject area for the assignment, as defined by the superintendent**  
 27 **of public instruction.**

28 (b) ~~,"class"~~ **"Class"** means either of the following, as  
 29 applicable:

1           (i) ~~(a)~~—A period of time in 1 day when pupils and an individual  
 2 who is appropriately placed under a valid certificate, substitute  
 3 permit, authorization, or approval issued by the department, are  
 4 together and instruction is taking place. This subdivision does not  
 5 apply for the 2020-2021, 2021-2022, and 2022-2023 school years.

6           (ii) ~~(b)~~—For the 2020-2021, 2021-2022, and 2022-2023 school  
 7 years only, a period of time in 1 day when pupils and a  
 8 certificated teacher, a teacher engaged to teach under section  
 9 1233b of the revised school code, MCL 380.1233b, or an individual  
 10 working under a valid substitute permit, authorization, or approval  
 11 issued by the department are together and instruction is taking  
 12 place.

13           (9) "Rule" means a rule promulgated pursuant to the  
 14 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to  
 15 24.328.

16           (10) "The revised school code" means the revised school code,  
 17 1976 PA 451, MCL 380.1 to 380.1852.

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

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

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

25           (14) "Superintendent", unless the context clearly refers to a  
 26 district or intermediate district superintendent, means the  
 27 superintendent of public instruction described in section 3 of  
 28 article VIII of the state constitution of 1963.

29           (15) "Supplemental count day" means the day on which the

1 supplemental pupil count is conducted under section 6a.

2 (16) "Tuition pupil" means a pupil of school age attending  
3 school in a district other than the pupil's district of residence  
4 for whom tuition may be charged to the district of residence.  
5 Tuition pupil does not include a pupil who is a special education  
6 pupil, a pupil described in subsection (6)(d) to (n), or a pupil  
7 whose parent or guardian voluntarily enrolls the pupil in a  
8 district that is not the pupil's district of residence. A pupil's  
9 district of residence shall not require a high school tuition  
10 pupil, as provided under section 111, to attend another school  
11 district after the pupil has been assigned to a school district.

12 (17) "State school aid fund" means the state school aid fund  
13 established in section 11 of article IX of the state constitution  
14 of 1963.

15 (18) "Taxable value" means, except as otherwise provided in  
16 this article, the taxable value of property as determined under  
17 section 27a of the general property tax act, 1893 PA 206, MCL  
18 211.27a.

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

26 (20) "Total state aid" or "total state school aid", except as  
27 otherwise provided in this article, means the total combined amount  
28 of all funds due to a district, intermediate district, or other  
29 entity under this article.



1           Sec. 6a. Except as otherwise provided in this act, in addition  
 2 to the pupil membership count day, there is a supplemental pupil  
 3 count of the number of full-time equated pupils in grades ~~K-12-K~~ to  
 4 **12** actually enrolled and in regular daily attendance in a district  
 5 or intermediate district on the second Wednesday in February or,  
 6 for a district **or intermediate district** that is not in session on  
 7 that day due to conditions not within the control of school  
 8 authorities, with the approval of the superintendent, the  
 9 immediately following day on which the district is in session.  
 10 **However, if a date described in the immediately preceding sentence**  
 11 **is on a day of religious or cultural significance, as determined by**  
 12 **the department, the immediately following day on which school is in**  
 13 **session is the day on which the supplemental pupil count described**  
 14 **in this section must occur.** For the purposes of this act, the day  
 15 on which the supplemental pupil count is conducted is the  
 16 supplemental count day.

17           Sec. 11. (1) For the fiscal year ending September 30, ~~2022,~~  
 18 **2023**, there is appropriated for the public schools of this state  
 19 and certain other state purposes relating to education the sum of  
 20 ~~\$14,511,014,700.00~~ **\$17,286,965,900.00** from the state school aid  
 21 fund, the sum of ~~\$98,119,400.00~~ **\$124,200,000.00** from the general  
 22 fund, an amount not to exceed \$72,000,000.00 from the community  
 23 district education trust fund created under section 12 of the  
 24 Michigan trust fund act, 2000 PA 489, MCL 12.262, and an amount not  
 25 to exceed ~~\$100.00 from the water emergency reserve fund.~~  
 26 **\$140,400,000.00 from the MPERS retirement obligation reform**  
 27 **reserve fund created under section 147b.** For the fiscal year ending  
 28 September 30, ~~2023,~~ **2024**, there is appropriated for the public  
 29 schools of this state and certain other state purposes relating to

1 education the sum of ~~\$16,754,072,900.00~~ **\$18,148,337,200.00** from the  
 2 state school aid fund, the sum of ~~\$124,200,000.00~~ **\$89,900,300.00**  
 3 from the general fund, an amount not to exceed \$72,000,000.00 from  
 4 the community district education trust fund created under section  
 5 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, ~~and an~~  
 6 amount not to exceed ~~\$140,400,000.00~~ **\$202,000,000.00** from the  
 7 MPERS retirement obligation reform reserve fund created under  
 8 section 147b, **and an amount not to exceed \$100,000,000.00 from the**  
 9 **school consolidation and infrastructure fund created under section**  
 10 **11x**. In addition, all available federal funds are only appropriated  
 11 as allocated in this article for the fiscal years ending September  
 12 30, ~~2022-2023~~ and September 30, ~~2023-2024~~.

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

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

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

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

27 (a) Unexpended and unencumbered state school aid fund revenue  
 28 for a fiscal year that remains in the state school aid fund as of  
 29 the bookclosing for that fiscal year.

1 (b) Money statutorily dedicated to the school aid  
2 stabilization fund.

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

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

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

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

17 (6) If the maximum amount appropriated under section 11 from  
18 the state school aid fund for a fiscal year exceeds the amount  
19 available for expenditure from the state school aid fund for that  
20 fiscal year, there is appropriated from the school aid  
21 stabilization fund to the state school aid fund an amount equal to  
22 the projected shortfall as determined by the department of  
23 treasury, but not to exceed available money in the school aid  
24 stabilization fund. If the money in the school aid stabilization  
25 fund is insufficient to fully fund an amount equal to the projected  
26 shortfall, the state budget director shall notify the legislature  
27 as required under section 296(2) and state payments in an amount  
28 equal to the remainder of the projected shortfall must be prorated  
29 in the manner provided under section 296(3).

1           (7) For ~~2022-2023~~, **2023-2024**, in addition to the  
 2 appropriations in section 11, there is appropriated from the school  
 3 aid stabilization fund to the state school aid fund the amount  
 4 necessary to fully fund the allocations under this article.

5           Sec. 11j. From the state school aid fund money appropriated in  
 6 section 11, there is allocated an amount not to exceed  
 7 \$111,000,000.00 for ~~2022-2023~~**2023-2024** for payments to the school  
 8 loan bond redemption fund in the department of treasury on behalf  
 9 of districts and intermediate districts. Notwithstanding section  
 10 296 or any other provision of this act, funds allocated under this  
 11 section are not subject to proration and must be paid in full.

12           Sec. 11k. For ~~2022-2023~~, **2023-2024**, there is appropriated from  
 13 the general fund to the school loan revolving fund an amount equal  
 14 to the amount of school bond loans assigned to the Michigan finance  
 15 authority, not to exceed the total amount of school bond loans held  
 16 in reserve as long-term assets. As used in this section, "school  
 17 loan revolving fund" means that fund created in section 16c of the  
 18 shared credit rating act, 1985 PA 227, MCL 141.1066c.

19           Sec. 11m. From the state school aid fund money appropriated in  
 20 section 11, there is allocated for ~~2021-2022~~**2022-2023** an amount  
 21 not to exceed \$1,000,000.00 and there is allocated for ~~2022-2023~~  
 22 **2023-2024** an amount not to exceed ~~\$7,800,000.00~~**\$1,000,000.00** for  
 23 fiscal year cash-flow borrowing costs solely related to the state  
 24 school aid fund established under section 11 of article IX of the  
 25 state constitution of 1963.

26           Sec. 11s. (1) From the state school aid fund money  
 27 appropriated in section 11, there is allocated \$5,000,000.00 for  
 28 ~~2022-2023~~**2023-2024** and from the general fund money appropriated in  
 29 section 11, there is allocated \$3,075,000.00 for ~~2022-2023~~**2023-**

1 **2024** for the purpose of providing services and programs to children  
2 who reside within the boundaries of a district with the majority of  
3 its territory located within the boundaries of a city for which an  
4 executive proclamation of emergency concerning drinking water is  
5 issued in the current or immediately preceding ~~7-8~~ fiscal years  
6 under the emergency management act, 1976 PA 390, MCL 30.401 to  
7 30.421, and that has at least 4,500 pupils in membership for the  
8 2016-2017 fiscal year or has at least ~~2,900~~**2,800** pupils in  
9 membership for a fiscal year after 2016-2017.

10 (2) From the general fund money allocated in subsection (1),  
11 there is allocated to a district with the majority of its territory  
12 located within the boundaries of a city for which an executive  
13 proclamation of emergency concerning drinking water is issued in  
14 the current or immediately preceding ~~7-8~~ fiscal years under the  
15 emergency management act, 1976 PA 390, MCL 30.401 to 30.421, and  
16 that has at least 4,500 pupils in membership for the 2016-2017  
17 fiscal year or has at least ~~2,900~~**2,800** pupils in membership for a  
18 fiscal year after 2016-2017, an amount not to exceed \$2,425,000.00  
19 for ~~2022-2023~~**2023-2024** for the purpose of employing school nurses,  
20 classroom aides, and school social workers **and for the provision of**  
21 **behavioral or mental health supports, parental engagement**  
22 **activities, community coordination activities, and other support**  
23 **services.** The district shall provide a report to the department in  
24 a form, manner, and frequency prescribed by the department. The  
25 department shall provide a copy of that report to the governor, the  
26 house and senate school aid subcommittees, the house and senate  
27 fiscal agencies, and the state budget director within 5 days after  
28 receipt. The report must provide at least the following  
29 information:

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

3 (b) A description of the services provided to pupils by those  
4 personnel.

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

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

10 ~~(3) For 2022-2023, from the state school aid fund money~~  
11 ~~allocated in subsection (1), there is allocated an amount not to~~  
12 ~~exceed \$2,000,000.00 to an intermediate district that has a~~  
13 ~~constituent district described in subsection (2) to provide state~~  
14 ~~early intervention services for children described in subsection~~  
15 ~~(1) who are between age 3 and age 5. The intermediate district~~  
16 ~~shall use these funds to provide state early intervention services~~  
17 ~~that are similar to the services described in the early on Michigan~~  
18 ~~state plan.~~

19 ~~(4) From the state school aid fund money allocated in~~  
20 ~~subsection (1), there is allocated an amount not to exceed~~  
21 ~~\$1,000,000.00 for 2022-2023 to the intermediate district described~~  
22 ~~in subsection (3) to enroll children described in subsection (1) in~~  
23 ~~school-day great start readiness programs, regardless of household~~  
24 ~~income eligibility requirements contained in section 32d. The~~  
25 ~~department shall administer this funding consistent with all other~~  
26 ~~provisions that apply to great start readiness programs under~~  
27 ~~sections 32d and 39.~~

28 **(3)** ~~(5)~~ ~~For 2022-2023,~~ **2023-2024**, from the general fund money  
29 allocated in subsection (1), there is allocated an amount not to

1 exceed \$650,000.00 for nutritional services to children described  
2 in subsection (1).

3       **(4)** ~~(6)~~ For ~~2022-2023, 2023-2024~~, from the state school aid  
4 fund money allocated in subsection (1), there is allocated an  
5 amount not to exceed ~~\$2,000,000.00~~ **\$5,000,000.00** to ~~the~~ **an**  
6 intermediate district ~~described in subsection (3)~~ **that has a**  
7 **constituent district described in subsection (2)** for interventions  
8 and supports for students in K to 12 who were impacted by an  
9 executive proclamation of emergency described in subsection (1)  
10 concerning drinking water. Funds under this subsection must be used  
11 for behavioral supports, social workers, counselors, psychologists,  
12 nursing services, including, but not limited to, vision and hearing  
13 services, transportation services, parental engagement, community  
14 coordination, and other support services.

15       **(5)** ~~(7)~~ In addition to the allocation under subsection (1),  
16 from the general fund money appropriated under section 11, there is  
17 allocated an amount not to exceed \$1,000,000.00 for ~~2022-2023-2023-~~  
18 **2024** only for an early childhood collaborative that serves students  
19 located in a county with a population of not less than ~~400,000~~  
20 **390,000** or more than ~~500,000.~~ **450,000**. The funds allocated under  
21 this subsection must be used to continue the expansion of early  
22 childhood services in response to an executive proclamation of  
23 emergency described in this section concerning drinking water.

24       ~~(8) In addition to other funding allocated and appropriated in~~  
25 ~~this section, there is appropriated an amount not to exceed~~  
26 ~~\$5,000,000.00 for 2022-2023 for state restricted contingency funds.~~  
27 ~~These contingency funds are not available for expenditure until~~  
28 ~~they have been transferred to a section within this article under~~  
29 ~~section 393(2) of the management and budget act, 1984 PA 431, MCL~~

1 ~~18.1393.~~

2       (6) ~~(9)~~ Notwithstanding section 17b, the department shall make  
3 payments under this section on a schedule determined by the  
4 department.

5       Sec. 11v. (1) From the state school aid fund money  
6 appropriated in section 11, there is allocated for 2022-2023 only  
7 \$94,400,000.00 to a community district that was created as  
8 described under section 383 of the revised school code, MCL  
9 380.383. Funds allocated under this section are direct grant funds  
10 to a community district and are not subject to approval by the  
11 state board of education or the superintendent of public  
12 instruction. A community district shall use funds allocated under  
13 this section only for literacy-related programs and initiatives.

14       (2) A community district described in subsection (1) must  
15 apply for funding under this section in a form and manner  
16 prescribed by the department. In its application, the community  
17 district shall document how it will use community input to guide  
18 the expenditure of the funds it will receive under this section,  
19 and it shall pledge to host at least 1 community conversation about  
20 literacy-related programs and initiatives.

21       (3) A community district shall report how the funds were spent  
22 in compliance with the *Gary B. v Whitmer* settlement to the  
23 department by September 30, 2024. The department shall ensure the  
24 report is available on a publicly accessible website.

25       (4) Notwithstanding section 17b, the department shall make  
26 payments under this section by not later than September 30, 2023.

27       Sec. 11x. (1) The school consolidation and infrastructure fund  
28 is created as a separate account within the state school aid fund  
29 for the purpose of improving student academic outcomes, increasing



1 the efficiency of the state's public education system, and creating  
2 a healthy and safe space for students in this state.

3 (2) The state treasurer may receive money or other assets from  
4 any source for deposit into the school consolidation and  
5 infrastructure fund. The state treasurer shall direct the  
6 investment of the school consolidation and infrastructure fund. The  
7 state treasurer shall credit to the school consolidation and  
8 infrastructure fund interest and earnings from school consolidation  
9 and infrastructure fund investments.

10 (3) Money in the school consolidation and infrastructure fund  
11 at the close of the fiscal year remains in the school consolidation  
12 and infrastructure fund and does not lapse to the state school aid  
13 fund or the general fund.

14 (4) The department of treasury is the administrator of the  
15 school consolidation and infrastructure fund for auditing purposes.

16 (5) Money available in the school consolidation and  
17 infrastructure fund must not be expended without a specific  
18 appropriation. ~~No more than 50% of funds in the school~~  
19 ~~consolidation and infrastructure fund may be appropriated for non-~~  
20 ~~consolidation-related infrastructure projects.~~

21 (6) From the state school aid fund money appropriated under  
22 section 11, there is allocated for 2022-2023 only an amount not to  
23 exceed \$5,000,000.00 for grants to districts and intermediate  
24 districts to support the cost of a feasibility study or analysis of  
25 consolidation **of services among 1 or more buildings within a**  
26 **district, among** 1 or more districts, or among 1 or more  
27 intermediate districts. Districts and intermediate districts may  
28 apply for a grant under this section to the department on a first-  
29 come, first-serve basis. The maximum amount of a grant to be

1 distributed under this section may not exceed \$250,000.00.  
 2 Notwithstanding section 17b, the department shall make payments  
 3 under this subsection on a schedule determined by the department.

4 ~~(7) For the fiscal year ending September 30, 2022 only,~~  
 5 ~~\$475,000,000.00 from the state school aid fund must be deposited~~  
 6 ~~into the school consolidation and infrastructure fund.~~

7 (7) To be eligible for a grant under subsection (6), a  
 8 district or intermediate district must demonstrate to the  
 9 department, in the manner prescribed by the department, that it  
 10 will conduct a feasibility study or analysis and that all of the  
 11 following will be met:

12 (a) Within 30 days after completion of the study or analysis,  
 13 the district or intermediate district will make the results of the  
 14 study or analysis available to all districts and intermediate  
 15 districts included in the study or analysis. Within 60 days after  
 16 the completion of the study or analysis, the district or  
 17 intermediate district will make the results available on a publicly  
 18 available website.

19 (b) The study or analysis may include, but is not limited to,  
 20 consolidation opportunities in the following areas:

21 (i) Financial services, which may include, but is not limited  
 22 to, the following:

23 (A) Budgeting and staffing.

24 (B) Payroll.

25 (C) Employee benefits.

26 (D) State reporting.

27 (E) Software consolidation to achieve common software  
 28 throughout the intermediate district.

29 (ii) Human resources, which may include, but is not limited to,

1 the following:

2 (A) Onboarding.

3 (B) Title IX administration.

4 (C) Hiring.

5 (D) Software consolidation to achieve common software  
6 throughout the intermediate district.

7 (iii) Information technology, which may include, but is not  
8 limited to, the following:

9 (A) Software consolidation to achieve common software  
10 throughout the intermediate district.

11 (B) Fiber projects.

12 (C) Cybersecurity.

13 (D) One-to-one device management.

14 (iv) Grant management and reporting, which may include, but is  
15 not limited to, the following:

16 (A) Management of all state grant sites and databases.

17 (B) Grant reporting.

18 (v) Cash management, which may include, but is not limited to,  
19 the opportunities for intermediate districts and districts to  
20 contract on cash flow management to maximize interest earnings.

21 (vi) Debt issuance and management, including at least all of  
22 the following:

23 (A) Refunding opportunities.

24 (B) New bond issue analysis.

25 (vii) School facility consolidation.

26 (viii) Consolidation of transportation-related activities.

27 (8) An intermediate district that receives a grant under this  
28 section shall meet with its constituent districts located within  
29 the intermediate district to discuss the results of the study or

1 analysis and to implement changes where feasible. The application  
2 for an intermediate district must include a brief description of  
3 how the intermediate district will conduct these meetings.

4 (9) ~~(8)~~—To be eligible for the receipt of ~~funds~~ **funding for**  
5 **infrastructure-related projects** appropriated from the school  
6 consolidation and infrastructure fund created under this section, a  
7 district must allow for the facility condition assessments  
8 described in section 11y to be conducted in the district. **It is the**  
9 **intent of the legislature that money in the school consolidation**  
10 **and infrastructure fund will not be appropriated for infrastructure**  
11 **projects until the completion of the facility condition assessments**  
12 **described in section 11y.**

13 Sec. 11z. (1) From the state school aid fund money  
14 appropriated under section 11, there is allocated for 2022-2023  
15 only an amount not to exceed \$52,500,000.00 for the purposes of  
16 this section.

17 (2) From the funds allocated under subsection (1), there is  
18 allocated the amount necessary, estimated at \$16,200,000.00, to a  
19 qualifying intermediate district for paying the outstanding school  
20 bond loan fund balances of a dissolved school district. For  
21 purposes of this subsection, an intermediate district is a  
22 qualifying intermediate district if it is required to perform the  
23 functions and satisfy the responsibilities of a dissolved school  
24 district under section 12(3) of the revised school code, MCL  
25 380.12. The department of treasury shall determine which qualifying  
26 intermediate district is eligible for payments under this  
27 subsection based on the ability of the dissolved school district to  
28 repay the balance of outstanding school bond loan fund loans.

29 (3) From the funds allocated under subsection (1), there is

1 allocated the amount necessary, estimated at \$29,000,000.00, to pay  
2 the outstanding emergency loan balances of 2 districts. The  
3 department of treasury shall determine which districts are eligible  
4 for payments under this subsection based on whether the emergency  
5 loan balances are currently being paid from the district operating  
6 budgets.

7 (4) From the funds allocated under subsection (1), there is  
8 allocated the amount necessary, estimated at \$7,300,000.00, to pay  
9 the outstanding debt of a district that has been restructured or  
10 consolidated. The department of treasury shall determine which  
11 district is eligible for payments under this subsection based on  
12 whether the loan is held by the Michigan Finance Authority and if  
13 the loan is being paid from district operating revenue.

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

17 (6) As used in this section, "dissolved school district" means  
18 a school district that has been declared dissolved under section 12  
19 of the revised school code, MCL 380.12.

20 Sec. 12a. (1) From the state school aid fund money  
21 appropriated in section 11, there is allocated for 2022-2023 only  
22 an amount not to exceed \$150,000,000.00 for competitive grants to  
23 participating schools to lower energy costs and improve health  
24 outcomes at school facilities through the healthy schools grant  
25 program created under this section. The department shall create a  
26 healthy schools grant program to disburse grant funding for the  
27 purposes under this section.

28 (2) Except as otherwise provided in this subsection, to  
29 receive a grant under this section, a participating school must

1 apply for the grant in a form and manner prescribed by the  
2 department, in collaboration with the department of environment,  
3 Great Lakes, and energy and the department of health and human  
4 services. An application described in this subsection must be  
5 evaluated using the following scoring criteria:

6 (a) Utilizing Justice40 parameters.

7 (b) Prioritizing applicants from the National Ambient Air  
8 Quality Standards nonattainment zones; high asthma burden areas;  
9 environmental justice areas; small area income and poverty  
10 estimates (SAIPE) program areas; rural areas, defined by locale  
11 codes "43-Rural: Remote" and "42-Rural: Distant" by the National  
12 Center for Education Statistics; and communities with high free and  
13 reduced lunch participation rates.

14 (c) Prioritizing applicants utilizing union labor and Michigan  
15 companies for evaluation and installation of improvements.

16 (d) Prioritizing initial distribution of funds to  
17 participating schools that participated in the racial disparities  
18 task force initiative evaluating and analyzing opportunities to  
19 improve air quality in K to 12 facilities in environmental justice  
20 communities.

21 (3) Grants awarded to participating schools under this section  
22 must be used only for 1 or more of the following purposes:

23 (a) Indoor air quality improvements, including HVAC and air-  
24 conditioning needs.

25 (b) Energy enhancements, including energy efficiencies, on-  
26 site renewable energy production, and facility electrification.

27 (c) Toxin remediation, including the removal of lead and,  
28 subject to section 168a, asbestos.

29 (d) Drinking water system upgrades, including the installation

1 of hydration stations. A participating school's matching funds  
2 requirement to access healthy hydration funding is an eligible use  
3 under this subsection.

4 (4) Each participating school receiving a grant under this  
5 section shall match at least 50% of the grant funding received with  
6 other sources toward the completion of projects commenced for  
7 purposes of this section.

8 (5) The funds allocated under this section for 2022-2023 are a  
9 work project appropriation, and any unexpended funds for 2022-2023  
10 are carried forward into 2023-2024. The purpose of the work project  
11 is to lower energy costs and improve health outcomes at school  
12 facilities. The estimated completion date of the work project is  
13 September 30, 2027.

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

17 (7) As used in this section, "participating school" means a  
18 district or intermediate district.

19 Sec. 12c. (1) From the school consolidation and infrastructure  
20 fund created under section 11x, there is allocated for 2023-2024  
21 only an amount not to exceed \$100,000,000.00 for grants to  
22 districts and intermediate districts to support the initial costs  
23 related to the consolidation of services identified in the  
24 feasibility study or analysis conducted under section 11x.

25 (2) To be eligible for funding under this section, a district  
26 or intermediate district must apply for the funding in a form and  
27 manner prescribed by the department. An intermediate district may  
28 apply for funding on behalf of a district if the intermediate  
29 district is providing the consolidated services. An application

1 described in this subsection must include all of the following:

2 (a) An assurance that the district or intermediate district  
3 was included in a feasibility study or analysis conducted under  
4 section 11x.

5 (b) An assurance that the consolidated service or services  
6 being funded were included as a recommendation in a feasibility  
7 study or analysis conducted under section 11x.

8 (c) A brief description of how the district or intermediate  
9 district plans to implement changes, as outlined in a feasibility  
10 study or analysis conducted under section 11x, where possible.

11 (d) An assurance that the district or intermediate district  
12 will submit to the department an annual report documenting the  
13 estimated savings produced as a result of the consolidation of  
14 services.

15 (e) A budget of the estimated first-year costs associated with  
16 the consolidation of services, in the form and manner prescribed by  
17 the department.

18 (3) If funding under this section is not sufficient to fully  
19 fund all applicants for funding, the department shall do either of  
20 the following:

21 (a) Ensure that awards under this section are determined based  
22 upon a competitive grant process.

23 (b) Distribute funds under this section on a prorated or other  
24 equitable basis as determined by the department.

25 (4) Each intermediate district that receives funding under  
26 this section and also receives funding under section 11x(6) for  
27 2022-2023 shall, in consultation with its constituent districts  
28 that receive funds under this section, submit a report to the  
29 department not later than June 30, 2025. The report must include



1 all of the following information regarding consolidated services  
2 supported by funding under this section, in the form and manner  
3 prescribed by the department:

4 (a) The amount previously spent on each consolidated service  
5 in the prior fiscal year.

6 (b) The number of students impacted by the consolidated  
7 service.

8 (c) The vendors, third-party entities, or other educational  
9 entities used to consolidate the service or services.

10 (d) The impact on student learning attributable to money  
11 reallocated as a result of the consolidated service or services.

12 (e) A total of cost savings produced as a result of the  
13 consolidation of services, in the form and manner prescribed by the  
14 department.

15 (5) As used in this section, "constituent district" means that  
16 term as defined in section 3 of the revised school code, MCL 380.3.

17 Sec. 15. (1) If a district or intermediate district fails to  
18 receive its proper apportionment, the department, upon satisfactory  
19 proof that the district or intermediate district was entitled  
20 justly, shall apportion the deficiency in the next apportionment.  
21 Subject to subsections (2) and (3), if a district or intermediate  
22 district has received more than its proper apportionment, the  
23 department, upon satisfactory proof, shall deduct the excess in the  
24 next apportionment. Notwithstanding any other provision in this  
25 article, state aid overpayments to a district, other than  
26 overpayments in payments for special education or special education  
27 transportation, may be recovered from any payment made under this  
28 article other than a special education or special education  
29 transportation payment, from the proceeds of a loan to the district

1 under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to  
2 141.942, or from the proceeds of millage levied or pledged under  
3 section 1211 of the revised school code, MCL 380.1211. State aid  
4 overpayments made in special education or special education  
5 transportation payments may be recovered from subsequent special  
6 education or special education transportation payments, from the  
7 proceeds of a loan to the district under the emergency municipal  
8 loan act, 1980 PA 243, MCL 141.931 to 141.942, or from the proceeds  
9 of millage levied or pledged under section 1211 of the revised  
10 school code, MCL 380.1211.

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

29 (3) If, based on an audit by the department or the

1 department's designee or because of new or updated information  
2 received by the department, the department determines that the  
3 amount paid to a district or intermediate district under this  
4 article for the current fiscal year or a prior fiscal year was  
5 incorrect, the department shall make the appropriate deduction or  
6 payment in the district's or intermediate district's allocation in  
7 the next apportionment after the adjustment is finalized. The  
8 department shall calculate the deduction or payment according to  
9 the law in effect in the fiscal year in which the incorrect amount  
10 was paid. If the district does not receive an allocation for the  
11 fiscal year or if the allocation is not sufficient to pay the  
12 amount of any deduction, the amount of any deduction otherwise  
13 applicable must be satisfied from the proceeds of a loan to the  
14 district under the emergency municipal loan act, 1980 PA 243, MCL  
15 141.931 to 141.942, or from the proceeds of millage levied or  
16 pledged under section 1211 of the revised school code, MCL  
17 380.1211, as determined by the department.

18 (4) If the department makes an adjustment under this section  
19 based in whole or in part on a membership audit finding that a  
20 district or intermediate district employed an educator in violation  
21 of certification requirements under the revised school code and  
22 rules promulgated by the department, the department shall prorate  
23 the adjustment according to the period of noncompliance with the  
24 certification requirements.

25 (5) The department may conduct audits, or may direct audits by  
26 designee of the department, for the current fiscal year and the  
27 immediately preceding fiscal year of all records related to a  
28 program for which a district or intermediate district has received  
29 funds under this article.

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

4           (7) In addition to funds appropriated in section 11 for all  
5 programs and services, there is appropriated for ~~2022-2023~~**2023-**  
6 **2024** for obligations in excess of applicable appropriations an  
7 amount equal to the collection of overpayments, but not to exceed  
8 amounts available from overpayments.

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

17           (2) Each district shall furnish to the center not later than 5  
18 weeks after the pupil membership count day and by the last business  
19 day in June of the school fiscal year ending in the fiscal year, in  
20 a manner prescribed by the center, the information necessary for  
21 the preparation of the district and high school graduation report,  
22 information regarding completion of early middle college  
23 credentials obtained and postsecondary credits obtained in any  
24 college acceleration program, and information necessary for the  
25 preparation of the state and federal accountability reports. This  
26 information ~~shall~~**must** meet requirements established in the pupil  
27 auditing manual approved and published by the department. The  
28 center shall calculate an annual graduation and pupil dropout rate  
29 for each high school, each district, and this state, in compliance

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

12 (3) By the first business day in December and by the last  
13 business day in June of each year, **and within 30 days of any**  
14 **changes in employment or assignment status**, a district shall  
15 furnish to the center, in a manner prescribed by the center,  
16 information related to educational personnel **and personnel**  
17 **vacancies** as necessary for reporting required by state and federal  
18 law. For the purposes of this subsection, the center shall only  
19 require districts and intermediate districts to report information  
20 that is not already available from the office of retirement  
21 services in the department of technology, management, and budget,  
22 **including, but not limited to, information concerning vacancy start**  
23 **and end dates and reasons for vacancies and vacancy terminations.**

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 this section. If the district or  
29 intermediate district does not comply with this section by the end

1 of the fiscal year, the department shall place the amount withheld  
2 in an escrow account until the district or intermediate district  
3 complies with this section.

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

17 (6) The department shall implement statewide standard  
18 reporting requirements for education data approved by the  
19 department in conjunction with the center. The department shall  
20 work with the center, intermediate districts, districts, and other  
21 interested stakeholders to implement this policy change. A district  
22 or intermediate district shall implement the statewide standard  
23 reporting requirements not later than 2017-2018 or when a district  
24 or intermediate district updates its education data reporting  
25 system, whichever is later.

26 **(7) A district or intermediate district shall collect and**  
27 **submit to the center tribal affiliation data for all students and**  
28 **staff and the identification of student participation in federal**  
29 **programs funded under 20 USC 7401 to 7546 and participation in**

1 federal programs funded under the Johnson-O'Malley Supplemental  
 2 Indian Education Program Modernization Act, Public Law 115-404. The  
 3 data must be reported in a form and manner prescribed by the center  
 4 in consultation with the federally recognized Indian tribes in this  
 5 state and the department in adherence to the department's tribal  
 6 consultation policy. A district or intermediate district shall  
 7 begin completion of the reporting requirement under this subsection  
 8 by not later than the 2024-2025 fiscal year.

9 Sec. 20. (1) All of the following apply:

10 ~~(a) For 2021-2022, the target foundation allowance is~~  
 11 ~~\$8,700.00.~~

12 ~~(b) For 2021-2022, the minimum foundation allowance is~~  
 13 ~~\$8,700.00.~~

14 **(a)** ~~(e)~~ For 2022-2023, the target foundation allowance is  
 15 \$9,150.00.

16 **(b)** For 2023-2024, the target foundation allowance is  
 17 \$9,700.00.

18 (2) The department shall calculate the amount of each  
 19 district's foundation allowance as provided in this section, using  
 20 a target foundation allowance in the amount specified in subsection  
 21 (1).

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

27 ~~(a) For 2021-2022, for a district that had a foundation~~  
 28 ~~allowance for the immediately preceding fiscal year that was at~~  
 29 ~~least equal to the minimum foundation allowance for the immediately~~

1 ~~preceding fiscal year, but less than the target foundation~~  
2 ~~allowance for the immediately preceding fiscal year, the district's~~  
3 ~~foundation allowance is \$8,700.00. Except as otherwise provided in~~  
4 ~~this subdivision, except for 2021-2022, for **For** a district that had~~  
5 ~~a foundation allowance for the immediately preceding fiscal year~~  
6 ~~that was equal to the target foundation allowance for the~~  
7 ~~immediately preceding fiscal year, the district receives a~~  
8 ~~foundation allowance in an amount equal to the target foundation~~  
9 ~~allowance described in subsection (1) for the current fiscal year.~~

10 ~~(b) For a district that in the immediately preceding fiscal~~  
11 ~~year had a foundation allowance in an amount equal to the amount of~~  
12 ~~the target foundation allowance for the immediately preceding~~  
13 ~~fiscal year, the district receives a foundation allowance for 2021-~~  
14 ~~2022 in an amount equal to the target foundation allowance for~~  
15 ~~2021-2022. This subdivision does not apply after the 2021-2022~~  
16 ~~fiscal year.~~

17 ~~(c) For a district that had a foundation allowance for the~~  
18 ~~immediately preceding fiscal year that was greater than the target~~  
19 ~~foundation allowance for the immediately preceding fiscal year, the~~  
20 ~~district's foundation allowance is an amount equal to the sum of~~  
21 ~~the district's foundation allowance for the immediately preceding~~  
22 ~~fiscal year plus the lesser of the increase in the target~~  
23 ~~foundation allowance for the current fiscal year, as compared to~~  
24 ~~the immediately preceding fiscal year, or the product of the~~  
25 ~~district's foundation allowance for the immediately preceding~~  
26 ~~fiscal year times the percentage increase in the United States~~  
27 ~~Consumer Price Index in the calendar year ending in the immediately~~  
28 ~~preceding fiscal year as reported by the May revenue estimating~~  
29 ~~conference conducted under section 367b of the management and~~



1 ~~budget act, 1984 PA 431, MCL 18.1367b. This subdivision does not~~  
2 ~~apply after the 2021-2022 fiscal year.~~

3       **(b)** ~~(d)~~ For a district that had a foundation allowance for the  
4 immediately preceding fiscal year that was greater than the target  
5 foundation allowance for the immediately preceding fiscal year, the  
6 district's foundation allowance is an amount equal to the lesser of  
7 (the sum of the district's foundation allowance for the immediately  
8 preceding fiscal year plus any per pupil amount calculated under  
9 section 20m(2) in the immediately preceding fiscal year plus the  
10 increase in the target foundation allowance for the current fiscal  
11 year, as compared to the immediately preceding fiscal year) or (the  
12 product of the district's foundation allowance for the immediately  
13 preceding fiscal year times the percentage increase in the United  
14 States Consumer Price Index in the calendar year ending in the  
15 immediately preceding fiscal year as reported by the May revenue  
16 estimating conference conducted under section 367b of the  
17 management and budget act, 1984 PA 431, MCL 18.1367b). ~~This~~  
18 ~~subdivision does not apply for the 2021-2022 fiscal year.~~

19       **(c)** ~~(e)~~ For a district that has a foundation allowance that is  
20 less than the target foundation allowance in the current fiscal  
21 year but had a foundation allowance in fiscal year 2020-2021 that  
22 was greater than the target foundation allowance in effect for that  
23 fiscal year, the district's foundation allowance is an amount equal  
24 to the lesser of (the sum of the district's foundation allowance  
25 for fiscal year 2020-2021 plus the increase in the target  
26 foundation allowance for the current fiscal year, as compared to  
27 fiscal year 2020-2021) or (the product of the district's foundation  
28 allowance for the immediately preceding fiscal year times the  
29 percentage increase in the United States Consumer Price Index in

1 the calendar year ending in the immediately preceding fiscal year  
 2 as reported by the May revenue estimating conference conducted  
 3 under section 367b of the management and budget act, 1984 PA 431,  
 4 MCL 18.1367b). ~~This subdivision does not apply for the 2021-2022~~  
 5 ~~fiscal year.~~

6 (d) ~~(f)~~ For a district that has a foundation allowance that is  
 7 not a whole dollar amount, the department shall round the  
 8 district's foundation allowance up to the nearest whole dollar.

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

1 purposes of this subsection does not include the taxable value of  
2 property within the geographic area of the dissolved district. For  
3 a community district, if school operating taxes continue to be  
4 levied by a qualifying school district under section 12b of the  
5 revised school code, MCL 380.12b, with the same geographic area as  
6 the community district, the taxable value per membership pupil of  
7 property in the community district to be used for the purposes of  
8 this subsection does not include the taxable value of property  
9 within the geographic area of the community district.

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

25 (6) Except as otherwise provided in this subsection, for  
26 pupils in membership, other than special education pupils, in a  
27 public school academy, the allocation calculated under this section  
28 is an amount per membership pupil other than special education  
29 pupils in the public school academy equal to ~~, for 2021-2022, the~~

1 ~~minimum foundation allowance specified in subsection (1)(b) and,~~  
2 ~~for 2022-2023, the target foundation allowance specified in~~  
3 ~~subsection (1)(e).~~ **(1), or, for a public school academy that was**  
4 **issued a contract under section 552 of the revised school code, MCL**  
5 **380.552, to operate as a school of excellence that is a cyber**  
6 **school, \$7,760.00.** Notwithstanding section 101, for a public school  
7 academy that begins operations after the pupil membership count  
8 day, the amount per membership pupil calculated under this  
9 subsection must be adjusted by multiplying that amount per  
10 membership pupil by the number of hours of pupil instruction  
11 provided by the public school academy after it begins operations,  
12 as determined by the department, divided by the minimum number of  
13 hours of pupil instruction required under section 101(3). The  
14 result of this calculation must not exceed the amount per  
15 membership pupil otherwise calculated under this subsection.

16 (7) For pupils in membership, other than special education  
17 pupils, in a community district, the allocation calculated under  
18 this section is an amount per membership pupil other than special  
19 education pupils in the community district equal to the foundation  
20 allowance of the qualifying school district, as described in  
21 section 12b of the revised school code, MCL 380.12b, that is  
22 located within the same geographic area as the community district.

23 (8) Subject to subsection (4), for a district that is formed  
24 or reconfigured after June 1, 2002 by consolidation of 2 or more  
25 districts or by annexation, the resulting district's foundation  
26 allowance under this section beginning after the effective date of  
27 the consolidation or annexation is the lesser of the sum of the  
28 average of the foundation allowances of each of the original or  
29 affected districts, calculated as provided in this section,

1 weighted as to the percentage of pupils in total membership in the  
 2 resulting district who reside in the geographic area of each of the  
 3 original or affected districts plus \$100.00 or the highest  
 4 foundation allowance among the original or affected districts. This  
 5 subsection does not apply to a receiving district unless there is a  
 6 subsequent consolidation or annexation that affects the district.  
 7 The calculation under this subsection must take into account a  
 8 district's per-pupil allocation under section 20m.

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

13 **(10) For 2022-2023, state payments related to payment of the**  
 14 **foundation allowance for a special education pupil are not**  
 15 **calculated under this section but are instead calculated as**  
 16 **follows:**

17 (a) **Twenty-five percent is calculated under section 51a.**

18 (b) **Seventy-five percent is calculated under section 51e.**

19 ~~(11) (10) Except as otherwise provided in this subsection,~~  
 20 ~~state payments related to payment of the foundation allowance for a~~  
 21 ~~special education pupil are not calculated under this section but~~  
 22 ~~are instead calculated under section 51a and section 51e. All of~~  
 23 ~~the following apply with regard to state payments related to~~  
 24 ~~payment of the foundation allowance for a special education pupil:~~

25 ~~(a) For 2022-2023, state payments described in this subsection~~  
 26 ~~are not calculated under this section but are instead calculated as~~  
 27 ~~follows:~~

28 ~~(i) Twenty-five percent is calculated under section 51a.~~

29 ~~(ii) Seventy-five percent is calculated under section 51e.~~

1       ~~(b) It is the intent of the legislature that, in future fiscal~~  
2 ~~years, 100% of state payments described in this subsection will be~~  
3 ~~calculated under this section.~~

4       **(12)** ~~(11)~~—To assist the legislature in determining the target  
5 foundation allowance for the subsequent fiscal year, each revenue  
6 estimating conference conducted under section 367b of the  
7 management and budget act, 1984 PA 431, MCL 18.1367b, must  
8 calculate a pupil membership factor, a revenue adjustment factor,  
9 and an index as follows:

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

20       (b) The revenue adjustment factor is computed by dividing the  
21 sum of the estimated total state school aid fund revenue for the  
22 subsequent fiscal year plus the estimated total state school aid  
23 fund revenue for the current fiscal year, adjusted for any change  
24 in the rate or base of a tax the proceeds of which are deposited in  
25 that fund and excluding money transferred into that fund from the  
26 countercyclical budget and economic stabilization fund under the  
27 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, by  
28 the sum of the estimated total school aid fund revenue for the  
29 current fiscal year plus the estimated total state school aid fund

1 revenue for the immediately preceding fiscal year, adjusted for any  
 2 change in the rate or base of a tax the proceeds of which are  
 3 deposited in that fund. If a consensus revenue factor is not  
 4 determined at the revenue estimating conference, the principals of  
 5 the revenue estimating conference shall report their estimates to  
 6 the house and senate subcommittees responsible for school aid  
 7 appropriations not later than 7 days after the conclusion of the  
 8 revenue conference.

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

16 **(13)** ~~(12)~~—Payments to districts and public school academies  
 17 are not made under this section. Rather, the calculations under  
 18 this section are used to determine the amount of state payments  
 19 under section 22b.

20 **(14)** ~~(13)~~—If an amendment to section 2 of article VIII of the  
 21 state constitution of 1963 allowing state aid to some or all  
 22 nonpublic schools is approved by the voters of this state, each  
 23 foundation allowance or per-pupil payment calculation under this  
 24 section may be reduced.

25 **(15)** ~~(14)~~—As used in this section:

26 (a) "Certified mills" means the lesser of 18 mills or the  
 27 number of mills of school operating taxes levied by the district in  
 28 1993-94.

29 (b) "Current fiscal year" means the fiscal year for which a

1 particular calculation is made.

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

6 (d) "Immediately preceding fiscal year" means the fiscal year  
7 immediately preceding the current fiscal year.

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

19 (f) "Membership" means the definition of that term under  
20 section 6 as in effect for the particular fiscal year for which a  
21 particular calculation is made.

22 (g) "Nonexempt property" means property that is not a  
23 principal residence, qualified agricultural property, qualified  
24 forest property, supportive housing property, industrial personal  
25 property, commercial personal property, or property occupied by a  
26 public school academy.

27 (h) "Principal residence", "qualified agricultural property",  
28 "qualified forest property", "supportive housing property",  
29 "industrial personal property", and "commercial personal property"



1 mean those terms as defined in section 1211 of the revised school  
2 code, MCL 380.1211.

3 (i) "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 (j) "School operating purposes" means the purposes included in  
7 the operation costs of the district as prescribed in sections 7 and  
8 18 and purposes authorized under section 1211 of the revised school  
9 code, MCL 380.1211.

10 (k) "School operating taxes" means local ad valorem property  
11 taxes levied under section 1211 of the revised school code, MCL  
12 380.1211, and retained for school operating purposes.

13 (l) "Tax increment financing acts" means parts 2, 3, 4, and 6  
14 of the recodified tax increment financing act, 2018 PA 57, MCL  
15 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield  
16 redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

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

23 Sec. 20d. In making the final determination required under  
24 former section 20a of a district's combined state and local revenue  
25 per membership pupil in 1993-94 and in making calculations under  
26 section 20 for ~~2022-2023~~, **2023-2024**, the department and the  
27 department of treasury shall comply with all of the following:

28 (a) For a district that had combined state and local revenue  
29 per membership pupil in the 1994-95 fiscal year of \$6,500.00 or

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

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

1 attending the center program.

2       Sec. 20f. (1) From the state school aid fund money  
3 appropriated in section 11, there is allocated an amount not to  
4 exceed \$18,000,000.00 for ~~2022-2023~~**2023-2024** for payments to  
5 eligible districts under this section.

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

11       (a) The increase in the district's foundation allowance or  
12 per-pupil payment as calculated under section 20 from 2012-2013 to  
13 2013-2014.

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

16       (c) The quotient of the district's allocation under section  
17 147a for 2012-2013 divided by the district's membership pupils for  
18 2012-2013 minus the quotient of the district's allocation under  
19 section 147a for 2013-2014 divided by the district's membership  
20 pupils for 2013-2014.

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

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

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

1 2015-2016.

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

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

6 (d) The quotient of the district's allocation under section  
7 31a for 2015-2016 divided by the district's membership pupils for  
8 2015-2016 minus the quotient of the district's allocation under  
9 section 31a for 2014-2015 divided by the district's membership  
10 pupils for 2014-2015.

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

14 (a) The increase in the district's foundation allowance or  
15 per-pupil payment as calculated under section 20 from 2014-2015 to  
16 2015-2016.

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

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

21 (d) The quotient of the district's allocation under section  
22 31a for 2015-2016 divided by the district's membership pupils for  
23 2015-2016 minus the quotient of the district's allocation under  
24 section 31a for 2014-2015 divided by the district's membership  
25 pupils for 2014-2015.

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

1           Sec. 21f. (1) A primary district shall enroll an eligible  
2 pupil in virtual courses in accordance with the provisions of this  
3 section. A primary district shall not offer a virtual course to an  
4 eligible pupil unless the virtual course is published in the  
5 primary district's catalog of board-approved courses or in the  
6 statewide catalog of virtual courses maintained by the Michigan  
7 Virtual University pursuant to section 98. The primary district  
8 shall also provide on its publicly accessible website a link to the  
9 statewide catalog of virtual courses maintained by the Michigan  
10 Virtual University. Unless the pupil is at least age 18 or is an  
11 emancipated minor, a pupil must not be enrolled in a virtual course  
12 **that meets virtually for more than 15 days in a school year** without  
13 the consent of the pupil's parent or legal guardian.

14           (2) Subject to subsection (3), a primary district shall enroll  
15 an eligible pupil in up to 2 virtual courses as requested by the  
16 pupil during an academic term, semester, or trimester.

17           (3) A pupil may be enrolled in more than 2 virtual courses in  
18 a specific academic term, semester, or trimester if both of the  
19 following conditions are met:

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

22           (b) The pupil agrees with the recommendation of the primary  
23 district.

24           (4) If the number of applicants eligible for acceptance in a  
25 virtual course does not exceed the capacity of the provider to  
26 provide the virtual course, the provider shall accept for  
27 enrollment all of the applicants eligible for acceptance. If the  
28 number of applicants exceeds the provider's capacity to provide the  
29 virtual course, the provider shall use a random draw system,

1 subject to the need to abide by state and federal  
2 antidiscrimination laws and court orders. A primary district that  
3 is also a provider shall determine whether or not it has the  
4 capacity to accept applications for enrollment from nonresident  
5 applicants in virtual courses and may use that limit as the reason  
6 for refusal to enroll a nonresident applicant.

7 (5) A primary district may not establish additional  
8 requirements beyond those specified in this subsection that would  
9 prohibit a pupil from taking a virtual course. A pupil's primary  
10 district may deny the pupil enrollment in a virtual course if any  
11 of the following apply, as determined by the district:

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

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

15 (c) The virtual course is not capable of generating academic  
16 credit.

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

19 (e) The pupil has not completed the prerequisite coursework  
20 for the requested virtual course or has not demonstrated  
21 proficiency in the prerequisite course content.

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

24 (g) The virtual course is of insufficient quality or rigor. A  
25 primary district that denies a pupil enrollment request for this  
26 reason shall enroll the pupil in a virtual course in the same or a  
27 similar subject that the primary district determines is of  
28 acceptable rigor and quality.

29 (h) The cost of the virtual course exceeds the amount

1 identified in subsection (10), unless the pupil or the pupil's  
2 parent or legal guardian agrees to pay the cost that exceeds this  
3 amount.

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

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

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

26 (7) To provide a virtual course to an eligible pupil under  
27 this section, a provider must do all of the following:

28 (a) Ensure that the virtual course has been published in the  
29 pupil's primary district's catalog of board-approved courses or

1 published in the statewide catalog of virtual courses maintained by  
2 the Michigan Virtual University.

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

9 (c) Offer the virtual course on an open entry and exit method,  
10 or aligned to a semester, trimester, or accelerated academic term  
11 format.

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

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

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

25 (8) To provide a virtual course under this section, a  
26 community college shall ensure that each virtual course it provides  
27 under this section generates postsecondary credit.

28 (9) For any virtual course a pupil enrolls in under this  
29 section, the pupil's primary district must assign to the pupil a



1 mentor and shall supply the provider with the mentor's contact  
2 information.

3 (10) For a pupil enrolled in 1 or more virtual courses, the  
4 primary district shall use foundation allowance or per-pupil funds  
5 calculated under section 20 to pay for the expenses associated with  
6 the virtual course or courses. A primary district is not required  
7 to pay toward the cost of a virtual course an amount that exceeds  
8 6.67% of the target foundation allowance for the current fiscal  
9 year as calculated under section 20.

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

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

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

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

3 (14) As used in this section:

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

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

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

15 (d) "Provider" means the district, intermediate district,  
16 community college, or other third-party vendor that the primary  
17 district pays to provide the virtual course or the Michigan Virtual  
18 University if it is providing the virtual course.

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

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

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

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

1 (iv) Has a personnel identification code provided by the  
2 center.

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

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

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

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

16 (ii) The virtual course content outline.

17 (iii) The virtual course required assessments.

18 (iv) The virtual course prerequisites.

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

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

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

25 (viii) The name of the institution or organization providing the  
26 virtual content.

27 (ix) The name of the institution or organization providing the  
28 instructor or teacher of record.

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

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

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

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

13 Sec. 21h. (1) From the state school aid fund money  
14 appropriated in section 11, there is allocated \$6,137,400.00 for  
15 ~~2022-2023~~**2023-2024** for assisting districts assigned by the  
16 superintendent to participate in a partnership and districts that  
17 have established a community engagement advisory committee in  
18 partnership with the department of treasury, are required to submit  
19 a deficit elimination plan or an enhanced deficit elimination plan  
20 under section 1220 of the revised school code, MCL 380.1220, and  
21 are located in a city with a population between ~~9,000~~**8,000** and  
22 ~~11,000~~**10,000** as determined by the department, that is in a county  
23 with a population between 150,000 and 160,000, as determined by the  
24 department, to improve student achievement and district financial  
25 stability. The superintendent shall collaborate with the state  
26 treasurer to identify any conditions that may be contributing to  
27 low academic performance within a district being considered for  
28 assignment to a partnership. The purpose of the partnership is to  
29 identify district needs, develop intervention plans, and partner

1 with public, private, and nonprofit organizations to coordinate  
2 resources and improve student achievement. Assignment of a district  
3 to a partnership is made by the superintendent in consultation with  
4 the state treasurer.

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

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

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

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

26 (iii) A review of classroom, instructional, and operational  
27 practices and curriculum to ensure alignment with research-based  
28 instructional practices and state curriculum standards.

29 (b) Develop an academic and financial operating or

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

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

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

11 (c) Craft academic goals that put pupils on track to meet or  
12 exceed grade level proficiency, **increase high school graduation**  
13 **rates, reduce class sizes, and improve attendance rates.**

14 (d) **Provide access to training for district leadership,**  
15 **including, but not limited to, the superintendent or chief**  
16 **administrator and school board or board of directors members, on**  
17 **areas of education fiscal and policy matters.**

18 (3) Upon approval of the academic and financial operating or  
19 intervention plan developed under subsection (2), the department,  
20 in collaboration with the department of treasury, shall assign a  
21 team of individuals with expertise in comprehensive school and  
22 district reform to partner with the district, the intermediate  
23 district, community organizations, education organizations, and  
24 postsecondary institutions identified in the academic and financial  
25 operating or intervention plan to review the district's use of  
26 existing financial resources to ensure that those resources are  
27 being used as efficiently and effectively as possible to improve  
28 student academic achievement and to ensure district financial  
29 stability. The superintendent of public instruction may waive

1 burdensome administrative rules for a partnership district for the  
2 duration of the partnership agreement and for a district described  
3 in subsection (1) that is not a partnership district under this  
4 section and that receives funding under this section in the current  
5 fiscal year.

6 (4) Funds allocated under this section, excluding funds  
7 allocated under subsection (5), may be used to pay for district  
8 expenditures approved by the superintendent to improve student  
9 achievement. Funds may be used for professional development for  
10 teachers or district or school leadership, increased instructional  
11 time, teacher mentors, or other expenditures that directly impact  
12 student achievement and cannot be paid from existing district  
13 financial resources. An eligible district must not receive funds  
14 under this section for more than 3 years. Notwithstanding section  
15 17b, the department shall make payments to districts under this  
16 section on a schedule determined by the department.

17 (5) From the funds allocated under subsection (1), there is  
18 allocated for ~~2022-2023~~**2023-2024** an amount not to exceed  
19 \$137,400.00 for the purchase of a data analytics tool to be used by  
20 districts described in subsection (1). The superintendent of public  
21 instruction shall require districts described in subsection (1) to  
22 purchase a data analytics tool funded under this subsection as part  
23 of the agreements described in this section.

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

1 report.

2 (7) In addition to the allocation under subsection (1), from  
 3 the state school aid fund money appropriated in section 11, there  
 4 is allocated an amount not to exceed \$12,000,000.00 to districts  
 5 described in subsection (1) for 2023-2024 only for supplemental  
 6 funding to be used by districts for the purposes of this section.

7 Sec. 22a. (1) From the state school aid fund money  
 8 appropriated in section 11, there is allocated an amount not to  
 9 exceed ~~\$4,492,000,000.00~~ **\$4,366,000,000.00** for ~~2021-2022-2022-2023~~  
 10 and there is allocated an amount not to exceed ~~\$4,376,000,000.00~~  
 11 **\$4,212,000,000.00** for ~~2022-2023-2023-2024~~ for payments to districts  
 12 and qualifying public school academies to guarantee each district  
 13 and qualifying public school academy an amount equal to its 1994-95  
 14 total state and local per-pupil revenue for school operating  
 15 purposes under section 11 of article IX of the state constitution  
 16 of 1963. Pursuant to section 11 of article IX of the state  
 17 constitution of 1963, this guarantee does not apply to a district  
 18 in a year in which the district levies a millage rate for school  
 19 district operating purposes less than it levied in 1994. However,  
 20 subsection (2) applies to calculating the payments under this  
 21 section. Funds allocated under this section that are not expended  
 22 in the fiscal year for which they were allocated, as determined by  
 23 the department, may be used to supplement the allocations under  
 24 sections 22b and 51c to fully fund those allocations for the same  
 25 fiscal year. ~~For each fund transfer as described in the immediately~~  
 26 ~~preceding sentence that occurs, the state budget director shall~~  
 27 ~~send notification of the transfer to the house and senate~~  
 28 ~~appropriations subcommittees on state school aid and the house and~~  
 29 ~~senate fiscal agencies by not later than 14 calendar days after the~~



1 ~~transfer occurs.~~

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

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

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

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

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

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

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

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

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

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

9 (7) As used in this section:

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

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

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

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

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

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

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

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

1 public school academy.

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

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

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

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

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

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

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

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

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

22 Sec. 22b. (1) ~~For~~ **Except as otherwise provided in this**  
 23 **section, for** discretionary nonmandated payments to districts under  
 24 this section, there is allocated for ~~2021-2022~~ **2022-2023** an amount  
 25 not to exceed ~~\$5,094,000,000.00~~ **\$5,735,000,000.00** from the state  
 26 school aid fund and general fund appropriations in section 11 and  
 27 an amount not to exceed \$72,000,000.00 from the community district  
 28 education trust fund appropriation in section 11, and there is  
 29 allocated for ~~2022-2023~~ **2023-2024** an amount not to exceed

1 ~~\$5,686,000,000.00~~ **\$6,421,000,000.00** from the state school aid fund  
 2 and general fund appropriations in section 11 and an amount not to  
 3 exceed \$72,000,000.00 from the community district education trust  
 4 fund appropriation in section 11. For ~~2021-2022, an amount not to~~  
 5 ~~exceed \$14,500,000.00~~ **2022-2023, \$22,500,000.00** must be deposited  
 6 from the general fund into the state school aid fund to reimburse  
 7 the state school aid fund for community district education trust  
 8 fund costs in excess of \$72,000,000.00, as required under section  
 9 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262. For  
 10 ~~2022-2023, \$19,500,000.00~~ **2023-2024, \$27,800,000.00** must be  
 11 deposited from the general fund into the state school aid fund to  
 12 reimburse the state school aid fund for community district  
 13 education trust fund costs in excess of \$72,000,000.00, as required  
 14 under section 12 of the Michigan trust fund act, 2000 PA 489, MCL  
 15 12.262. If the amount allocated under this subsection from the  
 16 community district education trust fund appropriation under section  
 17 11 is insufficient to pay for an increase under this section, any  
 18 amount exceeding that allocation may be paid from other allocations  
 19 under this subsection. Except for money allocated under this  
 20 section from the community district education trust fund  
 21 appropriation in section 11, funds allocated under this section  
 22 that are not expended in the fiscal year for which they were  
 23 allocated, as determined by the department, may be used to  
 24 supplement the allocations under sections 22a and 51c to fully fund  
 25 those allocations for the same fiscal year. ~~For each fund transfer~~  
 26 ~~as described in the immediately preceding sentence that occurs, the~~  
 27 ~~state budget director shall send notification of the transfer to~~  
 28 ~~the house and senate appropriations subcommittees on school aid and~~  
 29 ~~the house and senate fiscal agencies by not later than 14 calendar~~



1 ~~days after the transfer occurs.~~

2       (2) Subject to subsection (3) and section 296, the allocation  
3 to a district under this section is an amount equal to the sum of  
4 the amounts calculated under sections 20, 20m, 51a(2), 51a(3), ~~and~~  
5 51a(11), **and 51e**, minus the sum of the allocations to the district  
6 under sections 22a and 51c. For a community district, the  
7 allocation as otherwise calculated under this section is increased  
8 by an amount equal to the amount of local school operating tax  
9 revenue that would otherwise be due to the community district if  
10 not for the operation of section 386 of the revised school code,  
11 MCL 380.386, and this increase must be paid from the community  
12 district education trust fund allocation in subsection (1) in order  
13 to offset the absence of local school operating revenue in a  
14 community district in the funding of the state portion of the  
15 foundation allowance under section 20(4).

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

18       (a) Comply with section 1280b of the revised school code, MCL  
19 380.1280b.

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

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

25       (d) Comply with section 1230g of the revised school code, MCL  
26 380.1230g.

27       (e) Comply with section 21f.

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

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

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

11 (6) From the allocation in subsection (1), the department  
12 shall pay up to \$1,000,000.00 in litigation costs incurred by this  
13 state associated with lawsuits filed by 1 or more districts or  
14 intermediate districts against this state. If the allocation under  
15 this section is insufficient to fully fund all payments required  
16 under this section, the payments under this subsection must be made  
17 in full before any proration of remaining payments under this  
18 section.

19 (7) It is the intent of the legislature that all  
20 constitutional obligations of this state have been fully funded  
21 under sections 22a, 31d, 51a, 51c, 51e, and 152a. If a claim is  
22 made by an entity receiving funds under this article that  
23 challenges the legislative determination of the adequacy of this  
24 funding or alleges that there exists an unfunded constitutional  
25 requirement, the state budget director may escrow or allocate from  
26 the discretionary funds for nonmandated payments under this section  
27 the amount as may be necessary to satisfy the claim before making  
28 any payments to districts under subsection (2). If funds are  
29 escrowed, the escrowed funds are a work project appropriation and

1 the funds are carried forward into the following fiscal year. The  
2 purpose of the work project is to provide for any payments that may  
3 be awarded to districts as a result of litigation. The work project  
4 is completed upon resolution of the litigation.

5 (8) If the local claims review board or a court of competent  
6 jurisdiction makes a final determination that this state is in  
7 violation of section 29 of article IX of the state constitution of  
8 1963 regarding state payments to districts, the state budget  
9 director shall use work project funds under subsection (7) or  
10 allocate from the discretionary funds for nonmandated payments  
11 under this section the amount as may be necessary to satisfy the  
12 amount owed to districts before making any payments to districts  
13 under subsection (2).

14 (9) If a claim is made in court that challenges the  
15 legislative determination of the adequacy of funding for this  
16 state's constitutional obligations or alleges that there exists an  
17 unfunded constitutional requirement, any interested party may seek  
18 an expedited review of the claim by the local claims review board.  
19 If the claim exceeds \$10,000,000.00, this state may remove the  
20 action to the court of appeals, and the court of appeals has and  
21 shall exercise jurisdiction over the claim.

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

29 (11) If a lawsuit challenging payments made to districts

1 related to costs reimbursed by federal title XIX Medicaid funds is  
2 filed against this state, then, for the purpose of addressing  
3 potential liability under such a lawsuit, the state budget director  
4 may place funds allocated under this section in escrow or allocate  
5 money from the funds otherwise allocated under this section, up to  
6 a maximum of 50% of the amount allocated in subsection (1). If  
7 funds are placed in escrow under this subsection, those funds are a  
8 work project appropriation and the funds are carried forward into  
9 the following fiscal year. The purpose of the work project is to  
10 provide for any payments that may be awarded to districts as a  
11 result of the litigation. The work project is completed upon  
12 resolution of the litigation. In addition, this state reserves the  
13 right to terminate future federal title XIX Medicaid reimbursement  
14 payments to districts if the amount or allocation of reimbursed  
15 funds is challenged in the lawsuit. As used in this subsection,  
16 "title XIX" means title XIX of the social security act, 42 USC 1396  
17 to 1396w-6.

18 **(12) From the allocation in subsection (1) the department may**  
19 **use the amount necessary, estimated at \$1,000,000.00, for payments**  
20 **to districts for state compliance with federal maintenance of**  
21 **equity requirements described in the American rescue plan act of**  
22 **2021, Public Law 117-2. Notwithstanding section 17b, the department**  
23 **shall make calculations and payments under this subsection in a**  
24 **form and manner determined by the department.**

25 **(13) ~~(12)~~As used in this section:**

26 (a) "Dissolved district" means that term as defined in section  
27 20.

28 (b) "Local school operating revenue" means school operating  
29 taxes levied under section 1211 of the revised school code, MCL

1 380.1211. For a receiving district, if school operating taxes are  
 2 to be levied on behalf of a dissolved district that has been  
 3 attached in whole or in part to the receiving district to satisfy  
 4 debt obligations of the dissolved district under section 12 of the  
 5 revised school code, MCL 380.12, local school operating revenue  
 6 does not include school operating taxes levied within the  
 7 geographic area of the dissolved district.

8 (c) "Receiving district" and "school operating taxes" mean  
 9 those terms as defined in section 20.

10 Sec. 22c. From the state school aid fund money appropriated in  
 11 section 11, there is allocated for ~~2022-2023~~**2023-2024** an amount  
 12 not to exceed \$3,000,000.00 for payments to eligible districts as  
 13 provided under this section. The payment for an eligible district  
 14 under this section must be in an amount per membership pupil equal  
 15 to \$171.00. As used in this section:

16 (a) "Eligible district" means a district that received  
 17 payments under this section in the immediately preceding fiscal  
 18 year and for which the local school operating revenue per  
 19 membership pupil in the current school fiscal year exceeds the  
 20 district's foundation allowance as calculated under section 20 for  
 21 the current fiscal year.

22 (b) "Local school operating revenue" means that term as  
 23 defined in section 22b.

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

27 Sec. 22d. (1) From the state school aid fund money  
 28 appropriated under section 11, an amount not to exceed  
 29 ~~\$8,858,000.00~~**\$11,689,500.00** is allocated for ~~2022-2023~~**2023-2024**

1 for supplemental payments to rural districts under this section.

2 (2) From the allocation under subsection (1), there is  
3 allocated for ~~2022-2023-2023-2024~~ an amount not to exceed  
4 ~~\$1,638,300.00~~ **\$3,536,600.00** for payments under this subsection to  
5 eligible districts. A district that meets all of the following is  
6 an eligible district under this subsection:

7 (a) Operates grades K to 12.

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

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

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

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

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

1 districts in the same manner as payments under section 22b.

2 (4) Subject to subsection ~~(7)~~, **(8)**, from the allocation in  
 3 subsection (1), there is allocated for ~~2022-2023~~ **2023-2024** an  
 4 amount not to exceed ~~\$6,357,000.00~~ **\$6,738,400.00** for payments under  
 5 this subsection to districts that have fewer than 10.0 pupils per  
 6 square mile as determined by the department.

7 (5) The funds allocated under subsection (4) are allocated as  
 8 follows:

9 (a) An amount equal to ~~\$5,470,400.00~~ **\$5,798,600.00** is  
 10 allocated to districts with fewer than 8.0 pupils per square mile,  
 11 as determined by the department, on an equal per-pupil basis.

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

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

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

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

26 (6) From the allocation in subsection (1), there is allocated  
 27 an amount not to exceed ~~\$862,700.00~~ **\$914,500.00** for payments under  
 28 this subsection to districts that have greater than 250 square  
 29 miles and that do not receive funding under subsection (2) or (4).

1 The funds allocated under this subsection must be allocated on an  
2 equal per-pupil basis.

3 **(7) Subject to subsection (8), from the allocation under**  
4 **subsection (1), there is allocated for 2023-2024 an amount not to**  
5 **exceed \$500,000.00 for payments under this subsection to districts**  
6 **where each school building operated by the district is located on**  
7 **an island that is accessible by bridge.**

8 **(8) ~~(7)~~**A district receiving funds allocated under subsection  
9 (2) is not eligible for funding allocated under subsection (4) **or**  
10 **(7).**

11 Sec. 22m. (1) From the state school aid fund money  
12 appropriated in section 11, there is allocated for ~~2022-2023~~**2023-**  
13 **2024** an amount not to exceed ~~\$2,200,000.00~~**\$3,500,000.00** for  
14 supporting the integration of local data systems into the Michigan  
15 data hub network based on common standards and applications that  
16 are in compliance with section 19(6).

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

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

27 (4) The center, in collaboration with the Michigan data hub  
28 network, shall determine the amount of funds distributed under this  
29 section to each participating regional data hub within the network,



1 based upon a competitive grant process. The center shall ensure  
2 that the entities receiving funding under this section represent  
3 geographically diverse areas in this state.

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

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

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

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

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

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

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

28 (d) Promoting 100% district adoption of the Michigan data hub  
29 network.

1 (e) Ensuring local control of data, data security, and student  
2 data privacy.

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

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

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

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

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

27 (a) Measurable academic outcomes that the district or public  
28 school academy will achieve for each school operated by the  
29 district or public school academy that is subject to the

1 partnership agreement after 18 months and after 36 months from the  
 2 date the agreement was originally signed. Measurable academic  
 3 outcomes under this subdivision must include all of the following:

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

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

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

10 (B) At least 1 proficiency or growth outcome based on a  
 11 benchmark assessment described in section 104h or 104i, as  
 12 applicable.

13 **(iii) Outcomes that are intended to measure improved high school**  
 14 **graduation rates, as applicable.**

15 **(iv) Outcomes that measure attendance rates.**

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

27 (c) For a public school academy assigned as a partnership  
 28 district as described in this subsection, a requirement that, if  
 29 reconstitution is imposed on a school that is operated by the

1 public school academy and that is subject to the partnership  
2 agreement, the school must be reconstituted as described in section  
3 507, 528, or 561, as applicable, of the revised school code, MCL  
4 380.507, 380.528, and 380.561.

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

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

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

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

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

1 the department shall withhold funding under section 22b for that  
2 district or public school academy until the district or public  
3 school academy has a signed partnership agreement as described in  
4 subsection (1) in place.

5 Sec. 23a. (1) A dropout recovery program operated by a  
6 district qualifies for the special membership counting provisions  
7 of section 6(4)(dd) and the hours and days of pupil instruction  
8 exemption under section 101(12) if the dropout recovery program  
9 meets all of the following:

10 (a) Enrolls only eligible pupils.

11 (b) Provides an advocate and teacher of record. An advocate  
12 may serve in that role for more than 1 pupil but not more than 50  
13 pupils. An advocate or teacher of record may be employed by the  
14 district or may be provided by an education management organization  
15 that is partnering with the district. Before an individual is  
16 assigned to be an advocate or teacher of record for a pupil in the  
17 dropout recovery program, the district must comply with sections  
18 1230 and 1230a of the revised school code, MCL 380.1230 and  
19 380.1230a, with respect to that individual.

20 (c) Develops a written learning plan.

21 (d) Monitors the pupil's progress against the written learning  
22 plan.

23 (e) Requires each pupil to make satisfactory monthly progress,  
24 as defined by the district under subsection (2).

25 (f) Reports the pupil's progress results to the partner  
26 district at least monthly.

27 (g) The program may be operated on or off a district school  
28 campus, but may be operated using distance learning online only if  
29 the program provides a computer and internet access for each

1 eligible pupil participating in the program.

2 (h) Is operated throughout the entire calendar year.

3 (i) If the district partners with an education management  
4 organization for the program, the education management organization  
5 has a dropout recovery program partnership relationship with at  
6 least 1 other district.

7 (2) A district operating a dropout recovery program under this  
8 section shall adopt a definition of satisfactory monthly progress  
9 that is consistent with the definition of that term under  
10 subsection (3).

11 (3) As used in this section:

12 (a) "Advocate" means an adult available to meet in person with  
13 assigned pupils, as needed, to conduct social interventions, to  
14 proctor final examinations, and to provide academic and social  
15 support to pupils enrolled in the district's dropout recovery  
16 program.

17 (b) "Education management organization" means a private  
18 provider that operates 1 or more other dropout recovery programs  
19 that meet the requirements of this section in partnership with 1 or  
20 more districts.

21 (c) "Eligible pupil" means a pupil who has been expelled from  
22 school under the mandatory expulsion provisions in section 1311 or  
23 1311a of the revised school code, MCL 380.1311 and 380.1311a, a  
24 pupil who has been suspended or expelled from school under a local  
25 policy, a pupil who is referred by a court, a pupil who is pregnant  
26 or is a parent, a pupil who was previously a dropout, or a pupil  
27 who is determined by the district to be at risk of dropping out.

28 (d) "Satisfactory monthly progress" means an amount of  
29 progress that is measurable on a monthly basis and that, if

1 continued for a full 12 months, would result in the same amount of  
2 academic credit being awarded to the pupil as would be awarded to a  
3 general education pupil completing a full school year. Satisfactory  
4 monthly progress may include a lesser required amount of progress  
5 for the first 2 months a pupil participates in the program, **but**  
6 **must include at least a total of 0.25 earned academic credit by the**  
7 **end of that 2-month period.**

8 (e) "Teacher of record" means a teacher who holds a valid  
9 Michigan teaching certificate; who, if applicable, is endorsed in  
10 the subject area and grade of the course; and is responsible for  
11 providing instruction, determining instructional methods for each  
12 pupil, diagnosing learning needs, assessing pupil learning,  
13 prescribing intervention strategies, reporting outcomes, and  
14 evaluating the effects of instruction and support strategies. If  
15 the district partners with an education management organization for  
16 the program, the teacher of record may be employed by or contracted  
17 through the education management organization.

18 (f) "Written learning plan" means a written plan developed in  
19 conjunction with the advocate that includes the plan start and end  
20 dates, courses to be taken, credit to be earned for each course,  
21 teacher of record for each course, and advocate name and contact  
22 information.

23 **Sec. 23g. (1) From the state school aid fund money**  
24 **appropriated in section 11, there is allocated for 2022-2023 only**  
25 **an amount not to exceed \$100,000,000.00 for payments to eligible**  
26 **districts for implementing the MI kids back-on-track program as**  
27 **described in this section.**

28 (2) **The department shall pay an equal amount per membership**  
29 **pupil to each eligible district under this section. Eligible**

1 districts must use funding received under this section only for  
2 costs related to implementation of the MI kids back-on-track  
3 program as described in this section. Implementation costs of the  
4 program include, but are not limited to, costs related to staffing,  
5 high-quality training, curriculum needs, student transportation  
6 needs, technology needs, materials, any purpose for which any  
7 district previously used funds allocated under section 98c, or  
8 other costs incurred as a result of the provision of services for  
9 the program.

10 (3) A district that meets all of the following is an eligible  
11 district under this section:

12 (a) It applies for funding in a form and manner prescribed by  
13 the department.

14 (b) It posts a MI kids back-on-track plan to its website  
15 homepage that describes evidence-based actions the district is  
16 taking to respond to student needs related to unfinished learning  
17 and how funds received under this section will create or expand  
18 these efforts. The plan described in this subdivision must meet the  
19 following criteria:

20 (i) Reflect input from educators, parents and legal guardians,  
21 and community members.

22 (ii) Include an analysis of student data and describe student  
23 needs.

24 (iii) Identify evidence-based best practices to be implemented  
25 or expanded in response to student needs.

26 (c) It implements and maintains functionality on its website  
27 homepage that allows parents, legal guardians, and students to  
28 request additional assistance through the MI kids back-on-track  
29 program.



1 (d) It matches at least 100% of the funding received under  
2 this section with funds from other sources and uses those funds for  
3 the MI kids back-on-track program.

4 (e) It provides transparency reporting on the MI kids back-on-  
5 track program spending, including posting on its website a  
6 transparency dashboard concerning funding from the federal  
7 elementary and secondary school emergency relief fund used for the  
8 program, in a form and manner prescribed by the department.

9 (4) If a district does not match at least 100% of funding  
10 received under this section with other available funds, the  
11 district must return any unmatched funds to the department on a  
12 timeline determined by the department. The department may  
13 redistribute any returned funds to eligible districts on an equal  
14 per-pupil basis. Districts receiving redistributed dollars must  
15 increase expenditures from other sources to match the amount of  
16 redistributed dollars received.

17 (5) The superintendent of public instruction shall provide  
18 guidelines to districts on evidence-based best practices and  
19 effective strategies a district may use to respond to unfinished  
20 learning and shall provide resources to assist districts in  
21 implementing the evidence-based programs.

22 (6) The funds allocated under this section for 2022-2023 are a  
23 work project appropriation, and any unexpended funds for 2022-2023  
24 are carried forward into 2023-2024. The purpose of the work project  
25 is to address unfinished learning. The estimated completion date of  
26 the work project is September 30, 2025.

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

1           (8) As used in this section, the "MI kids back-on-track  
2 program" means programs provided before school, during school, or  
3 after school directly by the district or in partnership with  
4 community-based organizations for students in any of grades pre-K  
5 to 12 in this state that are designed to address unfinished  
6 learning, get students to grade-level academic standards, provide  
7 additional academic assistance to students at risk of falling  
8 behind their peers, or help high school students prepare for  
9 postsecondary education.

10           Sec. 24. (1) From the state school aid fund money appropriated  
11 in section 11, there is allocated for ~~2022-2023~~**2023-2024** an amount  
12 not to exceed \$7,650,000.00 for payments to the educating district  
13 or intermediate district for educating pupils assigned by a court  
14 or the department of health and human services to reside in or to  
15 attend a juvenile detention facility or child caring institution  
16 licensed by the department of health and human services and  
17 approved by the department to provide an on-grounds education  
18 program. The amount of the payment under this section to a district  
19 or intermediate district is calculated as prescribed under  
20 subsection (2).

21           (2) The department shall allocate the total amount allocated  
22 under this section by paying to the educating district or  
23 intermediate district an amount equal to the lesser of the  
24 district's or intermediate district's added cost or the  
25 department's approved per-pupil allocation for the district or  
26 intermediate district. For the purposes of this subsection:

27           (a) "Added cost" means 100% of the added cost each fiscal year  
28 for educating all pupils assigned by a court or the department of  
29 health and human services to reside in or to attend a juvenile

1 detention facility or child caring institution licensed by the  
2 department of health and human services or the department of  
3 licensing and regulatory affairs and approved by the department to  
4 provide an on-grounds education program. Added cost is computed by  
5 deducting all other revenue received under this article for pupils  
6 described in this section from total costs, as approved by the  
7 department, in whole or in part, for educating those pupils in the  
8 on-grounds education program or in a program approved by the  
9 department that is located on property adjacent to a juvenile  
10 detention facility or child caring institution. Costs reimbursed by  
11 federal funds are not included.

12 (b) "Department's approved per-pupil allocation" for a  
13 district or intermediate district is determined by dividing the  
14 total amount allocated under this section for a fiscal year by the  
15 full-time equated membership total for all pupils approved by the  
16 department to be funded under this section for that fiscal year for  
17 the district or intermediate district.

18 (3) A district or intermediate district educating pupils  
19 described in this section at a residential child caring institution  
20 may operate, and receive funding under this section for, a  
21 department-approved on-grounds educational program for those pupils  
22 that is longer than 181 days, but not longer than 233 days, if the  
23 child caring institution was licensed as a child caring institution  
24 and offered in 1991-92 an on-grounds educational program that was  
25 longer than 181 days but not longer than 233 days and that was  
26 operated by a district or intermediate district.

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

29 Sec. 24a. From the state school aid fund money appropriated in

1 section 11, there is allocated an amount not to exceed  
2 \$1,355,700.00 for ~~2022-2023~~**2023-2024** for payments to intermediate  
3 districts for pupils who are placed in juvenile justice service  
4 facilities operated by the department of health and human services.  
5 The amount of the payment to each intermediate district is an  
6 amount equal to the state share of those costs that are clearly and  
7 directly attributable to the educational programs for pupils placed  
8 in facilities described in this section that are located within the  
9 intermediate district's boundaries. The intermediate districts  
10 receiving payments under this section shall cooperate with the  
11 department of health and human services to ensure that all funding  
12 allocated under this section is utilized by the intermediate  
13 district and department of health and human services for  
14 educational programs for pupils described in this section. Pupils  
15 described in this section are not eligible to be funded under  
16 section 24. However, a program responsibility or other fiscal  
17 responsibility associated with these pupils must not be transferred  
18 from the department of health and human services to a district or  
19 intermediate district unless the district or intermediate district  
20 consents to the transfer.

21 Sec. 25f. (1) From the state school aid fund money  
22 appropriated in section 11, there is allocated an amount not to  
23 exceed \$1,600,000.00 for ~~2022-2023~~**2023-2024** for payments to strict  
24 discipline academies and qualified districts, as provided under  
25 this section.

26 (2) In order to receive funding under this section, a strict  
27 discipline academy or qualified district must first comply with  
28 section 25e and use the pupil transfer process under that section  
29 for changes in enrollment as prescribed under that section.

1           (3) The total amount allocated to a strict discipline academy  
2 or qualified district under this section must first be distributed  
3 as the lesser of the strict discipline academy's or qualified  
4 district's added cost or the department's approved per-pupil  
5 allocation for the strict discipline academy or qualified district.  
6 Subject to subsection (7), any funds remaining after the first  
7 distribution must be distributed by prorating on an equal per-pupil  
8 membership basis, not to exceed a strict discipline academy's or  
9 qualified district's added cost. However, the sum of the amounts  
10 received by a strict discipline academy or qualified district under  
11 this section and under section 24 must not exceed the product of  
12 the strict discipline academy's or qualified district's per-pupil  
13 allocation calculated under section 20 multiplied by the strict  
14 discipline academy's or qualified district's full-time equated  
15 membership. The department shall allocate funds to strict  
16 discipline academies and qualified districts under this section on  
17 a monthly basis.

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

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

24           (6) The department shall make payments to strict discipline  
25 academies and qualified districts under this section according to  
26 the payment schedule under section 17b.

27           (7) For purposes of this section, the pupil membership for the  
28 current fiscal year for a qualified district is the actual number  
29 of pupils that are in the custody of a county juvenile agency as

1 described in subsection (8) (c).

2 (8) As used in this section:

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

16 (b) "Department's approved per-pupil allocation" means, for a  
17 strict discipline academy or qualified district, an amount equal to  
18 the quotient of the total amount allocated under this section for a  
19 fiscal year and the full-time equated membership total for all  
20 pupils approved by the department to be funded under this section  
21 for that fiscal year for the strict discipline academy or qualified  
22 district.

23 (c) "Qualified district" means a public school academy that is  
24 not a strict discipline academy that enrolls individuals who are in  
25 the custody of a county juvenile agency to which both of the  
26 following are applicable:

27 (i) The agency had custody of individuals who were enrolled in  
28 a strict discipline academy in the 2020-2021 school year.

29 (ii) The strict discipline academy that the individuals

1 described in subparagraph (i) were enrolled in subsequently closed.

2 (d) "Strict discipline academy" means a public school academy  
3 established under sections 1311b to 1311m of the revised school  
4 code, MCL 380.1311b to 380.1311m.

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 ~~2022-2023~~**2023-2024** 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. 26a. From the state school aid fund money appropriated in  
27 section 11, there is allocated an amount not to exceed  
28 \$14,000,000.00 for ~~2021-2022~~**2023-2024** to reimburse districts and  
29 intermediate districts under section 12 of the Michigan renaissance

1 zone act, 1996 PA 376, MCL 125.2692, for taxes levied in 2021, and  
 2 there is allocated an amount not to exceed \$14,000,000.00 for 2022-  
 3 2023 to reimburse districts and intermediate districts under  
 4 section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL  
 5 125.2692, for taxes levied in 2022. **2023**. The department shall pay  
 6 the allocations not later than 60 days after the department of  
 7 treasury certifies to the department and to the state budget  
 8 director that the department of treasury has received all necessary  
 9 information to properly determine the amounts due to each eligible  
 10 recipient.

11 Sec. 26b. (1) From the state school aid fund money  
 12 appropriated in section 11, there is allocated an amount not to  
 13 exceed ~~\$4,989,000.00~~ **\$5,084,000.00** for ~~2022-2023~~ **2023-2024** for  
 14 payments to districts, intermediate districts, and community  
 15 college districts for the portion of the payment in lieu of taxes  
 16 obligation that is attributable to districts, intermediate  
 17 districts, and community college districts under section 2154 of  
 18 the natural resources and environmental protection act, 1994 PA  
 19 451, MCL 324.2154.

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

24 Sec. 26c. (1) From the state school aid fund money  
 25 appropriated under section 11, there is allocated an amount not to  
 26 exceed ~~\$14,800,000.00~~ **\$20,500,000.00** for ~~2021-2022~~ **2022-2023** and  
 27 there is allocated an amount not to exceed ~~\$14,800,000.00~~  
 28 **\$26,000,000.00** for ~~2022-2023~~ **2023-2024** to the promise zone fund  
 29 created in subsection (3). The funds allocated under this section



1 reflect the amount of revenue from the collection of the state  
2 education tax captured under section 17 of the Michigan promise  
3 zone authority act, 2008 PA 549, MCL 390.1677.

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

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

20 (a) The state treasurer shall direct the investment of the  
21 promise zone fund. The state treasurer shall credit to the promise  
22 zone fund interest and earnings from fund investments.

23 (b) Money in the promise zone fund at the close of a fiscal  
24 year remains in the promise zone fund and does not lapse to the  
25 general fund.

26 (4) Subject to subsection (2), the state treasurer may make  
27 payments from the promise zone fund to eligible districts and  
28 intermediate districts under the Michigan promise zone authority  
29 act, 2008 PA 549, MCL 390.1661 to 390.1679, to be used for the

1 purposes of a promise zone authority created under that act.

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

5 Sec. 26d. (1) From the state school aid fund money  
6 appropriated under section 11, there is allocated an amount not to  
7 exceed ~~\$12,000,000.00 for 2021-2022 and an amount not to exceed~~  
8 ~~\$14,400,000.00 for 2022-2023~~ **2023-2024** for reimbursements to  
9 intermediate districts as required under section 15b of the  
10 brownfield redevelopment financing act, 1996 PA 381, MCL 125.2665b.

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

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

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

21 Sec. 27a. (1) From the state school aid fund money  
22 appropriated in section 11, there is allocated for ~~2022-2023~~ **2023-**  
23 **2024** an amount not to exceed \$20,000,000.00 and from the general  
24 fund money appropriated in section 11, there is allocated for ~~2022-~~  
25 ~~2023-~~ **2023-2024** an amount not to exceed \$5,000,000.00 for the MI  
26 future educator fellowship program. The funds allocated under this  
27 section must be used to offset tuition costs for individuals who  
28 are working toward earning their initial teacher certification.

29 (2) To establish initial eligibility for an award from funding

1 under this section, an individual must meet all of the following  
2 conditions by the date of enrollment described in subdivision (b):

3 (a) Have graduated from high school with a diploma or  
4 certificate of completion or achieved a high school equivalency  
5 certificate.

6 (b) Be admitted to an eligible educator preparation program  
7 and begin the first semester of that program on or after the start  
8 of the fall 2022 academic semester; be working toward a teacher  
9 certification; and be enrolled in enough coursework to earn at  
10 least 24 credits in an academic year or the equivalent of full-time  
11 participation for individuals enrolled in an alternative  
12 certification program, as defined by the department.

13 (c) Not have previously earned a teacher certification.

14 (d) Timely complete a grant application in a form and manner  
15 prescribed by the department of treasury.

16 (e) Timely file the Free Application for Federal Student Aid  
17 for the enrollment period described in subdivision (b).

18 (f) Timely apply for all available gift aid for the enrollment  
19 period described in subdivision (b).

20 (g) Agree to repay any funds received from funding under this  
21 section if the individual does not maintain enrollment in their  
22 educator preparation program, the individual does not successfully  
23 complete their educator program, or the individual does not  
24 complete the work requirement described in subsection (7).

25 (h) Have a high school or college grade point average of at  
26 least 3.0.

27 (i) Be a resident of this state, as determined for purposes of  
28 the Free Application for Federal Student Aid.

29 (3) To establish continuing eligibility for an award under

1 this section at an eligible educator preparation program, an  
2 individual must meet all of the following conditions:

3 (a) Maintain continuous enrollment in an eligible educator  
4 preparation program and earn at least 24 credits in an academic  
5 year or the equivalent of full-time participation for individuals  
6 enrolled in an alternative certification program, as defined by the  
7 department, excluding any period of time missed due to a medical or  
8 other emergency, as determined by the department of treasury.

9 (b) Maintain satisfactory academic progress, including a grade  
10 point average of at least 3.0, in courses provided by the eligible  
11 educator preparation program and meet requirements established by  
12 the eligible educator preparation program.

13 (c) Participate in relevant academic and career advising  
14 programs offered by the eligible educator preparation program.

15 (d) Timely file the Free Application for Federal Student Aid  
16 for each academic year in which the individual receives an award  
17 from funding under this section.

18 (e) Timely apply for all available gift aid for each academic  
19 year in which the individual applies for funding under this  
20 section.

21 (f) Maintain residency in this state, as determined for  
22 purposes of the Free Application for Federal Student Aid.

23 (4) An award under this section must not exceed \$10,000.00 per  
24 academic year or the cost of tuition at the in-district resident  
25 rate plus other required fees, as determined by the department of  
26 treasury, at the eligible educator preparation program attended,  
27 whichever is less.

28 (5) Awards under this section must be distributed to eligible  
29 educator preparation programs on behalf of an eligible recipient on

1 a timeline determined by the department of treasury.

2 (6) Pending available funds, applicants may renew their award  
3 for up to 3 years, or until program completion, whichever comes  
4 first.

5 (7) To be an eligible recipient of fellowship funding under  
6 this section, an individual must pledge to work as a certified  
7 teacher in a public school, ~~nonpublic school~~, or a qualifying  
8 public preschool program in this state and must meet 1 of the  
9 following work requirements:

10 (a) For a recipient of funding under this section who received  
11 an award for 1 academic year, 3 years of work as a certified  
12 teacher in a public school, ~~nonpublic school~~, or a qualifying  
13 public preschool program in this state.

14 (b) For a recipient of funding under this section who received  
15 an award for 2 academic years, 4 years of work as a certified  
16 teacher in a public school, ~~nonpublic school~~, or a qualifying  
17 public preschool program in this state.

18 (c) For a recipient of funding under this section who received  
19 an award for 3 academic years, 5 years of work as a certified  
20 teacher in a public school, ~~nonpublic school~~, or a qualifying  
21 public preschool program in this state.

22 (d) For a recipient working in a critical needs district, 3  
23 years of work as a certified teacher. As used in this subdivision,  
24 "critical needs district" means a district with a median household  
25 income in the lowest quartile in each prosperity region, as  
26 determined by the department.

27 (8) If an award recipient does not maintain enrollment in  
28 their educator preparation program as required under subsection  
29 (3)(a), does not successfully complete their educator preparation

1 program, or does not meet the work requirement described in  
2 subsection (7), any amount received from funds under this section  
3 converts to a 0% interest loan that must be repaid to this state  
4 within 10 years, **including any deferment period as determined and**  
5 **approved by the department of treasury.** The amount of repayment  
6 must be reduced proportionate to the number of years worked in  
7 schools or qualifying public preschool programs in this state as a  
8 certificated teacher out of 5 years. The department of treasury  
9 shall develop guidance to enforce this subsection.

10 (9) An individual may not concurrently receive funding through  
11 programs funded under this section and grow your own programs  
12 funded under section 27b.

13 (10) If the amount allocated in subsection (1) is not  
14 sufficient to fully fund awards under this section, there is  
15 appropriated from the educator fellowship public provider fund or  
16 the educator fellowship private provider fund, as applicable, the  
17 amount necessary to fully fund these programs. The state budget  
18 director shall provide notification to the house and senate  
19 appropriations subcommittees on K to 12 school aid and the house  
20 and senate fiscal agencies for any additional appropriation  
21 described under this subsection.

22 (11) Notwithstanding section 17b, the department of treasury  
23 shall make payments under this section on a schedule determined by  
24 the department of treasury.

25 (12) **The department of treasury shall report to the chairs of**  
26 **the senate and house appropriations subcommittees on school aid by**  
27 **February 1 of the current fiscal year. The report must include the**  
28 **following:**

29 (a) **The number and amount of awards granted in the previous**

1 **fiscal year.**

2 **(b) The number of recipients in the previous fiscal year that**  
3 **had their awards converted to loans under subsection (8).**

4 **(13) ~~(12)~~**—As used in this section, "eligible educator  
5 preparation program" means an institution of higher education that  
6 meets all of the following:

7 (a) Is a public or nonpublic institution of higher education  
8 in this state.

9 (b) Has an established school of education with an educator  
10 preparation program approved by the department.

11 (c) Enrolls 1 or more future educator fellowship recipients.

12 (d) Has not increased tuition and fee rates above the  
13 limitations described in section 265.

14 Sec. 27b. (1) From the state school aid fund money  
15 appropriated in section 11, there is allocated for 2022-2023 only  
16 an amount not to exceed \$20,000,000.00 and from the federal funding  
17 appropriated under section 11, there is allocated for 2022-2023  
18 only an amount not to exceed \$155,000,000.00 from the federal  
19 funding awarded to this state from the coronavirus state fiscal  
20 recovery fund under the American rescue plan act of 2021, title IX,  
21 subtitle M of Public Law 117-2, to districts and intermediate  
22 districts for a grow your own program as described in subsection  
23 (2).

24 (2) Districts and intermediate districts receiving funding  
25 under this section shall use the funding to implement a grow your  
26 own program. A grow your own program described in this subsection  
27 must be implemented to improve the teacher talent pipeline and  
28 provide a no-cost pathway for support staff members to become  
29 certified teachers. Allowable expenses for grow your own programs

1 include, but are not limited to:

2 (a) Tuition and fees for attendance at a state-approved  
3 education preparation provider for an accelerated degree, for a  
4 traditional bachelor's degree for current staff who are not  
5 teachers, or for an advanced degree. **As used in this subdivision,**  
6 **"advanced degree" includes, but is not limited to, a**  
7 **postbaccalaureate credential or certificate.**

8 (b) Books.

9 (c) Testing fees.

10 (d) Travel to and from coursework.

11 (e) Substitute employee salary and wages for the duration of  
12 the educator preparation program attended by the recipient staff of  
13 the district or intermediate district.

14 (f) Costs for curriculum, materials, professional development,  
15 and hands-on-learning experiences to implement a program within the  
16 district or intermediate district to encourage students in any of  
17 grades 6 through 12 to consider a career in education. Not more  
18 than 10% of funds received by a district or intermediate district  
19 under this section may be used for this purpose.

20 (3) The department shall establish a grant process to  
21 distribute funds under this section. A district or intermediate  
22 school district must apply for funds in a form and manner  
23 prescribed by the department. As part of the application described  
24 in this subsection, a district or intermediate district must submit  
25 the following information and assurances:

26 (a) Demonstrated need for funding in the district or  
27 intermediate district or the broader community, including projected  
28 workforce needs, and a proposed spending plan on how the funds will  
29 be utilized that includes expected tuition, fees, and books for the



1 program.

2 (b) Number of support staff projected to participate in a grow  
3 your own program described in this section.

4 (c) For funds for the purposes described in subsection (2)(f),  
5 a description of the program being implemented and the number of  
6 students the program is intended to reach.

7 (d) Assurances that the pathway will be no cost for  
8 participants and that participants will be compensated as an  
9 employee for the duration of their training, including a paid  
10 residency or student teaching.

11 (e) Identification of eligible recipients and a pledge to hire  
12 an eligible recipient as a full-time teacher upon their receipt of  
13 an initial teaching certificate and provide for student teaching  
14 opportunities.

15 (f) A pledge that, before providing funding under this section  
16 to an eligible recipient, the district or intermediate district  
17 will require that the eligible recipient pledge to serve as a full-  
18 time teacher at the district or intermediate district for at least  
19 the same number of years as the recipient participated in a grow  
20 your own program. If the district or intermediate district is  
21 unable to hire an eligible recipient as required under subdivision  
22 (e), the eligible recipient may serve the years the recipient  
23 pledged to serve under this subdivision at another district,  
24 intermediate district, or nonpublic school.

25 (4) An individual may not concurrently receive funding for  
26 programs under this section and programs funded under sections 27a  
27 and 27c.

28 (5) The federal funding allocated under this section is  
29 intended to respond to the COVID-19 public health emergency and its

1 negative impacts.

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

5 (7) The funds allocated under this section for 2022-2023 are a  
6 work project appropriation, and any unexpended funds for 2022-2023  
7 are carried forward into 2023-2024. The purpose of the work project  
8 is to continue support for grow your own programs in districts and  
9 intermediate districts. The estimated completion date of the work  
10 project is December 31, 2026.

11 Sec. 27c. (1) From the state school aid fund money  
12 appropriated in section 11, there is allocated \$50,000,000.00 for  
13 ~~2022-2023~~**2023-2024** for the MI future educator student teacher  
14 stipend program. Except as otherwise provided in this section, the  
15 funds allocated under this section must be paid to eligible  
16 educator preparation programs for payments to eligible student  
17 teachers working in a district.

18 (2) An eligible student teacher under this subsection must  
19 meet all of the following:

20 (a) The individual must be admitted to an eligible educator  
21 preparation program, be working toward a teacher certification, be  
22 participating in required student teaching coursework, and be  
23 maintaining satisfactory academic progress. As used in this  
24 subdivision, "required student teaching coursework" means credit  
25 hours, or the program equivalent, required by an eligible educator  
26 preparation program for successful completion of the program. This  
27 coursework must include regular placement in a district where the  
28 student gains real-world, first-hand experience working in a  
29 classroom, teaching students, engaging in the day-to-day activities

1 of a certified teacher, and working daily under the guidance of a  
2 certified teacher.

3 (b) The individual must timely complete an application in a  
4 form and manner prescribed by the department of treasury. The  
5 application must include the district in which the individual is  
6 working as a student teacher and must include a certification by  
7 the district and the individual's eligible educator preparation  
8 program that the student is working as a student teacher. If the  
9 individual's eligible educator preparation program is not provided  
10 by a public institution of higher education, the district in which  
11 the individual is working must also provide an assurance that they  
12 will forward any amount received under this section from the  
13 department of treasury for purposes of the program described in  
14 this section to the individual's eligible educator preparation  
15 program.

16 (c) The individual must not have received a payment from funds  
17 under this subsection previously, unless the individual is enrolled  
18 in an eligible educator preparation program that requires multiple  
19 semesters of student teaching.

20 (d) If an individual is ~~paid~~**employed** by their district **as a**  
21 **teacher of record**, they are not eligible for payment under this  
22 section.

23 **(e) An individual that is a former or current AmeriCorps**  
24 **service member enrolled in a qualified educator preparation program**  
25 **is eligible for payment under this section.**

26 (3) The department of treasury shall pay each eligible  
27 educator preparation program an amount not to exceed \$9,600.00 per  
28 academic semester for each eligible student teacher working in a  
29 district. If the individual's eligible educator preparation program

1 is not provided by a public institution of higher education, the  
2 department of treasury shall pay an amount not to exceed \$9,600.00  
3 per academic semester to the district in which the individual is  
4 working as a student teacher, and that district must forward the  
5 amount received to the individual's eligible educator preparation  
6 program. If funding allocated under this section is insufficient to  
7 fully fund all eligible student teachers, the department of  
8 treasury shall first award funding for eligible student teachers  
9 who are also Pell grant recipients and then shall distribute  
10 funding in the order in which applications were received. It is  
11 intended that payments under this subsection are made at the  
12 beginning of the semester in 1 lump sum for eligible student  
13 teachers.

14 (4) Eligible educator preparation programs shall pay funds  
15 received under this section, in entirety, to the eligible student  
16 teacher. ~~Eligible student teachers may use these funds for any of~~  
17 ~~the following:~~

18 ~~(a) Tuition costs.~~

19 ~~(b) Living expenses, including, but not limited to, housing~~  
20 ~~costs, health care costs, and transportation costs.~~

21 ~~(c) Childcare costs for a dependent of the student teacher.~~

22 ~~(d) Any other costs associated with student teaching, as~~  
23 ~~determined by the department of treasury.~~

24 (5) Notwithstanding section 17b, the department of treasury  
25 shall make payments under this section on a schedule determined by  
26 the department of treasury.

27 (6) As used in this section, "eligible educator preparation  
28 program" means an institution of higher education that meets all of  
29 the following:

1 (a) Is a public or private institution of higher education in  
2 this state.

3 (b) Has an established school of education with an educator  
4 preparation program approved by the department.

5 (c) Has not increased tuition and fee rates above the  
6 limitations described in section 265.

7 **Sec. 27g. (1) From the state school aid fund money**  
8 **appropriated in section 11, there is allocated for 2022-2023 only**  
9 **an amount not to exceed \$25,000,000.00 to intermediate districts**  
10 **and consortia of intermediate districts based on the number of**  
11 **pupils in membership in constituent districts of the intermediate**  
12 **district or consortia of intermediate districts to support the**  
13 **talent-together coalition as described in this section, and there**  
14 **is allocated for 2023-2024 only an amount not to exceed**  
15 **\$20,000,000.00 to intermediate districts and consortia of**  
16 **intermediate districts based on the number of pupils in membership**  
17 **in constituent districts of the intermediate district or consortia**  
18 **of intermediate districts to support the activities described in**  
19 **this section.**

20 (2) Intermediate districts and consortia of intermediate  
21 districts shall use the money received under this section to  
22 partner with 1 eligible nonprofit to provide funding, programs, and  
23 technical assistance for the following activities:

24 (a) Teacher recruitment, teacher retention, and teacher  
25 development to ensure greater efficacy, satisfaction, and outcomes.

26 (b) Improve teacher certification programs to increase quality  
27 and retention, and to foster close relationships with schools.

28 (c) Provide school leader development programs to increase  
29 educator retention and efficacy.

1 (d) Serve as a convener and hub for innovation and  
2 conversation to support collaboration and coordination among this  
3 state's educator talent efforts.

4 (e) Promote research so that this state can learn from its  
5 investments and innovations and become a top state for educators.

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

9 (4) As used in this section, "eligible nonprofit" means an  
10 entity that meets all of the following criteria, as determined by  
11 the department:

12 (a) Is based in this state.

13 (b) Operates statewide.

14 (c) Is a non-higher education institution under section  
15 501(c) (3) of the internal revenue code of 1986, 26 USC 501.

16 (d) Has formal partnerships with more than 35 intermediate  
17 districts in this state.

18 (e) Has launched a statewide grow your own program in  
19 partnership with intermediate districts.

20 (f) Has staff experienced in implementing research-based  
21 programs in all of the following areas:

22 (i) Teacher recruitment.

23 (ii) Teacher development.

24 (iii) Teacher retention.

25 (iv) Teacher certification.

26 (v) School leader development.

27 (vi) School leader retention.

28 (g) Has staff experienced in designing and developing a  
29 department-approved grow your own program.

1           Sec. 27k. (1) From the state school aid fund money  
2 appropriated in section 11, \$250,000,000.00 is allocated for 2023-  
3 2024 only to districts for the purposes under this section.

4           (2) To receive funding under this section, a district must  
5 apply for the funding in a form and manner prescribed by the  
6 department.

7           (3) A district that receives funding under this section shall  
8 use the funding only to implement a student loan repayment program  
9 in accordance with guidelines issued by the department. The  
10 guidelines must include all of the following criteria:

11           (a) A system for which the district verifies both of the  
12 following:

13           (i) That each eligible participant owes federal student loans.

14           (ii) That each eligible participant is enrolled in the federal  
15 public service loan forgiveness program and is under, pursuant to  
16 federal law, a payment plan that makes eligible payments toward  
17 federal public service loan forgiveness.

18           (b) A requirement that each eligible participant shall receive  
19 up to \$250.00 per month, or, if the eligible participant is  
20 employed in a district for which at least 75% of pupils are at-risk  
21 pupils, up to \$450.00 per month, for the duration of the program or  
22 the total amount of the eligible participant's federal student  
23 loan, as verified under subdivision (a), whichever is less.

24           (c) A requirement that payments to eligible participants  
25 through the program must be made in equal amounts on a monthly  
26 basis.

27           (d) A requirement that an eligible participant must only  
28 receive funding through the program if the eligible participant  
29 continues to meet the criteria of an eligible participant.

1           (e) A requirement that an eligible participant annually, or,  
2 if the participant leaves the program, on the date the participant  
3 leaves the program, if applicable, certifies to the district that  
4 the eligible participant made payments toward the eligible  
5 participant's federal student loan with the funding received under  
6 this section.

7           (f) A requirement that the eligible participant certifies to  
8 the district any increases or decreases in the participant's  
9 monthly payment toward the eligible participant's federal student  
10 loan.

11           (4) An eligible participant remains eligible, unless otherwise  
12 provided under federal law or other state laws, for student loans  
13 even though the eligible participant receives funding from the  
14 money allocated under this section.

15           (5) If an eligible participant does not utilize funding  
16 received from a district from the allocation under this section  
17 toward payment toward the participant's federal student loan, the  
18 amount or amounts not used in accordance with this section convert  
19 into a 0% interest loan that are due 1 year from receipt of the  
20 payment by the eligible participant.

21           (6) Payments to an eligible participant by districts under  
22 this section must be made for up to 10 years or until the eligible  
23 participant's federal student loan is paid off, whichever occurs  
24 earlier.

25           (7) The funds allocated under this section for 2023-2024 are a  
26 work project appropriation, and any unexpended funds for 2023-2024  
27 are carried forward into 2024-2025. The purpose of the work project  
28 is to continue support for federal student loan repayment programs  
29 as described in this section. The estimated completion date of the



1 work project is December 31, 2026.

2 (8) If the amount allocated under this section is insufficient  
3 to fully make payments to all eligible participants as required  
4 under this section, the department shall prorate the amount paid to  
5 districts to distribute to all eligible participants on an equal  
6 basis.

7 (9) As used in this section:

8 (a) "At-risk pupil" means that term as defined in section 31a.

9 (b) "Eligible participant" means an individual who is  
10 participating in a student loan repayment program described in  
11 subsection (3) and who is working full-time at a district in a role  
12 in which the individual works directly with students, including,  
13 but not limited to, educators, counselors, social workers,  
14 psychologists, reading specialists, librarians, and school  
15 administrators who work directly with students.

16 Sec. 27l. From the state school aid fund money appropriated in  
17 section 11, there is allocated \$125,000,000.00 for 2023-2024 only  
18 to districts and intermediate districts for a salary incentive  
19 pilot program.

20 Sec. 27n. From the state school aid fund money appropriated in  
21 section 11, \$2,000,000.00 is allocated for 2023-2024 only to  
22 Saginaw Public School District to fund the enrollment of employees  
23 of Saginaw Public School District in the Accelerated Certification  
24 with Residency (ACR) Program at Saginaw Valley State University for  
25 the employees to earn their teaching certificate. Saginaw Public  
26 School District shall directly make payments to Saginaw Valley  
27 State University for the enrollment of employees described in this  
28 section as described in this section.

29 Sec. 27o. From the general fund money appropriated in section

1 11, \$3,000,000.00 is allocated for 2023-2024 only to City Year  
2 Fellowship to be used for the expansion of the provision of English  
3 language and math tutoring services and opportunities to districts  
4 in this state.

5       Sec. 27p. (1) From the state school aid fund money  
6 appropriated in section 11, \$250,000.00 is allocated for 2023-2024  
7 only to districts on a reimbursement basis toward the payment of  
8 costs associated with professional learning classes or sessions for  
9 school board members. A district must only be reimbursed an amount  
10 not to exceed \$100.00 for each class or session as described in  
11 this section from the funding allocated under this section.

12       (2) The funds allocated under this section for 2023-2024 are a  
13 work project appropriation, and any unexpended funds for 2023-2024  
14 are carried forward into 2024-2025. The purpose of the work project  
15 is to continue supporting the reimbursement of costs for school  
16 board member professional learning as described in this section.  
17 The estimated completion date of the work project is September 30,  
18 2027.

19       Sec. 27q. From the state school aid fund money appropriated in  
20 section 11, there is allocated \$2,000,000.00 for 2023-2024 only to  
21 the school district of the city of Hamtramck for both of the  
22 following purposes:

23       (a) To hire accelerated learning coaches for each of the 8  
24 schools in the district. The coaches described in this subdivision  
25 shall do all of the following:

26       (i) Lead efforts in the district to support learning and  
27 teaching.

28       (ii) Work directly with teachers to model lessons, co-teach,  
29 and work with small groups.

1           (iii) Prioritize equitable access to grade-level content and  
2 high-quality resources for all students.

3           (iv) Focus on the depth of instruction rather than the pace,  
4 and implement an accelerated learning cycle to identify gaps and  
5 scaffold instruction as needed.

6           (v) Collaborate with teachers to provide support in addressing  
7 learning gaps and improving student achievement.

8           (b) For the provision of professional development for the  
9 coaches described in subdivision (a). The professional learning  
10 described in this subdivision must be aligned with best practices  
11 in accelerating student learning, including strategies for  
12 differentiation, assessment, and data analysis.

13           Sec. 28. (1) To recognize differentiated instructional costs  
14 for different types of pupils in ~~2022-2023,~~ **2023-2024**, the  
15 following sections provide a weighted foundation allocation or an  
16 additional payment of some type in the following amounts, as  
17 allocated under those sections:

18           (a) Section 22d, isolated and rural districts,  
19 ~~\$8,858,000.00.~~ **\$11,689,500.00.**

20           (b) Section 31a, at risk, ~~\$747,500,000.00.~~ **\$920,600,000.00.**

21           (c) Section 41, bilingual education for English language  
22 learners, ~~\$26,511,000.00.~~ **\$53,022,000.00.**

23           (d) Section 51c, special education, mandated percentages,  
24 ~~\$709,900,000.00.~~ **\$819,200,000.00.**

25           (e) Section 61a, career and technical education, standard  
26 reimbursement, ~~\$47,611,300.00.~~ **\$37,611,300.00.**

27           (f) Section 61d, career and technical education incentives,  
28 \$5,000,000.00.

29           (2) The funding described in subsection (1) is not a separate

1 allocation of any funding but is instead a listing of funding  
2 allocated in the sections listed in subsection (1).

3       **Sec. 30d. (1) From the state school aid fund money**  
4 **appropriated in section 11, there is allocated an amount not to**  
5 **exceed \$25,000,000.00 for 2022-2023 and an amount not to exceed**  
6 **\$160,000,000.00 for 2023-2024 for the purpose of making payments to**  
7 **participating entities to provide free school lunch and breakfast**  
8 **to public school pupils in grades pre-K to 12.**

9       **(2) In order to receive funding from this section, a**  
10 **participating entity must participate in the National School Lunch**  
11 **Program and must do all of the following:**

12       **(a) Provide reimbursable breakfasts and reimbursable lunches**  
13 **at no cost to all students for any school breakfast program or**  
14 **school lunch program operated by the participating entity.**

15       **(b) Submit information regarding the number of reimbursable**  
16 **breakfasts and reimbursable lunches served in a manner prescribed**  
17 **by the department and pledge that it will report to the department,**  
18 **not later than the last business day of January for each fiscal**  
19 **year, in a form and manner prescribed by the department, the number**  
20 **of meals and the average cost per meal provided during the first**  
21 **half of the current school fiscal year.**

22       **(c) Maximize federal reimbursement for reimbursable breakfasts**  
23 **and reimbursable lunches by operating under the CEP if the**  
24 **participating entity has an identified student percentage greater**  
25 **than or equal to the minimum requirement to be eligible to**  
26 **participate in the CEP. For purposes of this subdivision, all**  
27 **eligible participating entities must elect CEP on behalf of a**  
28 **single school, a group or groups of schools, or all schools in the**  
29 **participating entity, as applicable, in a manner that maximizes**

1 federal reimbursement.

2 (d) The participating entity meets all applicable state and  
3 federal standards in its school breakfast and lunch programs, as  
4 determined by the department.

5 (e) The participating entity takes all efforts to maximize and  
6 implement policies that require parents or guardians to fill out  
7 relevant family income information, in a manner prescribed by the  
8 department, for the purposes of determining student eligibility for  
9 federal free or reduced cost meal reimbursement rates and CEP  
10 eligibility determinations.

11 (f) All school meal debt has been forgiven by the  
12 participating entity, as determined by the department.

13 (3) For each eligible participating entity, the department  
14 shall pay an amount equal to the following:

15 (a) The amount equal to the federal rate per student paid per  
16 pupil per free breakfast and lunch under the Child Nutrition Act of  
17 1966, 42 USC 21 1771 to 1793, and the Richard B. Russell National  
18 School Lunch Act, 42 USC 1751 to 1769j, multiplied by the number of  
19 breakfasts and lunches provided by the participating entity to  
20 students, less the federal revenue received by the participating  
21 entity under the school breakfast program and the school lunch  
22 program under the Child Nutrition Act of 1966, 42 USC 21 1771 to  
23 1793, and the Richard B. Russell National School Lunch Act, 42 USC  
24 1751 to 1769j, and other state lunch payments received under  
25 section 31d.

26 (b) The amount equal to the federal rate per student paid per  
27 pupil per free breakfast and lunch under the Child Nutrition Act of  
28 1966, 42 USC 21 1771 to 1793, and the Richard B. Russell National  
29 School Lunch Act, 42 USC 1751 to 1769j, multiplied by the number of

1 breakfasts and lunches provided by the participating entity, as  
 2 applicable, to children participating in the Great Start Readiness  
 3 Program under section 32d at the participating entity, less all  
 4 other federal and state lunch payments made for those children. For  
 5 purposes of this subdivision, compliance with 7 CFR 226.9 is  
 6 required. The department shall assign rates of reimbursement  
 7 pursuant to 7 CFR 226.9, at least annually, on the basis of family  
 8 size and income information reported by each eligible participating  
 9 entity. Assigned rates of reimbursement must be adjusted annually  
 10 to reflect changes in the national average payment rates.

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

14 (5) As used in this section:

15 (a) "CEP" means the Community Eligibility Provision under the  
 16 Richard B. Russell National School Lunch Act, 42 USC 1751 to 1769j.

17 (b) "Participating entity" means a district, intermediate  
 18 district, or the Michigan School for the Deaf and Blind.

19 Sec. 31a. (1) From the state school aid fund money  
 20 appropriated in section 11, there is allocated for ~~2021-2022-2023-~~  
 21 ~~2024~~ an amount not to exceed ~~\$537,650,000.00, \$993,750,000.00~~, and  
 22 from the general fund money appropriated in section 11 there is  
 23 allocated for ~~2021-2022-2023-2024~~ an amount not to exceed  
 24 \$1,500,000.00 ~~, and, from the state school aid fund money~~  
 25 ~~appropriated in section 11, there is allocated for 2022-2023 an~~  
 26 ~~amount not to exceed \$785,650,000.00, and from the general fund~~  
 27 ~~money appropriated in section 11, there is allocated for 2022-2023~~  
 28 ~~an amount not to exceed \$1,500,000.00 for payments to eligible~~  
 29 districts and eligible public school academies for the purposes of

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

6 ~~(2) For 2021-2022 only, for a district that has combined state~~  
7 ~~and local revenue per membership pupil under sections 20 and 20m~~  
8 ~~that is greater than the target foundation allowance under section~~  
9 ~~20 for the current fiscal year and that, for the immediately~~  
10 ~~preceding fiscal year, had combined state and local revenue per~~  
11 ~~membership pupil under section 20 and 20m that was greater than the~~  
12 ~~target foundation allowance under section 20 that was in effect for~~  
13 ~~that fiscal year, the allocation under subsection (4) is an amount~~  
14 ~~equal to 35% of the allocation for which it would otherwise be~~  
15 ~~eligible under subsection (4) before any proration under subsection~~  
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 sections 20 and 20m that is below the~~  
19 ~~target foundation allowance are receiving nonprorated payments~~  
20 ~~under subsection (4), the percentage in the immediately preceding~~  
21 ~~sentence must be increased annually until it reaches 100%. If a~~  
22 ~~district has combined state and local revenue per membership pupil~~  
23 ~~under sections 20 and 20m 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 target foundation allowance, as~~

1 ~~applied under subsection (4), and before any proration under~~  
 2 ~~subsection (15). This subsection does not apply beginning in 2022-~~  
 3 ~~2023.~~

4       (2) ~~(3)~~—For a district or public school academy to be eligible  
 5 to receive funding under this section, other than funding under  
 6 subsection (7) or (8), the district or public school academy, for  
 7 grades K to 12, must comply with the requirements under section  
 8 1280f of the revised school code, MCL 380.1280f, and shall use  
 9 resources to address early literacy and numeracy, and for at least  
 10 grades K to 12 or, if the district or public school academy does  
 11 not operate all of grades K to 12, for all of the grades it  
 12 operates, must implement a multi-tiered system of supports that is  
 13 an ~~evidence based~~ **evidence-based** framework that uses data driven  
 14 problem solving to integrate academic and behavioral instruction  
 15 and that uses intervention delivered to all pupils in varying  
 16 intensities based on pupil needs. The multi-tiered system of  
 17 supports described in this subsection must provide at least all of  
 18 the following essential components:

- 19       (a) Team-based leadership.
- 20       (b) A tiered delivery system.
- 21       (c) Selection and implementation of instruction,
- 22       interventions, and supports.
- 23       (d) A comprehensive screening and assessment system.
- 24       (e) Continuous data-based decision making.

25       (3) ~~(4)~~—From the state school aid fund money allocated under  
 26 subsection (1), there is allocated for ~~2021-2022~~ **2023-2024** an  
 27 amount not to exceed \$512,500,000.00 and, for ~~2022-2023~~, an amount  
 28 ~~not to exceed \$747,500,000.00~~ **\$920,600,000.00** to continue a  
 29 weighted foundation per pupil payment for districts and public



1 school academies enrolling economically disadvantaged pupils. The  
2 department shall pay under this subsection to each eligible  
3 district or eligible public school academy an amount per pupil  
4 equal to ~~11.5% of~~ **a percentage calculated under subsection (4)**  
5 **multiplied by** the target foundation allowance for the following, as  
6 applicable:

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

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

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

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

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

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

26 (d) If, for a particular fiscal year, the number of membership  
27 pupils in a district or public school academy who are determined  
28 under subdivision (a) to be economically disadvantaged or to be  
29 eligible based on the identified student percentage varies by more

1 than 20 percentage points from the number of those pupils in the  
2 district or public school academy as calculated under subdivision  
3 (a) for the immediately preceding fiscal year caused by an  
4 egregious reporting error by the district or public school academy,  
5 the department may choose to have the calculations under  
6 subdivision (a) instead be made using the number of membership  
7 pupils in the district or public school academy who are determined  
8 to be economically disadvantaged, as reported to the center in the  
9 form and manner prescribed by the center not later than the fifth  
10 Wednesday after the supplemental count day of the immediately  
11 preceding fiscal year.

12 **(4) Each district or public school academy must be assigned to**  
13 **an opportunity index score each fiscal year, the value of which is**  
14 **a decimal, resulting from taking the number of economically**  
15 **disadvantaged pupils as determined under subsection (3) for the**  
16 **district or public school academy divided by the total number of**  
17 **pupils in the district or public school academy. Each district or**  
18 **public school academy must be assigned an opportunity index band as**  
19 **follows:**

20 **(a) A district or public school academy with an opportunity**  
21 **index score greater than or equal to 0.00 but less than 0.41 must**  
22 **be assigned to band 1 and shall receive reimbursement under**  
23 **subsection (3) at a rate of 11.5%.**

24 **(b) A district or public school academy with an opportunity**  
25 **index score greater than or equal to 0.41 but less than 0.57 must**  
26 **be assigned to band 2 and shall receive reimbursement under**  
27 **subsection (3) at a rate of 11.8%.**

28 **(c) A district or public school academy with an opportunity**  
29 **index score greater than or equal to 0.57 but less than 0.71 must**

1 be assigned to band 3 and shall receive reimbursement under  
2 subsection (3) at a rate of 12.5%.

3 (d) A district or public school academy with an opportunity  
4 index score greater than or equal to 0.71 but less than 0.82 must  
5 be assigned to band 4 and shall receive reimbursement under  
6 subsection (3) at a rate of 13.6%.

7 (e) A district or public school academy with an opportunity  
8 index score greater than or equal to 0.82 must be assigned to band  
9 5 and shall receive reimbursement under subsection (3) at a rate of  
10 15.3%.

11 (5) Except as otherwise provided in this section, a district  
12 or public school academy receiving funding under this section shall  
13 use that money only to provide instructional programs and direct  
14 noninstructional services, including, but not limited to, medical,  
15 mental health, or counseling services, for at-risk pupils; for  
16 school health clinics; and for the purposes of subsection (6), (7),  
17 or (8). In addition, a district that is a school district of the  
18 first class or a district or public school academy in which at  
19 least 50% of the pupils in membership were determined to be  
20 economically disadvantaged in the immediately preceding state  
21 fiscal year, as determined and reported as described in subsection  
22 ~~(4)~~, ~~(3)~~, may use the funds it receives under this section for  
23 school security or school parent liaison personnel. The uses of the  
24 funds described in the immediately preceding sentence must align to  
25 the needs assessment and the multi-tiered system of supports model  
26 and, for funds spent on parent liaison personnel, must connect  
27 parents to the school community. A district or public school  
28 academy shall not use any of the money received under this section  
29 for administrative costs. The instruction or direct

1 noninstructional services provided under this section may be  
 2 conducted before or after regular school hours or by adding extra  
 3 school days to the school year.

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

12 (7) From the state school aid fund money allocated under  
 13 subsection (1), there is allocated for ~~2021-2022-2023-2024~~ an  
 14 amount not to exceed ~~\$8,000,000.00~~ and there is allocated for ~~2022-~~  
 15 ~~2023~~ an amount not to exceed ~~\$33,000,000.00~~ **\$68,000,000.00** to  
 16 support primary health care services provided to children and  
 17 adolescents up to age 21. **It is the intent of the legislature that,**  
 18 **for 2024-2025, the allocation from the state school aid fund money**  
 19 **appropriated in section 11 for purposes described in this**  
 20 **subsection will be \$48,000,000.00.** These funds must be expended in  
 21 a form and manner determined jointly by the department and the  
 22 department of health and human services. **Of the funds allocated for**  
 23 **2023-2024, \$10,000,000.00 must be used for infrastructure**  
 24 **investment at existing adolescent health centers and \$10,000,000.00**  
 25 **must be used to implement a networked patient data IT system.** When  
 26 making funding decisions for new adolescent health centers under  
 27 this subsection, the department and department of health and human  
 28 services shall prioritize support for primary health care services  
 29 in unserved counties as of the effective date of the amendatory act

1 that added this sentence. An amount not to exceed 4% of the funds  
2 allocated for ~~2022-2023-2023-2024~~ under this subsection must be  
3 made available for technical support and coordination services from  
4 a nonprofit organization exclusively dedicated to serving  
5 adolescent health centers in this state and that has a membership  
6 that includes federally qualified health centers, local public  
7 health departments, hospital systems, and public school districts.  
8 As a requirement of being awarded the funds under this subsection  
9 as prescribed under this subsection, a nonprofit organization  
10 described in this subsection shall make readily available technical  
11 support and coordination services to all child and adolescent  
12 health centers in this state.

13 (8) From the state school aid fund money allocated under  
14 subsection (1), there is allocated for ~~2021-2022-2023-2024~~ an  
15 amount not to exceed \$5,150,000.00 ~~and there is allocated for 2022-~~  
16 ~~2023 an amount not to exceed \$5,150,000.00~~ for the state portion of  
17 the hearing and vision screenings as described in part 93 of the  
18 public health code, 1978 PA 368, MCL 333.9301 to 333.9329, and,  
19 from the general fund money allocated under subsection (1), there  
20 is allocated for ~~2021-2022-2023-2024~~ an amount not to exceed  
21 \$1,500,000.00 ~~and there is allocated for 2022-2023 an amount not to~~  
22 ~~exceed \$1,500,000.00~~ for the state portion of the dental screenings  
23 as described in part 93 of the public health code, 1978 PA 368, MCL  
24 333.9301 to 333.9329. A local public health department shall pay at  
25 least 50% of the total cost of the screenings. The frequency of the  
26 vision screenings must be as required under R 325.13091 to R  
27 325.13096 of the Michigan Administrative Code and the frequency of  
28 the hearing screenings must be as required under R 325.3271 to R  
29 325.3276 of the Michigan Administrative Code. Funds must be awarded

1 in a form and manner approved jointly by the department and the  
2 department of health and human services. Notwithstanding section  
3 17b, the department shall make payments to eligible entities under  
4 this subsection on a schedule determined by the department.

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

26 (10) In order to receive funds under this section, a district  
27 or public school academy must allow access for the department or  
28 the department's designee to audit all records related to the  
29 program for which it receives those funds. The district or public

1 school academy shall reimburse the state for all disallowances  
2 found in the audit.

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

16 (12) A district or public school academy that receives funds  
17 under this section may use those funds to provide research based  
18 professional development and to implement a coaching model that  
19 supports the multi-tiered system of supports framework.  
20 Professional development may be provided to district and school  
21 leadership and teachers and must be aligned to professional  
22 learning standards; integrated into district, school building, and  
23 classroom practices; and solely related to the following:

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

27 (b) Implementing section 1280f of the revised school code, MCL  
28 380.1280f, as required under subsection ~~(3)~~ **(2)**, with fidelity.

29 (13) ~~For 2021-2022, a district or public school academy that~~



1 ~~receives funds under subsection (4) or (17) may use funds received~~  
 2 ~~under subsection (4) or (17) for support staff providing services~~  
 3 ~~to at-risk pupils. For 2022-2023, **2023-2024** a district or public~~  
 4 ~~school academy that receives funds under subsection (4)—**(3)** may use~~  
 5 ~~funds received under subsection (4)—**(3)** for support staff providing~~  
 6 ~~services to at-risk pupils.~~

7 (14) A district or public school academy that receives funds  
 8 under this section may use up to 10% of the funds received under  
 9 this section to provide evidence-based instruction for pre-  
 10 kindergarten instructional and noninstructional services to  
 11 children who meet at least 1 of the criteria in subsection  
 12 ~~(20) (a) (i) to (x)~~. **(18) (a) (i) to (x)**.

13 (15) If necessary, the department shall prorate payments under  
 14 this section, except payments under subsection ~~(7), (8), or, for~~  
 15 ~~2021-2022, (17), **(7) or (8)**,~~ by reducing the amount of the  
 16 allocation as otherwise calculated under this section by an equal  
 17 percentage per district.

18 (16) If a district is dissolved pursuant to section 12 of the  
 19 revised school code, MCL 380.12, the intermediate district to which  
 20 the dissolved district was constituent shall determine the  
 21 estimated number of pupils that are economically disadvantaged and  
 22 that are enrolled in each of the other districts within the  
 23 intermediate district and provide that estimate to the department  
 24 for the purposes of distributing funds under this section within 60  
 25 days after the district is declared dissolved.

26 ~~(17) From the state school aid fund money allocated under~~  
 27 ~~subsection (1), there is allocated for 2021-2022 an amount not to~~  
 28 ~~exceed \$12,000,000.00 for payments to districts and public school~~  
 29 ~~academies that otherwise received an allocation under this~~

~~1 subsection for 2020-2021 and whose allocation under this section  
 2 for 2020-2021, excluding any payments under subsection (7) or (8),  
 3 would have been more than the district's or public school academy's  
 4 allocation under this section for 2021-2022 as calculated under  
 5 subsection (4) only and as adjusted under subsection (15). The  
 6 allocation for each district or public school academy under this  
 7 subsection is an amount equal to its allocation under this section  
 8 for 2020-2021 minus its allocation as otherwise calculated under  
 9 subsection (4) for 2021-2022 as adjusted by subsection (15), using  
 10 in those calculations the 2017-2018 number of pupils determined to  
 11 be economically disadvantaged. However, if the allocation as  
 12 otherwise calculated under this subsection would have been less  
 13 than \$0.00, the allocation under this subsection is \$0.00. If  
 14 necessary, and before any proration required under section 296, the  
 15 department shall prorate payments under this subsection by reducing  
 16 the amount of the allocation as otherwise calculated under this  
 17 subsection by an equal percentage per district or public school  
 18 academy. Any unexpended funds under this subsection are to be  
 19 distributed through payments made under subsection (4) as provided  
 20 under subsection (4), but those funds must not be factored into  
 21 calculating payments under this subsection. This subsection does  
 22 not apply beginning in 2022-2023.~~

23       **(17)** ~~(18)~~ A district or public school academy that receives  
 24 funds under this section may use funds received under this section  
 25 to provide an anti-bullying or crisis intervention program.

26       **(18)** ~~(19)~~ The department shall collaborate with the department  
 27 of health and human services to prioritize assigning Pathways to  
 28 Potential success coaches to elementary schools that have a high  
 29 percentage of pupils in grades K to 3 who are not proficient in

1 English language arts, based upon state assessments for pupils in  
2 those grades.

3 (19) ~~(20)~~—As used in this section:

4 (a) "At-risk pupil" means a pupil in grades pre-K to 12 for  
5 whom the district has documentation that the pupil meets any of the  
6 following criteria:

7 (i) The pupil is economically disadvantaged.

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

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

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

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

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

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

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

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

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

28 (b) "Combined state and local revenue" means the aggregate of  
29 the district's state school aid received by or paid on behalf of

1 the district under section 20 and the district's local school  
2 operating revenue.

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

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

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

17 (f) "Local school operating revenue" means that term as  
18 defined in section 22b.

19 Sec. 31d. (1) From the state school aid fund money  
20 appropriated in section 11, there is allocated an amount not to  
21 exceed \$24,553,400.00 for ~~2021-2022-2022-2023~~ and there is  
22 allocated an amount not to exceed ~~\$24,553,400.00~~ **\$25,290,400.00** for  
23 ~~2022-2023-2023-2024~~ for the purpose of making payments to districts  
24 and other eligible entities under this section.

25 (2) The amounts allocated from state sources under this  
26 section are used to pay the amount necessary to reimburse districts  
27 for 6.0127% of the necessary costs of the state mandated portion of  
28 lunch programs provided by those districts. The department shall  
29 calculate the amount due to each district under this section using

1 the methods of calculation adopted by the Michigan supreme court in  
2 the consolidated cases known as *Durant v State of Michigan*, 456  
3 Mich 175 (1997).

4 (3) The payments made under this section include all state  
5 payments made to districts so that each district receives at least  
6 6.0127% of the necessary costs of operating the state mandated  
7 portion of the lunch program in a fiscal year.

8 (4) The payments made under this section to districts and  
9 other eligible entities that are not required under section 1272a  
10 of the revised school code, MCL 380.1272a, to provide a lunch  
11 program must be in an amount not to exceed \$10.00 per eligible  
12 pupil plus 5 cents for each free lunch and 2 cents for each reduced  
13 price lunch provided, as determined by the department.

14 (5) From the federal funds appropriated in section 11, there  
15 is allocated for ~~2021-2022~~**2022-2023** all available federal funding,  
16 estimated at ~~\$900,000,000.00~~,**\$901,400,000.00**, and there is  
17 allocated for ~~2022-2023~~**2023-2024** all available federal funding,  
18 estimated at ~~\$900,000,000.00~~,**\$901,400,000.00** for child nutrition  
19 programs and, for ~~2021-2022~~,**2022-2023**, all available federal  
20 funding, estimated at ~~\$30,700,000.00~~,**\$15,000,000.00**, and, for  
21 ~~2022-2023~~,**2023-2024**, all available federal funding, estimated at  
22 \$15,000,000.00, for food distribution programs.

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

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

1           Sec. 31f. (1) From the state school aid fund money  
2 appropriated in section 11, there is allocated an amount not to  
3 exceed ~~\$12,400,000.00 for 2021-2022 and \$11,900,000.00 for 2022-~~  
4 ~~2023-2023-2024~~ for the purpose of making payments to districts to  
5 reimburse for the cost of providing breakfast.

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

9           (a) The district participates in the federal school breakfast  
10 program and meets all standards as prescribed by 7 CFR parts 210,  
11 220, 225, 226, and 245.

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

14           (3) The payment for a district under this section is at a per  
15 meal rate equal to the lesser of the district's actual cost or 100%  
16 of the statewide average cost of a meal served, as determined and  
17 approved by the department, less federal reimbursement, participant  
18 payments, and ~~other state reimbursement.~~ **breakfast reimbursements**  
19 **received under section 30d.** The department shall determine the  
20 statewide average cost using costs as reported in a manner approved  
21 by the department for the preceding school year.

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

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

29           Sec. 31j. (1) From the general fund money appropriated in

1 section 11, there is allocated an amount not to exceed \$500,000.00  
 2 **and from the state school aid fund money appropriated in section**  
 3 **11, there is allocated an amount not to exceed \$8,800,000.00 for**  
 4 **2022-2023, and from the general fund money appropriated in section**  
 5 **11, there is allocated an amount not to exceed \$500,000.00 and** from  
 6 the state school aid fund money appropriated in section 11, there  
 7 is allocated an amount not to exceed \$4,000,000.00 for ~~2021-2022,~~  
 8 ~~and from the general fund money appropriated in section 11, there~~  
 9 ~~is allocated an amount not to exceed \$500,000.00 and from the state~~  
 10 ~~school aid fund money appropriated in section 11, there is~~  
 11 ~~allocated an amount not to exceed \$8,800,000.00 for 2022-2023-2023-~~  
 12 **2024** for a program to support districts and other non-school  
 13 sponsors in the purchase of locally grown fruits and vegetables as  
 14 described in this section. ~~It is the intent of the legislature~~  
 15 ~~that, for 2023-2024, the allocation from the state school aid fund~~  
 16 ~~money appropriated in section 11 for purposes described in this~~  
 17 ~~section will be \$4,000,000.00.~~

18 (2) Funding under this section retained by the department for  
 19 administration must not exceed 5%. Funding under this section  
 20 retained by project partners for data collection, outreach, and  
 21 training must not exceed 1% for each partner.

22 (3) The department shall develop and implement a competitive  
 23 grant program for districts and other non-school sponsors to assist  
 24 in paying for the costs incurred by the district or other non-  
 25 school sponsor to purchase or increase purchases of whole or  
 26 minimally processed fruits, vegetables, and legumes grown in this  
 27 state. The maximum amount that may be drawn down on a grant to a  
 28 district or other non-school sponsor is based on the number of  
 29 meals served by the district during the previous school year under

1 the Richard B. Russell national school lunch act, 42 USC 1751 to  
2 1769j, or meals served by the other non-school sponsor in the  
3 previous school year. The department shall collaborate with the  
4 Michigan department of agriculture and rural development to provide  
5 training to newly participating schools and other non-school  
6 sponsors and electronic information on Michigan agriculture.

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

11 (5) A district or other non-school sponsor that receives a  
12 grant under this section shall use those funds for the costs  
13 incurred by the district or the sponsor to purchase whole or  
14 minimally processed fruits, vegetables, and legumes that meet both  
15 of the following:

16 (a) For each fiscal year, were purchased for use in meals and  
17 supportive activities as part of the United States Department of  
18 Agriculture child nutrition programs provided between September 1  
19 through August 30 of that fiscal year.

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

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

27 (7) In awarding grants under this section, the department  
28 shall work in consultation with Michigan-based farm to school  
29 resource organizations, to develop scoring criteria that assess an



1 applicant's ability to procure Michigan-grown products, prepare and  
2 menu Michigan-grown products, promote and market Michigan-grown  
3 products, and submit letters of intent from districts or other non-  
4 school sponsors on plans for educational activities that promote  
5 the goals of the program.

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

16 (9) In awarding grants, the department shall also consider all  
17 of the following:

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

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

23 (c) Existing or planned collaboration between child care  
24 sponsors, between districts, or with agricultural businesses and  
25 essential local food infrastructure, such as farms, farm  
26 cooperatives, processors, distributors, and local food hubs.

27 (10) As a condition of receiving a grant under this section, a  
28 district or other non-school sponsor shall provide or direct its  
29 vendors to provide to the department copies of monthly receipts

1 that show the quantity of different Michigan-grown fruits,  
2 vegetables, and legumes purchased, the amount of money spent on  
3 each of these products, the name and Michigan location of the farm  
4 that grew the products, and the methods or plans to market and  
5 promote the program. The district or other non-school sponsor also  
6 shall provide to the department monthly United States Department of  
7 Agriculture child nutrition reimbursable meal numbers and must  
8 retain monthly menus noting when and how Michigan-grown products  
9 were used in meals. The district or other non-school sponsor and  
10 school or non-school sponsor food service director or directors  
11 also shall agree to respond to brief online surveys and to provide  
12 a report that shows the percentage relationship of Michigan  
13 spending compared to total food spending. Not later than 60 days  
14 after the end of the period in which funds under this section were  
15 received, and in which federal child nutrition programs require  
16 submission of claims, each district or each non-school sponsor  
17 shall submit a report to the department on outcomes and related  
18 measurements for economic development and children's nutrition and  
19 readiness to learn. The report must include at least both of the  
20 following:

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

26 (i) The data used to determine the amount of this increase are  
27 the total dollar amount of Michigan or local fruits, vegetables,  
28 and legumes purchased by schools and other non-school sponsors,  
29 along with the number of different types of products purchased;

1 school and non-school sponsor food purchasing trends identified  
2 along with products that are of new and growing interest among food  
3 service directors; the number of businesses impacted; and the  
4 percentage of total food budget spent on Michigan-grown fruits,  
5 vegetables, and legumes.

6 (ii) The district or other non-school sponsor shall use  
7 purchasing data collected for the program and surveys of school and  
8 non-school sponsor food service directors on the impact and success  
9 of the program as the source for the data described in subparagraph  
10 (i).

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

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

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

26 (11) The department shall compile the reports provided by  
27 districts and other non-school sponsors under subsection (10) into  
28 1 legislative report. The department shall provide this report not  
29 later than April 1 of each fiscal year following the fiscal year

1 for which funding is allocated under this section to the house and  
2 senate subcommittees responsible for school aid, the house and  
3 senate fiscal agencies, and the state budget director.

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

7 (13) The funds allocated under this section for 2022-2023 are  
8 a work project appropriation, and any unexpended funds for 2022-  
9 2023 are carried forward into 2023-2024. The purpose of the work  
10 project is to continue to improve access to locally grown produce  
11 in schools. The estimated completion date of the work project is  
12 September 30, 2025.

13 Sec. 31k. (1) From the state school aid fund money  
14 appropriated in section 11, there is allocated for 2022-2023 only  
15 an amount not to exceed \$2,500,000.00 for payments to eligible  
16 districts as described in this section.

17 (2) Notwithstanding section 17b, to receive funding under this  
18 section a district must apply for the funding in a form and manner  
19 prescribed by the department by, as a first-time applicant, not  
20 later than October 1, 2023, or, if applying through a second  
21 application as described in subsection (6), not later than March 1,  
22 2024.

23 (3) A district that demonstrates to the department that all  
24 outstanding student-meal debt has been forgiven is an eligible  
25 district under this section.

26 (4) Subject to subsection (8), the department shall provide  
27 payments to eligible districts in an amount necessary to reimburse  
28 the eligible districts for the cost of forgiving all outstanding  
29 student-meal debt.

1 (5) Notwithstanding section 17b, the department shall make  
2 reimbursement payments under this section as follows:

3 (a) Except as otherwise provided under subdivision (b),  
4 payments under subsection (4) to all eligible districts must be  
5 made by not later than 60 days after October 1, 2023.

6 (b) Payments under subsection (6) to all eligible districts  
7 must be made by not later than 60 days after March, 1, 2024, as  
8 provided under subsection (6).

9 (6) Subject to subsection (8), if the amount paid to eligible  
10 districts under subsection (4) is less than the amount allocated  
11 under subsection (1), the department may distribute the remaining  
12 funds to eligible districts through a second application in an  
13 amount necessary to reimburse eligible districts for the cost of  
14 forgiving all outstanding student-meal debt. An eligible district  
15 receiving a reimbursement payment under subsection (4) is not  
16 eligible for a reimbursement payment through a second application  
17 under this subsection.

18 (7) An eligible district receiving payments under this section  
19 shall adopt policies to prevent public identification or  
20 stigmatization of pupils who cannot pay for a school meal. These  
21 policies must prohibit all of the following:

22 (a) Requiring pupils who cannot pay for a school meal or who  
23 owe a student-meal debt to wear a wristband or handstamp.

24 (b) Requiring pupils who cannot pay for a school meal or who  
25 owe a student-meal debt to perform chores or other work to pay for  
26 school meals.

27 (c) Requiring a pupil to dispose of a meal after it has been  
28 served because the pupil is unable to pay for the meal or owes a  
29 student-meal debt.

1 (d) Communicating directly with a pupil about a student-meal  
2 debt unless the district has attempted to contact, but has been  
3 unsuccessful in communicating with, a pupil's parent or legal  
4 guardian through telephone, mail, and email.

5 (e) Discussing a pupil's student-meal debt in the presence of  
6 other pupils.

7 (8) If the amount allocated under this section is insufficient  
8 to fully reimburse the cost of student-meal debt forgiveness for  
9 all eligible districts, the department shall prorate the  
10 reimbursement on an equal percentage per district.

11 (9) The funds allocated under this section for 2022-2023 are a  
12 work project appropriation, and any unexpended funds for 2022-2023  
13 are carried forward into 2023-2024. The purpose of the work project  
14 is to reimburse districts for forgiven student-meal debt. The  
15 estimated completion date of the work project is September 30,  
16 2024.

17 Sec. 31/. (1) From the state school aid fund money appropriated  
18 in section 11, there is allocated \$5,000,000.00 for 2022-2023 and  
19 there is allocated \$5,000,000.00 for 2023-2024 to participating  
20 entities for the purposes under this section.

21 (2) To receive funding under this section, a participating  
22 entity must do both of the following:

23 (a) Apply for the funding in a form and manner prescribed by  
24 the department by, as a first-time applicant, not later than  
25 November 1, 2022 or, if applying through a second application as  
26 described in subsection (4), not later than May 1, 2023.

27 (b) Pledge that it will provide special meals during any meals  
28 that are served by the participating entity to pupils upon request  
29 by the pupil for special meals. Special meals include, but are not

1 limited to, meals prepared to cater to medical needs, vegetarian  
2 meals, vegan meals, or meals prepared in accordance with religious  
3 dietary guidelines.

4 (3) Each participating entity who qualifies for funding under  
5 this section shall receive an amount equal to the cost of each  
6 special meal served by the participating entity minus any other  
7 funding received by the participating entity under federal law or  
8 state law for the reimbursement of meals provided to pupils.

9 (4) Subject to subsection (5), if the amount paid to the  
10 participating entities under subsection (3) is less than the amount  
11 allocated under subsection (1), the department may distribute the  
12 remaining funds to participating entities through a second  
13 application in an amount necessary to reimburse participating  
14 entities for the cost of special meals minus any other funding  
15 received by the participating entity under federal law or state law  
16 for the reimbursement of meals provided to pupils. A participating  
17 entity receiving a reimbursement payment under subsection (3) is  
18 not eligible for a reimbursement payment through a second  
19 application under this subsection.

20 (5) Notwithstanding section 17b, the department shall make  
21 reimbursement payments under this section as follows:

22 (a) Except as otherwise provided under subdivision (b),  
23 payments under subsection (3) to all participating entities must be  
24 made by not later than 60 days after November 1, 2022.

25 (b) Payments under subsection (4) to all participating  
26 entities must be made by not later than 60 days after May 1, 2023,  
27 as provided under subsection (4).

28 (6) If the amount allocated under this section is insufficient  
29 to fully reimburse the cost of special meals as provided under this

1 section for all participating entities, the department shall  
 2 prorate the reimbursement on an equal percentage per participating  
 3 entity.

4 (7) The funds allocated under this section for 2022-2023 are a  
 5 work project appropriation, and any unexpended funds for 2022-2023  
 6 are carried forward into 2023-2024. The purpose of the work project  
 7 is to continue support for the reimbursement of special meals as  
 8 described in this section. The estimated completion date of the  
 9 work project is December 31, 2026.

10 (8) As used in this section, "participating entity" means a  
 11 district, intermediate district, or the Michigan School for the  
 12 Deaf and Blind.

13 Sec. 31n. (1) From the state school aid fund money  
 14 appropriated in section 11, there is allocated for ~~2022-2023-2023-~~  
 15 **2024** for the purposes of this section an amount not to exceed  
 16 ~~\$77,600,000.00~~ **\$106,545,000.00** and from the general fund money  
 17 appropriated in section 11, there is allocated for ~~2022-2023-2023-~~  
 18 **2024** for the purposes of this section an amount not to exceed  
 19 \$1,300,000.00. The department and the department of health and  
 20 human services shall continue a program to distribute this funding  
 21 to add licensed behavioral health providers for general education  
 22 pupils, and **recipients of the funds under subsection (6)** shall  
 23 continue to seek federal Medicaid match funding for all eligible  
 24 mental health and support services.

25 (2) The department and the department of health and human  
 26 services shall maintain an advisory council for programs funded  
 27 under this section **and any other funding under this act to improve**  
 28 **or maintain the mental health of students.** The advisory council  
 29 shall define goals for implementation of programs, ~~funded under~~



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

14 (3) The advisory council shall develop a fiduciary agent  
 15 checklist for intermediate districts to facilitate development of a  
 16 plan to submit to the department and to the department of health  
 17 and human services. The department and department of health and  
 18 human services shall determine the requirements and format for  
 19 intermediate districts to submit a plan for possible funding under  
 20 subsection (6). The department shall make applications for funding  
 21 for this program available to districts and intermediate districts  
 22 not later than December 1 of each fiscal year for which funds are  
 23 allocated under this section and shall award the funding not later  
 24 than February 1 of each fiscal year for which funds are allocated  
 25 under this section.

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

1 services for general education pupils, ~~. The intent is that a~~  
2 ~~successful state plan amendment or other Medicaid match mechanisms~~  
3 ~~will result in additional federal Medicaid match funding for both~~  
4 ~~the new funding allocated under this section and for any expenses~~  
5 ~~already incurred by districts and intermediate districts for mental~~  
6 ~~health and support services for general education pupils.~~ **and this**  
7 **expansion is called Caring for Students (C4S).**

8 (5) From the state school aid fund money allocated under  
9 subsection (1), there is allocated for ~~2022-2023~~ **2023-2024** an  
10 amount not to exceed \$14,300,000.00 to be distributed to the  
11 network of child and adolescent health centers to place a licensed  
12 master's level behavioral health provider in schools that do not  
13 currently have services available to general education students.  
14 Child and adolescent health centers that are part of the network  
15 described in this subsection shall provide a commitment to maintain  
16 services and implement all available federal Medicaid match  
17 methodologies. The department of health and human services shall  
18 use all existing or additional federal Medicaid match opportunities  
19 to maximize funding allocated under this subsection. The department  
20 shall provide funds under this subsection to child and adolescent  
21 health centers that are part of the network described in this  
22 subsection in the same proportion that funding under section 31a(7)  
23 is provided to child and adolescent health centers that are part of  
24 the network described in this subsection and that are located and  
25 operating in those districts. A payment from funding allocated  
26 under this subsection must not be paid to an entity that is not  
27 part of the network described in this subsection.

28 (6) From the state school aid fund money allocated under  
29 subsection (1), there is allocated for ~~2022-2023~~ **2023-2024** an

1 amount not to exceed ~~\$62,800,000.00~~ **\$87,245,000.00** to be  
2 distributed to intermediate districts for the provision of mental  
3 health and support services to general education students.  
4 **Recipients of funds under this subsection shall continue to seek**  
5 **federal Medicaid match funding for all eligible mental health and**  
6 **support services.** If a district or intermediate district is not  
7 able to procure the services of a licensed master's level  
8 behavioral health provider, the district or intermediate district  
9 shall notify the department and the department of health and human  
10 services and, if the department and department of health and human  
11 services verify that the district or intermediate district  
12 attempted to procure services from a master's level behavioral  
13 health provider and was not able to do so, then the district or  
14 intermediate district may instead procure services from a provider  
15 with less than a master's degree in behavioral health. To be able  
16 to use the exemption in the immediately preceding sentence, the  
17 district or intermediate district must submit evidence satisfactory  
18 to the department and department of health and human services  
19 demonstrating that the district or intermediate district took  
20 measures to procure the services of a licensed master's level  
21 behavioral health provider but was unable to do so, and the  
22 department and department of health and human services must be able  
23 to verify this evidence. From the first ~~\$53,496,800.00~~  
24 **\$56,173,600.00** of the funds allocated under this subsection, the  
25 department shall distribute ~~\$955,300.00~~ **up to \$1,003,100.00** for  
26 ~~2022-2023-2023-2024~~ to each intermediate district that submits a  
27 plan approved by the department and the department of health and  
28 human services **by February 1 of each fiscal year for which funds**  
29 **are allocated under this section.** The department shall distribute

1 the remaining ~~\$9,303,200.00~~ **\$31,071,400.00** of the funds allocated  
 2 under this subsection for ~~2022-2023~~ **2023-2024** to intermediate  
 3 districts on an equal per-pupil basis based on the combined total  
 4 number of pupils in membership in the intermediate district and its  
 5 constituent districts, including public school academies that are  
 6 considered to be constituent districts under section 705(7) of the  
 7 revised school code, MCL 380.705. The department and department of  
 8 health and human services shall work cooperatively in providing  
 9 oversight and assistance to intermediate districts ~~during the plan~~  
 10 ~~submission process~~ and shall monitor the program upon  
 11 implementation. An intermediate district shall use funds awarded  
 12 under this subsection to provide funding to its constituent  
 13 districts, including public school academies that are considered to  
 14 be constituent districts under section 705(7) of the revised school  
 15 code, MCL 380.705, for the provision of mental health and support  
 16 services to general education students. In addition to the criteria  
 17 identified under subsection ~~(7)~~, **(9)**, an intermediate district  
 18 shall consider geography, cost, or other challenges when awarding  
 19 funding to its constituent districts. Districts receiving funding  
 20 under this subsection are encouraged to provide suicide prevention  
 21 and awareness education and counseling.

22 **(7)** If funding awarded to an intermediate district remains  
 23 after funds are provided by the intermediate district to its  
 24 constituent districts, **the intermediate district shall notify the**  
 25 **department and department of health and human services and submit**  
 26 **evidence satisfactory to the department and department of health**  
 27 **and human services demonstrating how it would like to use funds for**  
 28 **purposes other than hiring licensed behavioral health providers for**  
 29 **general education pupils. With permission from the department and**

1 **department of health and human services**, the intermediate district  
2 may hire or contract for experts to provide mental health and  
3 support services to general education students residing within the  
4 boundaries of the intermediate district, including, but not limited  
5 to, expanding, hiring, or contracting for staff and experts to  
6 provide those services directly or to increase access to those  
7 services through coordination with outside mental health agencies;  
8 the intermediate district may also contract with 1 or more other  
9 intermediate districts for coordination and the facilitation of  
10 activities related to providing mental health and support services  
11 to general education students residing within the boundaries of the  
12 intermediate district; ~~and the intermediate district is encouraged~~  
13 ~~to provide suicide prevention and awareness education and~~  
14 ~~counseling.~~ **the intermediate district may also use the funds under**  
15 **this section to create or strengthen school-based behavioral health**  
16 **assessment teams that focus on providing age-appropriate**  
17 **interventions, identifying behaviors that suggest a pupil may be**  
18 **struggling with mental health challenges, providing treatment and**  
19 **support of the pupil, and using disciplinary interventions and the**  
20 **criminal justice system as methods of last resort; and the**  
21 **intermediate district may also use the funds under this section to**  
22 **provide evidence-based trainings that support student mental**  
23 **health.**

24 (8) If funding awarded to an intermediate district under this  
25 section remains unspent, or if the intermediate district submits an  
26 application requesting a lower allocation than the maximum amount  
27 permitted, the department, in conjunction with the intermediate  
28 district, may reallocate the funds to another intermediate district  
29 or other intermediate districts capable of expanding the funds

1 before the funding deadline in accordance with this section as if  
2 those funds were originally allocated to the intermediate district  
3 or intermediate districts to which the funds are being reallocated.

4 (9) ~~(7)~~—A district requesting funds under this section from  
5 the intermediate district in which it is located shall submit an  
6 application for funding for the provision of mental health and  
7 support services to general education pupils. A district receiving  
8 funding from the application process described in this subsection  
9 shall provide services to nonpublic students upon request. An  
10 intermediate district shall not discriminate against an application  
11 submitted by a public school academy simply on the basis of the  
12 applicant being a public school academy. The department shall  
13 approve grant applications based on the following criteria:

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

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

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

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

29 (e) The district's documentation of need, including gaps in

1 current mental health and support services for the general  
2 education population.

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

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

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

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

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

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

16 **(10)** ~~(8)~~—Funding under this section, including any federal  
17 Medicaid funds that are generated, must not be used to supplant  
18 existing services.

19 **(11)** ~~(9)~~—Both of the following are allocated to the department  
20 of health and human services from the general fund money allocated  
21 under subsection (1):

22 (a) For ~~2022-2023~~, **2023-2024**, an amount not to exceed  
23 \$1,000,000.00 for the purpose of upgrading technology and systems  
24 infrastructure and other administrative requirements to support the  
25 programs funded under this section.

26 (b) For ~~2022-2023~~, **2023-2024**, an amount not to exceed  
27 \$300,000.00 for the purpose of administering the programs under  
28 this section and working on generating additional Medicaid funds as  
29 a result of programs funded under this section.

1           **(12)** ~~(10)~~ From the state school aid fund money allocated under  
2 subsection (1), there is allocated for ~~2022-2023~~ **2023-2024** an  
3 amount not to exceed ~~\$500,000.00~~ **\$5,000,000.00** to intermediate  
4 districts on an equal per intermediate district basis for the  
5 purpose of administering programs funded under this section.  
6 **Recipients of the funds under this subsection shall continue to**  
7 **seek federal Medicaid match funding for all eligible mental health**  
8 **and support services and participate in all learning collaboratives**  
9 **about C4S required by the department and department of health and**  
10 **human services.**

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



1           **(14)** ~~(12)~~—A district or intermediate district that receives  
 2 funding directly or indirectly under this section may carry over  
 3 any unexpended funds received under this section for up to 2 fiscal  
 4 years beyond the fiscal year in which the funds were received.

5           Sec. 31p. (1) From the federal funding appropriated under  
 6 section 11, there is allocated for 2022-2023 only an amount not to  
 7 exceed \$50,000,000.00 from the federal funding awarded to this  
 8 state from the coronavirus state fiscal recovery fund under the  
 9 American rescue plan act of 2021, title IX, subtitle M of Public  
 10 Law 117-2, for grants to intermediate districts to implement a  
 11 TRAILS program as described in subsection (2).

12           ~~(2) Intermediate districts receiving funding under this~~  
 13 ~~section must use the funding to implement a TRAILS program within~~  
 14 ~~the boundaries of the intermediate district.~~ The TRAILS program  
 15 described in this subsection must improve youth access to evidence-  
 16 based mental health services by training school mental health  
 17 professionals in effective practices, such as cognitive behavioral  
 18 therapy and mindfulness.

19           (3) The department shall establish a grant process to  
 20 distribute funds under this section.

21           (4) The department shall award, in an equal amount, grants  
 22 under this section to each intermediate district that has an  
 23 approved grant application for funding under this section.  
 24 ~~Intermediate districts must use funds received under this section~~  
 25 ~~for a direct partnership with the TRAILS program described in~~  
 26 ~~subsection (2).~~ **forward to the TRAILS program described in**  
 27 **subsection (2) an amount equal to the amount awarded to the**  
 28 **intermediate district under this subsection to contract with the**  
 29 **TRAILS program. The TRAILS program must use funding received from**

1 **intermediate districts to satisfy the terms of the contracts with**  
2 **the intermediate districts on a statewide basis.**

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 2022-2023 are a  
7 work project appropriation, and any unexpended funds for 2022-2023  
8 are carried forward into 2023-2024. 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 December 31, 2026.

11 (7) The federal funding allocated under this section is  
12 intended to respond to the COVID-19 public health emergency and its  
13 negative impacts.

14 Sec. 31aa. (1) From the state school aid fund money  
15 appropriated in section 11, there is allocated ~~\$150,000,000.00~~  
16 **\$310,500,000.00** for ~~2022-2023-2023-2024~~ only **and from the general**  
17 **fund money appropriated in section 11, there is allocated**  
18 **\$17,500,000.00 for 2023-2024 only** to provide payments to districts,  
19 **intermediate districts, and nonpublic schools** for activities to  
20 improve student mental health **and improve student safety**. The  
21 allowable expenditures of funds under this section include, but are  
22 not limited to, the following:

23 (a) Hiring or contracting for support staff for student mental  
24 health needs, including, but not limited to, school psychologists,  
25 social workers, counselors, and school nurses.

26 (b) Purchasing and implementing mental health screening tools.

27 (c) Providing school-based mental health personnel access to  
28 consultation with behavioral health clinicians to respond to  
29 complex student mental health needs.

1 (d) Any other mental health service or product necessary to  
2 improve or maintain the mental health of students and staff.

3 ~~(2) From the allocation under subsection (1), the department~~  
4 ~~shall make payments to districts in an equal amount per pupil based~~  
5 ~~on the total number of pupils in membership in each district.~~

6 (e) Coordination with local law enforcement.

7 (f) Training for school staff on threat assessment.

8 (g) Training for school staff and students on threat response.

9 (h) Training for school staff on crisis communication.

10 (i) Safety infrastructure, including, but not limited to,  
11 cameras, door blocks, hardened vestibules, window screening, and  
12 technology necessary to operate buzzer systems. This may also  
13 include firearm detection software that integrates to existing  
14 security cameras to detect and alert school personnel and first  
15 responders to visible firearms on school property. The software  
16 described in the immediately preceding sentence must be organically  
17 developed and proprietary to the company it is purchased from and  
18 should not include any third-party or open-source data.

19 (j) Age-appropriate training for students and families on  
20 responsible gun ownership.

21 (k) School resource officers.

22 (l) Any other school safety service or product necessary to  
23 improve or maintain security in buildings.

24 (m) Student Safety Management System, the information  
25 technology platform and related services to improve student safety  
26 by mitigating cyberbullying, school violence, human trafficking,  
27 and self-harm that supports students from kindergarten through  
28 grade 12.

29 (n) A secure platform for school officials, emergency

1 responders, and emergency management coordinators to house all  
2 school safety-related items, including, but not limited to, EOP  
3 templates, EOP guidance, reference documents, and security  
4 assessments. The platform should use existing password-protected  
5 access control methods schools currently utilize and, to the extent  
6 possible, be capable of integrating with existing platforms or  
7 technologies used by districts for school safety. Through  
8 permissions-based access control, the platform should be able to  
9 relay information clearly and in real time to each person or entity  
10 necessary to provide a unified response to a safety incident, or to  
11 take appropriate action in response to an anticipated disruption to  
12 the normal functions of the surrounding community.

13 (2) From the state school aid fund money allocated in  
14 subsection (1), the department shall make payments to districts and  
15 intermediate districts in an equal amount per pupil based on the  
16 total number of pupils in membership in each district. From the  
17 general fund money allocated in subsection (1), the department  
18 shall make payments to nonpublic schools in an equal amount per  
19 pupil, using pupil counts determined by the department. The  
20 department shall ensure that the amount per pupil paid to nonpublic  
21 schools does not exceed the amount per pupil paid to districts and  
22 intermediate districts.

23 (3) If funding remains after the distribution of funds as  
24 described in subsection (2), the department may provide additional  
25 per-pupil allocations to allocate remaining dollars, using for  
26 those calculations the same requirements described in subsection  
27 (2).

28 (4) Except as otherwise provided in this section, to receive  
29 funding under this section, districts, **intermediate districts, and**

1 **nonpublic schools** must apply for funding under this section in a  
 2 form and manner prescribed by the department. In its application  
 3 described in this subsection, a district, ~~or~~ intermediate district,  
 4 **or nonpublic school**, as applicable, shall document how it or, if an  
 5 intermediate district is applying **on behalf of a constituent**  
 6 **district**, its constituent district, will use community input to  
 7 guide the expenditure of the funds it or the constituent district  
 8 will receive under this section and it shall pledge to host, or  
 9 shall pledge on behalf of its constituent district that the  
 10 constituent district will host, at least 1 community conversation  
 11 about student mental health and school safety. With consent of its  
 12 constituent districts, an intermediate district may apply for  
 13 funding under this section on behalf of its constituent districts.  
 14 As used in this section, "constituent district" means that term as  
 15 defined in section 3 of the revised school code, MCL 380.3.

16 (5) Districts receiving funds under this section must  
 17 coordinate with intermediate school districts to avoid duplication  
 18 of services and to streamline delivery of ~~mental health~~ services to  
 19 students.

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

23 **Sec. 31ff. (1) From the state school aid fund money**  
 24 **appropriated in section 11, there is allocated \$14,500,000.00 for**  
 25 **2023-2024 only, and, from the general fund money appropriated in**  
 26 **section 11, there is allocated \$500,000.00 for 2023-2024 only, for**  
 27 **the implementation of requirements under 2022 PA 180, MCL 388.1851**  
 28 **to 399.1957. The money from the state school aid fund allocated**  
 29 **under this section must be distributed to either districts,**

1 intermediate districts, or institutions of higher education for  
2 purposes of this section.

3 (2) From the general fund money allocated under subsection  
4 (1), the department may use not more than \$500,000.00 to hire up to  
5 1.0 FTE to help administer the allocation of funds allocated under  
6 this section.

7 (3) The funds allocated under this section for 2023-2024 are a  
8 work project appropriation, and any unexpended funds for 2023-2024  
9 are carried forward into 2024-2025. The purpose of the work project  
10 is to continue the coverage of costs associated with the  
11 implementation of 2022 PA 180, MCL 388.1851 to 399.1957. The  
12 estimated completion date of the work project is September 30,  
13 2027.

14 Sec. 32d. (1) From the state school aid fund money  
15 appropriated in section 11, there is allocated to eligible  
16 intermediate districts and consortia of intermediate districts for  
17 great start readiness programs an amount not to exceed  
18 \$369,120,000.00 for 2022-2023 **and an amount not to exceed**  
19 **\$529,120,000.00 for 2023-2024.** In addition, from the federal  
20 funding appropriated in section 11, there is allocated for 2022-  
21 2023 an amount not to exceed \$83,000,000.00 from the federal  
22 funding awarded to this state from the coronavirus state fiscal  
23 recovery fund under the American rescue plan act of 2021, title IX,  
24 subtitle M of Public Law 117-2, to eligible intermediate districts  
25 and consortia of intermediate districts for great start readiness  
26 programs. An intermediate district or consortium shall use funds  
27 allocated under this section for great start readiness programs to  
28 provide part-day, school-day, **GSRP extended programs**, or GSRP/Head  
29 Start blended comprehensive free compensatory classroom programs

1 designed to improve the readiness and subsequent achievement of  
2 educationally disadvantaged children who meet the participant  
3 eligibility and prioritization guidelines as defined by the  
4 department. For a child to be eligible to participate in a program  
5 under this section, the child must be at least 4, but less than 5,  
6 years of age as of September 1 of the school year in which the  
7 program is offered and must meet those eligibility and  
8 prioritization guidelines. A child who is not 4 years of age as of  
9 September 1, but who will be 4 years of age not later than December  
10 1, is eligible to participate if the child's parent or legal  
11 guardian seeks a waiver from the September 1 eligibility date by  
12 submitting a request for enrollment in a program to the responsible  
13 intermediate district, if the program has capacity on or after  
14 September 1 of the school year, and if the child meets eligibility  
15 and prioritization guidelines.

16 (2) From the state school aid fund money allocated under  
17 subsection (1), an amount not to exceed \$367,120,000.00 **for 2022-**  
18 **2023 and \$522,120,000.00 for 2023-2024**, and from the federal funds  
19 allocated under subsection (1), an amount not to exceed  
20 \$83,000,000.00 **for 2022-2023**, is allocated to intermediate  
21 districts or consortia of intermediate districts based on the  
22 formula in section 39. An intermediate district or consortium of  
23 intermediate districts receiving funding under this section shall  
24 act as the fiduciary for the great start readiness programs. An  
25 intermediate district or consortium of intermediate districts  
26 receiving funding under this section may collaborate with local  
27 governments to identify children eligible for programs funded under  
28 this section and may contract with local governments to provide  
29 services. In order to be eligible to receive funds allocated under

1 this subsection from an intermediate district or consortium of  
2 intermediate districts, a district, a consortium of districts, a  
3 local government, or a public or private for-profit or nonprofit  
4 legal entity or agency must comply with this section and section  
5 39. ~~The funds allocated under this subsection for 2022-2023 are a~~  
6 ~~work project appropriation, and any unexpended funds for 2022-2023~~  
7 ~~are carried forward into 2023-2024. The purpose of the work project~~  
8 ~~is to continue to improve access to preschool programming for~~  
9 ~~economically disadvantaged children. The estimated completion date~~  
10 ~~of the work project described in the immediately preceding sentence~~  
11 ~~is September 30, 2024.~~

12 (3) In addition to the allocation under subsection (1), from  
13 the general fund money appropriated under section 11, there is  
14 allocated an amount not to exceed \$350,000.00 for 2022-2023 **and**  
15 **\$350,000.00 for 2023-2024** for a competitive grant to continue a  
16 longitudinal evaluation of children who have participated in great  
17 start readiness programs.

18 (4) To be eligible for funding under this section, a program  
19 must prepare children for success in school through comprehensive  
20 part-day, school-day, **GSRP extended programs**, or GSRP/Head Start  
21 blended programs that contain all of the following program  
22 components, as determined by the department:

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

27 (b) An age-appropriate educational curriculum that is in  
28 compliance with the early childhood standards of quality for  
29 prekindergarten children adopted by the state board, including, at



1 least, the Connect4Learning curriculum.

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

4 (d) Physical and dental health and developmental screening  
5 services for all program participants.

6 (e) Referral services for families of program participants to  
7 community social service agencies, including mental health  
8 services, as appropriate.

9 (f) Active and continuous involvement of the parents or  
10 guardians of the program participants.

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

14 (h) Participation in a school readiness advisory committee  
15 convened as a workgroup of the great start collaborative that  
16 provides for the involvement of classroom teachers, parents or  
17 guardians of program participants, and community, volunteer, and  
18 social service agencies and organizations, as appropriate. The  
19 advisory committee annually shall review and make recommendations  
20 regarding the program components listed in this subsection. The  
21 advisory committee also shall make recommendations to the great  
22 start collaborative regarding other community services designed to  
23 improve all children's school readiness.

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

26 (j) Participation in this state's great start to quality  
27 process with a rating of at least ~~3 stars~~. **enhancing quality level.**

28 (5) An application for funding under this section must provide  
29 for the following, in a form and manner determined by the

1 department:

2 (a) Ensure compliance with all program components described in  
3 subsection (4).

4 (b) Except as otherwise provided in this subdivision, ensure  
5 that at least 85% of the children participating in an eligible  
6 great start readiness program for whom the intermediate district is  
7 receiving funds under this section are children who live with  
8 families with a household income that is equal to or less than 250%  
9 of the federal poverty guidelines. If the intermediate district  
10 determines that all eligible children are being served and that  
11 there are no children on the waiting list who live with families  
12 with a household income that is equal to or less than 250% of the  
13 federal poverty guidelines, the intermediate district may then  
14 enroll children who live with families with a household income that  
15 is equal to or less than 300% of the federal poverty guidelines.  
16 The enrollment process must consider income and risk factors, such  
17 that children determined with higher need are enrolled before  
18 children with lesser need. For purposes of this subdivision, all  
19 age-eligible children served in foster care or who are experiencing  
20 homelessness or who have individualized education programs  
21 recommending placement in an inclusive preschool setting are  
22 considered to live with families with household income equal to or  
23 less than 250% of the federal poverty guidelines regardless of  
24 actual family income and are prioritized for enrollment within the  
25 lowest quintile.

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

28 (i) Teachers possessing proper training. A lead teacher must  
29 have a valid Michigan teaching certificate with an early childhood

1 or lower elementary endorsement or a bachelor's or higher degree in  
2 child development or early childhood education with specialization  
3 in preschool teaching. However, **except as otherwise provided in**  
4 **this subparagraph**, if an applicant demonstrates to the department  
5 that it is unable to fully comply with this subparagraph after  
6 making reasonable efforts to comply, teachers or paraprofessionals  
7 with at least 5 years of experience as a paraprofessional in a  
8 great start readiness program, **Head Start, or licensed child care**  
9 **center** classroom who have significant but incomplete training in  
10 early childhood education or child development may be used if the  
11 applicant provides to the department, and the department approves,  
12 a plan for each teacher to come into compliance with the standards  
13 in this subparagraph. **Individuals may qualify with at least 3 years**  
14 **of experience based on the recommendation of the intermediate**  
15 **district after a classroom observation.** A teacher's compliance plan  
16 must be completed within 3 years of the date of employment.  
17 Progress toward completion of the compliance plan consists of at  
18 least 2 courses per calendar year.

19 (ii) Paraprofessionals possessing proper training in early  
20 childhood education, including an associate degree in early  
21 childhood education or child development or the equivalent, or a  
22 child development associate (CDA) credential. However, if an  
23 applicant demonstrates to the department that it is unable to fully  
24 comply with this subparagraph after making reasonable efforts to  
25 comply, the applicant may use paraprofessionals who have completed  
26 at least 1 course that earns college credit in early childhood  
27 education or child development **or enrolls in a child development**  
28 **associate credential with at least 6 months of verified experience**  
29 **in early education and care** if the applicant provides to the

1 department, and the department approves, a plan for each  
2 paraprofessional to come into compliance with the standards in this  
3 subparagraph. A paraprofessional's compliance plan must be  
4 completed within 3 years of the date of employment. Progress toward  
5 completion of the compliance plan consists of at least 2 courses,  
6 ~~or~~ 60 clock hours, **or an equivalent** of training per calendar year.

7 (d) Include a program budget that contains only those costs  
8 that are not reimbursed or reimbursable by federal funding, that  
9 are clearly and directly attributable to the great start readiness  
10 program, and that would not be incurred if the program were not  
11 being offered. Eligible costs include transportation costs. The  
12 program budget must indicate the extent to which these funds will  
13 supplement other federal, state, local, or private funds. An  
14 applicant shall not use funds received under this section to  
15 supplant any federal funds received by the applicant to serve  
16 children eligible for a federally funded preschool program that has  
17 the capacity to serve those children.

18 (6) For a grant recipient that enrolls pupils in a school-day  
19 program **or GSRP extended program** funded under this section, each  
20 child enrolled in the school-day program **or GSRP extended program**  
21 is counted as described in section 39 for purposes of determining  
22 the amount of the grant award.

23 (7) For a grant recipient that enrolls pupils in a GSRP/Head  
24 Start blended program, the grant recipient shall ensure that all  
25 Head Start and GSRP policies and regulations are applied to the  
26 blended slots, with adherence to the highest standard from either  
27 program, to the extent allowable under federal law. **A grant**  
28 **recipient may request a waiver from an intermediate district or**  
29 **consortium of intermediate districts to align GSRP policies and**

1 regulations with Head Start national standards for quality,  
2 including ratios, and an intermediate district or consortium of  
3 intermediate districts may approve such a waiver. Intermediate  
4 districts or consortia must report annually to the department how  
5 many waivers were requested, for which policies and regulations,  
6 and how many were approved. Not later than March 1 of each year,  
7 the department will compile the results of the information reported  
8 by each intermediate district or consortium under this subsection  
9 and report to the legislature and post on a publicly available  
10 website a list by intermediate district or consortium with the  
11 number and type of each waiver requested and approved.

12 (8) An intermediate district or consortium of intermediate  
13 districts receiving a grant under this section shall designate an  
14 early childhood coordinator, and may provide services directly or  
15 may contract with 1 or more districts or public or private for-  
16 profit or nonprofit providers that meet all requirements of  
17 subsections (4) and (5).

18 (9) An intermediate district or consortium of intermediate  
19 districts may retain for administrative services provided by the  
20 intermediate district or consortium of intermediate districts an  
21 amount not to exceed 4% of the grant amount. Expenses incurred by  
22 subrecipients engaged by the intermediate district or consortium of  
23 intermediate districts for directly running portions of the program  
24 are considered program costs or a contracted program fee for  
25 service. Subrecipients operating with a federally approved indirect  
26 rate for other early childhood programs may include indirect costs,  
27 not to exceed the federal 10% de minimis.

28 (10) An intermediate district or consortium of intermediate  
29 districts may expend not more than 2% of the total grant amount for

1 outreach, recruiting, and public awareness of the program, **if the**  
2 **intermediate district or consortium of intermediate districts also**  
3 **participates in related statewide marketing and outreach efforts.**

4 (11) Each grant recipient shall enroll children identified  
5 under subsection (5)(b) according to how far the child's household  
6 income is below 250% of the federal poverty guidelines by ranking  
7 each applicant child's household income from lowest to highest and  
8 dividing the applicant children into quintiles based on how far the  
9 child's household income is below 250% of the federal poverty  
10 guidelines, and then enrolling children in the quintile with the  
11 lowest household income before enrolling children in the quintile  
12 with the next lowest household income until slots are completely  
13 filled. If the grant recipient determines that all eligible  
14 children are being served and that there are no children on the  
15 waiting list who live with families with a household income that is  
16 equal to or less than 250% of the federal poverty guidelines, the  
17 grant recipient may then enroll children who live with families  
18 with a household income that is equal to or less than 300% of the  
19 federal poverty guidelines. The enrollment process must consider  
20 income and risk factors, such that children determined with higher  
21 need are enrolled before children with lesser need. For purposes of  
22 this subsection, all age-eligible children served in foster care or  
23 who are experiencing homelessness or who have individualized  
24 education programs recommending placement in an inclusive preschool  
25 setting are considered to live with families with household income  
26 equal to or less than 250% of the federal poverty guidelines  
27 regardless of actual family income and are prioritized for  
28 enrollment within the lowest quintile.

29 (12) An intermediate district or consortium of intermediate

1 districts receiving a grant under this section shall allow parents  
2 of eligible children who are residents of the intermediate district  
3 or within the consortium to choose a program operated by or  
4 contracted with another intermediate district or consortium of  
5 intermediate districts and shall enter into a written agreement  
6 regarding payment, in a manner prescribed by the department.

7 (13) An intermediate district or consortium of intermediate  
8 districts receiving a grant under this section shall conduct a  
9 local process to contract with interested and eligible public and  
10 private for-profit and nonprofit community-based providers that  
11 meet all requirements of subsection (4) for at least 30% of its  
12 total allocation. For the purposes of this 30% allocation, an  
13 intermediate district or consortium of intermediate districts may  
14 count children served by a Head Start grantee or delegate in a  
15 blended Head Start, **GSRP extended program**, and great start  
16 readiness school-day program. Children served in a program funded  
17 only through Head Start are not counted toward this 30% allocation.  
18 The intermediate district or consortium shall report to the  
19 department, in a manner prescribed by the department, a detailed  
20 list of community-based providers by provider type, including  
21 private for-profit, private nonprofit, community college or  
22 university, Head Start grantee or delegate, and district or  
23 intermediate district, and the number and proportion of its total  
24 allocation allocated to each provider as subrecipient. If the  
25 intermediate district or consortium is not able to contract for at  
26 least 30% of its total allocation, the grant recipient shall notify  
27 the department and, if the department verifies that the  
28 intermediate district or consortium attempted to contract for at  
29 least 30% of its total allocation and was not able to do so, then

1 the intermediate district or consortium may retain and use all of  
2 its allocation as provided under this section. To be able to use  
3 this exemption, the intermediate district or consortium shall  
4 demonstrate to the department that the intermediate district or  
5 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~~. **enhancing quality level.**

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 **and**  
3 **post on a publicly available website** a list by intermediate  
4 district or consortium with the number and percentage of each  
5 intermediate district's or consortium's total allocation allocated  
6 to community-based providers by provider type, including private  
7 for-profit, private nonprofit, community college or university,  
8 Head Start grantee or delegate, and district or intermediate  
9 district.

10 **(e) Allow intermediate districts and consortia and eligible**  
11 **community-based providers to utilize materials and supplies**  
12 **purchased for great start readiness programs within their**  
13 **facilities for other early care and education activities, in the**  
14 **following order of priority:**

15 **(i) Early care and education activities under a federal award.**

16 **(ii) Early care and education activities under other state**  
17 **awards.**

18 **(iii) Early care and education activities under local or**  
19 **regional awards.**

20 (16) A recipient of funds under this section shall report to  
21 the center in a form and manner prescribed by the center the  
22 information necessary to derive the number of children  
23 participating in the program who meet the program eligibility  
24 criteria under subsection (5) (b), the number of eligible children  
25 not participating in the program and on a waitlist, and the total  
26 number of children participating in the program by various  
27 demographic groups and eligibility factors necessary to analyze  
28 equitable and priority access to services for the purposes of  
29 subsection (3).

1 (17) As used in this section:

2 (a) "GSRP/Head Start blended program" means a part-day program  
3 funded under this section and a Head Start program, which are  
4 combined for a school-day program.

5 **(b) "GSRP extended program" means a program that operates for**  
6 **at least the same length of day as a district's first grade program**  
7 **for a minimum of 5 days per week, 36 weeks per year.**

8 (c) ~~(b)~~—"Federal poverty guidelines" means the guidelines  
9 published annually in the Federal Register by the United States  
10 Department of Health and Human Services under its authority to  
11 revise the poverty line under 42 USC 9902.

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

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

21 (18) An intermediate district or consortium of intermediate  
22 districts receiving funds under this section shall establish and  
23 charge tuition according to a sliding scale of tuition rates based  
24 upon household income for children participating in an eligible  
25 great start readiness program who live with families with a  
26 household income that is more than 250% of the federal poverty  
27 guidelines to be used by all of its providers, as approved by the  
28 department.

29 (19) From the amount allocated in subsection (2), there is

1 allocated for 2022-2023 an amount not to exceed \$10,000,000.00 **and**  
2 **there is allocated for 2023-2024 an amount not to exceed**  
3 **\$10,000,000.00** for reimbursement of transportation costs for  
4 children attending great start readiness programs funded under this  
5 section. To receive reimbursement under this subsection, not later  
6 than November 1 of each year, a program funded under this section  
7 that provides transportation shall submit to the intermediate  
8 district that is the fiscal agent for the program a projected  
9 transportation budget. The amount of the reimbursement for  
10 transportation under this subsection is no more than the projected  
11 transportation budget or \$300.00 multiplied by the number of  
12 children funded for the program under this section. If the amount  
13 allocated under this subsection is insufficient to fully reimburse  
14 the transportation costs for all programs that provide  
15 transportation and submit the required information, the department  
16 shall prorate the reimbursement in an equal amount per child  
17 funded. The department shall make payments to the intermediate  
18 district that is the fiscal agent for each program, and the  
19 intermediate district shall then reimburse the program provider for  
20 transportation costs as prescribed under this subsection.

21 (20) Subject to, and from the funds allocated under,  
22 subsection (19), the department shall reimburse a program for  
23 transportation costs related to parent- or guardian-accompanied  
24 transportation provided by transportation service companies, buses,  
25 or other public transportation services. To be eligible for  
26 reimbursement under this subsection, a program must submit to the  
27 intermediate district or consortia of intermediate districts all of  
28 the following:

29 (a) The names of families provided with transportation support

1 along with a documented reason for the need for transportation  
2 support and the type of transportation provided.

3 (b) Financial documentation of actual transportation costs  
4 incurred by the program, including, but not limited to, receipts  
5 and mileage reports, as determined by the department.

6 (c) Any other documentation or information determined  
7 necessary by the department.

8 (21) The department shall implement a process to review and  
9 approve age-appropriate comprehensive classroom level quality  
10 assessments for GSRP grantees that support the early childhood  
11 standards of quality for prekindergarten children adopted by the  
12 state board. The department shall make available to intermediate  
13 districts at least 2 classroom level quality assessments that were  
14 approved in 2018.

15 (22) An intermediate district that is a GSRP grantee may  
16 approve the use of a supplemental curriculum that aligns with and  
17 enhances the age-appropriate educational curriculum in the  
18 classroom. If the department objects to the use of a supplemental  
19 curriculum approved by an intermediate district, the superintendent  
20 shall establish a review committee independent of the department.  
21 The review committee shall meet within 60 days of the department  
22 registering its objection in writing and provide a final  
23 determination on the validity of the objection within 60 days of  
24 the review committee's first meeting.

25 (23) The department shall implement a process to evaluate and  
26 approve age-appropriate educational curricula that are in  
27 compliance with the early childhood standards of quality for  
28 prekindergarten children adopted by the state board.

29 (24) From the funds allocated under subsection (1), there is

1 allocated for 2022-2023 an amount not to exceed \$2,000,000.00 **and**  
2 **there is allocated for 2023-2024 an amount not to exceed**  
3 **\$2,000,000.00** for payments to intermediate districts or consortia  
4 of intermediate districts for professional development and training  
5 materials for educators in programs implementing new curricula or  
6 child assessment tools approved for use in the great start  
7 readiness program.

8 (25) A great start readiness program or a GSRP/Head Start  
9 blended program funded under this section is permitted to utilize  
10 AmeriCorps Pre-K Reading Corps members in classrooms implementing  
11 research-based early literacy intervention strategies.

12 (26) **From the funds allocated under subsection (1), there is**  
13 **allocated for 2023-2024 an amount not to exceed \$5,000,000.00 for**  
14 **incentive payments to intermediate districts or consortia of**  
15 **intermediate districts who submit evidence to the department of**  
16 **their progress on the following priorities:**

17 (a) Expanding the number of days and weeks that great start  
18 readiness programs are offered.

19 (b) Contracting more than 30% of their total allocation to  
20 eligible community-based providers.

21 (27) The department will distribute incentive payments under  
22 subsection (26) in July of each year to eligible intermediate  
23 districts or consortia based on evidence submitted under subsection  
24 (26) and will report to the legislature and post on a publicly  
25 available website a list of incentive payments made to intermediate  
26 districts or consortia by intermediate district or consortium with  
27 the baseline and progress data reported for each priority.

28 **Sec. 32e. A district that operates a district pre-K program**  
29 **under this section qualifies for the special membership counting**

1 provisions of section 6(4)(mm) if the program meets all of the  
2 following:

3 (a) Is offered at no cost on the same days and for the same  
4 number of hours as grade 1 instruction that is offered to pupils  
5 enrolled in the district and that is a compensatory classroom  
6 program designed to improve the readiness and subsequent  
7 achievement of the children enrolled.

8 (b) Except as otherwise provided in this subdivision, enrolls  
9 only children who are at least 4, but less than 5, years of age as  
10 of September 1 of the school year in which the program is offered.  
11 A child who is not 4 years of age as of September 1, but who will  
12 be 4 years of age not later than December 1, may be enrolled in the  
13 program if the child's parent or legal guardian seeks a waiver from  
14 the September 1 eligibility date described in this subdivision by  
15 submitting a request for enrollment in a program to the district.

16 (c) Includes a collaborative recruitment and enrollment  
17 process to assure that each child is enrolled in the program  
18 offerings most appropriate to the child's needs and to maximize the  
19 use of funds under this act allocated for the program.

20 (d) Includes an age-appropriate educational curriculum that is  
21 in compliance with the early childhood standards of quality for  
22 prekindergarten children adopted by the state board, including, at  
23 least, the Connect4Learning curriculum.

24 (e) Includes nutritional services for all program participants  
25 supported by federal, state, and local resources, as applicable.

26 (f) Includes physical and dental health and developmental  
27 screening services for all program participants.

28 (g) Includes referral services for families of program  
29 participants to community social service agencies, including mental

1 health services, as appropriate.

2 (h) Includes active and continuous involvement of the parents  
3 and legal guardians of the program participants.

4 (i) Includes a plan to conduct and report annual program  
5 evaluations and continuous improvement plans using criteria  
6 approved by the department.

7 (j) Includes ongoing articulation of the kindergarten and  
8 grade 1 programs offered by the program.

9 (k) Includes participation in this state's great start to  
10 quality process with a rating of at least enhancing quality level.

11 (l) Ensures that it uses only qualified personnel for the  
12 program, as follows:

13 (i) Teachers possessing proper training. A lead teacher must  
14 have a valid Michigan teaching certificate with an early childhood  
15 or lower elementary endorsement or a bachelor's or higher degree in  
16 child development or early childhood education with specialization  
17 in preschool teaching. However, except as otherwise provided in  
18 this subparagraph, if the program demonstrates to the department  
19 that it is unable to fully comply with this subparagraph after  
20 making reasonable efforts to comply, teachers or paraprofessionals  
21 with at least 5 years of experience as a paraprofessional in a  
22 great start readiness program, Head Start, or licensed child care  
23 center classroom who have significant but incomplete training in  
24 early childhood education or child development may be used if the  
25 applicant provides to the department, and the department approves,  
26 a plan for each teacher to come into compliance with the standards  
27 in this subparagraph. Individuals may qualify with at least 3 years  
28 of experience based on the recommendation of the intermediate  
29 district after a classroom observation. A teacher's compliance plan



1 must be completed within 3 years of the date of employment.  
2 Progress toward completion of the compliance plan consists of at  
3 least 2 courses per calendar year.

4 (ii) Paraprofessionals possessing proper training in early  
5 childhood education, including an associate degree in early  
6 childhood education or child development or the equivalent, or a  
7 child development associate (CDA) credential. However, if an  
8 applicant demonstrates to the department that the applicant is  
9 unable to fully comply with this subparagraph after making  
10 reasonable efforts to comply, the applicant may use  
11 paraprofessionals who have completed at least 1 course that earns  
12 college credit in early childhood education or child development or  
13 enrolls in a child development associate credential with at least 6  
14 months of verified experience in early education and care if the  
15 applicant provides to the department, and the department approves,  
16 a plan for each paraprofessional to come into compliance with the  
17 standards in this subparagraph. A paraprofessional's compliance  
18 plan must be completed within 3 years of the date of employment.  
19 Progress toward completion of the compliance plan consists of at  
20 least 2 courses, 60 clock hours, or an equivalent of training per  
21 calendar year.

22 (m) The program has not received any funding under section 32d  
23 or 39 related to a child enrolled in the program.

24 (n) The program enrolls all children who apply for  
25 participation in the program if those children meet all of the  
26 other eligibility criteria under this section.

27 Sec. 32m. (1) From the state school aid fund money  
28 appropriated under section 11, there is allocated for 2023-2024 an  
29 amount not to exceed \$49,500,000.00, and from the general fund

1 money appropriated under section 11, there is allocated for 2023-  
2 2024 an amount not to exceed \$500,000.00 as provided under this  
3 section.

4 (2) From the state school aid fund money allocated in  
5 subsection (1), \$49,500,000.00 must be paid to an intermediate  
6 district or consortium of intermediate districts as directed by the  
7 MOST Council.

8 (3) From the general fund money allocated under subsection  
9 (1), \$300,000.00 must be utilized by the department to support the  
10 administration of the MOST Council and \$200,000.00 must be provided  
11 to the Michigan Association of United Ways for the Michigan  
12 Afterschool Partnership to administer quality supports, workforce  
13 participation, and evaluation, and to ensure family, youth, and  
14 parent or legal guardian engagement.

15 (4) The Michigan Out-of-School-Time Council is created within  
16 the department. All of the following apply with regard to the MOST  
17 Council:

18 (a) The MOST Council shall develop and adopt a statewide  
19 strategy and annually shall review and make recommendations  
20 concerning changes to the strategy to the governor, the  
21 legislature, and the department concerning the delivery of OST  
22 programs to K to 12 pupils.

23 (b) The MOST Council shall meet in public at least 4 times  
24 annually.

25 (c) The MOST Council shall include, at least, all of the  
26 following members, appointed by the governor:

27 (i) An intermediate district or district administrator.

28 (ii) An individual representing a statewide community-based  
29 organization that provides an OST program.

1           (iii) Two members representing a local or regional community-  
2 based organization that provides OST programs.

3           (iv) An individual representing a regional intermediary for OST  
4 programs.

5           (v) A parent or legal guardian of a child in an OST program.

6           (vi) A youth participant or former participant in an OST  
7 program.

8           (vii) An individual representing the business community.

9           (viii) An individual representing a philanthropic organization  
10 who is investing in OST programs.

11           (ix) A representative of the child care licensing bureau at the  
12 department of licensing and regulatory affairs.

13           (x) A representative of the MiSTEM Network or of the  
14 department of labor and economic opportunity.

15           (xi) A representative of the department of health and human  
16 services.

17           (xii) A representative of the Michigan Economic Development  
18 Corporation or the Michigan Future Talent Council.

19           (xiii) The superintendent of public instruction or the  
20 superintendent's designee.

21           (xiv) The director of the Michigan After School Partnership  
22 (MASP) or the director's designee.

23           (xv) Two members of the house of representatives, recommended  
24 by the speaker of the house of representatives and the minority  
25 leader of the house of representatives, who will serve as ex-  
26 officio members without voting privileges.

27           (xvi) Two members of the senate, recommended by the majority  
28 and minority leaders of the senate, who will serve as ex-officio

1 members without voting privileges.

2 (xvii) The governor or the governor's designee, who will serve  
3 as ex-officio members without voting privileges.

4 (d) Subject to subsection (6), the MOST Council shall make  
5 funding recommendations for the funds allocated under subsection  
6 (1) by December 1 of each fiscal year. Each funding recommendation  
7 must be for a program approved by the MOST Council.

8 (e) The MOST Council shall work with the Michigan After School  
9 Partnership (MASP) to develop locally and regionally developed  
10 programs and professional learning experiences for the programs  
11 approved as described in subdivision (d).

12 (f) The MOST Council shall work with the department to  
13 implement the statewide strategy adopted by the MOST Council.

14 (5) If the MOST Council is unable to make funding  
15 recommendations by December 1 of a fiscal year as described in  
16 subsection (4)(d), the department shall work with the intermediate  
17 district identified in subsection (2) to allocate funds under  
18 subsection (1) on a competitive grant basis that at least follows  
19 the statewide strategy described in subsection (4). Each grant must  
20 provide for OST programs for pupils.

21 (6) The statewide strategy described in subsection (4) must  
22 include at least the following criteria:

23 (a) The development and annual updating of a statewide  
24 strategy for moving the state to universal access and equitable  
25 participation by youth in OST programs, including funding and  
26 statutory recommendations necessary to aid such efforts.

27 (b) The development of a process related to funding to be used  
28 for competitive grants, including creating an application process,  
29 setting funding priorities, determining criteria and a review

1 process for evaluating applications and for awarding grants, and  
2 approving grant awards. For 2023-2024 only, the process described  
3 in this subdivision must include the following criteria:

4 (i) Establishing competitive grant criteria for eligible  
5 applicants to expand access to quality, affordable programming  
6 before and after the school day, and during the summer for young  
7 people. The grant criteria must require that an applicant meet, at  
8 a minimum, all of the following criteria:

9 (A) Serve children in any of grades K to 12.

10 (B) Be a community-based organization that is exempt from  
11 federal income tax under section 501(c)(3) of the internal revenue  
12 code, 26 USC 501, or a district, intermediate district, or  
13 partnership of districts or intermediate districts with a  
14 community-based organization or organizations, a statewide or  
15 regional intermediary entity, an institution of higher education, a  
16 community or adult education program, a public library, or a local  
17 government.

18 (C) Provide before-school, after-school, summer programming,  
19 or before-and-after-school and summer programming to children  
20 described in sub-subparagraph (A). These programs must be used to  
21 support expanded learning opportunities, including, but not limited  
22 to, mentoring, leadership, community engagement, agriculture, art,  
23 music, literacy, science, technology, engineering, mathematics,  
24 health, and recreation programming.

25 (ii) The process must be posted publicly at least 30 days  
26 before the opening of the grant application period and must include  
27 the form and manner for applying for the grants and the criteria  
28 that will be used for application review. The application must  
29 include a request for information on the applicant's outreach to

1 children, youth, and families who qualify for free- or reduced-  
2 price lunch. The application must be open for at least 30 calendar  
3 days. The criteria for evaluating applications as described in this  
4 subparagraph must include, but are not limited to, priorities  
5 described in subparagraph (iv).

6 (iii) The process must provide that, in determining award  
7 amounts under this section, the MOST Council shall, to the extent  
8 practicable, ensure that eligible grant recipients in all  
9 geographic regions of this state are represented in the  
10 distribution of grant funding under this section.

11 (iv) The process must provide that the MOST Council shall  
12 prioritize the distribution of grant funding under this section  
13 based on, at a minimum, the following:

14 (A) An applicant's demonstrated need.

15 (B) The percentage of low-income families in the geographic  
16 area being served. Prioritization under this sub-subparagraph must  
17 be determined by the average percentage of pupils in the district  
18 where eligible entities will provide before-and-after-school or  
19 summer programs who are eligible for free- and reduced-priced meals  
20 as determined under the Richard B. Russell national school lunch  
21 act, 42 USC 1751 to 1769j.

22 (C) Whether the application provides services for the full  
23 school year.

24 (D) The applicant's track record for providing quality,  
25 affordable before-and-after-school or summer services.

26 (v) The process must provide that an eligible grant recipient  
27 that receives grant funding under this section shall use the  
28 funding only to provide before-school, after-school, or before-and-  
29 after-school programming, or summer programming to children

1 described in subparagraph (i) (A). The programming offered under this  
2 subparagraph must meet all of the following:

3 (A) Be provided to children in a manner in which the children  
4 are physically present at a building or location designated by the  
5 eligible entity.

6 (B) Provide educational programming in core subject areas,  
7 including, but not limited to, mathematics, reading, and science.

8 (C) Provide data to evaluate the program in a form and manner  
9 as prescribed by the MOST Council.

10 (vi) The process must provide that the MOST Council shall  
11 ensure at least 60% of the funding is awarded to OST programs  
12 operated by community-based organizations.

13 (vii) The process must provide that, notwithstanding section  
14 17b, the intermediate district under subsection (2) shall make  
15 payments under this section in full, upon grant award, including  
16 reimbursing for pre-award expenses beginning October 1 of the  
17 fiscal year in which funding under this section is allocated.  
18 Grantees that do not comply with reporting requirements, fail to  
19 provide the services proposed in their grant application, or close  
20 during the grant period may be required to repay the funding they  
21 received under this section to the department.

22 (viii) The process must provide that the intermediate district  
23 described in subsection (2) may use no more than \$150,000.00 for  
24 program administration.

25 (ix) The process must provide that payment must be made in full  
26 to the intermediate district under subsection (2), must be made in  
27 a manner determined by the department, and must be distributed by  
28 not later than November 30 of the fiscal year in which funding  
29 under this section is allocated.

1           (c) Annual reporting of programs that received funding and the  
2 MOST Council's activities.

3           (d) With the department, monitoring the administration of  
4 funding usage and ensuring the implementation of funding is  
5 consistent with the terms of acceptance.

6           (7) As used in this section:

7           (a) "MOST Council" means the Michigan Out-of-School-Time  
8 Council created in subsection (4).

9           (b) "OST" means the out-of-school-time programs.

10           Sec. 32n. (1) From the federal funding appropriated under  
11 section 11, there is allocated for 2022-2023 only an amount not to  
12 exceed \$25,000,000.00 from the federal funding awarded to this  
13 state from the coronavirus state fiscal recovery fund under the  
14 American rescue plan act of 2021, title IX, subtitle M of Public  
15 Law 117-2, for the purposes of this section. The department shall  
16 develop a competitive grant program to distribute this funding to  
17 eligible entities, as described in subsection (2), as prescribed  
18 under this section.

19           (2) The department shall establish competitive grant criteria  
20 for the grant program described in subsection (1) for eligible  
21 applicants to expand access to quality, affordable programming  
22 before and after the school day or during the summer for young  
23 people. To be eligible for a grant under this section, the  
24 applicant must meet, at a minimum, all of the following criteria:

25           (a) Serve children in any of grades K to 12.

26           (b) Be a community-based organization that is exempt from  
27 federal income tax under section 501(c)(3) of the internal revenue  
28 code, 26 USC 501, an institution of higher education, a community  
29 or adult education program, a public library, a local government,



1 or an intermediate district.

2 (c) Provide before-school, after-school, before-and-after-  
3 school, or summer school programming to children described in  
4 subdivision (a). These programs must be used to support expanded  
5 learning opportunities, including, but not limited to, mentoring,  
6 leadership, community engagement, agriculture, art, music,  
7 literacy, science, technology, engineering, mathematics, health,  
8 and recreation programming.

9 (d) Address measurable goals, including, but not limited to,  
10 improved school attendance, academic outcomes, positive behaviors,  
11 and skill acquisition, and include activities linked to research or  
12 quality practices.

13 (3) The department shall establish a competitive grant process  
14 for awarding funding under this section. The process must be posted  
15 publicly at least 30 days prior to the grant application period.  
16 The department shall develop the form and manner for applying for  
17 the grants. The application must include a request for information  
18 on the applicant's outreach to children, youth, and families who  
19 are eligible for free or reduced-price meals under the Richard B.  
20 Russell national school lunch act, 42 USC 1751 to 1769j. The  
21 application must be open for not less than 30 calendar days. At  
22 least 30 days before the application is opened, the department must  
23 publish on its public website the criteria that will be used in  
24 evaluating the application that must include, but are not limited  
25 to, priorities under subsection (5).

26 (4) Subject to subsection (8), in determining award amounts  
27 under this subsection, the department shall, to the extent  
28 practicable, ensure that eligible entities in all geographic  
29 regions of this state are represented in the distribution of grant

1 funding under this section.

2 (5) Subject to subsection (8), the department shall prioritize  
3 the distribution of grant funding under this section based on, at a  
4 minimum, the following:

5 (a) An applicant's demonstrated need.

6 (b) The percentage of low-income families in the geographic  
7 area being served. Prioritization must be determined by the average  
8 percentage of pupils in the district who are eligible for free and  
9 reduced-priced meals as determined under the Richard B. Russell  
10 national school lunch act, 42 USC 1751 to 1769j, where eligible  
11 entities will provide before-and-after-school or summer school  
12 programs.

13 (c) Whether the application provides services for the full  
14 school year.

15 (d) The applicant's track record for providing quality,  
16 affordable before-and-after-school or summer school services.

17 (e) Whether an applicant serving children in any of grades K  
18 through 8 is licensed or is in the process of becoming licensed or  
19 has implemented the ~~Michigan State Board of Education~~ Michigan Out-  
20 of-School Time Standards of Quality **issued by the state board of**  
21 **education**. This does not preclude a nonlicensed entity from  
22 applying for funding under this section and being funded under this  
23 section.

24 (6) Subject to subsection (7), an eligible entity that  
25 receives grant funding under this section shall use the funding  
26 only to provide before-school, after-school, before-and-after-  
27 school, or summer school programming to children described in  
28 subsection (2)(a). The programming offered under this subsection  
29 must meet all of the following:

1 (a) Be provided to children in a manner in which the children  
2 are physically present at a building or location designated by the  
3 eligible entity.

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

6 (c) Provide data to evaluate the program in a form and manner  
7 as prescribed by the department.

8 (7) Subject to subsections (2), (4), and (5), up to 2% of  
9 funding allocated under this section must be allocated to a  
10 nonprofit entity with experience serving youth-serving  
11 organizations to provide start-up grants and capacity building,  
12 professional development, and technical assistance for  
13 implementation of high-quality, evidence-based out-of-school time  
14 learning opportunities.

15 (8) The department shall award no less than 60% of the funding  
16 under this section to community-based organizations.

17 (9) Notwithstanding section 17b, the department shall make  
18 payments under this section in full upon grant award. Grantees that  
19 do not comply with reporting requirements, fail to provide the  
20 services proposed in their grant application, or close during the  
21 grant period may be required to repay the funding they received  
22 under this section to the department.

23 (10) The federal funding allocated under this section is  
24 intended to respond to the COVID-19 public health emergency and its  
25 negative impacts.

26 Sec. 32p. (1) From the state school aid fund money  
27 appropriated in section 11, there is allocated an amount not to  
28 exceed \$13,400,000.00 to intermediate districts for ~~2022-2023~~**2023-**  
29 **2024** for the purpose of providing early childhood funding to

1 intermediate districts to support the goals and outcomes under  
 2 ~~subsection~~**subsections** (2) and ~~subsection~~(4), **at the discretion of**  
 3 **the intermediate district**, and to provide supports for early  
 4 childhood programs for children from birth through age 8. The  
 5 funding provided to each intermediate district under this section  
 6 is determined by the distribution formula established by the  
 7 department's office of great start to provide equitable funding  
 8 statewide. In order to receive funding under this section, each  
 9 intermediate district must provide an application to the office of  
 10 great start not later than September 15 of the immediately  
 11 preceding fiscal year indicating the strategies planned to be  
 12 provided.

13 (2) Each intermediate district or consortium of intermediate  
 14 districts that receives funding under this section shall convene a  
 15 local great start collaborative and a ~~parent~~**family** coalition that  
 16 includes an active partnership with at least 1 community-based  
 17 organization. The goal of each great start collaborative and ~~parent~~  
 18 **family** coalition is to ensure the coordination and expansion of  
 19 local early childhood systems and programs that allow every child  
 20 in the community to achieve the following outcomes:

21 (a) Children born healthy.

22 (b) Children healthy, thriving, and developmentally on track  
 23 from birth to grade 3.

24 (c) Children developmentally ready to succeed in school at the  
 25 time of school entry.

26 (d) Children prepared to succeed in fourth grade and beyond by  
 27 reading proficiently by the end of third grade.

28 (3) Each local great start collaborative and ~~parent~~**family**  
 29 coalition shall convene workgroups to make recommendations about

1 community services designed to achieve the outcomes described in  
2 subsection (2) and to ensure that its local great start system  
3 includes the following supports for children from birth through age  
4 8:

5 (a) Physical **and social-emotional** health.

6 ~~(b) Social-emotional health.~~

7 (b) ~~(e)~~ Family supports, including, but not limited to, the  
8 provision of basic needs and economic self-sufficiency.

9 (c) ~~(d)~~ Parent leadership and family engagement.

10 (d) ~~(e)~~ Early education, including the child's development of  
11 skills linked to success in foundational literacy, and care.

12 (e) **Community infrastructure.**

13 (4) From the funds allocated in subsection (1), at least  
14 \$2,500,000.00 must be used for the purpose of providing home visits  
15 to at-risk children and their families. The home visits must be  
16 conducted as part of a locally coordinated, family-centered,  
17 evidence-based, data-driven home visit strategic plan that is  
18 approved by the department. The goals of the home visits funded  
19 under this subsection are to improve school readiness using  
20 evidence-based methods, including a focus on developmentally  
21 appropriate outcomes for early literacy, to improve positive  
22 parenting practices, and to improve family economic self-  
23 sufficiency while reducing the impact of high-risk factors through  
24 community resources and referrals. The department shall coordinate  
25 the goals of the home visit strategic plans approved under this  
26 subsection with other state agency home visit programs in a way  
27 that strengthens Michigan's home visiting infrastructure and  
28 maximizes federal funds available for the purposes of at-risk  
29 family home visits. The coordination among departments and agencies

1 is intended to avoid duplication of state services and spending,  
2 and should emphasize efficient service delivery of home visiting  
3 programs.

4 (5) Not later than December 1 of each year, each intermediate  
5 district shall provide a report to the department detailing the  
6 strategies actually implemented during the immediately preceding  
7 school year and the families and children actually served. At a  
8 minimum, the report must include an evaluation of the services  
9 provided with additional funding under subsection (4) for home  
10 visits, using the goals identified in subsection (4) as the basis  
11 for the evaluation, including the degree to which school readiness  
12 was improved, the degree to which positive parenting practices were  
13 improved, the degree to which there was improved family economic  
14 self-sufficiency, and the degree to which community resources and  
15 referrals were utilized. The department shall compile and summarize  
16 these reports and submit its summary to the house and senate  
17 appropriations subcommittees on school aid and to the house and  
18 senate fiscal agencies not later than February 15 of each year.

19 (6) An intermediate district or consortium of intermediate  
20 districts that receives funding under this section may carry over  
21 any unexpended funds received under this section into the next  
22 fiscal year and may expend those unused funds through June 30 of  
23 the next fiscal year. However, an intermediate district or  
24 consortium of intermediate districts that receives funding for the  
25 purposes described in subsection (2) in fiscal year ~~2022-2023-2023-~~  
26 **2024** shall not carry over into the next fiscal year any amount  
27 exceeding 15% of the amount awarded to the intermediate district or  
28 consortium in the ~~2022-2023-2023-2024~~ fiscal year. A recipient of a  
29 grant shall return any unexpended grant funds to the department in

1 the manner prescribed by the department not later than September 30  
2 of the next fiscal year after the fiscal year in which the funds  
3 are received.

4 Sec. 32t. **(1)** From the state school aid fund money  
5 appropriated in section 11, there is allocated for ~~2022-2023-2023-~~  
6 **2024** only an amount not to exceed ~~\$2,200,000.00~~ **\$12,000,000.00** to  
7 Clinton County RESA (CCRESA) for the ~~Strong Beginnings Program~~ **a 3-**  
8 **year-old preschool pilot program** to provide services to children  
9 who meet the eligibility criteria for the great start readiness  
10 program, but do not meet the age eligibility criteria for the great  
11 start readiness program. These services must be designed for  
12 children who are age 3 and must be similar to the services provided  
13 through the great start readiness program. The program described in  
14 this section must be administered by CCRESA Strong Beginnings  
15 Implementation Team under the direction of the department, office  
16 of great start, with assessment, data, and collection analysis for  
17 the program being provided by Michigan State University.

18 **(2) CCRESA shall utilize the funding received under this**  
19 **section over a period of 2 years. The department shall determine**  
20 **the amount to be used in each year.**

21 **(3) This section is intended to provide funding to serve at**  
22 **least 600 children over the next 2 school years, evaluate outcomes,**  
23 **and create a scalable 3-year-old preschool model. At least 300 of**  
24 **these children must participate in an eligible Head Start or**  
25 **community-based provider classroom setting as defined in section**  
26 **32d(13). At the end of the pilot, CCRESA shall provide a report to**  
27 **the department detailing all of the following:**

28 **(a) How the pilot was conducted.**

29 **(b) Demographics of the children served.**

1 (c) Outcomes achieved.

2 (d) Challenges the pilot faced and how the implementation team  
3 responded.

4 (e) A model this state could use to scale the program  
5 statewide, if funding were available.

6 (4) The funds allocated under this section for 2023-2024 are a  
7 work project appropriation, and any unexpended funds for 2023-2024  
8 are carried forward into 2024-2025. The purpose of the work project  
9 is to pilot a 3-year-old preschool program as provided under this  
10 section. The estimated completion date of the work project is  
11 September, 30, 2025.

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

15 Sec. 33. (1) From the state school aid fund money appropriated  
16 in section 11, there is allocated an amount not to exceed  
17 \$15,000,000.00 for 2023-2024 only for grants to eligible districts  
18 for the purposes described in this section.

19 (2) To receive a grant under this section, a district must  
20 apply for the grant in a form and manner prescribed by the  
21 department by not later than December 1, 2023.

22 (3) A district that meets both of the following is an eligible  
23 district under this section:

24 (a) The district must enroll students in grades K to 5, and  
25 must not currently have a music education program for grades K  
26 through 5.

27 (b) The district must, in its application described in  
28 subsection (2), pledge to do all of the following:

29 (i) Provide for all pupils in grades K to 5 at least 90 minutes



1 per week of instruction in music, taught by a certificated teacher  
2 with a JX or JQ endorsement issued by the department.

3 (ii) Maintain staffing that includes at least 1 certificated  
4 teacher with a JX or JQ endorsement issued by the department for  
5 every 400 pupils enrolled in grades K to 5.

6 (iii) Adopt and implement specific curricula for music.

7 (iv) Maintain in each elementary school at least 1 space that  
8 is designated for music instruction and that allows for effective  
9 implementation of the music curriculum, with consideration given to  
10 the physical materials and tools needed for music instruction.

11 (v) Establish and maintain a separate dedicated budget for  
12 music instruction in grades K to 5.

13 (4) Grants awarded under this section must be awarded for the  
14 coverage of costs for 1 year of additional costs, including 1-time  
15 costs, for the district to implement a music program.

16 (5) All grants under this section must be awarded by not later  
17 than February 1, 2024.

18 (6) If the total funding allocated under this section is not  
19 sufficient to fully fund payments to all eligible districts under  
20 this section, the department shall prorate payments to all eligible  
21 districts on an equal percentage basis.

22 Sec. 35a. (1) From the appropriations in section 11, there is  
23 allocated for ~~2022-2023-2023-2024~~ for the purposes of this section  
24 an amount not to exceed ~~\$67,400,000.00~~ **\$92,400,000.00** from the  
25 state school aid fund and there is allocated for ~~2022-2023-2023-~~  
26 **2024** for the purposes of subsection (8) an amount not to exceed  
27 \$5,000,000.00 from the general fund. Excluding staff or contracted  
28 employees funded under subsection (8), the superintendent shall  
29 designate staff or contracted employees funded under this section

1 as critical shortage. Programs funded under this section are  
2 intended to ensure that this state will be a top 10 state in grade  
3 4 reading proficiency by 2025 according to the National Assessment  
4 of Educational Progress (NAEP). By December 31 of each fiscal year  
5 in which funding is allocated under this section, the  
6 superintendent of public instruction shall do both of the  
7 following:

8 (a) Report in person to the house and senate appropriations  
9 subcommittees on school aid regarding progress on the goal  
10 described in this subsection and be available for questioning as  
11 prescribed through a process developed by the chairs of the house  
12 and senate appropriations subcommittees on school aid.

13 (b) Submit a written report to the house and senate  
14 appropriations subcommittees on school aid regarding progress on  
15 the goal described in this subsection.

16 (2) A district that receives funds under subsection (5) may  
17 spend up to 5% of those funds for professional development for  
18 educators in a department-approved research-based training program  
19 related to current state literacy standards for pupils in grades  
20 pre-K to 3. The professional development must also include training  
21 in the use of screening and diagnostic tools, progress monitoring,  
22 and intervention methods used to address barriers to learning and  
23 delays in learning that are diagnosed through the use of these  
24 tools.

25 (3) A district that receives funds under subsection (5) may  
26 use up to 5% of those funds to administer department-approved  
27 screening and diagnostic tools to monitor the development of early  
28 literacy and early reading skills, and risk factors for word-level  
29 reading difficulties of pupils in grades pre-K to 3 and to support

1 evidence-based professional learning described in subsection (11)  
 2 for educators in administering and using screening, progress  
 3 monitoring, and diagnostic assessment data to inform instruction  
 4 through prevention and intervention in a multi-tiered system of  
 5 supports framework. A department-approved screening and diagnostic  
 6 tool administered by a district using funding under this section  
 7 must include all of the following components: phonemic awareness,  
 8 phonics, fluency, rapid automatized naming (RAN), and  
 9 comprehension. Further, all of the following sub-skills must be  
 10 assessed within each of these components:

11 (a) Phonemic awareness - segmentation, blending, and sound  
 12 manipulation (deletion and substitution).

13 (b) Phonics - decoding (reading) and encoding (spelling).

14 (c) Fluency.

15 (d) Comprehension - making meaning of text.

16 (4) From the allocation under subsection (1), there is  
 17 allocated an amount not to exceed ~~\$31,500,000.00~~ **\$42,000,000.00** for  
 18 ~~2022-2023~~ **2023-2024** for the purpose of providing early literacy  
 19 coaches at intermediate districts to assist teachers in developing  
 20 and implementing instructional strategies for pupils in grades pre-  
 21 K to 3 so that pupils are reading at grade level by the end of  
 22 grade 3. **It is the intent of the legislature that, for 2024-2025,**  
 23 **the allocation from the state school aid fund money appropriated in**  
 24 **section 11 for purposes described in this subsection will be**  
 25 **\$31,500,000.00.** All of the following apply to funding under this  
 26 subsection:

27 (a) The department shall develop an application process  
 28 consistent with the provisions of this subsection. An application  
 29 must provide assurances that literacy coaches funded under this

1 subsection are knowledgeable about at least the following:

2 (i) Current state literacy standards for pupils in grades pre-K  
3 to 3.

4 (ii) Implementing an instructional delivery model based on  
5 frequent use of formative, screening, and diagnostic tools, known  
6 as a multi-tiered system of supports, to determine individual  
7 progress for pupils in grades pre-K to 3 so that pupils are reading  
8 at grade level by the end of grade 3.

9 (iii) The use of data from diagnostic tools to determine the  
10 necessary additional supports and interventions needed by  
11 individual pupils in grades pre-K to 3 in order to be reading at  
12 grade level.

13 (b) From the allocation under this subsection, the department  
14 shall award grants to intermediate districts for the support of  
15 early literacy coaches. The department shall provide this funding  
16 in the following manner:

17 (i) The department shall award each intermediate district grant  
18 funding to support the cost of ~~1-2~~ early literacy ~~coach~~**coaches** in  
19 an equal amount per early literacy coach, not to exceed  
20 ~~\$112,500.00~~**\$125,000.00**.

21 (ii) After distribution of the grant funding under subparagraph  
22 (i), the department shall distribute the remainder of grant funding  
23 for additional early literacy coaches in an amount not to exceed  
24 ~~\$112,500.00~~**\$125,000.00** per early literacy coach. The number of  
25 funded early literacy coaches for each intermediate district is  
26 based on the percentage of the total statewide number of pupils in  
27 grades K to 3 who meet the income eligibility standards for the  
28 federal free and reduced-price lunch programs who are enrolled in  
29 districts in the intermediate district.

1 (c) If an intermediate district that receives funding under  
 2 this subsection uses an assessment tool that screens for  
 3 characteristics of dyslexia, the intermediate district shall use  
 4 the assessment results from that assessment tool to identify pupils  
 5 who demonstrate characteristics of dyslexia.

6 (5) From the allocation under subsection (1), there is  
 7 allocated an amount not to exceed ~~\$19,900,000.00~~ **\$34,400,000.00** for  
 8 ~~2022-2023~~ **2023-2024** to districts that provide additional  
 9 instructional time to those pupils in grades pre-K to ~~3~~ **5** who have  
 10 been identified by using department-approved screening and  
 11 diagnostic tools as needing additional supports and interventions  
 12 in order to be reading at grade level by the end of grade 3. **It is**  
 13 **the intent of the legislature that, for 2024-2025, the allocation**  
 14 **from the state school aid fund money appropriated in section 11 for**  
 15 **purposes described in this subsection will be \$19,900,000.00.**

16 Additional instructional time may be provided before, during, and  
 17 after regular school hours or as part of a year-round balanced  
 18 school calendar. All of the following apply to funding under this  
 19 subsection:

20 (a) In order to be eligible to receive funding, a district  
 21 must demonstrate to the satisfaction of the department that the  
 22 district has done all of the following:

23 (i) Implemented a multi-tiered system of supports instructional  
 24 delivery model that is an evidence-based model that uses data-  
 25 driven problem solving to integrate academic and behavioral  
 26 instruction and that uses intervention delivered to all pupils in  
 27 varying intensities based on pupil needs. The multi-tiered system  
 28 of supports must provide at least all of the following essential  
 29 components:

1 (A) Team-based leadership.

2 (B) A tiered delivery system.

3 (C) Selection and implementation of instruction,  
4 interventions, and supports.

5 (D) A comprehensive screening and assessment system.

6 (E) Continuous data-based decision making.

7 (ii) Used department-approved research-based diagnostic tools  
8 to identify individual pupils in need of additional instructional  
9 time.

10 (iii) Used a reading instruction method that focuses on the 5  
11 fundamental building blocks of reading: phonics, phonemic  
12 awareness, fluency, vocabulary, and comprehension and content  
13 knowledge.

14 (iv) Provided teachers of pupils in grades pre-K to ~~3~~5 with  
15 research-based professional development in diagnostic data  
16 interpretation.

17 (v) Complied with the requirements under section 1280f of the  
18 revised school code, MCL 380.1280f.

19 (b) The department shall distribute funding allocated under  
20 this subsection to eligible districts on an equal per-first-grade-  
21 pupil basis.

22 (c) If the funds allocated under this subsection are  
23 insufficient to fully fund the payments under this subsection,  
24 payments under this subsection are prorated on an equal per-pupil  
25 basis based on grade 1 pupils.

26 (6) Not later than September 1 of each year, a district that  
27 receives funding under subsection (5) in conjunction with the  
28 Michigan student data system, if possible, shall provide to the  
29 department a report that includes at least both of the following,

1 in a form and manner prescribed by the department:

2 (a) For pupils in grades pre-K to 3, the teachers, pupils,  
3 schools, and grades served with funds under this section and the  
4 categories of services provided.

5 (b) For pupils in grades pre-K to 3, pupil proficiency and  
6 growth data that allows analysis both in the aggregate and by each  
7 of the following subgroups, as applicable:

8 (i) School.

9 (ii) Grade level.

10 (iii) Gender.

11 (iv) Race.

12 (v) Ethnicity.

13 (vi) Economically disadvantaged status.

14 (vii) Disability.

15 (viii) Pupils identified as having reading deficiencies.

16 (7) From the allocation under subsection (1), there is  
17 allocated an amount not to exceed \$6,000,000.00 for ~~2022-2023~~**2023-**  
18 **2024** to an intermediate district in which the combined total number  
19 of pupils in membership of all of its constituent districts is the  
20 fewest among all intermediate districts. All of the following apply  
21 to the funding under this subsection:

22 (a) Funding under this subsection must be used by the  
23 intermediate district, in partnership with an association that  
24 represents intermediate district administrators in this state, to  
25 implement all of the following:

26 (i) Literacy essentials teacher and principal training modules.

27 (ii) Face-to-face and online professional learning of literacy  
28 essentials teacher and principal training modules for literacy  
29 coaches, principals, and teachers.

1           (iii) The placement of regional lead literacy coaches to  
2 facilitate professional learning for early literacy coaches. These  
3 regional lead literacy coaches shall provide support for new  
4 literacy coaches, building teachers, and administrators and shall  
5 facilitate regional data collection to evaluate the effectiveness  
6 of statewide literacy coaches funded under this section.

7           (iv) Provide \$500,000.00 from this subsection for literacy  
8 training, modeling, coaching, and feedback for district principals  
9 or chief administrators, as applicable. The training described in  
10 this subparagraph must use the pre-K and K to 3 essential  
11 instructional practices in literacy created by the general  
12 education leadership network as the framework for all training  
13 provided under this subparagraph.

14           (v) Job-embedded professional learning opportunities for  
15 mathematics teachers through mathematics instructional coaching.  
16 Funding must be used for professional learning for coaches,  
17 professional developers, administrators, and teachers; coaching for  
18 early mathematics educators; the development of statewide and  
19 regional professional learning networks in mathematics  
20 instructions; and the development and support of digital  
21 professional learning modules.

22           (b) Not later than September 1 of each year, the intermediate  
23 district described in this subsection, in consultation with grant  
24 recipients, shall submit a report to the chairs of the senate and  
25 house appropriations subcommittees on school aid, the chairs of the  
26 senate and house standing committees responsible for education  
27 legislation, the house and senate fiscal agencies, and the state  
28 budget director. The report described under this subdivision must  
29 include student achievement results in English language arts and



1 mathematics and survey results with feedback from parents and  
2 teachers regarding the initiatives implemented under this  
3 subsection.

4 (c) Up to 2% of funds allocated under this subsection may be  
5 used by the association representing intermediate district  
6 administrators that is in partnership with the intermediate  
7 district specified in this subsection to administer this  
8 subsection.

9 (8) From the general fund money allocated in subsection (1),  
10 the department shall allocate the amount of \$5,000,000.00 for ~~2022-~~  
11 ~~2023-2024~~ only to the Michigan Education Corps for the PreK  
12 Reading Corps, the K3 Reading Corps, and the Math Corps. All of the  
13 following apply to funding under this subsection:

14 (a) By September 1 of the current fiscal year, the Michigan  
15 Education Corps shall provide a report concerning its use of the  
16 funding to the senate and house appropriations subcommittees on  
17 school aid, the senate and house fiscal agencies, and the senate  
18 and house caucus policy offices on outcomes and performance  
19 measures of the Michigan Education Corps, including, but not  
20 limited to, the degree to which the Michigan Education Corps'  
21 replication of the PreK Reading Corps, the K3 Reading Corps, and  
22 the Math Corps programs is demonstrating sufficient efficacy and  
23 impact. The report must include data pertaining to at least all of  
24 the following:

25 (i) The current impact of the programs on this state in terms  
26 of numbers of children and schools receiving support. This portion  
27 of the report must specify the number of children tutored,  
28 including dosage and completion, and the demographics of those  
29 children.

1           (ii) Whether the assessments and interventions are implemented  
2 with fidelity. This portion of the report must include details on  
3 the total number of assessments and interventions completed and the  
4 range, mean, and standard deviation.

5           (iii) Whether the literacy or math improvement of children  
6 participating in the programs is consistent with expectations. This  
7 portion of the report must detail at least all of the following:

8           (A) Growth rate by grade or age level, in comparison to  
9 targeted growth rate.

10           (B) Average linear growth rates.

11           (C) Exit rates.

12           (D) Percentage of children who exit who also meet or exceed  
13 spring benchmarks.

14           (iv) The impact of the programs on organizations and  
15 stakeholders, including, but not limited to, school administrators,  
16 internal coaches, and AmeriCorps members.

17           (b) If the department determines that the Michigan Education  
18 Corps has misused the funds allocated under this subsection, the  
19 Michigan Education Corps shall reimburse this state for the amount  
20 of state funding misused.

21           (c) The department may not reserve any portion of the  
22 allocation provided under this subsection for an evaluation of the  
23 Michigan Education Corps, the Michigan Education Corps' funding, or  
24 the Michigan Education Corps' programming unless agreed to in  
25 writing by the Michigan Education Corps. The department shall award  
26 the entire ~~\$5,000,000.00~~ **amount** allocated under this subsection to  
27 the Michigan Education Corps and shall not condition the awarding  
28 of this funding on the implementation of an independent evaluation.

29           (9) If a district or intermediate district expends any funding

1 received under subsection (4) or (5) for professional development  
2 in research-based effective reading instruction, the district or  
3 intermediate district shall select a professional development  
4 program from the list described under subdivision (a). All of the  
5 following apply to the requirement under this subsection:

6 (a) The department shall issue a request for proposals for  
7 professional development programs in research-based effective  
8 reading instruction to develop an initial approved list of  
9 professional development programs in research-based effective  
10 reading instruction. The department shall make the initial approved  
11 list public and shall determine if it will, on a rolling basis,  
12 approve any new proposals submitted for addition to its initial  
13 approved list.

14 (b) To be included as an approved professional development  
15 program in research-based effective reading instruction under  
16 subdivision (a), an applicant must demonstrate to the department in  
17 writing the program's competency in all of the following topics:

18 (i) Understanding of phonemic awareness, phonics, fluency,  
19 vocabulary, and comprehension.

20 (ii) Appropriate use of assessments and differentiated  
21 instruction.

22 (iii) Selection of appropriate instructional materials.

23 (iv) Application of research-based instructional practices.

24 (c) As used in this subsection, "effective reading  
25 instruction" means reading instruction scientifically proven to  
26 result in improvement in pupil reading skills.

27 (10) From the allocation under subsection (1), there is  
28 allocated an amount not to exceed \$10,000,000.00 for ~~2022-2023~~  
29 **2023-2024** only for the provision of professional learning by the

1 approved provider described in subsection (11), first to educators  
2 in pre-K, kindergarten, and grade 1 next to educators in grade 2  
3 and grade 3; and then to additional elementary school educators and  
4 pre-K to grade 12 certificated special education personnel with  
5 endorsements in learning disabilities, emotional impairments, or  
6 speech and language impairments. For purposes of this subsection,  
7 the department must establish and manage professional learning  
8 opportunities that are open to all school personnel described in  
9 this subsection as follows:

10 (a) The department must first open voluntary enrollment for  
11 any pre-K through grade 3 teacher on a first-come, first-served  
12 basis, with voluntary enrollment prioritized for pre-K,  
13 kindergarten, and grade 1 teachers. The department shall then open  
14 voluntary enrollment for the remaining school personnel described  
15 in this subsection.

16 (b) The department must maintain open enrollment until all  
17 funds are expended.

18 (11) For the provision of professional learning to the school  
19 personnel described in subsection (10), the department shall  
20 approve LETRS as the approved provider of professional learning, if  
21 LETRS continues to meet all of the following:

22 (a) Be offered through a system of training that provides  
23 educators with the knowledge base to effectively implement any  
24 class-wide, supplemental, or intervention reading approach and to  
25 determine why some students struggle with reading, writing,  
26 spelling, and language.

27 (b) Provide training activities that direct educators to  
28 implement effective reading and spelling instruction supported by  
29 scientifically based research and foster a direct explicit

1 instructional sequence that uses techniques to support teachers'  
2 independence in using their newly-learned skills with students in  
3 the classroom.

4 (c) Include integrated components for educators and  
5 administrators in pre-K to grade 3 with embedded evaluation or  
6 assessment of knowledge. Evaluation or assessment of knowledge  
7 under this subdivision must incorporate evaluations of learning  
8 throughout each unit and include a summative assessment that must  
9 be completed to demonstrate successful course completion.

10 (d) Build teacher content knowledge and pedagogical knowledge  
11 of the critical components of literacy including how the brain  
12 learns to read, phonological and phonemic awareness; letter  
13 knowledge; phonics; advanced phonics; vocabulary and oral language;  
14 fluency; comprehension; spelling and writing; and the organization  
15 of language.

16 (e) Support educators in understanding how to effectively use  
17 screening, progress monitoring, and diagnostic assessment data to  
18 improve literacy outcomes through prevention and intervention for  
19 reading difficulties in a multi-tiered system of supports. The  
20 multi-tiered system of supports must include at least all of the  
21 following essential components:

22 (i) Team-based leadership.

23 (ii) A tiered delivery system.

24 (iii) Selection and implementation of instruction,  
25 interventions, and supports.

26 (iv) A comprehensive screening and assessment system.

27 (v) Continuous data-based decision making.

28 (12) Notwithstanding section 17b, the department shall make  
29 payments made under subsections (7) and (8) on a schedule

1 determined by the department.

2 (13) As used in this section:

3 (a) "Dyslexia" means both of the following:

4 (i) A specific learning disorder that is neurobiological in  
5 origin and characterized by difficulties with accurate or fluent  
6 word recognition and by poor spelling and decoding abilities that  
7 typically result from a deficit in the phonological component of  
8 language that is often unexpected in relation to other cognitive  
9 abilities and the provision of effective classroom instruction.

10 (ii) A specific learning disorder that may include secondary  
11 consequences, such as problems in reading comprehension and a  
12 reduced reading experience that can impede the growth of vocabulary  
13 and background knowledge and lead to social, emotional, and  
14 behavioral difficulties.

15 (b) "Evidence-based" means an activity, program, process,  
16 service, strategy, or intervention that demonstrates statistically  
17 significant effects on improving pupil outcomes or other relevant  
18 outcomes and that meets at least both of the following:

19 (i) At least 1 of the following:

20 (A) Is based on strong evidence from at least 1 well-designed  
21 and well-implemented experimental study.

22 (B) Is based on moderate evidence from at least 1 well-  
23 designed and well-implemented quasi-experimental study.

24 (C) Is based on promising evidence from at least 1 well-  
25 designed and well-implemented correlational study with statistical  
26 controls for selection bias.

27 (D) Demonstrates a rationale based on high-quality research  
28 findings or positive evaluation that the activity, program,  
29 process, service, strategy, or intervention is likely to improve

1 pupil outcomes or other relevant outcomes.

2 (ii) Includes ongoing efforts to examine the effects of the  
3 activity, program, process, service, strategy, or intervention.

4 (c) "Explicit" means direct and deliberate instruction through  
5 continuous pupil-teacher interaction that includes teacher  
6 modeling, guided practice, and independent practice.

7 (d) "Fluency" means the ability to read with speed, accuracy,  
8 and proper expression.

9 (e) "Multi-tiered system of supports" means a comprehensive  
10 framework that includes 3 distinct tiers of instructional support  
11 and is composed of a collection of evidence-based strategies  
12 designed to meet the individual needs and assets of a whole pupil  
13 at all achievement levels.

14 (f) "Phonemic awareness" means the conscious awareness of all  
15 of the following:

16 (i) Individual speech sounds, including, but not limited to,  
17 consonants and vowels, in spoken syllables.

18 (ii) The ability to consciously manipulate through, including,  
19 but not limited to, matching, blending, segmenting, deleting, or  
20 substituting, individual speech sounds described in subparagraph  
21 (i).

22 (iii) All levels of the speech sound system, including, but not  
23 limited to, word boundaries, rhyme recognition, stress patterns,  
24 syllables, onset-rime units, and phonemes.

25 (g) "Phonological" means relating to the system of contrastive  
26 relationships among the speech sounds that constitute the  
27 fundamental components of a language.

28 (h) "Progress monitoring" means the assessing of students'  
29 academic performance, quantifying students' rates of improvement or

1 progress toward goals, and determining how students are responding  
2 to instruction.

3 (i) "Rapid automatized naming (RAN)" means a task that  
4 measures how quickly individuals can name objects; pictures;  
5 colors; or symbols, including letters and digits, aloud, which can  
6 predict later reading abilities for preliterate children.

7 Sec. 35d. (1) From the general fund money appropriated under  
8 section 11, for ~~2022-2023~~**2023-2024** only, there is allocated an  
9 amount not to exceed \$1,000,000.00 for the department to provide  
10 grants to districts and intermediate districts for the purchase of  
11 1 or more components or trainings through an eligible teacher  
12 training program for children with dyslexia from a provider of an  
13 eligible teacher training program for children with dyslexia as  
14 provided under this section.

15 (2) A provider that provides programming that meets all of the  
16 following is considered to be a provider of an eligible teacher  
17 training program for purposes of this section:

18 (a) Allows teachers to incorporate the 5 components essential  
19 to an effective reading program into their daily lessons. The 5  
20 components described in this subdivision are phonemic awareness,  
21 phonics, vocabulary, fluency, and comprehension.

22 (b) Trains educators to teach reading using a proven,  
23 multisensory approach.

24 (c) Educates teachers on how to explicitly and effectively  
25 teach reading to beginning readers.

26 (d) Breaks reading and spelling down into smaller skills  
27 involving letters and sounds, and then builds on these skills over  
28 time.

29 (e) Uses multisensory teaching strategies to teach reading by



1 using sight, hearing, touch, and movement to help students connect  
2 and learn the concepts being taught.

3 (3) Districts and intermediate districts may apply to the  
4 department for grants to purchase components or training through an  
5 eligible teacher training program from a provider of an eligible  
6 teacher training program, and, upon receiving an application but  
7 except as otherwise provided in this subsection, the department  
8 shall make payments to districts and intermediate districts for  
9 those purchases. The department shall make payments under this  
10 section on a first-come, first-served basis until funds are  
11 depleted.

12 **Sec. 35k. (1) From the school aid fund money appropriated**  
13 **under section 11, there is allocated for 2023-2024 only an amount**  
14 **not to exceed \$5,000,000.00 to an intermediate district or a**  
15 **consortium of intermediate districts for the purposes of this**  
16 **section. The intermediate district or consortium of intermediate**  
17 **districts will provide funding to community-based organizations as**  
18 **directed by the department under subsection (2). An intermediate**  
19 **district or a consortium of intermediate districts shall pay 50% of**  
20 **the funding under this section to the Detroit Parent Network, with**  
21 **the remainder paid to other community-based organizations. To**  
22 **receive funding under this section, an eligible entity must apply**  
23 **for funding in a form and manner determined by the department.**

24 (2) The department shall establish a competitive grant process  
25 for awarding funding to community-based organizations under this  
26 section. The process must be posted publicly at least 30 days  
27 before the grant application period. The department shall develop  
28 the form and manner for applying for the grants. At least 30 days  
29 before the application period is opened, the department must

1 publish on its public website the criteria that will be used in  
2 evaluating the application that must include, but are not limited  
3 to, priorities under subsection (3). The application period must be  
4 open for not less than 30 calendar days.

5 (3) An intermediate district or a consortium of intermediate  
6 districts shall ensure that funds paid under this section are used  
7 to expand capacity to provide parental training programs, parental  
8 support groups, early literacy and family education programs,  
9 programs that support healthy families, and programs that support  
10 civic engagement and community advocacy.

11 (4) An intermediate district or consortium of intermediate  
12 districts may retain up to \$100,000.00 of the funds in this section  
13 for the costs of administering the program or group under  
14 subsection (3).

15 (5) The funds allocated under this section for 2023-2024 are a  
16 work project appropriation, and any unexpended funds for 2023-2024  
17 are carried forward into 2024-2025. The purpose of the work project  
18 is to support the academic, social, behavioral, and physical well-  
19 being of children, parents, and families. The estimated completion  
20 date of the work project is September 30, 2027.

21 Sec. 35l. From the state school aid fund money appropriated in  
22 section 11, there is allocated \$1,000,000.00 for 2023-2024 only to  
23 Lake Shore Public Schools to support the construction of an early  
24 childhood community center.

25 Sec. 35m. From the state school aid fund money appropriated in  
26 section 11, there is allocated \$100,000.00 for 2023-2024 only to  
27 Lake Shore Public Schools for transportation costs to transport  
28 students to and from career and technical programs.

29 Sec. 39. (1) An eligible applicant receiving funds under

1 section 32d shall submit an application, in a form and manner  
2 prescribed by the department, by a date specified by the department  
3 in the immediately preceding fiscal year. An eligible applicant is  
4 not required to amend the applicant's current accounting cycle or  
5 adopt this state's fiscal year accounting cycle in accounting for  
6 financial transactions under this section. The application must  
7 include all of the following:

8 (a) The estimated total number of children in the community  
9 who meet the criteria of section 32d **and the total number of age-**  
10 **eligible children in the community**, as provided to the applicant by  
11 the department utilizing the most recent population data available  
12 from the American Community Survey conducted by the United States  
13 Census Bureau. The department shall ensure that it provides updated  
14 American Community Survey population data at least once every 3  
15 years.

16 (b) The estimated number of children in the community who meet  
17 the criteria of section 32d and are being served exclusively by  
18 Head Start programs operating in the community.

19 (c) The number of children whom the applicant has the capacity  
20 to serve who meet the criteria of section 32d including a  
21 verification of physical facility and staff resources capacity.

22 (2) After notification of funding allocations, an applicant  
23 receiving funds under section 32d shall also submit an  
24 implementation plan for approval, in a form and manner prescribed  
25 by the department, by a date specified by the department, that  
26 details how the applicant complies with the program components  
27 established by the department under section 32d.

28 (3) The initial allocation to each eligible applicant under  
29 section 32d is the lesser of the following:

1 (a) The sum of the number of children served in a school-day  
2 program in the preceding school year multiplied by ~~\$9,150.00~~  
3 **\$9,700.00, the number of children served in a GSRP extended program**  
4 **in the preceding school year multiplied by \$11,640.00,** and the  
5 number of children served in a GSRP/Head Start blended program or a  
6 part-day program in the preceding school year multiplied by  
7 ~~\$4,575.00~~**-\$4,850.00.**

8 (b) The sum of the number of children the applicant has the  
9 capacity to serve in the current school year in a school-day  
10 program multiplied by ~~\$9,150.00~~**-\$9,700.00, the number of children**  
11 **served in a GSRP extended program the applicant has the capacity to**  
12 **serve in the current school year multiplied by \$11,640.00,** and the  
13 number of children served in a GSRP/Head Start blended program or a  
14 part-day program the applicant has the capacity to serve in the  
15 current school year multiplied by ~~\$4,575.00~~**-\$4,850.00.**

16 (4) If funds remain after the allocations under subsection  
17 (3), the department shall distribute the remaining funds to each  
18 intermediate district or consortium of intermediate districts that  
19 serves less than the state percentage benchmark determined under  
20 subsection (5). The department shall distribute these remaining  
21 funds to each eligible applicant based upon each applicant's  
22 proportionate share of the remaining unserved children necessary to  
23 meet the statewide percentage benchmark in intermediate districts  
24 or consortia of intermediate districts serving less than the  
25 statewide percentage benchmark. When all applicants have been given  
26 the opportunity to reach the statewide percentage benchmark, the  
27 statewide percentage benchmark may be reset, as determined by the  
28 department, until greater equity of opportunity to serve eligible  
29 children across all intermediate school districts has been

1 achieved.

2 (5) For the purposes of subsection (4), the department shall  
3 calculate a percentage of children served by each intermediate  
4 district or consortium of intermediate districts by adding the  
5 number of children served in the immediately preceding year by that  
6 intermediate district or consortium with the number of eligible  
7 children under section 32d served exclusively by ~~head start,~~ **Head**  
8 **Start**, as reported in a form and manner prescribed by the  
9 department, within the intermediate district or consortia service  
10 area and dividing that total by the total number of children within  
11 the intermediate district or consortium of intermediate districts  
12 who meet the criteria of section 32d as determined by the  
13 department utilizing the most recent population data available from  
14 the American Community Survey conducted by the United States Census  
15 Bureau. The department shall compare the resulting percentage of  
16 eligible children served to a statewide percentage benchmark to  
17 determine if the intermediate district or consortium is eligible  
18 for additional funds under subsection (4). The statewide percentage  
19 benchmark is 100%.

20 (6) If, taking into account the total amount to be allocated  
21 to the applicant as calculated under this section, an applicant  
22 determines that it is able to include additional eligible children  
23 in the great start readiness program without additional funds under  
24 section 32d, the applicant may include additional eligible children  
25 but does not receive additional funding under section 32d for those  
26 children.

27 (7) The department shall review the program components under  
28 section 32d and under this section at least biennially. The  
29 department also shall convene a committee of internal and external

1 stakeholders at least once every 5 years to ensure that the funding  
 2 structure under this section reflects current system needs under  
 3 section 32d.

4 (8) As used in this section, "GSRP/Head Start blended  
 5 program", "**GSRP extended program**", "part-day program", and "school-  
 6 day program" mean those terms as defined in section 32d.

7 Sec. 39a. (1) From the federal funds appropriated in section  
 8 11, there is allocated for 2022-2023 to districts, intermediate  
 9 districts, and other eligible entities all available federal  
 10 funding, estimated at ~~\$780,200,000.00~~, **\$782,600,000.00**, and there  
 11 **is allocated for 2023-2024 to districts, intermediate districts,**  
 12 **and other eligible entities all available federal funding,**  
 13 **estimated at \$754,700,000.00**, for the federal programs under the no  
 14 child left behind act of 2001, Public Law 107-110, or the every  
 15 student succeeds act, Public Law 114-95. These funds are allocated  
 16 as follows:

17 (a) An amount estimated at \$1,200,000.00 for 2022-2023 **and**  
 18 **\$1,200,000.00 for 2023-2024** to provide students with drug- and  
 19 violence-prevention programs and to implement strategies to improve  
 20 school safety, funded from DED-OESE, drug-free schools and  
 21 communities funds.

22 (b) An amount estimated at \$100,000,000.00 for 2022-2023 **and**  
 23 **\$100,000,000.00 for 2023-2024** for the purpose of preparing,  
 24 training, and recruiting high-quality teachers and class size  
 25 reduction, funded from DED-OESE, improving teacher quality funds.

26 (c) An amount estimated at \$13,000,000.00 for 2022-2023 **and**  
 27 **\$13,000,000.00 for 2023-2024** for programs to teach English to  
 28 limited English proficient (LEP) children, funded from DED-OESE,  
 29 language acquisition state grant funds.

1 (d) An amount estimated at \$2,800,000.00 for 2022-2023 **and**  
2 **\$2,800,000.00 for 2023-2024** for rural and low-income schools,  
3 funded from DED-OESE, rural and low income school funds.

4 (e) An amount estimated at \$535,000,000.00 for 2022-2023 **and**  
5 **\$535,000,000.00 for 2023-2024** to provide supplemental programs to  
6 enable educationally disadvantaged children to meet challenging  
7 academic standards, funded from DED-OESE, title I, disadvantaged  
8 children funds.

9 (f) An amount estimated at \$9,200,000.00 for 2022-2023 **and**  
10 **\$9,200,000.00 for 2023-2024** for the purpose of identifying and  
11 serving migrant children, funded from DED-OESE, title I, migrant  
12 education funds.

13 (g) An amount estimated at ~~\$39,000,000.00~~ **\$40,400,000.00** for  
14 2022-2023 **and \$40,400,000.00 for 2023-2024** for the purpose of  
15 providing high-quality extended learning opportunities, after  
16 school and during the summer, for children in low-performing  
17 schools, funded from DED-OESE, twenty-first century community  
18 learning center funds.

19 (h) An amount estimated at \$14,000,000.00 for 2022-2023 **and**  
20 **\$14,000,000.00 for 2023-2024** to help support local school  
21 improvement efforts, funded from DED-OESE, title I, local school  
22 improvement grants.

23 (i) An amount estimated at \$35,000,000.00 for 2022-2023 **and**  
24 **\$35,000,000.00 for 2023-2024** to improve the academic achievement of  
25 students, funded from DED-OESE, title IV, student support and  
26 academic enrichment grants.

27 (j) An amount estimated at \$3,100,000.00 for 2022-2023 **and**  
28 **\$3,100,000.00 for 2023-2024** for literacy programs that advance  
29 literacy skills for students from birth through grade 12,

1 including, but not limited to, English-proficient students and  
 2 students with disabilities, funded from DED-OESE, striving readers  
 3 comprehensive literacy program.

4 (k) An amount estimated at \$27,900,000.00 for 2022-2023 **only**  
 5 to establish safer and healthier learning environments, and to  
 6 prevent and respond to acts of bullying, violence, and hate that  
 7 impact school communities at individual and systemic levels, funded  
 8 from DED-OESE, stronger connections grant program.

9 (l) **An amount estimated at \$1,000,000.00 for 2022-2023 and an**  
 10 **amount estimated at \$1,000,000.00 for 2023-2024 for grants to**  
 11 **support and demonstrate innovative partnerships to train school-**  
 12 **based mental health service providers, funded from DED-OESE, mental**  
 13 **health service professional demonstration grant program.**

14 (2) From the federal funds appropriated in section 11, there  
 15 is allocated to districts, intermediate districts, and other  
 16 eligible entities all available federal funding, estimated at  
 17 ~~\$56,500,000.00~~ **\$60,500,000.00** for 2022-2023 **and estimated at**  
 18 **\$60,500,000.00 for 2023-2024** for the following programs that are  
 19 funded by federal grants:

20 (a) An amount estimated at \$3,000,000.00 for 2022-2023 **and**  
 21 **\$3,000,000.00 for 2023-2024** to provide services to homeless  
 22 children and youth, funded from DED-OVAE, homeless children and  
 23 youth funds.

24 (b) An amount estimated at \$24,000,000.00 for 2022-2023 **and**  
 25 **\$24,000,000.00 for 2023-2024** for providing career and technical  
 26 education services to pupils, funded from DED-OVAE, basic grants to  
 27 states.

28 (c) An amount estimated at \$14,000,000.00 for 2022-2023 **and**  
 29 **\$14,000,000.00 for 2023-2024** for the Michigan charter school



1 subgrant program, funded from DED-OII, public charter schools  
2 program funds.

3 (d) An amount estimated at \$14,000,000.00 for 2022-2023 **and**  
4 **\$18,000,000.00 for 2023-2024** for the purpose of promoting and  
5 expanding high-quality preschool services, funded from HHS-OCC,  
6 preschool development funds.

7 (e) An amount estimated at \$1,500,000.00 for 2022-2023 **and**  
8 **\$1,500,000.00 for 2023-2024** for the purpose of addressing priority  
9 substance abuse treatment, prevention, and mental health needs,  
10 funded from HHS-SAMHSA.

11 (3) The department shall distribute all federal funds  
12 allocated under this section in accordance with federal law and  
13 with flexibility provisions outlined in Public Law 107-116, and in  
14 the education flexibility partnership act of 1999, Public Law 106-  
15 25. Notwithstanding section 17b, the department shall make payments  
16 of federal funds to districts, intermediate districts, and other  
17 eligible entities under this section on a schedule determined by  
18 the department.

19 (4) For the purposes of applying for federal grants  
20 appropriated under this article, the department shall allow an  
21 intermediate district to submit a consortium application on behalf  
22 of 2 or more districts with the agreement of those districts as  
23 appropriate according to federal rules and guidelines.

24 (5) For the purposes of funding federal title I grants under  
25 this article, in addition to any other federal grants for which the  
26 strict discipline academy is eligible, the department shall  
27 allocate to a strict discipline academy out of title I, part A an  
28 amount equal to what the strict discipline academy would have  
29 received if included and calculated under title I, part D, or what

1 it would receive under the formula allocation under title I, part  
2 A, whichever is greater.

3 (6) As used in this section:

4 (a) "DED" means the United States Department of Education.

5 (b) "DED-OESE" means the DED Office of Elementary and  
6 Secondary Education.

7 (c) "DED-OII" means the DED Office of Innovation and  
8 Improvement.

9 (d) "DED-OVAE" means the DED Office of Vocational and Adult  
10 Education.

11 (e) "HHS" means the United States Department of Health and  
12 Human Services.

13 (f) "HHS-OCC" means the HHS Office of Child Care.

14 (g) "HHS-SAMHSA" means the HHS Substance Abuse and Mental  
15 Health Services Project.

16 Sec. 41. (1) For a district to be eligible to receive funding  
17 under this section, the district must administer to English  
18 language learners the English language proficiency assessment known  
19 as the "WIDA ACCESS for English language learners" or the "WIDA  
20 Alternate ACCESS". From the state school aid fund money  
21 appropriated in section 11, there is allocated an amount not to  
22 exceed ~~\$26,511,000.00~~ **\$53,022,000.00** for ~~2022-2023~~ **2023-2024** for  
23 payments to eligible districts for services for English language  
24 learners who have been administered the WIDA ACCESS for English  
25 language learners.

26 (2) The department shall distribute funding allocated under  
27 subsection (1) to eligible districts based on the number of full-  
28 time equivalent English language learners as follows:

29 (a) ~~\$984.00~~ **\$1,968.00** per full-time equivalent English

1 language learner who has been assessed under the WIDA ACCESS for  
2 English language learners or the WIDA Alternate ACCESS with a WIDA  
3 ACCESS or WIDA Alternate ACCESS composite score between 1.0 and  
4 1.9, or less, as applicable to each assessment.

5 (b) ~~\$679.00~~ **\$1,358.00** per full-time equivalent English  
6 language learner who has been assessed under the WIDA ACCESS for  
7 English language learners or the WIDA Alternate ACCESS with a WIDA  
8 ACCESS or WIDA Alternate ACCESS composite score between 2.0 and  
9 2.9, or less, as applicable to each assessment.

10 (c) ~~\$111.00~~ **\$222.00** per full-time equivalent English language  
11 learner who has been assessed under the WIDA ACCESS for English  
12 language learners or the WIDA Alternate ACCESS with a WIDA ACCESS  
13 or WIDA Alternate ACCESS composite score between 3.0 and 3.9, or  
14 less, as applicable to each assessment.

15 (3) If funds allocated under subsection (1) are insufficient  
16 to fully fund the payments as prescribed under subsection (2), the  
17 department shall prorate payments on an equal percentage basis,  
18 with the same percentage proration applied to all funding  
19 categories.

20 (4) Each district receiving funds under subsection (1) shall  
21 submit to the department by July 15 of each fiscal year a report,  
22 not to exceed 10 pages, on the usage by the district of funds under  
23 subsection (1) in a form and manner determined by the department,  
24 including a brief description of each program conducted or services  
25 performed by the district using funds under subsection (1) and the  
26 amount of funds under subsection (1) allocated to each of those  
27 programs or services. If a district does not comply with this  
28 subsection, the department shall withhold an amount equal to the  
29 August payment due under this section until the district complies

1 with this subsection. If the district does not comply with this  
 2 subsection by the end of the fiscal year, the withheld funds are  
 3 forfeited to the state school aid fund.

4 (5) In order to receive funds under subsection (1), a district  
 5 must allow access for the department or the department's designee  
 6 to audit all records related to the program for which it receives  
 7 those funds. The district shall reimburse this state for all  
 8 disallowances found in the audit.

9 (6) Beginning July 1, 2020, and every 3 years thereafter, the  
 10 department shall review the per-pupil distribution under subsection  
 11 (2), to ensure that funding levels are appropriate and make  
 12 recommendations for adjustments to the members of the senate and  
 13 house subcommittees on K-12 school aid appropriations.

14 Sec. 41b. From the state school aid fund money appropriated in  
 15 section 11, there is allocated for ~~2022-2023~~**2023-2024** only an  
 16 amount not to exceed ~~\$1,250,000.00~~**\$1,500,000.00** for KEYS Grace  
 17 Academy to, in partnership with Kalasho Education and Youth  
 18 Services, provide English-as-a-second-language services, provide  
 19 early childhood learning, improve progress toward high school  
 20 graduation attainment, and provide K to 12 education-support  
 21 services to legal immigrants, including, but not limited to, those  
 22 individuals who recently arrived to the United States from  
 23 Afghanistan with an application before the United States Department  
 24 of Homeland Security for temporary protected status or federal  
 25 humanitarian parole.

26 Sec. 51a. (1) From the state school aid fund money in section  
 27 11, there is allocated an amount not to exceed ~~\$1,134,196,100.00~~  
 28 **\$1,573,096,100.00** for ~~2021-2022~~**2022-2023** and there is allocated an  
 29 amount not to exceed ~~\$1,460,503,100.00~~**\$1,783,996,100.00** for ~~2022-~~

1 ~~2023-2023-2024~~ from state sources and all available federal funding  
 2 under sections 1411 to 1419 of part B of the individuals with  
 3 disabilities education act, 20 USC 1411 to 1419, estimated at  
 4 ~~\$380,000,000.00~~ **\$390,000,000.00** for ~~2021-2022-2022-2023~~ and  
 5 \$390,000,000.00 for ~~2022-2023,~~ **2023-2024**, plus any carryover  
 6 federal funds from previous year appropriations. The allocations  
 7 under this subsection are for the purpose of reimbursing districts  
 8 and intermediate districts for special education programs,  
 9 services, and special education personnel as prescribed in article  
 10 3 of the revised school code, MCL 380.1701 to 380.1761; net tuition  
 11 payments made by intermediate districts to the Michigan Schools for  
 12 the Deaf and Blind; and special education programs and services for  
 13 pupils who are eligible for special education programs and services  
 14 according to statute or rule. For meeting the costs of special  
 15 education programs and services not reimbursed under this article,  
 16 a district or intermediate district may use money in general funds  
 17 or special education funds, not otherwise restricted, or  
 18 contributions from districts to intermediate districts, tuition  
 19 payments, gifts and contributions from individuals or other  
 20 entities, or federal funds that may be available for this purpose,  
 21 as determined by the intermediate district plan prepared under  
 22 article 3 of the revised school code, MCL 380.1701 to 380.1761.  
 23 Notwithstanding section 17b, the department shall make payments of  
 24 federal funds to districts, intermediate districts, and other  
 25 eligible entities under this section on a schedule determined by  
 26 the department.

27 (2) From the funds allocated under subsection (1), there is  
 28 allocated the amount necessary, estimated at ~~\$324,000,000.00~~  
 29 **\$350,500,000.00** for ~~2021-2022-2022-2023~~ and estimated at

1 ~~§323,300,000.00~~ **\$368,000,000.00** for ~~2022-2023,~~ **2023-2024**, for  
 2 payments toward reimbursing districts and intermediate districts  
 3 for 28.6138% of total approved costs of special education,  
 4 excluding costs reimbursed under section 53a, and 70.4165% of total  
 5 approved costs of special education transportation. Allocations  
 6 under this subsection are made as follows:

7 ~~(a) For 2021-2022, the department shall calculate the initial~~  
 8 ~~amount allocated to a district under this subsection toward~~  
 9 ~~fulfilling the specified percentages by multiplying the district's~~  
 10 ~~special education pupil membership, excluding pupils described in~~  
 11 ~~subsection (11), times the foundation allowance under section 20 of~~  
 12 ~~the pupil's district of residence, plus the amount of the~~  
 13 ~~district's per-pupil allocation under section 20m, not to exceed~~  
 14 ~~the target foundation allowance for the current fiscal year, or,~~  
 15 ~~for a special education pupil in membership in a district that is a~~  
 16 ~~public school academy, times an amount equal to the amount per~~  
 17 ~~membership pupil calculated under section 20(6). For an~~  
 18 ~~intermediate district, the amount allocated under this subdivision~~  
 19 ~~toward fulfilling the specified percentages is an amount per~~  
 20 ~~special education membership pupil, excluding pupils described in~~  
 21 ~~subsection (11), and is calculated in the same manner as for a~~  
 22 ~~district, using the foundation allowance under section 20 of the~~  
 23 ~~pupil's district of residence, not to exceed the target foundation~~  
 24 ~~allowance for the current fiscal year, and that district's per-~~  
 25 ~~pupil allocation under section 20m.~~

26 ~~(b) For 2022-2023, the department shall calculate the initial~~  
 27 ~~amount allocated to a district under this subsection toward~~  
 28 ~~fulfilling the specified percentages by multiplying the district's~~  
 29 ~~special education pupil membership, excluding pupils described in~~

1 ~~subsection (11), times 25% of the foundation allowance under~~  
2 ~~section 20 of the pupil's district of residence, plus 25% of the~~  
3 ~~amount of the district's per-pupil allocation under section 20m,~~  
4 ~~not to exceed 25% of the target foundation allowance for the~~  
5 ~~current fiscal year, or, for a special education pupil in~~  
6 ~~membership in a district that is a public school academy, times an~~  
7 ~~amount equal to 25% of the amount per membership pupil calculated~~  
8 ~~under section 20(6). For an intermediate district, the amount~~  
9 ~~allocated under this subdivision toward fulfilling the specified~~  
10 ~~percentages is an amount per special education membership pupil,~~  
11 ~~excluding pupils described in subsection (11), and is calculated in~~  
12 ~~the same manner as for a district, using 25% of the foundation~~  
13 ~~allowance under section 20 of the pupil's district of residence,~~  
14 ~~not to exceed 25% of the target foundation allowance for the~~  
15 ~~current fiscal year, and that district's per pupil allocation under~~  
16 ~~section 20m.~~

17 ~~(c) After the allocations under subdivision (a) or (b), as~~  
18 ~~applicable, the department shall pay a district or intermediate~~  
19 ~~district for which the payments calculated under subdivision (a) or~~  
20 ~~(b), as applicable, do not fulfill the specified percentages the~~  
21 ~~amount necessary to achieve the specified percentages for the~~  
22 ~~district or intermediate district.~~

23 **(a) For 2022-2023, the department shall calculate the initial**  
24 **amount allocated to a district under this subsection toward**  
25 **fulfilling the specified percentages by multiplying the district's**  
26 **special education pupil membership, excluding pupils described in**  
27 **subsection (11), times 25% of the foundation allowance under**  
28 **section 20 of the pupil's district of residence, plus 25% of the**  
29 **amount of the district's per-pupil allocation under section 20m,**

1 not to exceed 25% of the target foundation allowance for the  
2 current fiscal year, or, for a special education pupil in  
3 membership in a district that is a public school academy, times an  
4 amount equal to 25% of the amount per membership pupil calculated  
5 under section 20(6). For an intermediate district, the amount  
6 allocated under this subdivision toward fulfilling the specified  
7 percentages is an amount per special education membership pupil,  
8 excluding pupils described in subsection (11), and is calculated in  
9 the same manner as for a district, using 25% of the foundation  
10 allowance under section 20 of the pupil's district of residence,  
11 not to exceed 25% of the target foundation allowance for the  
12 current fiscal year, and that district's per-pupil allocation under  
13 section 20m.

14 (b) For 2022-2023, after the allocation under subdivision (a),  
15 the department shall pay a district or intermediate district for  
16 which the payments calculated under subdivision (a) do not fulfill  
17 the specified percentages the amount necessary to achieve the  
18 specified percentages for the district or intermediate district.

19 (c) Beginning in 2023-2024, subdivisions (a) and (b) no longer  
20 apply.

21 (3) From the funds allocated under subsection (1), there is  
22 allocated for ~~2021-2022-2022-2023~~ an amount not to exceed  
23 \$1,000,000.00 and there is allocated for ~~2022-2023-2023-2024~~ an  
24 amount not to exceed \$1,000,000.00 to make payments to districts  
25 and intermediate districts under this subsection. If the amount  
26 allocated to a district or intermediate district for the fiscal  
27 year under subsection ~~(2)(e)-(2)~~ is less than the sum of the  
28 amounts allocated to the district or intermediate district for  
29 1996-97 under sections 52 and 58, there is allocated to the



1 district or intermediate district for the fiscal year an amount  
2 equal to that difference, adjusted by applying the same proration  
3 factor that was used in the distribution of funds under section 52  
4 in 1996-97 as adjusted to the district's or intermediate district's  
5 necessary costs of special education used in calculations for the  
6 fiscal year. This adjustment is to reflect reductions in special  
7 education program operations or services between 1996-97 and  
8 subsequent fiscal years. The department shall make adjustments for  
9 reductions in special education program operations or services in a  
10 manner determined by the department and shall include adjustments  
11 for program or service shifts.

12 (4) If the department determines that the sum of the amounts  
13 allocated for a fiscal year to a district or intermediate district  
14 under subsection (2) is not sufficient to fulfill the specified  
15 percentages in subsection (2), then the department shall pay the  
16 shortfall to the district or intermediate district during the  
17 fiscal year beginning on the October 1 following the determination  
18 and shall adjust payments under subsection (3) as necessary. If the  
19 department determines that the sum of the amounts allocated for a  
20 fiscal year to a district or intermediate district under subsection  
21 (2) exceeds the sum of the amount necessary to fulfill the  
22 specified percentages in subsection (2), then the department shall  
23 deduct the amount of the excess from the district's or intermediate  
24 district's payments under this article for the fiscal year  
25 beginning on the October 1 following the determination and shall  
26 adjust payments under subsection (3) as necessary. ~~However, for~~  
27 ~~2021-2022 only, if the amount allocated under subsection (2) (a) in~~  
28 ~~itself exceeds the amount necessary to fulfill the specified~~  
29 ~~percentages in subsection (2), there is no deduction under this~~

1 ~~subsection. Beginning in 2022-2023, if the amount allocated under~~  
2 ~~subsection (2) (b) in itself exceeds the amount necessary to fulfill~~  
3 ~~the specified percentages in subsection (2), there is no deduction~~  
4 ~~under this subsection.~~**For 2022-2023, if the amount allocated under**  
5 **subsection (2) (a) in itself exceeds the amount necessary to fulfill**  
6 **the specified percentages in subsection (2), there is no deduction**  
7 **under this subsection.**

8 (5) State funds are allocated on a total approved cost basis.  
9 Federal funds are allocated under applicable federal requirements.

10 (6) From the amount allocated in subsection (1), there is  
11 allocated an amount not to exceed \$2,200,000.00 for ~~2021-2022-2022-~~  
12 **2023** and there is allocated an amount not to exceed \$2,200,000.00  
13 for ~~2022-2023-2023-2024~~ to reimburse 100% of the net increase in  
14 necessary costs incurred by a district or intermediate district in  
15 implementing the revisions in the administrative rules for special  
16 education that became effective on July 1, 1987. As used in this  
17 subsection, "net increase in necessary costs" means the necessary  
18 additional costs incurred solely because of new or revised  
19 requirements in the administrative rules minus cost savings  
20 permitted in implementing the revised rules. The department shall  
21 determine net increase in necessary costs in a manner specified by  
22 the department.

23 (7) For purposes of this section and sections 51b to 58, all  
24 of the following apply:

25 (a) "Total approved costs of special education" are determined  
26 in a manner specified by the department and may include indirect  
27 costs, but must not exceed 115% of approved direct costs for  
28 section 52 and section 53a programs. The total approved costs  
29 include salary and other compensation for all approved special

1 education personnel for the program, including payments for Social  
2 Security and Medicare and public school employee retirement system  
3 contributions. The total approved costs do not include salaries or  
4 other compensation paid to administrative personnel who are not  
5 special education personnel as that term is defined in section 6 of  
6 the revised school code, MCL 380.6. Costs reimbursed by federal  
7 funds, other than those federal funds included in the allocation  
8 made under this article, are not included. Special education  
9 approved personnel not utilized full time in the evaluation of  
10 students or in the delivery of special education programs,  
11 ancillary, and other related services are reimbursed under this  
12 section only for that portion of time actually spent providing  
13 these programs and services, with the exception of special  
14 education programs and services provided to youth placed in child  
15 caring institutions or juvenile detention programs approved by the  
16 department to provide an on-grounds education program.

17 (b) A district or intermediate district that employed special  
18 education support services staff to provide special education  
19 support services in 2003-2004 or in a subsequent fiscal year and  
20 that in a fiscal year after 2003-2004 receives the same type of  
21 support services from another district or intermediate district  
22 shall report the cost of those support services for special  
23 education reimbursement purposes under this article. This  
24 subdivision does not prohibit the transfer of special education  
25 classroom teachers and special education classroom aides if the  
26 pupils counted in membership associated with those special  
27 education classroom teachers and special education classroom aides  
28 are transferred and counted in membership in the other district or  
29 intermediate district in conjunction with the transfer of those

1 teachers and aides.

2 (c) If the department determines before bookclosing for a  
3 fiscal year that the amounts allocated for that fiscal year under  
4 subsections (2), (3), (6), and (11) and sections 53a, 54, and 56  
5 will exceed expenditures for that fiscal year under subsections  
6 (2), (3), (6), and (11) and sections 53a, 54, and 56, then for a  
7 district or intermediate district whose reimbursement for that  
8 fiscal year would otherwise be affected by subdivision (b),  
9 subdivision (b) does not apply to the calculation of the  
10 reimbursement for that district or intermediate district and the  
11 department shall calculate reimbursement for that district or  
12 intermediate district in the same manner as it was for 2003-2004.  
13 If the amount of the excess allocations under subsections (2), (3),  
14 (6), and (11) and sections 53a, 54, and 56 is not sufficient to  
15 fully fund the calculation of reimbursement to those districts and  
16 intermediate districts under this subdivision, then the department  
17 shall prorate calculations and resulting reimbursement under this  
18 subdivision on an equal percentage basis. The amount of  
19 reimbursement under this subdivision for a fiscal year must not  
20 exceed \$2,000,000.00 for any district or intermediate district.

21 (d) Reimbursement for ancillary and other related services, as  
22 that term is defined by R 340.1701c of the Michigan Administrative  
23 Code, is not provided when those services are covered by and  
24 available through private group health insurance carriers or  
25 federal reimbursed program sources unless the department and  
26 district or intermediate district agree otherwise and that  
27 agreement is approved by the state budget director. Expenses, other  
28 than the incidental expense of filing, must not be borne by the  
29 parent. In addition, the filing of claims must not delay the

1 education of a pupil. A district or intermediate district is  
2 responsible for payment of a deductible amount and for an advance  
3 payment required until the time a claim is paid.

4 (e) If an intermediate district purchases a special education  
5 pupil transportation service from a constituent district that was  
6 previously purchased from a private entity; if the purchase from  
7 the constituent district is at a lower cost, adjusted for changes  
8 in fuel costs; and if the cost shift from the intermediate district  
9 to the constituent does not result in any net change in the revenue  
10 the constituent district receives from payments under sections 22b  
11 and 51c, then upon application by the intermediate district, the  
12 department shall direct the intermediate district to continue to  
13 report the cost associated with the specific identified special  
14 education pupil transportation service and shall adjust the costs  
15 reported by the constituent district to remove the cost associated  
16 with that specific service.

17 (8) A pupil who is enrolled in a full-time special education  
18 program conducted or administered by an intermediate district or a  
19 pupil who is enrolled in the Michigan Schools for the Deaf and  
20 Blind is not included in the membership count of a district, but is  
21 counted in membership in the intermediate district of residence.

22 (9) Special education personnel transferred from 1 district to  
23 another to implement the revised school code are entitled to the  
24 rights, benefits, and tenure to which the individual would  
25 otherwise be entitled had that individual been employed by the  
26 receiving district originally.

27 (10) If a district or intermediate district uses money  
28 received under this section for a purpose other than the purpose or  
29 purposes for which the money is allocated, the department may

1 require the district or intermediate district to refund the amount  
2 of money received. The department shall deposit money that is  
3 refunded in the state treasury to the credit of the state school  
4 aid fund.

5 (11) From the funds allocated in subsection (1), there is  
6 allocated the amount necessary, estimated at ~~\$1,600,000.00~~  
7 **\$1,700,000.00** for ~~2021-2022-2022-2023~~ and estimated at  
8 ~~\$1,500,000.00~~ **\$1,700,000.00** for ~~2022-2023,~~ **2023-2024**, to pay the  
9 foundation allowances for pupils described in this subsection. The  
10 department shall calculate the allocation to a district under this  
11 subsection by multiplying the number of pupils described in this  
12 subsection who are counted in membership in the district times the  
13 sum of the foundation allowance under section 20 of the pupil's  
14 district of residence, plus the amount of the district's per-pupil  
15 allocation under section 20m, not to exceed the target foundation  
16 allowance for the current fiscal year, or, for a pupil described in  
17 this subsection who is counted in membership in a district that is  
18 a public school academy, times an amount equal to the amount per  
19 membership pupil under section 20(6). The department shall  
20 calculate the allocation to an intermediate district under this  
21 subsection in the same manner as for a district, using the  
22 foundation allowance under section 20 of the pupil's district of  
23 residence not to exceed the target foundation allowance for the  
24 current fiscal year and that district's per-pupil allocation under  
25 section 20m. This subsection applies to all of the following  
26 pupils:

27 (a) Pupils described in section 53a.

28 (b) Pupils counted in membership in an intermediate district  
29 who are not special education pupils and are served by the

1 intermediate district in a juvenile detention or child caring  
2 facility.

3 (c) Pupils with an emotional impairment counted in membership  
4 by an intermediate district and provided educational services by  
5 the department of health and human services.

6 (12) If it is determined that funds allocated under subsection  
7 (2) or (11) or under section 51c will not be expended, funds up to  
8 the amount necessary and available may be used to supplement the  
9 allocations under subsection (2) or (11) or under section 51c in  
10 order to fully fund those allocations. After payments under  
11 subsections (2) and (11) and section 51c, the department shall  
12 expend the remaining funds from the allocation in subsection (1) in  
13 the following order:

14 (a) One hundred percent of the reimbursement required under  
15 section 53a.

16 (b) One hundred percent of the reimbursement required under  
17 subsection (6).

18 (c) One hundred percent of the payment required under section  
19 54.

20 (d) One hundred percent of the payment required under  
21 subsection (3).

22 (e) One hundred percent of the payments under section 56.

23 (13) The allocations under subsections (2), (3), and (11) are  
24 allocations to intermediate districts only and are not allocations  
25 to districts, but instead are calculations used only to determine  
26 the state payments under section 22b.

27 (14) If a public school academy that is not a cyber school, as  
28 that term is defined in section 551 of the revised school code, MCL  
29 380.551, enrolls under this section a pupil who resides outside of

1 the intermediate district in which the public school academy is  
2 located and who is eligible for special education programs and  
3 services according to statute or rule, or who is a child with a  
4 disability, as that term is defined under the individuals with  
5 disabilities education act, Public Law 108-446, the intermediate  
6 district in which the public school academy is located and the  
7 public school academy shall enter into a written agreement with the  
8 intermediate district in which the pupil resides for the purpose of  
9 providing the pupil with a free appropriate public education, and  
10 the written agreement must include at least an agreement on the  
11 responsibility for the payment of the added costs of special  
12 education programs and services for the pupil. If the public school  
13 academy that enrolls the pupil does not enter into an agreement  
14 under this subsection, the public school academy shall not charge  
15 the pupil's resident intermediate district or the intermediate  
16 district in which the public school academy is located the added  
17 costs of special education programs and services for the pupil, and  
18 the public school academy is not eligible for any payouts based on  
19 the funding formula outlined in the resident or nonresident  
20 intermediate district's plan. If a pupil is not enrolled in a  
21 public school academy under this subsection, the provision of  
22 special education programs and services and the payment of the  
23 added costs of special education programs and services for a pupil  
24 described in this subsection are the responsibility of the district  
25 and intermediate district in which the pupil resides.

26 (15) For the purpose of receiving its federal allocation under  
27 part B of the individuals with disabilities education act, Public  
28 Law 108-446, a public school academy that is a cyber school, as  
29 that term is defined in section 551 of the revised school code, MCL



1 380.551, and is in compliance with section 553a of the revised  
2 school code, MCL 380.553a, directly receives the federal allocation  
3 under part B of the individuals with disabilities education act,  
4 Public Law 108-446, from the intermediate district in which the  
5 cyber school is located, as the subrecipient. If the intermediate  
6 district does not distribute the funds described in this subsection  
7 to the cyber school by the part B application due date of July 1,  
8 the department may distribute the funds described in this  
9 subsection directly to the cyber school according to the formula  
10 prescribed in 34 CFR 300.705 and 34 CFR 300.816. Beginning July 1,  
11 2021, this subsection is subject to section 8c. It is the intent of  
12 the legislature that the immediately preceding sentence apply  
13 retroactively and is effective July 1, 2021.

14 (16) For a public school academy that is a cyber school, as  
15 that term is defined in section 551 of the revised school code, MCL  
16 380.551, and is in compliance with section 553a of the revised  
17 school code, MCL 380.553a, that enrolls a pupil under this section,  
18 the intermediate district in which the cyber school is located  
19 shall ensure that the cyber school complies with sections 1701a,  
20 1703, 1704, 1751, 1752, 1756, and 1757 of the revised school code,  
21 MCL 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756,  
22 and 380.1757; applicable rules; and the individuals with  
23 disabilities education act, Public Law 108-446. Beginning July 1,  
24 2021, this subsection is subject to section 8c. It is the intent of  
25 the legislature that the immediately preceding sentence apply  
26 retroactively and is effective July 1, 2021.

27 (17) For the purposes of this section, the department or the  
28 center shall only require a district or intermediate district to  
29 report information that is not already available from the financial

1 information database maintained by the center.

2       Sec. 51c. As required by the court in the consolidated cases  
3 known as *Durant v State of Michigan*, 456 Mich 175 (1997), from the  
4 allocation under section 51a(1), there is allocated for ~~2021-2022~~  
5 **2022-2023** and for ~~2022-2023, 2023-2024~~, the amount necessary,  
6 estimated at ~~\$719,000,000.00~~ **\$779,600,000.00** for ~~2021-2022-2022-~~  
7 **2023** and ~~\$709,900,000.00~~ **\$819,200,000.00** for ~~2022-2023, 2023-2024~~,  
8 for payments to reimburse districts for 28.6138% of total approved  
9 costs of special education excluding costs reimbursed under section  
10 53a, and 70.4165% of total approved costs of special education  
11 transportation. Funds allocated under this section that are not  
12 expended in the fiscal year for which they were allocated, as  
13 determined by the department, may be used to supplement the  
14 allocations under sections 22a and 22b to fully fund those  
15 allocations for the same fiscal year. ~~For each fund transfer as~~  
16 ~~described in the immediately preceding sentence that occurs, the~~  
17 ~~state budget director shall send notification of the transfer to~~  
18 ~~the house and senate appropriations subcommittees on state school~~  
19 ~~aid and the house and senate fiscal agencies by not later than 14~~  
20 ~~calendar days after the transfer occurs.~~

21       Sec. 51d. (1) From the federal funds appropriated in section  
22 11, there is allocated for ~~2022-2023~~ **2023-2024** all available  
23 federal funding, estimated at \$71,000,000.00, for special education  
24 programs and services that are funded by federal grants. The  
25 department shall distribute all federal funds allocated under this  
26 section in accordance with federal law. Notwithstanding section  
27 17b, the department shall make payments of federal funds to  
28 districts, intermediate districts, and other eligible entities  
29 under this section on a schedule determined by the department.

1 (2) From the federal funds allocated under subsection (1), the  
2 following amounts are allocated:

3 (a) For ~~2022-2023~~, **2023-2024**, an amount estimated at  
4 \$14,000,000.00 for handicapped infants and toddlers, funded from  
5 DED-OSERS, handicapped infants and toddlers funds.

6 (b) For ~~2022-2023~~, **2023-2024**, an amount estimated at  
7 \$14,000,000.00 for preschool grants under Public Law 94-142, funded  
8 from DED-OSERS, handicapped preschool incentive funds.

9 (c) For ~~2022-2023~~, **2023-2024**, an amount estimated at  
10 \$43,000,000.00 for special education programs funded by DED-OSERS,  
11 handicapped program, individuals with disabilities act funds.

12 (3) As used in this section, "DED-OSERS" means the United  
13 States Department of Education Office of Special Education and  
14 Rehabilitative Services.

15 Sec. 51e. (1) From the allocation under section 51a(1), there  
16 is allocated for 2022-2023 the amount necessary, estimated at  
17 ~~\$336,207,000.00~~ **\$351,700,000.00** for 2022-2023 **and there is**  
18 **allocated for 2023-2024 the amount necessary, estimated at**  
19 **\$499,500,000.00 for 2023-2024**, for payments to districts and  
20 intermediate districts for ~~75%~~ **100%** of foundation allowance costs  
21 associated with special education pupils.

22 (2) **For 2022-2023, the department shall calculate the amount**  
23 **allocated to a district under this section by multiplying the**  
24 **district's special education pupil membership, excluding pupils**  
25 **described in section 51a(11), times 75% of the foundation allowance**  
26 **under section 20 of the pupil's district of residence, plus 75% of**  
27 **the amount of the district's per-pupil allocation under section**  
28 **20m, not to exceed 75% of the target foundation allowance for the**  
29 **current fiscal year, or, for a special education pupil in**

1 membership in a district that is a public school academy, times an  
2 amount equal to 75% of the amount per membership pupil calculated  
3 under section 20(6). For an intermediate district, the amount  
4 allocated under this subsection is an amount per special education  
5 membership pupil, excluding pupils described in section 51a(11),  
6 and is calculated in the same manner as for a district, using 75%  
7 of the foundation allowance under section 20 of the pupil's  
8 district of residence, not to exceed 75% of the target foundation  
9 allowance for the current fiscal year, and 75% of that district's  
10 per-pupil allocation under section 20m.

11 (3) ~~(2)~~ ~~The Beginning in 2023-2024, the~~ department shall  
12 calculate the amount allocated to a district under this section by  
13 multiplying the district's special education pupil membership,  
14 excluding pupils described in section 51a(11), times ~~75%–100%~~ of  
15 the foundation allowance under section 20 of the pupil's district  
16 of residence, plus ~~75%–100%~~ of the amount of the district's per-  
17 pupil allocation under section 20m, not to exceed ~~75%–100%~~ of the  
18 target foundation allowance for the current fiscal year, or, for a  
19 special education pupil in membership in a district that is a  
20 public school academy, times an amount equal to ~~75%–100%~~ of the  
21 amount per membership pupil calculated under section 20(6). For an  
22 intermediate district, the amount allocated under this subsection  
23 is an amount per special education membership pupil, excluding  
24 pupils described in section 51a(11), and is calculated in the same  
25 manner as for a district, using ~~75%–100%~~ of the foundation  
26 allowance under section 20 of the pupil's district of residence,  
27 not to exceed ~~75%–100%~~ of the target foundation allowance for the  
28 current fiscal year, and ~~75%–100%~~ of that district's per-pupil  
29 allocation under section 20m.

1       ~~(3) In addition to the amount calculated in subsection (2),~~  
2 ~~there is allocated the difference between the amount received under~~  
3 ~~section 51f in the 2021-2022 fiscal year and the amount calculated~~  
4 ~~under subsection (2). If the calculated amount under subsection (2)~~  
5 ~~exceeds the amount received by the district or intermediate~~  
6 ~~district under section 51f for the 2021-2022 fiscal year, there is~~  
7 ~~no payment calculated under this subsection.~~

8       Sec. 51g. From the general fund money appropriated in section  
9 11, \$3,000,000.00 is allocated for ~~2022-2023~~ **2023-2024** to an  
10 association for administrators of special education services to  
11 develop content for use by special education students, teachers,  
12 and others. Any content that is developed as described in this  
13 section must be accessible throughout this state. Funds received by  
14 an association under this section may be used to support the  
15 development of assessment tools to measure the needs of students  
16 with special education needs in remote learning environments and  
17 the effectiveness of various educational methods and tools, in  
18 collaboration with the department. Funds under this section may  
19 also be utilized to identify any available federal funds for  
20 research related to special education in remote learning.

21       Sec. 53a. (1) For districts, reimbursement for pupils  
22 described in subsection (2) is 100% of the total approved costs of  
23 operating special education programs and services approved by the  
24 department and included in the intermediate district plan adopted  
25 under article 3 of the revised school code, MCL 380.1701 to  
26 380.1761, minus the district's foundation allowance calculated  
27 under section 20 and minus the district's per-pupil allocation  
28 under section 20m. For intermediate districts, the department shall  
29 calculate reimbursement for pupils described in subsection (2) in

1 the same manner as for a district, using the foundation allowance  
2 under section 20 of the pupil's district of residence, not to  
3 exceed the target foundation allowance under section 20 for the  
4 current fiscal year plus the amount of the district's per-pupil  
5 allocation under section 20m.

6 (2) Reimbursement under subsection (1) is for the following  
7 special education pupils:

8 (a) Pupils assigned to a district or intermediate district  
9 through the community placement program of the courts or a state  
10 agency, if the pupil was a resident of another intermediate  
11 district at the time the pupil came under the jurisdiction of the  
12 court or a state agency.

13 (b) Pupils who are residents of institutions operated by the  
14 department of health and human services.

15 (c) Pupils who are former residents of department of community  
16 health institutions for the developmentally disabled who are placed  
17 in community settings other than the pupil's home.

18 (d) Pupils enrolled in a department-approved on-grounds  
19 educational program longer than 180 days, but not longer than 233  
20 days, at a residential child care institution, if the child care  
21 institution offered in 1991-92 an on-grounds educational program  
22 longer than 180 days but not longer than 233 days.

23 (e) Pupils placed in a district by a parent for the purpose of  
24 seeking a suitable home, if the parent does not reside in the same  
25 intermediate district as the district in which the pupil is placed.

26 (3) Only those costs that are clearly and directly  
27 attributable to educational programs for pupils described in  
28 subsection (2), and that would not have been incurred if the pupils  
29 were not being educated in a district or intermediate district, are

1 reimbursable under this section.

2 (4) The costs of transportation are funded under this section  
3 and are not reimbursed under section 58.

4 (5) ~~The department shall not allocate more than \$10,500,000.00~~  
5 ~~of the allocation for 2021-2022 in section 51a(1) under this~~  
6 ~~section.~~ The department shall not allocate more than \$10,500,000.00  
7 of the allocation for ~~2022-2023~~ **2023-2024** in section 51a(1) under  
8 this section.

9 Sec. 54. Each intermediate district receives an amount per  
10 pupil for each pupil in attendance at the Michigan Schools for the  
11 Deaf and Blind. The amount is proportionate to the total  
12 instructional cost at each school. ~~The department shall not~~  
13 ~~allocate more than \$1,688,000.00 of the allocation for 2021-2022 in~~  
14 ~~section 51a(1) under this section.~~ The department shall not  
15 allocate more than \$1,688,000.00 of the allocation for ~~2022-2023~~  
16 **2023-2024** in section 51a(1) under this section.

17 Sec. 54b. (1) From the general fund money appropriated in  
18 section 11, there is allocated an amount not to exceed  
19 \$1,600,000.00 for ~~2022-2023~~ **2023-2024** to continue the  
20 implementation of the recommendations of the special education  
21 reform task force published in January 2016.

22 (2) The department shall use funds allocated under this  
23 section for the purpose of piloting statewide implementation of the  
24 MiMTSS Center, a nationally recognized program that includes  
25 positive behavioral intervention and supports and provides a  
26 statewide structure to support local initiatives for an integrated  
27 behavior and reading program. With the assistance of the  
28 intermediate districts involved in the MiMTSS Center, the  
29 department shall identify a number of intermediate districts to

1 participate in the pilot that is sufficient to ensure that the  
2 MiMTSS Center can be implemented statewide with fidelity and  
3 sustainability. In addition, the department shall identify an  
4 intermediate district to act as a fiscal agent for these funds.

5 (3) As used in this section, "MiMTSS Center" means the  
6 Michigan Multi-Tiered System of Supports Center.

7 Sec. 54d. (1) From the state school aid fund money  
8 appropriated in section 11, there is allocated an amount not to  
9 exceed ~~\$21,250,000.00~~ **\$22,525,000.00** for ~~2022-2023~~ **2023-2024** to  
10 intermediate districts for the purpose of providing state early on  
11 services programs for children from birth to 3 years of age with a  
12 developmental delay or a disability, or both, and their families,  
13 as described in the early on Michigan state plan, as approved by  
14 the department.

15 (2) To be eligible to receive grant funding under this  
16 section, each intermediate district must apply in a form and manner  
17 determined by the department.

18 (3) The grant funding allocated under this section must be  
19 used to increase early on services and resources available to  
20 children that demonstrate developmental delays to help prepare them  
21 for success as they enter school. State early on services include  
22 evaluating and providing early intervention services for eligible  
23 infants and toddlers and their families to address developmental  
24 delays, including those affecting physical, cognitive,  
25 communication, adaptive, social, or emotional development. Grant  
26 funds must not be used to supplant existing services that are  
27 currently being provided.

28 (4) The department shall distribute the funds allocated under  
29 subsection (1) to intermediate districts according to the



1 department's early on funding formula utilized to distribute the  
2 federal award to Michigan under part C of the individuals with  
3 disabilities education act, Public Law 108-446. Funds received  
4 under this section must not supplant existing funds or resources  
5 allocated for early on early intervention services. An intermediate  
6 district receiving funds under this section shall maximize the  
7 capture of Medicaid funds to support early on early intervention  
8 services to the extent possible.

9 (5) Each intermediate district that receives funds under this  
10 section shall report data and other information to the department  
11 in a form, manner, and frequency prescribed by the department to  
12 allow for monitoring and evaluation of the program and to ensure  
13 that the children described in subsection (1) received appropriate  
14 levels and types of services delivered by qualified personnel,  
15 based on the individual needs of the children and their families.

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

19 (7) Grant funds awarded and allocated to an intermediate  
20 district under this section must be expended by the grant recipient  
21 before June 30 of the fiscal year immediately following the fiscal  
22 year in which the funds were received.

23 Sec. 55. (1) From the general fund money appropriated in  
24 section 11, there is allocated an amount not to exceed \$300,000.00  
25 for ~~2022-2023~~ **2023-2024** only to the Conductive Learning Center  
26 operating in cooperation with Aquinas College. This funding must be  
27 used to support the operational costs of the conductive education  
28 model taught at the Conductive Learning Center to maximize the  
29 independence and mobility of children and adults with neuromotor

1 disabilities. The conductive education model funded under this  
2 section must be based on the concept of neuroplasticity and the  
3 ability of people to learn and improve when they are motivated,  
4 regardless of the severity of their disability.

5 (2) Notwithstanding section 17b, the department shall  
6 distribute the funding allocated under this section to the  
7 Conductive Learning Center not later than December 1, of each  
8 fiscal year for which funding is allocated under this section.

9 Sec. 56. (1) For the purposes of this section:

10 (a) "Membership" means for a particular fiscal year the total  
11 membership of the intermediate district and the districts  
12 constituent to the intermediate district, except that if a district  
13 has elected not to come under part 30 of the revised school code,  
14 MCL 380.1711 to 380.1741, membership of the district is not  
15 included in the membership of the intermediate district.

16 (b) "Millage levied" means the millage levied for special  
17 education under part 30 of the revised school code, MCL 380.1711 to  
18 380.1741, including a levy for debt service obligations.

19 (c) "Taxable value" means the total taxable value of the  
20 districts constituent to an intermediate district, except that if a  
21 district has elected not to come under part 30 of the revised  
22 school code, MCL 380.1711 to 380.1741, taxable value of the  
23 district is not included in the taxable value of the intermediate  
24 district.

25 (2) From the allocation under section 51a(1), there is  
26 allocated an amount not to exceed ~~\$40,008,100.00 for 2021-2022 and~~  
27 ~~an amount not to exceed \$40,008,100.00 for 2022-2023~~ **2023-2024** to  
28 reimburse intermediate districts levying millages for special  
29 education under part 30 of the revised school code, MCL 380.1711 to

1 380.1741. The purpose, use, and expenditure of the reimbursement  
 2 are limited as if the funds were generated by these millages and  
 3 governed by the intermediate district plan adopted under article 3  
 4 of the revised school code, MCL 380.1701 to 380.1761. As a  
 5 condition of receiving funds under this section, an intermediate  
 6 district distributing any portion of special education millage  
 7 funds to its constituent districts must submit for departmental  
 8 approval and implement a distribution plan.

9 ~~(3) Except as otherwise provided in this subsection,~~  
 10 ~~reimbursement for those millages levied in 2020-2021 is made in~~  
 11 ~~2021-2022 at an amount per 2020-2021 membership pupil computed by~~  
 12 ~~subtracting from \$218,200.00 the 2020-2021 taxable value behind~~  
 13 ~~each membership pupil and multiplying the resulting difference by~~  
 14 ~~the 2020-2021 millage levied, and then subtracting from that amount~~  
 15 ~~the 2020-2021 local community stabilization share revenue for~~  
 16 ~~special education purposes behind each membership pupil for~~  
 17 ~~reimbursement of personal property exemption loss under the local~~  
 18 ~~community stabilization authority act, 2014 PA 86, MCL 123.1341 to~~  
 19 ~~123.1362. Reimbursement in 2021-2022 for an intermediate district~~  
 20 ~~whose 2017-2018 allocation was affected by the operation of~~  
 21 ~~subsection (5) is an amount equal to 102.5% of the 2017-2018~~  
 22 ~~allocation to that intermediate district.~~

23 **(3)** ~~(4)~~ Except as otherwise provided in this subsection,  
 24 reimbursement for those millages levied in ~~2021-2022~~ **2022-2023** is  
 25 made in ~~2022-2023~~ **2023-2024** at an amount per ~~2021-2022~~ **2022-2023**  
 26 membership pupil computed by subtracting from \$229,600.00  
 27 **\$241,100.00** the ~~2021-2022~~ **2022-2023** taxable value behind each  
 28 membership pupil and multiplying the resulting difference by the  
 29 ~~2021-2022~~ **2022-2023** millage levied, and then subtracting from that

1 amount the ~~2021-2022~~**2022-2023** local community stabilization share  
 2 revenue for special education purposes and ~~2021-2022~~**2022-2023** tax  
 3 increment revenues captured by a brownfield redevelopment authority  
 4 created under the brownfield redevelopment financing act, 1996 PA  
 5 381, MCL 125.2651 to 125.2670, behind each membership pupil for  
 6 reimbursement of personal property exemption loss under the local  
 7 community stabilization authority act, 2014 PA 86, MCL 123.1341 to  
 8 123.1362, and reimbursements paid under section 26d for tax  
 9 increment revenues captured by a brownfield redevelopment authority  
 10 under the brownfield redevelopment financing act, 1996 PA 381, MCL  
 11 125.2651 to 125.2670. Reimbursement in ~~2022-2023~~**2023-2024** for an  
 12 intermediate district whose 2017-2018 allocation was affected by  
 13 the operation of subsection ~~(5)~~**(4)** is an amount equal to 102.5% of  
 14 the 2017-2018 allocation to that intermediate district.

15 **(4)** ~~(5)~~The department shall ensure that the amount paid to a  
 16 single intermediate district under subsection (2) does not exceed  
 17 62.9% of the total amount allocated under subsection (2).

18 **(5) From the allocation under section 51a(1), there is**  
 19 **allocated an amount not to exceed \$6,000,000.00 to an intermediate**  
 20 **district in which the combined total number of pupils in membership**  
 21 **of all of its constituent districts is the greatest among all**  
 22 **intermediate districts.**

23 (6) The department shall ensure that the amount paid to a  
 24 single intermediate district under subsection (2) is not less than  
 25 75% of the amount allocated to the intermediate district under  
 26 subsection (2) for the immediately preceding fiscal year.

27 (7) From the allocation under section 51a(1), there is  
 28 allocated an amount not to exceed \$34,200,000.00 for ~~2021-2022~~ and  
 29 ~~an amount not to exceed \$34,200,000.00 for 2022-2023,~~ **2023-2024** to

1 provide payments to intermediate districts levying millages for  
2 special education under part 30 of the revised school code, MCL  
3 380.1711 to 380.1741. The purpose, use, and expenditure of the  
4 payments under this subsection are limited as if the funds were  
5 generated by these millages and governed by the intermediate  
6 district plan adopted under article 3 of the revised school code,  
7 MCL 380.1701 to 380.1761. The department shall provide a payment  
8 under this subsection to each intermediate district described in  
9 this subsection as follows:

10 ~~(a) For 2021-2022, except as otherwise provided in this~~  
11 ~~subsection, for an intermediate district with a 3-year average~~  
12 ~~special education millage revenue per pupil in the immediately~~  
13 ~~preceding fiscal year that is less than \$251.00 and that is levying~~  
14 ~~at least 46.2% but less than 60.0% of its maximum millage rate~~  
15 ~~allowed under section 1724a of the revised school code, MCL~~  
16 ~~380.1724a, an amount computed by subtracting from \$251.00 the 3-~~  
17 ~~year average special education millage revenue per pupil in the~~  
18 ~~immediately preceding fiscal year and, only if the millage levied~~  
19 ~~by the intermediate district is less than 1, multiplying that~~  
20 ~~amount by the number of mills levied divided by 1, and then~~  
21 ~~multiplying that amount by the 3-year average membership in the~~  
22 ~~immediately preceding fiscal year, and then subtracting from that~~  
23 ~~amount the amount allocated under subsection (2) for the current~~  
24 ~~fiscal year. If the calculation under this subdivision results in~~  
25 ~~an amount below zero, there is no payment under this subdivision.~~

26 ~~(b) For 2021-2022, except as otherwise provided in this~~  
27 ~~subsection, for an intermediate district with a 3-year average~~  
28 ~~special education millage revenue per pupil in the immediately~~  
29 ~~preceding fiscal year that is less than \$281.00 and that is levying~~

1 ~~at least 60.0% of its maximum millage rate allowed under section~~  
 2 ~~1724a of the revised school code, MCL 380.1724a, an amount computed~~  
 3 ~~by subtracting from \$281.00 the 3-year average special education~~  
 4 ~~millage revenue per pupil in the immediately preceding fiscal year,~~  
 5 ~~and, only if the millage levied by the intermediate district is~~  
 6 ~~less than 1, multiplying that amount by the number of mills levied~~  
 7 ~~divided by 1, and then multiplying that amount by the 3-year~~  
 8 ~~average membership in the immediately preceding fiscal year, and~~  
 9 ~~then subtracting from that amount the amount allocated under~~  
 10 ~~subsection (2) for the current fiscal year. If the calculation~~  
 11 ~~under this subdivision results in an amount below zero, there is no~~  
 12 ~~payment under this subdivision.~~

13 **(a)** ~~(c)~~ For ~~2022-2023,~~ **2023-2024**, except as otherwise provided  
 14 in this subsection, for an intermediate district with a 3-year  
 15 average special education millage revenue per pupil in the  
 16 immediately preceding fiscal year that is less than \$251.00 and  
 17 that is levying at least 46.2% but less than 60.0% of its maximum  
 18 millage rate allowed under section 1724a of the revised school  
 19 code, MCL 380.1724a, an amount computed by subtracting from \$251.00  
 20 the 3-year average special education millage revenue per pupil in  
 21 the immediately preceding fiscal year and, only if the millage  
 22 levied by the intermediate district is less than 1, multiplying  
 23 that amount by the number of mills levied divided by 1, and then  
 24 multiplying that amount by the 3-year average membership in the  
 25 immediately preceding fiscal year, and then subtracting from that  
 26 amount the amount allocated under subsection (2) for the current  
 27 fiscal year. If the calculation under this subdivision results in  
 28 an amount below zero, there is no payment under this subdivision.

29 **(b)** ~~(d)~~ For ~~2022-2023,~~ **2023-2024**, except as otherwise provided

1 in this subsection, for an intermediate district with a 3-year  
2 average special education millage revenue per pupil in the  
3 immediately preceding fiscal year that is less than \$296.00 and  
4 that is levying at least 60.0% of its maximum millage rate allowed  
5 under section 1724a of the revised school code, MCL 380.1724a, an  
6 amount computed by subtracting from \$296.00 the 3-year average  
7 special education millage revenue per pupil in the immediately  
8 preceding fiscal year, and, only if the millage levied by the  
9 intermediate district is less than 1, multiplying that amount by  
10 the number of mills levied divided by 1, and then multiplying that  
11 amount by the 3-year average membership in the immediately  
12 preceding fiscal year, and then subtracting from that amount the  
13 amount allocated under subsection (2) for the current fiscal year.  
14 If the calculation under this subdivision results in an amount  
15 below zero, there is no payment under this subdivision.

16 **(8) After making allocations to eligible intermediate**  
17 **districts under subsections (3) and (7), if funds remain**  
18 **unallocated from the allocations under subsections (2) and (7), the**  
19 **department must allocate remaining funds to intermediate districts**  
20 **proportional to the amounts allocated to intermediate districts**  
21 **under subsection (3).**

22 **(9) ~~(8)~~—As used in subsection (7):**

23 (a) "3-year average membership" means the 3-year average pupil  
24 membership for each of the 3 most recent fiscal years.

25 (b) "3-year average special education millage revenue per  
26 pupil" means the 3-year average taxable value per mill levied  
27 behind each membership pupil for each of the 3 most recent fiscal  
28 years multiplied by the millage levied in the most recent fiscal  
29 year.

1           Sec. 61a. (1) From the state school aid fund money  
2 appropriated in section 11, there is allocated an amount not to  
3 exceed ~~\$47,611,300.00~~ **\$37,611,300.00** for ~~2022-2023~~ **2023-2024** only  
4 to reimburse on an added cost basis districts, except for a  
5 district that served as the fiscal agent for a vocational education  
6 consortium in the 1993-94 school year and that has a foundation  
7 allowance as calculated under section 20 greater than the target  
8 foundation allowance under that section, and secondary area  
9 vocational-technical education centers for secondary-level career  
10 and technical education programs according to rules approved by the  
11 superintendent. ~~It is the intent of the legislature that, for 2023-~~  
12 ~~2024, the allocation from the state school aid fund money~~  
13 ~~appropriated in section 11 for purposes described in this~~  
14 ~~subsection will be \$37,611,300.00.~~ Applications for participation  
15 in the programs must be submitted in the form prescribed by the  
16 department. The department shall determine the added cost for each  
17 career and technical education program area. The department shall  
18 prioritize the allocation of added cost funds based on the capital  
19 and program expenditures needed to operate the career and technical  
20 education programs provided; the number of pupils enrolled; the  
21 advancement of pupils through the instructional program; the  
22 existence of an articulation agreement with at least 1  
23 postsecondary institution that provides pupils with opportunities  
24 to earn postsecondary credit during the pupil's participation in  
25 the career and technical education program and transfers those  
26 credits to the postsecondary institution upon completion of the  
27 career and technical education program; and the program rank in  
28 student placement, job openings, and wages, and shall ensure that  
29 the allocation does not exceed 75% of the added cost of any



1 program. Notwithstanding any rule or department determination to  
 2 the contrary, when determining a district's allocation or the  
 3 formula for making allocations under this section, the department  
 4 shall include the participation of pupils in grade 9 in all of  
 5 those determinations and in all portions of the formula. With the  
 6 approval of the department, the board of a district maintaining a  
 7 secondary career and technical education program may offer the  
 8 program for the period from the close of the school year until  
 9 September 1. The program shall use existing facilities and must be  
 10 operated as prescribed by rules promulgated by the superintendent.

11 (2) Except for a district that served as the fiscal agent for  
 12 a vocational education consortium in the 1993-94 school year, the  
 13 department shall reimburse districts and intermediate districts for  
 14 local career and technical education administration, shared time  
 15 career and technical education administration, and career education  
 16 planning district career and technical education administration.  
 17 The superintendent shall adopt guidelines for the definition of  
 18 what constitutes administration and shall make reimbursement  
 19 pursuant to those guidelines. The department shall not distribute  
 20 more than \$800,000.00 of the allocation in subsection (1) under  
 21 this subsection.

22 (3) A career and technical education program funded under this  
 23 section may provide an opportunity for participants who are  
 24 eligible to be funded under section 107 to enroll in the career and  
 25 technical education program funded under this section if the  
 26 participation does not occur during regular school hours.

27 Sec. 61b. (1) From the state school aid fund money  
 28 appropriated under section 11, there is allocated for ~~2022-2023~~  
 29 **2023-2024** an amount not to exceed \$8,000,000.00 for CTE early

1 middle college and CTE dual enrollment programs authorized under  
2 this section and for planning grants for the development or  
3 expansion of CTE early middle college programs. The purpose of  
4 these programs is to increase the number of Michigan residents with  
5 high-quality degrees or credentials, and to increase the number of  
6 students who are college and career ready upon high school  
7 graduation.

8 (2) From the funds allocated under subsection (1), the  
9 department shall allocate an amount as determined under this  
10 subsection to each intermediate district serving as a fiscal agent  
11 for state-approved CTE early middle college and CTE dual enrollment  
12 programs in each of the career education planning districts  
13 identified by the department. An intermediate district shall not  
14 use more than 5% of the funds allocated under this subsection for  
15 administrative costs for serving as the fiscal agent.

16 (3) To be an eligible fiscal agent, an intermediate district  
17 must agree to do all of the following in a form and manner  
18 determined by the department:

19 (a) Distribute funds to eligible CTE early middle college and  
20 CTE dual enrollment programs in a career education planning  
21 district as described in this section.

22 (b) Collaborate with the career and educational advisory  
23 council in the workforce development board service delivery area to  
24 develop 1 regional strategic plan under subsection (4) that aligns  
25 CTE programs and services into an efficient and effective delivery  
26 system for high school students. The department will align career  
27 education planning districts, workforce development board service  
28 delivery areas, and intermediate districts for the purpose of  
29 creating 1 regional strategic plan for each workforce development

1 board service delivery area.

2 (c) Implement a regional process to rank career clusters in  
3 the workforce development board service delivery area as described  
4 under subsection (4). Regional processes must be approved by the  
5 department before the ranking of career clusters.

6 (d) Report CTE early middle college and CTE dual enrollment  
7 program and student data and information as prescribed by the  
8 department and the center.

9 (e) The local education agency responsible for student  
10 reporting in the Michigan student data system (MSDS) will report  
11 the total number of college credits the student earned, at the time  
12 of high school graduation, as determined by the department and the  
13 center.

14 (f) The local education agency will report each award outcome  
15 in the Michigan student data system (MSDS) that the CTE early  
16 middle college student attained. For purposes of this subsection,  
17 an on-track CTE early middle college graduate is a graduate who  
18 obtained their high school diploma and at least 1 of the following:

19 (i) An associate's degree.

20 (ii) 60 transferrable college credits.

21 (iii) Professional certification.

22 (iv) A Michigan Early Middle College Association certificate.

23 (v) Participation in a registered apprenticeship.

24 (4) A regional strategic plan must be approved by the career  
25 and educational advisory council before submission to the  
26 department. A regional strategic plan must include, but is not  
27 limited to, the following:

28 (a) An identification of regional employer need based on a  
29 ranking of all career clusters in the workforce development board

1 service delivery area ranked by 10-year projections of annual job  
2 openings and median wage for each standard occupational code in  
3 each career cluster as obtained from the United States Bureau of  
4 Labor Statistics. Standard occupational codes within high-ranking  
5 clusters also may be further ranked by median wage and annual job  
6 openings. The career and educational advisory council located in  
7 the workforce development board service delivery area shall review  
8 the rankings and modify them if necessary to accurately reflect  
9 employer demand for talent in the workforce development board  
10 service delivery area. A career and educational advisory council  
11 shall document that it has conducted this review and certify that  
12 it is accurate. These career cluster rankings must be determined  
13 and updated once every 4 years.

14 (b) An identification of educational entities in the workforce  
15 development board service delivery area that will provide eligible  
16 CTE early middle college and CTE dual enrollment programs including  
17 districts, intermediate districts, postsecondary institutions, and  
18 noncredit occupational training programs leading to an industry-  
19 recognized credential.

20 (c) A strategy to inform parents and students of CTE early  
21 middle college and CTE dual enrollment programs in the workforce  
22 development board service delivery area.

23 (d) Any other requirements as defined by the department.

24 (5) An eligible CTE program is a program that meets all of the  
25 following:

26 (a) Has been identified in the highest 5 career cluster  
27 rankings in any of the 16 workforce development board service  
28 delivery area strategic plans jointly approved by the department of  
29 labor and economic opportunity and the department.

1 (b) Has a coherent sequence of courses in a specific career  
2 cluster that will allow a student to earn a high school diploma and  
3 achieve at least 1 of the following:

4 (i) For CTE early middle college, outcomes as defined in  
5 subsection (3)(f).

6 (ii) For CTE dual enrollment, 1 of the following:

7 (A) An associate degree.

8 (B) An industry-recognized technical certification approved by  
9 the department of labor and economic opportunity.

10 (C) Up to 60 transferable college credits.

11 (D) Participation in a registered apprenticeship, pre-  
12 apprenticeship, or apprentice readiness program.

13 (c) Is aligned with the Michigan merit curriculum.

14 (d) Has an articulation or a college credit agreement with at  
15 least 1 postsecondary institution that provides students with  
16 opportunities to receive postsecondary credits during the student's  
17 participation in the CTE early middle college or CTE dual  
18 enrollment program and transfers those credits to the postsecondary  
19 institution upon completion of the CTE early middle college or CTE  
20 dual enrollment program.

21 (e) Provides instruction that is supervised, directed, or  
22 coordinated by an appropriately certificated CTE teacher or, for  
23 concurrent enrollment courses, a postsecondary faculty member.

24 (f) Provides for highly integrated student support services  
25 that include at least the following:

26 (i) Teachers as academic advisors.

27 (ii) Supervised course selection.

28 (iii) Monitoring of student progress and completion.

29 (iv) Career planning services provided by a local one-stop

1 service center as described in the Michigan works one-stop service  
2 center system act, 2006 PA 491, MCL 408.111 to 408.135, or by a  
3 high school counselor or advisor.

4 (g) Has courses that are taught on a college campus, are  
5 college courses offered at the high school and taught by college  
6 faculty, or are courses taught in combination with online  
7 instruction.

8 (6) The department shall distribute funds to eligible CTE  
9 early middle college and CTE dual enrollment programs as follows:

10 (a) The department shall determine statewide average CTE costs  
11 per pupil for each CIP code program by calculating statewide  
12 average costs for each CIP code program for the 3 most recent  
13 fiscal years.

14 (b) The distribution to each eligible CTE early middle college  
15 or CTE dual enrollment program is the product of 50% of CTE costs  
16 per pupil times the pupil enrollment of each eligible CTE early  
17 middle college or CTE dual enrollment program in the immediately  
18 preceding school year.

19 (7) In order to receive funds under this section, a CTE early  
20 middle college or CTE dual enrollment program shall furnish to the  
21 intermediate district that is the fiscal agent identified in  
22 subsection (2), in a form and manner determined by the department,  
23 all information needed to administer this program and meet federal  
24 reporting requirements; shall allow the department or the  
25 department's designee to review all records related to the program  
26 for which it receives funds; and shall reimburse the state for all  
27 disallowances found in the review, as determined by the department.

28 (8) There is allocated for ~~2022-2023~~**2023-2024** from the funds  
29 under subsection (1) an amount not to exceed \$500,000.00 from the

1 state school aid fund allocation for grants to intermediate  
2 districts or consortia of intermediate districts for the purpose of  
3 planning for new or expanded early middle college programs.  
4 Applications for grants must be submitted in a form and manner  
5 determined by the department. The amount of a grant under this  
6 subsection must not exceed \$50,000.00. To be eligible for a grant  
7 under this subsection, an intermediate district or consortia of  
8 intermediate districts must provide matching funds equal to the  
9 grant received under this subsection. Notwithstanding section 17b,  
10 the department shall make payments under this subsection in the  
11 manner determined by the department.

12 (9) Funds distributed under this section may be used to fund  
13 program expenditures that would otherwise be paid from foundation  
14 allowances. A program receiving funding under section 61a may  
15 receive funding under this section for allowable costs that exceed  
16 the reimbursement the program received under section 61a. The  
17 combined payments received by a program under section 61a and this  
18 section must not exceed the total allowable costs of the program. A  
19 program provider shall not use more than 5% of the funds allocated  
20 under this section to the program for administrative costs.

21 (10) If the allocation under subsection (1) is insufficient to  
22 fully fund payments as otherwise calculated under this section, the  
23 department shall prorate payments under this section on an equal  
24 percentage basis.

25 (11) If pupils enrolled in a career cluster in an eligible CTE  
26 early middle college or CTE dual enrollment program qualify to be  
27 reimbursed under this section, those pupils continue to qualify for  
28 reimbursement until graduation, even if the career cluster is no  
29 longer identified as being in the highest 5 career cluster

1 rankings.

2 (12) As used in this section:

3 (a) "Allowable costs" means those costs directly attributable  
4 to the program as jointly determined by the department of labor and  
5 economic opportunity and the department.

6 (b) "Career and educational advisory council" means an  
7 advisory council to the local workforce development boards located  
8 in a workforce development board service delivery area consisting  
9 of educational, employer, labor, and parent representatives.

10 (c) "CIP" means classification of instructional programs.

11 (d) "CTE" means career and technical education programs.

12 (e) "CTE dual enrollment program" means a 4-year high school  
13 program of postsecondary courses offered by eligible postsecondary  
14 educational institutions that leads to an industry-recognized  
15 certification or degree.

16 (f) "Early middle college program" means a 5-year high school  
17 program.

18 (g) "Eligible postsecondary educational institution" means  
19 that term as defined in section 3 of the career and technical  
20 preparation act, 2000 PA 258, MCL 388.1903.

21 Sec. 61c. (1) From the state school aid fund money  
22 appropriated in section 11, there is allocated for ~~2022-2023-2023-~~  
23 **2024** only an amount not to exceed ~~\$7,500,000.00~~ **\$15,000,000.00** to  
24 eligible career education planning districts for the purposes  
25 described in this section. To be eligible to receive funding under  
26 this section, at least 50% of the area served by a CEPD must be  
27 located in an intermediate district that did not levy a vocational  
28 education millage in ~~2022-2023~~.

29 (2) To receive funding under subsection (1), each eligible



1 CEPD must apply in a form and manner prescribed by the department.  
2 Funding to each eligible CEPD must be equal to the quotient of the  
3 allocation under subsection (1) and the sum of the number of career  
4 education planning districts applying for funding under subsection  
5 (1) that are located in an intermediate district that did not levy  
6 a vocational education millage in ~~2022~~.2023.

7 (3) At least 50% of the funding allocated to each eligible  
8 CEPD must be used to update equipment in current CTE programs that  
9 have been identified in the highest 5 career cluster rankings in  
10 the most recent CEPD regional strategic plans jointly approved by  
11 the Michigan talent investment agency in the department of labor  
12 and economic opportunity and the department, for training on new  
13 equipment, for professional development relating to computer  
14 science or coding, or for new and emerging certified CTE programs  
15 to allow CEPD administrators to provide programming in communities  
16 that will enhance economic development. The funding for equipment  
17 should be used to support and enhance community areas that have  
18 sustained job growth, and act as a commitment to build a more  
19 qualified and skilled workforce. In addition, each CEPD is  
20 encouraged to explore the option of leasing equipment from local  
21 private industry to encourage the use of the most advanced  
22 equipment.

23 (4) The allocation of funds at the local level must be  
24 determined by CEPD administrators using data from the state,  
25 region, and local sources to make well-informed decisions on  
26 program equipment improvements. Grants awarded by CEPD  
27 administrators for capital infrastructure must be used to ensure  
28 that CTE programs can deliver educational programs in high-wage,  
29 high-skill, and high-demand occupations. Each CEPD shall continue

1 to ensure that program advisory boards make recommendations on  
2 needed improvements for equipment that support job growth and job  
3 skill development and retention for both the present and the  
4 future.

5 (5) Not later than ~~September~~**December** 15 of each fiscal year,  
6 each CEPD receiving funding shall annually report to the  
7 department, the senate and house appropriations subcommittees on  
8 school aid, the senate and house fiscal agencies, and legislature  
9 on equipment purchased under subsection (1). In addition, the  
10 report must identify growth data on program involvement, retention,  
11 and development of student skills.

12 (6) As used in this section:

13 (a) "CEPD" means a career education planning district  
14 described in this section.

15 (b) "CTE" means career and technical education.

16 Sec. 61d. (1) From the appropriation in section 11, there is  
17 allocated for ~~2022-2023~~**2023-2024** an amount not to exceed  
18 \$5,000,000.00 from the state school aid fund for additional  
19 payments to districts for career and technical education programs  
20 for the purpose of increasing the number of Michigan residents with  
21 high-quality degrees or credentials, and to increase the number of  
22 pupils who are college- and career-ready upon high school  
23 graduation.

24 (2) The department shall calculate payments to districts under  
25 this section in the following manner:

26 (a) A payment of \$35.00 multiplied by the number of pupils in  
27 grades 9 to 12 who are counted in membership in the district and  
28 are enrolled in at least 1 career and technical education program.

29 (b) An additional payment of \$35.00 multiplied by the number

1 of pupils in grades 9 to 12 who are counted in membership in the  
 2 district and are enrolled in at least 1 career and technical  
 3 education program that provides instruction in critical skills and  
 4 high-demand career fields.

5 (3) If the allocation under subsection (1) is insufficient to  
 6 fully fund payments under subsection (2), the department shall  
 7 prorate payments under this section on an equal per-pupil basis.

8 ~~(4) If a student attends a career and technical education~~  
 9 ~~program at an intermediate district, the payment under subsection~~  
 10 ~~(2) attributable to that student must be split equally between the~~  
 11 ~~intermediate district providing the program and the district that~~  
 12 ~~counts the student in membership.~~

13 (4) ~~(5)~~—As used in this section:

14 (a) "Career and technical education program" means a state-  
 15 approved career and technical education program, as determined by  
 16 the department.

17 (b) "Career and technical education program that provides  
 18 instruction in critical skills and high-demand career field" means  
 19 a career and technical education program classified under any of  
 20 the following 2-digit classification of instructional programs

21 (CIP) codes:

22 (i) 01, which refers to "agriculture, agriculture operations,  
 23 and related sciences".

24 (ii) 03, which refers to "natural resources and conservation".

25 (iii) 10 through 11, which refers to "communications  
 26 technologies/technicians and support services" and "computer and  
 27 information sciences and support services".

28 (iv) 14 through 15, which refers to "engineering" and  
 29 "engineering technologies and engineering-related fields".

1 (v) 26, which refers to "biological and biomedical sciences".

2 (vi) 46 through 48, which refers to "construction trades",  
3 "mechanic and repair technologies/technicians", and "precision  
4 production".

5 (vii) 51, which refers to "health professions and related  
6 programs".

7 **Sec. 61j. From the state school aid fund money appropriated in**  
8 **section 11, \$15,000,000.00 is allocated for 2023-2024 only to Huron**  
9 **School District to support the Downriver Career and Technical**  
10 **Education Consortium.**

11 **Sec. 61k. From the state school aid fund money appropriated in**  
12 **section 11, \$2,800,000.00 is allocated for 2023-2024 only to Mott**  
13 **Community College to renovate a building in the city of Flint for**  
14 **the purpose of creating a bilingual early childhood education**  
15 **center. For purposes of this section, Mott Community College may**  
16 **partner with a community-based organization to complete the**  
17 **renovation.**

18 **Sec. 61l. From the state school aid fund money appropriated in**  
19 **section 11, \$1,200,000.00 is allocated for 2023-2024 only to**  
20 **Schoolcraft College to expand its early middle college program, SC**  
21 **Edge.**

22 **Sec. 61m. From the state school aid fund money appropriated in**  
23 **section 11, there is allocated \$2,000,000.00 for 2023-2024 only to**  
24 **Beecher Community School District to match philanthropic funding**  
25 **that is donated to the district. The funding allocated under this**  
26 **section must be used to build a new high school for Beecher**  
27 **Community School District.**

28 **Sec. 62. (1) For the purposes of this section:**

29 (a) "Membership" means for a particular fiscal year the total

1 membership of the intermediate district and the districts  
2 constituent to the intermediate district or the total membership of  
3 the area vocational-technical program, except that if a district  
4 has elected not to come under sections 681 to 690 of the revised  
5 school code, MCL 380.681 to 380.690, the membership of that  
6 district are not included in the membership of the intermediate  
7 district. However, the membership of a district that has elected  
8 not to come under sections 681 to 690 of the revised school code,  
9 MCL 380.681 to 380.690, is included in the membership of the  
10 intermediate district if the district meets both of the following:

11 (i) The district operates the area vocational-technical  
12 education program pursuant to a contract with the intermediate  
13 district.

14 (ii) The district contributes an annual amount to the operation  
15 of the program that is commensurate with the revenue that would  
16 have been raised for operation of the program if millage were  
17 levied in the district for the program under sections 681 to 690 of  
18 the revised school code, MCL 380.681 to 380.690.

19 (b) "Millage levied" means the millage levied for area  
20 vocational-technical education under sections 681 to 690 of the  
21 revised school code, MCL 380.681 to 380.690, including a levy for  
22 debt service obligations incurred as the result of borrowing for  
23 capital outlay projects and in meeting capital projects fund  
24 requirements of area vocational-technical education.

25 (c) "Taxable value" means the total taxable value of the  
26 districts constituent to an intermediate district or area  
27 vocational-technical education program, except that if a district  
28 has elected not to come under sections 681 to 690 of the revised  
29 school code, MCL 380.681 to 380.690, the taxable value of that

1 district is not included in the taxable value of the intermediate  
 2 district. However, the taxable value of a district that has elected  
 3 not to come under sections 681 to 690 of the revised school code,  
 4 MCL 380.681 to 380.690, is included in the taxable value of the  
 5 intermediate district if the district meets both of the following:

6 (i) The district operates the area vocational-technical  
 7 education program pursuant to a contract with the intermediate  
 8 district.

9 (ii) The district contributes an annual amount to the operation  
 10 of the program that is commensurate with the revenue that would  
 11 have been raised for operation of the program if millage were  
 12 levied in the district for the program under sections 681 to 690 of  
 13 the revised school code, MCL 380.681 to 380.690.

14 (2) From the appropriation in section 11, there is allocated  
 15 an amount not to exceed \$9,190,000.00 each fiscal year for ~~2021-~~  
 16 ~~2022-2022-2023~~ and for ~~2022-2023-2023-2024~~ to reimburse  
 17 intermediate districts and area vocational-technical education  
 18 programs established under section 690(3) of the revised school  
 19 code, MCL 380.690, levying millages for area vocational-technical  
 20 education under sections 681 to 690 of the revised school code, MCL  
 21 380.681 to 380.690. The purpose, use, and expenditure of the  
 22 reimbursement are limited as if the funds were generated by those  
 23 millages.

24 (3) Reimbursement for those millages levied in ~~2020-2021-2021-~~  
 25 ~~2022~~ is made in ~~2021-2022-2022-2023~~ at an amount per ~~2020-2021~~  
 26 ~~2021-2022~~ membership pupil computed by subtracting from \$227,300.00  
 27 the ~~2020-2021-2021-2022~~ taxable value behind each membership pupil  
 28 and multiplying the resulting difference by the ~~2020-2021-2021-2022~~  
 29 millage levied, and then subtracting from that amount the ~~2020-2021~~

1 **2021-2022** local community stabilization share revenue for area  
 2 vocational technical education **and 2021-2022 tax increment revenues**  
 3 **captured by a brownfield redevelopment authority created under the**  
 4 **brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651**  
 5 **to 125.2670**, behind each membership pupil for reimbursement of  
 6 personal property exemption loss under the local community  
 7 stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362,  
 8 **and reimbursements paid under section 26d for tax increment**  
 9 **revenues captured by a brownfield redevelopment authority under the**  
 10 **brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651**  
 11 **to 125.2670.**

12 (4) Reimbursement for those millages levied in ~~2021-2022-2022-~~  
 13 ~~2023~~ is made in ~~2022-2023-2023-2024~~ at an amount per ~~2021-2022~~  
 14 ~~2022-2023~~ membership pupil computed by subtracting from \$237,500.00  
 15 the ~~2021-2022-2022-2023~~ taxable value behind each membership pupil  
 16 and multiplying the resulting difference by the ~~2021-2022-2022-2023~~  
 17 millage levied, and then subtracting from that amount the ~~2021-2022~~  
 18 ~~2022-2023~~ local community stabilization share revenue for area  
 19 vocational technical education and ~~2021-2022-2022-2023~~ tax  
 20 increment revenues captured by a brownfield redevelopment authority  
 21 created under the brownfield redevelopment financing act, 1996 PA  
 22 381, MCL 125.2651 to 125.2670, behind each membership pupil for  
 23 reimbursement of personal property exemption loss under the local  
 24 community stabilization authority act, 2014 PA 86, MCL 123.1341 to  
 25 123.1362, and reimbursements paid under section 26d for tax  
 26 increment revenues captured by a brownfield redevelopment authority  
 27 under the brownfield redevelopment financing act, 1996 PA 381, MCL  
 28 125.2651 to 125.2670.

29 (5) The department shall ensure that the amount paid to a

1 single intermediate district under this section does not exceed  
2 38.4% of the total amount allocated under subsection (2).

3 (6) The department shall ensure that the amount paid to a  
4 single intermediate district under this section is not less than  
5 75% of the amount allocated to the intermediate district under this  
6 section for the immediately preceding fiscal year.

7 Sec. 65. (1) From the appropriation under section 11, there is  
8 allocated an amount not to exceed \$900,000.00 for ~~2022-2023-2023-~~  
9 **2024** only for a pre-college engineering K-12 educational program  
10 that is focused on the development of a diverse future Michigan  
11 workforce, that serves multiple communities within southeast  
12 Michigan, that enrolls pupils from multiple districts, and that  
13 received funds appropriated for this purpose in the appropriations  
14 act that provided the Michigan strategic fund budget for 2014-2015.  
15 ~~It is the intent of the legislature that, for 2023-2024, the~~  
16 ~~allocation from the state school aid fund money appropriated in~~  
17 ~~section 11 for purposes described in this section will be~~  
18 ~~\$400,000.00.~~ **It is the intent of the legislature that, for 2024-**  
19 **2025, the allocation from the state school aid fund money**  
20 **appropriated in section 11 for purposes described in this section**  
21 **will be \$400,000.00.**

22 (2) To be eligible for funding under this section, a program  
23 must have the ability to expose pupils to, and motivate and prepare  
24 pupils for, science, technology, engineering, and mathematics  
25 careers and postsecondary education with special attention given to  
26 groups of pupils who are at-risk and underrepresented in technical  
27 professions and careers.

28 Sec. 67. (1) From the general fund money appropriated in  
29 section 11, there is allocated an amount not to exceed



1 ~~\$3,000,000.00~~ **\$5,000,000.00** for ~~2022-2023~~ **2023-2024** for college  
2 access programs. **It is the intent of the legislature that, for**  
3 **2024-2025, the allocation from the general fund money appropriated**  
4 **in section 11 for purposes described in this section will be**  
5 **\$3,000,000.00.** The programs funded under this section are intended  
6 to inform students of college and career options and to provide  
7 resources intended to increase the number of pupils who are  
8 adequately prepared with the information needed to make informed  
9 decisions on college and career. The funds appropriated under this  
10 section are intended to be used to increase the number of Michigan  
11 residents with high-quality degrees or credentials. Funds  
12 appropriated under this section must not be used to supplant  
13 funding for counselors already funded by districts.

14 (2) The department of labor and economic opportunity shall  
15 administer funds allocated under this section in collaboration with  
16 the Michigan college access network. These funds may be used for  
17 any of the following purposes:

18 (a) Michigan college access network operations, programming,  
19 and services to local college access networks.

20 (b) Local college access networks, which are community-based  
21 college access/success partnerships committed to increasing the  
22 college participation and completion rates within geographically  
23 defined communities through a coordinated strategy.

24 (c) The Michigan college advising program, a program intended  
25 to place trained, recently graduated college advisors in high  
26 schools that serve significant numbers of low-income and first-  
27 generation college-going pupils. State funds used for this purpose  
28 may not exceed 33% of the total funds available under this  
29 subsection.

1 (d) Subgrants of up to \$5,000.00 to districts with  
2 comprehensive high schools that establish a college access team and  
3 implement specific strategies to create a college-going culture in  
4 a high school in a form and manner approved by the Michigan college  
5 access network and the department of labor and economic  
6 opportunity.

7 (e) The Michigan college access portal, an online one-stop  
8 portal to help pupils and families plan and apply for college.

9 (f) Public awareness and outreach campaigns to encourage low-  
10 income and first-generation college-going pupils to take necessary  
11 steps toward college and to assist pupils and families in  
12 completing a timely and accurate free application for federal  
13 student aid.

14 (g) Subgrants to postsecondary institutions to recruit, hire,  
15 and train college student mentors and college advisors to assist  
16 high school pupils in navigating the postsecondary planning and  
17 enrollment process.

18 (3) For the purposes of this section, "college" means any  
19 postsecondary educational opportunity that leads to a career,  
20 including, but not limited to, a postsecondary degree, industry-  
21 recognized technical certification, or registered apprenticeship.

22 Sec. 67a. (1) From the general fund money appropriated under  
23 section 11, there is allocated an amount not to exceed \$50,000.00  
24 for ~~2022-2023~~**2023-2024** only for a grant to be distributed by the  
25 department to an organization to provide industrial and  
26 technological education and workforce preparation for students and  
27 professional development opportunities and support for teachers.

28 (2) Notwithstanding section 17b, the department shall make  
29 grant payments under this section on a schedule determined by the

1 department.

2       Sec. 67d. (1) From the general fund money appropriated in  
3 section 11, there is allocated for ~~2022-2023-2023-2024~~ only an  
4 amount not to exceed ~~\$2,500,000.00~~ **\$500,000.00** to, through a grant  
5 program administered by the department, an eligible state-approved  
6 501(c) (3) organization to teach or train restaurant management,  
7 culinary arts or hospitality, and tourism management as part of  
8 career and professional development.

9       (2) As used in this section, "eligible state-approved  
10 501(c) (3) organization" means an organization that is exempt from  
11 taxation under section 501(c) (3) of the internal revenue code of  
12 1986, 26 USC 501, that provides either the ProStart or Hospitality  
13 Tourism Management curriculum and training to state-approved career  
14 and technical education programs with classification of  
15 instructional programs (CIP) codes in the 12.05xx or 52.09xx and  
16 that administers national certification for the purposes of  
17 restaurant management, culinary arts or hospitality, or tourism  
18 management in becoming a hospitality and tourism specialist as part  
19 of career and professional development.

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

23       **Sec. 67f. From the state school aid fund money appropriated in**  
24 **section 11, there is allocated \$100.00 for 2023-2024 only to**  
25 **districts to reimburse costs for students who enrolled in the**  
26 **district to simultaneously enroll in postsecondary classes.**  
27 **Eligible expenses for purposes of this section do not include any**  
28 **expenses that are already paid for with federal funding or funding**  
29 **appropriated or allocated under other state laws.**

1           Sec. 74. (1) From the state school aid fund money appropriated  
2 in section 11, there is allocated an amount not to exceed  
3 ~~\$3,964,800.00~~ **\$3,842,700.00** for ~~2021-2022~~ and there is allocated an  
4 amount not to exceed ~~\$3,844,200.00~~ for ~~2022-2023~~ **2023-2024** for the  
5 purposes of this section.

6           (2) From the allocation in subsection (1), there is allocated  
7 for ~~2021-2022~~ and for ~~2022-2023~~ **2023-2024** the amount necessary for  
8 payments to state supported colleges or universities and  
9 intermediate districts providing school bus driver safety  
10 instruction under section 51 of the pupil transportation act, 1990  
11 PA 187, MCL 257.1851. The department shall make payments in an  
12 amount determined by the department not to exceed the actual cost  
13 of instruction and driver compensation for each public or nonpublic  
14 school bus driver attending a course of instruction. For the  
15 purpose of computing compensation, the hourly rate allowed each  
16 school bus driver must not exceed the hourly rate received for  
17 driving a school bus. The department shall make reimbursement  
18 compensating the driver during the course of instruction to the  
19 college or university or intermediate district providing the course  
20 of instruction.

21           (3) From the allocation in subsection (1), there is allocated  
22 for ~~2021-2022~~ and for ~~2022-2023~~ **2023-2024** the amount necessary to  
23 pay the reasonable costs of nonspecial education auxiliary services  
24 transportation provided under section 1323 of the revised school  
25 code, MCL 380.1323. Districts funded under this subsection do not  
26 receive funding under any other section of this article for  
27 nonspecial education auxiliary services transportation.

28           (4) From the funds allocated in subsection (1), there is  
29 allocated an amount not to exceed ~~\$1,780,800.00~~ **\$1,817,700.00** for

1 ~~2021-2022 and there is allocated an amount not to exceed~~  
2 ~~\$1,819,200.00 for 2022-2023~~ **2023-2024** for reimbursement to  
3 districts and intermediate districts for costs associated with the  
4 inspection of school buses and pupil transportation vehicles by the  
5 department of state police as required under section 715a of the  
6 Michigan vehicle code, 1949 PA 300, MCL 257.715a, and section 39 of  
7 the pupil transportation act, 1990 PA 187, MCL 257.1839. The  
8 department of state police shall prepare a statement of costs  
9 attributable to each district for which bus inspections are  
10 provided and submit it to the department and to an intermediate  
11 district serving as fiduciary in a time and manner determined  
12 jointly by the department and the department of state police. Upon  
13 review and approval of the statement of cost, the department shall  
14 forward to the designated intermediate district serving as  
15 fiduciary the amount of the reimbursement on behalf of each  
16 district and intermediate district for costs detailed on the  
17 statement within 45 days after receipt of the statement. The  
18 designated intermediate district shall make payment in the amount  
19 specified on the statement to the department of state police within  
20 45 days after receipt of the statement. The total reimbursement of  
21 costs under this subsection must not exceed the amount allocated  
22 under this subsection. Notwithstanding section 17b, the department  
23 shall make payments to eligible entities under this subsection on a  
24 schedule prescribed by the department.

25 **Sec. 74b. (1) From the state school aid fund money**  
26 **appropriated in section 11, there is allocated for 2023-2024 only**  
27 **an amount not to exceed \$75,000,000.00 for grants under the clean**  
28 **school bus grant program. Funds under this section must be**  
29 **administered through the department, to be distributed to districts**

1 and intermediate districts using guidelines from the department of  
2 environment, Great Lakes, and energy's clean fleet initiative that  
3 supports the conversion of vehicular fleets to low- or no-  
4 greenhouse gas emissions operations as determined by the department  
5 of environment, Great Lakes, and energy.

6 (2) Qualified recipients must apply for funding in a form and  
7 manner determined by the department. Qualified recipients must  
8 agree to be responsive to legitimate and reasonable requests from  
9 this state to support the promotion, education, and operation of  
10 electric vehicle school buses, including participating in and  
11 offering ride events for the public and drive events for other  
12 school bus drivers as allowable by insurance.

13 (3) The department shall award funding under this section on a  
14 prioritization basis, with funds covering 90% of the cost for  
15 prioritized qualified recipients and 70% of costs for  
16 nonprioritized qualified recipients. The department may cap total  
17 funding amounts per qualified recipient. Funding under this section  
18 may be used for maintenance or operational costs of new or existing  
19 vehicles.

20 (4) The department, in cooperation with the department of  
21 environment, Great Lakes, and energy, shall establish eligibility  
22 standards for replacement and new bus purchases, including  
23 eligibility standards for which types of buses are eligible for  
24 purchase with funds under this section.

25 (5) The department shall create and publicly post selection  
26 criteria and prioritization of qualified recipients. The department  
27 shall utilize federal Justice40 parameters for this process. The  
28 criteria under this subsection must give preference to school  
29 districts in any of the following:

1 (a) National Ambient Air Quality Standards (NAAQS)  
2 nonattainment zones.

3 (b) Environmental justice communities as identified by this  
4 state's MiEJScreen Environmental Justice Screening Tool.

5 (c) Small Area Income and Poverty Estimates (SAIPE) Program  
6 areas.

7 (d) Rural areas as defined by locale codes "43-Rural: Remote"  
8 and "42-Rural: Distant" by the National Center for Education  
9 Statistics.

10 (e) Communities with high free and reduced lunch participation  
11 rates.

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

15 (7) The funds allocated under this section for 2023-2024 are a  
16 work project appropriation, and any unexpended funds for 2023-2024  
17 are carried forward into 2024-2025. The purpose of the work project  
18 is to provide support for qualified recipients to transition to  
19 environmentally friendly transportation vehicles. The estimated  
20 completion date of the work project is September 30, 2027.

21 (8) As used in this section:

22 (a) "Operational cost" means any cost of operating an electric  
23 bus, including, but not limited to, the purchase and installation  
24 of charging stations and hubs.

25 (b) "Qualified recipient" means a district or an intermediate  
26 district.

27 Sec. 81. (1) From the state school aid fund money appropriated  
28 in section 11, there is allocated for ~~2022-2023~~ 2023-2024 to the  
29 intermediate districts the sum necessary, but not to exceed

1 ~~\$75,642,600.00~~ **\$80,181,200.00** to provide state aid to intermediate  
2 districts under this section.

3 (2) The amount allocated under this section for ~~2022-2023~~  
4 **2023-2024** to each intermediate district is an amount equal to  
5 ~~105.2%~~ **106.0%** of the amount allocated to the intermediate district  
6 under this section for ~~2021-2022.~~ **2022-2023**. An intermediate  
7 district shall use funding provided under this section to comply  
8 with requirements of this article and the revised school code that  
9 are applicable to intermediate districts, and for which funding is  
10 not provided elsewhere in this article, and to provide technical  
11 assistance to districts as authorized by the intermediate school  
12 board.

13 (3) Intermediate districts receiving funds under this section  
14 shall collaborate with the department to develop expanded  
15 professional development opportunities for teachers to update and  
16 expand their knowledge and skills needed to support the Michigan  
17 merit curriculum.

18 (4) From the allocation in subsection (1), there is allocated  
19 to an intermediate district, formed by the consolidation or  
20 annexation of 2 or more intermediate districts or the attachment of  
21 a total intermediate district to another intermediate district or  
22 the annexation of all of the constituent K-12 districts of a  
23 previously existing intermediate district which has disorganized,  
24 an additional allotment of \$3,500.00 each fiscal year for each  
25 intermediate district included in the new intermediate district for  
26 3 years following consolidation, annexation, or attachment.

27 (5) In order to receive funding under this section, an  
28 intermediate district shall do all of the following:

29 (a) Demonstrate to the satisfaction of the department that the



1 intermediate district employs at least 1 person who is trained in  
2 pupil accounting and auditing procedures, rules, and regulations.

3 (b) Demonstrate to the satisfaction of the department that the  
4 intermediate district employs at least 1 person who is trained in  
5 rules, regulations, and district reporting procedures for the  
6 individual-level student data that serves as the basis for the  
7 calculation of the district and high school graduation and dropout  
8 rates.

9 (c) Comply with sections 1278a and 1278b of the revised school  
10 code, MCL 380.1278a and 380.1278b.

11 (d) Furnish data and other information required by state and  
12 federal law to the center and the department in the form and manner  
13 specified by the center or the department, as applicable.

14 (e) Comply with section 1230g of the revised school code, MCL  
15 380.1230g.

16 ~~(f) Provide advice, guidance, and leadership to assist all  
17 districts located within its geographic boundaries to assist in the  
18 preparedness and response efforts toward addressing COVID-19. At a  
19 minimum, this must include the coordination and collaboration with  
20 any local public health agency that has jurisdiction within the  
21 intermediate district's geographic boundaries and may include the  
22 coordination of bulk purchasing of personal protective equipment,  
23 technology, or other products or services necessary for students to  
24 return to school.~~

25 ~~(g) Ensure that all districts located within its geographic  
26 boundaries have equitable access to the intermediate district's  
27 coordination activities and services, intermediate district-wide or  
28 regional meetings, regularly scheduled superintendent meetings,  
29 programming, events, email distribution lists, listservs, or other~~

~~1 coordination or collaboration activities organized by or hosted at  
2 the intermediate district. In ensuring that all districts located  
3 within the geographic boundaries of the intermediate district have  
4 equitable access to services, meetings, programming, events, email  
5 distribution lists, listservs, or activities as described in the  
6 immediately preceding sentence, the intermediate district shall  
7 ensure that districts that are public school academies that are  
8 located within its geographic boundaries are not excluded from said  
9 services, meetings, programming, events, email distribution lists,  
10 listservs, or activities organized by or hosted at the intermediate  
11 district if districts that are not public school academies that are  
12 located within the geographic boundaries of the intermediate  
13 district are not excluded.~~

14       Sec. 94. (1) From the general fund money appropriated in  
15 section 11, there is allocated to the department for ~~2022-2023~~  
16 **2023-2024** an amount not to exceed ~~\$1,200,000.00~~ **\$1,700,000.00** for  
17 efforts to increase the number of pupils who participate and  
18 succeed in advanced placement and international baccalaureate  
19 programs, and to support the college-level examination program  
20 (CLEP).

21       (2) From the funds allocated under this section, the  
22 department shall award funds to cover all or part of the costs of  
23 advanced placement test fees or international baccalaureate test  
24 fees and international baccalaureate registration fees for low-  
25 income pupils who take an advanced placement or an international  
26 baccalaureate test and CLEP fees for low-income pupils who take a  
27 CLEP test.

28       (3) The department shall only award funds under this section  
29 if the department determines that all of the following criteria are

1 met:

2 (a) Each pupil for whom payment is made meets eligibility  
3 requirements of the federal advanced placement test fee program  
4 under the no child left behind act of 2001, Public Law 107-110, or  
5 the every student succeeds act, Public Law 114-95, as applicable.

6 (b) The tests are administered by the college board, the  
7 international baccalaureate organization, or another test provider  
8 approved by the department.

9 (c) The pupil for whom payment is made pays at least \$5.00  
10 toward the cost of each test for which payment is made.

11 **(4) From the funds allocated under subsection (1), \$500,000.00**  
12 **is allocated for 2023-2024 to be used to reimburse a portion of the**  
13 **costs associated with the provision of advanced placement (AP) or**  
14 **college-level examination program (CLEP) exams for students whose**  
15 **family income exceeds low-income status as determined by the**  
16 **department.**

17 **(5) ~~(4)~~**—The department shall establish procedures for awarding  
18 funds under this section.

19 **(6) ~~(5)~~**—Notwithstanding section 17b, the department shall make  
20 payments under this section on a schedule determined by the  
21 department.

22 Sec. 94a. (1) There is created within the state budget office  
23 in the department of technology, management, and budget the center  
24 for educational performance and information. The center shall do  
25 all of the following:

26 (a) Coordinate the collection of all data required by state  
27 and federal law from districts, intermediate districts, and  
28 postsecondary institutions.

29 (b) Create, maintain, and enhance this state's P-20

1 longitudinal data system and ensure that it meets the requirements  
2 of subsection (4).

3 (c) Collect data in the most efficient manner possible in  
4 order to reduce the administrative burden on reporting entities,  
5 including, but not limited to, electronic transcript services.

6 (d) Create, maintain, and enhance this state's web-based  
7 educational portal to provide information to school leaders,  
8 teachers, researchers, and the public in compliance with all  
9 federal and state privacy laws. Data must include, but are not  
10 limited to, all of the following:

11 (i) Data sets that link teachers to student information,  
12 allowing districts to assess individual teacher impact on student  
13 performance and consider student growth factors in teacher and  
14 principal evaluation systems.

15 (ii) Data access or, if practical, data sets, provided for  
16 regional data hubs that, in combination with local data, can  
17 improve teaching and learning in the classroom.

18 (iii) Research-ready data sets for researchers to perform  
19 research that advances this state's educational performance.

20 (e) Provide data in a useful manner to allow state and local  
21 policymakers to make informed policy decisions.

22 (f) Provide public reports to the residents of this state to  
23 allow them to assess allocation of resources and the return on  
24 their investment in the education system of this state.

25 (g) Other functions as assigned by the state budget director.

26 (2) Each state department, officer, or agency that collects  
27 information from districts, intermediate districts, or  
28 postsecondary institutions as required under state or federal law  
29 shall make arrangements with the center to ensure that the state

1 department, officer, or agency is in compliance with subsection  
2 (1). This subsection does not apply to information collected by the  
3 department of treasury under the uniform budgeting and accounting  
4 act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal  
5 finance act, 2001 PA 34, MCL 141.2101 to 141.2821; the school bond  
6 qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to  
7 388.1939; or section 1351a of the revised school code, MCL  
8 380.1351a.

9 (3) The center may enter into any interlocal agreements  
10 necessary to fulfill its functions.

11 (4) The center shall ensure that the P-20 longitudinal data  
12 system required under subsection (1)(b) meets all of the following:

13 (a) Includes data at the individual student level from  
14 preschool through postsecondary education and into the workforce.

15 (b) Supports interoperability by using standard data  
16 structures, data formats, and data definitions to ensure linkage  
17 and connectivity in a manner that facilitates the exchange of data  
18 among agencies and institutions within the state and between  
19 states.

20 (c) Enables the matching of individual teacher and student  
21 records so that an individual student may be matched with those  
22 teachers providing instruction to that student.

23 (d) Enables the matching of individual teachers with  
24 information about their certification and the institutions that  
25 prepared and recommended those teachers for state certification.

26 (e) Enables data to be easily generated for continuous  
27 improvement and decision-making, including timely reporting to  
28 parents, teachers, and school leaders on student achievement.

29 (f) Ensures the reasonable quality, validity, and reliability

1 of data contained in the system.

2 (g) Provides this state with the ability to meet federal and  
3 state reporting requirements.

4 (h) For data elements related to preschool through grade 12  
5 and postsecondary, meets all of the following:

6 (i) Contains a unique statewide student identifier that does  
7 not permit a student to be individually identified by users of the  
8 system, except as allowed by federal and state law.

9 (ii) Contains student-level enrollment, demographic, and  
10 program participation information, **including data associated with**  
11 **students who have been identified as having an affiliation to 1 or**  
12 **more federally recognized Indian tribes and student participation**  
13 **in federal programs funded under 20 USC 7401 to 7546 and**  
14 **participation in federal programs funded under the Johnson-O'Malley**  
15 **Supplemental Indian Education Program Modernization Act, Public Law**  
16 **115-404.**

17 (iii) Contains student-level information about the points at  
18 which students exit, transfer in, transfer out, drop out, or  
19 complete education programs.

20 (iv) Has the capacity to communicate with higher education data  
21 systems.

22 (i) For data elements related to preschool through grade 12  
23 only, meets all of the following:

24 (i) Contains yearly test records of individual students for  
25 assessments approved by DED-OESE for accountability purposes under  
26 section 1111(b) of the elementary and secondary education act of  
27 1965, 20 USC 6311, including information on individual students not  
28 tested, by grade and subject.

29 (ii) Contains student-level transcript information, including

1 information on courses completed and grades earned.

2 (iii) Contains student-level college readiness test scores.

3 (j) For data elements related to postsecondary education only:

4 (i) Contains data that provide information regarding the extent  
5 to which individual students transition successfully from secondary  
6 school to postsecondary education, including, but not limited to,  
7 all of the following:

8 (A) Enrollment in remedial coursework.

9 (B) Completion of 1 year's worth of college credit applicable  
10 to a degree within 2 years of enrollment.

11 (ii) Contains data that provide other information determined  
12 necessary to address alignment and adequate preparation for success  
13 in postsecondary education.

14 (5) From the general fund money appropriated in section 11,  
15 there is allocated an amount not to exceed ~~\$19,032,300.00~~  
16 **\$18,988,600.00** for ~~2022-2023-2023-2024~~ to the department of  
17 technology, management, and budget to support the operations of the  
18 center. In addition, from the federal funds appropriated in section  
19 11, there is allocated for ~~2022-2023-2023-2024~~ the amount  
20 necessary, estimated at \$193,500.00, to support the operations of  
21 the center and to establish a P-20 longitudinal data system  
22 necessary for state and federal reporting purposes. The center  
23 shall cooperate with the department to ensure that this state is in  
24 compliance with federal law and is maximizing opportunities for  
25 increased federal funding to improve education in this state.

26 (6) From the funds allocated in subsection (5), the center may  
27 use an amount determined by the center for competitive grants for  
28 ~~2022-2023-2023-2024~~ to support collaborative efforts on the P-20  
29 longitudinal data system. All of the following apply to grants

1 awarded under this subsection:

2 (a) The center shall award competitive grants to eligible  
3 intermediate districts or a consortium of intermediate districts  
4 based on criteria established by the center.

5 (b) Activities funded under the grant must support the P-20  
6 longitudinal data system portal and may include portal hosting,  
7 hardware and software acquisition, maintenance, enhancements, user  
8 support and related materials, and professional learning tools and  
9 activities aimed at improving the utility of the P-20 longitudinal  
10 data system.

11 (c) An applicant that received a grant under this subsection  
12 for the immediately preceding fiscal year has priority for funding  
13 under this section. However, after 3 fiscal years of continuous  
14 funding, an applicant is required to compete openly with new  
15 applicants.

16 (7) Funds allocated under this section that are not expended  
17 in the fiscal year in which they were allocated may be carried  
18 forward to a subsequent fiscal year and are appropriated for the  
19 purposes for which the funds were originally allocated.

20 (8) The center may bill departments as necessary in order to  
21 fulfill reporting requirements of state and federal law. The center  
22 may also enter into agreements to supply custom data, analysis, and  
23 reporting to other principal executive departments, state agencies,  
24 local units of government, and other individuals and organizations.  
25 The center may receive and expend funds in addition to those  
26 authorized in subsection (5) to cover the costs associated with  
27 salaries, benefits, supplies, materials, and equipment necessary to  
28 provide such data, analysis, and reporting services.

29 (9) As used in this section, "DED-OESE" means the United



1 States Department of Education Office of Elementary and Secondary  
2 Education.

3 Sec. 95b. (1) From the general fund money appropriated under  
4 section 11, there is allocated an amount not to exceed  
5 ~~\$2,000,000.00~~ **\$100.00** for ~~2022-2023~~ **2023-2024** only for the model  
6 value-added growth and projection analytics system. The department  
7 shall continue the model value-added growth and projection  
8 analytics system and incorporate that model into its reporting  
9 requirements under the every student succeeds act, Public Law 114-  
10 95. The model described in this subsection must do at least all of  
11 the following:

12 (a) Utilize existing assessments and any future assessments  
13 that are suitable for measuring student growth.

14 (b) Report student growth measures at the district, school,  
15 teacher, and subgroup levels.

16 (c) Recognize the growth of tested students, including those  
17 who may have missing assessment data.

18 (d) Include all available prior standardized assessment data  
19 that meet inclusion criteria across grades, subjects, and state and  
20 local assessments.

21 (e) Allow student growth results to be disaggregated.

22 (f) Provide individual student projections showing the  
23 probability of a student reaching specific performance levels on  
24 future assessments. Given school closures and extended  
25 cancellations related to COVID-19, the data under this subdivision  
26 may be used to inform decisions about student placement or students  
27 that could benefit from additional supports or interventions.

28 (g) Demonstrate any prior success with this state's  
29 assessments through the Michigan council of educator effectiveness

1 teacher evaluation pilot.

2 (h) Demonstrate prior statewide implementation in at least 2  
3 other states for at least 10 years.

4 (i) Have a native roster verification system built into the  
5 value-added reporting platform that has been implemented statewide  
6 in at least 2 other states.

7 (j) Have a "help/contact us" ticketing system built into the  
8 value-added reporting platform.

9 (k) Given school closures that have occurred pursuant to an  
10 executive order issued by the governor, the value-added reporting  
11 platform must provide continued hosting and delivery of reporting  
12 and offer the department additional supports in the areas of  
13 research, analysis, web reporting, and training.

14 (l) The department and the platform vendor shall provide  
15 statewide training for educators to understand the reporting that  
16 details the impact to student learning and growth.

17 (2) The department shall provide internet-based electronic  
18 student growth and projection reporting based on the model under  
19 subsection (1) to educators at the school, district, and state  
20 levels. The model must include role-based permissions that allow  
21 educators to access information about the performance of the  
22 students within their immediate responsibility in accordance with  
23 applicable privacy laws.

24 (3) The model under subsection (1) must not be a mandatory  
25 part of teacher evaluation or educator pay-for-performance systems.

26 (4) The model under subsection (1) must be a model that  
27 received funding under this section in 2018-2019.

28 (5) By March 31 of each fiscal year for which funding is  
29 allocated under this section, the department shall work with the

1 center to make data publicly available on an external website that  
2 provides student growth metrics provided by the value-added  
3 reporting platform at the district and school level by grade and  
4 subject.

5 Sec. 97a. From the general fund money appropriated in section  
6 11, there is allocated an amount not to exceed ~~\$1,947,000.00~~  
7 **\$4,000,000.00** for ~~2022-2023-2023-2024~~ only for Michigan Virtual  
8 University to support Navigate 360. **Funding may be used to support**  
9 **the MichiganCares, PBIS Rewards, and Intervention programs.**

10 Sec. 97g. **From the state school aid fund money appropriated in**  
11 **section 11, there is allocated \$100,000.00 for 2023-2024 only to a**  
12 **district to utilize on the Student Advocacy Center of Michigan to**  
13 **support its statewide helpline for families in educational crisis.**

14 Sec. 98. (1) From the general fund money appropriated in  
15 section 11, there is allocated an amount not to exceed  
16 ~~\$8,000,000.00~~ **\$9,300,000.00** for ~~2022-2023-2023-2024~~ for the  
17 purposes described in this section. It is the intent of the  
18 legislature that, for ~~2023-2024,~~ **2024-2025,** the allocation from the  
19 general fund money appropriated in section 11 for purposes  
20 described in this section will be \$7,500,000.00. The Michigan  
21 Virtual University shall provide a report to the legislature not  
22 later than November 1 of each fiscal year for which funding is  
23 allocated under this section that includes its mission, its plans,  
24 and proposed benchmarks it must meet, including a plan to achieve  
25 the organizational priorities identified in this section, in order  
26 to receive full funding for the next fiscal year for which funding  
27 is allocated under this section. Not later than March 1 of each  
28 fiscal year for which funding is allocated under this section, the  
29 Michigan Virtual University shall provide an update to the house

1 and senate appropriations subcommittees on school aid to show the  
2 progress being made to meet the benchmarks identified.

3 (2) The Michigan Virtual University shall operate the Michigan  
4 Virtual Learning Research Institute. The Michigan Virtual Learning  
5 Research Institute shall do all of the following:

6 (a) Support and accelerate innovation in education through the  
7 following activities:

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

10 (ii) Research, design, and recommend virtual education delivery  
11 models for use by pupils and teachers that include age-appropriate  
12 multimedia instructional content.

13 (iii) Research, develop, and recommend annually to the  
14 department criteria by which cyber schools and virtual course  
15 providers should be monitored and evaluated to ensure a quality  
16 education for their pupils.

17 (iv) Based on pupil completion and performance data reported to  
18 the department or the center from cyber schools and other virtual  
19 course providers operating in this state, analyze the effectiveness  
20 of virtual learning delivery models in preparing pupils to be  
21 college- and career-ready and publish a report that highlights  
22 enrollment totals, completion rates, and the overall impact on  
23 pupils. The Michigan Virtual Learning Research Institute shall  
24 submit the report to the house and senate appropriations  
25 subcommittees on school aid, the state budget director, the house  
26 and senate fiscal agencies, the department, districts, and  
27 intermediate districts not later than March 31 of each fiscal year  
28 for which funding is allocated under this section.

29 (v) Provide an extensive professional development program to

1 at least 30,000 educational personnel, including teachers, school  
2 administrators, and school board members, that focuses on the  
3 effective integration of virtual learning into curricula and  
4 instruction. The Michigan Virtual Learning Research Institute is  
5 encouraged to work with the MiSTEM council described in section 99s  
6 to coordinate professional development of teachers in applicable  
7 fields. In addition, the Michigan Virtual Learning Research  
8 Institute and external stakeholders are encouraged to coordinate  
9 with the department for professional development in this state,  
10 **including, but not limited to, professional development for**  
11 **employees in child care facilities, early childhood facilities, and**  
12 **after-school programs.** Not later than December 1 of each fiscal  
13 year for which funding is allocated under this section, the  
14 Michigan Virtual Learning Research Institute shall submit a report  
15 to the house and senate appropriations subcommittees on school aid,  
16 the state budget director, the house and senate fiscal agencies,  
17 and the department on the number of teachers, school  
18 administrators, and school board members who have received  
19 professional development services from the Michigan Virtual  
20 University. The report must also include both of the following:

21 (A) The identification of barriers and other opportunities to  
22 encourage the adoption of virtual learning in the public education  
23 system.

24 (B) A link to, and explanation of, the Michigan Virtual  
25 University's online course standards for professional development  
26 programming. The standards described in this sub-subparagraph must  
27 inform learners how to file a complaint about course content and  
28 detail the steps that will be taken for the review and resolution  
29 of complaints.

1           (vi) Identify and share best practices for planning,  
2 implementing, and evaluating virtual and blended education delivery  
3 models with intermediate districts, districts, and public school  
4 academies to accelerate the adoption of innovative education  
5 delivery models statewide.

6           (b) Provide leadership for this state's system of virtual  
7 learning education by doing the following activities:

8           (i) Develop and report policy recommendations to the governor  
9 and the legislature that accelerate the expansion of effective  
10 virtual learning in this state's schools.

11           (ii) Provide a clearinghouse for research reports, academic  
12 studies, evaluations, and other information related to virtual  
13 learning.

14           (iii) Promote and distribute the most current instructional  
15 design standards and guidelines for virtual teaching.

16           (iv) In collaboration with the department and interested  
17 colleges and universities in this state, support implementation and  
18 improvements related to effective virtual learning instruction.

19           (v) Pursue public/private partnerships that include districts  
20 to study and implement competency-based technology-rich virtual  
21 learning models.

22           (vi) Create a statewide network of school-based mentors serving  
23 as liaisons between pupils, virtual instructors, parents, and  
24 school staff, as provided by the department or the center, and  
25 provide mentors with research-based training and technical  
26 assistance designed to help more pupils be successful virtual  
27 learners.

28           (vii) Convene focus groups and conduct annual surveys of  
29 teachers, administrators, pupils, parents, and others to identify

1 barriers and opportunities related to virtual learning.

2 (viii) Produce an annual consumer awareness report for schools  
3 and parents about effective virtual education providers and  
4 education delivery models, performance data, cost structures, and  
5 research trends.

6 (ix) Provide an internet-based platform that educators can use  
7 to create student-centric learning tools and resources for sharing  
8 in the state's open educational resource repository and facilitate  
9 a user network that assists educators in using the content creation  
10 platform and state repository for open educational resources. As  
11 part of this initiative, the Michigan Virtual University shall work  
12 collaboratively with districts and intermediate districts to  
13 establish a plan to make available virtual resources that align to  
14 Michigan's K-12 curriculum standards for use by students,  
15 educators, and parents.

16 (x) Create and maintain a public statewide catalog of virtual  
17 learning courses being offered by all public schools and community  
18 colleges in this state. The Michigan Virtual Learning Research  
19 Institute shall identify and develop a list of nationally  
20 recognized best practices for virtual learning and use this list to  
21 support reviews of virtual course vendors, courses, and  
22 instructional practices. The Michigan Virtual Learning Research  
23 Institute shall also provide a mechanism for intermediate districts  
24 to use the identified best practices to review content offered by  
25 constituent districts. The Michigan Virtual Learning Research  
26 Institute shall review the virtual course offerings of the Michigan  
27 Virtual University, and make the results from these reviews  
28 available to the public as part of the statewide catalog. The  
29 Michigan Virtual Learning Research Institute shall ensure that the

1 statewide catalog is made available to the public on the Michigan  
2 Virtual University website and shall allow the ability to link it  
3 to each district's website as provided for in section 21f. The  
4 statewide catalog must also contain all of the following:

5 (A) The number of enrollments in each virtual course in the  
6 immediately preceding school year.

7 (B) The number of enrollments that earned 60% or more of the  
8 total course points for each virtual course in the immediately  
9 preceding school year.

10 (C) The pass rate for each virtual course.

11 (xi) Support registration, payment services, and transcript  
12 functionality for the statewide catalog and train key stakeholders  
13 on how to use new features.

14 (xii) Collaborate with key stakeholders to examine district  
15 level accountability and teacher effectiveness issues related to  
16 virtual learning under section 21f and make findings and  
17 recommendations publicly available.

18 (xiii) Provide a report on the activities of the Michigan  
19 Virtual Learning Research Institute.

20 (3) To further enhance its expertise and leadership in virtual  
21 learning, the Michigan Virtual University shall continue to operate  
22 the Michigan Virtual School as a statewide laboratory and quality  
23 model of instruction by implementing virtual and blended learning  
24 solutions for Michigan schools in accordance with the following  
25 parameters:

26 (a) The Michigan Virtual School must maintain its  
27 accreditation status from recognized national and international  
28 accrediting entities.

29 (b) The Michigan Virtual University shall use no more than



1 \$1,000,000.00 of the amount allocated under this section to  
2 subsidize the cost paid by districts for virtual courses.

3 (c) In providing educators responsible for the teaching of  
4 virtual courses as provided for in this section, the Michigan  
5 Virtual School shall follow the requirements to request and assess,  
6 and the department of state police shall provide, a criminal  
7 history check and criminal records check under sections 1230 and  
8 1230a of the revised school code, MCL 380.1230 and 380.1230a, in  
9 the same manner as if the Michigan Virtual School were a school  
10 district under those sections.

11 (4) From the funds allocated under subsection (1), the  
12 Michigan Virtual University shall allocate up to \$500,000.00 to  
13 support the expansion of new online and blended educator  
14 professional development programs.

15 (5) If the course offerings are included in the statewide  
16 catalog of virtual courses under subsection (2)(b)(x), the Michigan  
17 Virtual School operated by the Michigan Virtual University may  
18 offer virtual course offerings, including, but not limited to, all  
19 of the following:

- 20 (a) Information technology courses.
- 21 (b) College level equivalent courses, as that term is defined  
22 in section 1471 of the revised school code, MCL 380.1471.
- 23 (c) Courses and dual enrollment opportunities.
- 24 (d) Programs and services for at-risk pupils.
- 25 (e) High school equivalency test preparation courses for  
26 adjudicated youth.
- 27 (f) Special interest courses.
- 28 (g) Professional development programs for teachers, school  
29 administrators, other school employees, and school board members.

1           (6) If a home-schooled or nonpublic school student is a  
2 resident of a district that subscribes to services provided by the  
3 Michigan Virtual School, the student may use the services provided  
4 by the Michigan Virtual School to the district without charge to  
5 the student beyond what is charged to a district pupil using the  
6 same services.

7           (7) Not later than December 1 of each fiscal year for which  
8 funding is allocated under this section, the Michigan Virtual  
9 University shall provide a report to the house and senate  
10 appropriations subcommittees on school aid, the state budget  
11 director, the house and senate fiscal agencies, and the department  
12 that includes at least all of the following information related to  
13 the Michigan Virtual School for the preceding fiscal year:

14           (a) A list of the districts served by the Michigan Virtual  
15 School.

16           (b) A list of virtual course titles available to districts.

17           (c) The total number of virtual course enrollments and  
18 information on registrations and completions by course.

19           (d) The overall course completion rate percentage.

20           (8) In addition to the information listed in subsection (7),  
21 the report under subsection (7) must also include a plan to serve  
22 at least 600 schools with courses from the Michigan Virtual School  
23 or with content available through the internet-based platform  
24 identified in subsection (2) (b) (ix).

25           (9) The governor may appoint an advisory group for the  
26 Michigan Virtual Learning Research Institute established under  
27 subsection (2). The members of the advisory group serve at the  
28 pleasure of the governor and without compensation. The purpose of  
29 the advisory group is to make recommendations to the governor, the

1 legislature, and the president and board of the Michigan Virtual  
2 University that will accelerate innovation in this state's  
3 education system in a manner that will prepare elementary and  
4 secondary students to be career and college ready and that will  
5 promote the goal of increasing the percentage of residents of this  
6 state with high-quality degrees and credentials to at least 60% by  
7 2025.

8 (10) Not later than November 1 of each fiscal year for which  
9 funding is allocated under this section, the Michigan Virtual  
10 University shall submit to the house and senate appropriations  
11 subcommittees on school aid, the state budget director, and the  
12 house and senate fiscal agencies a detailed budget for that fiscal  
13 year that includes a breakdown on its projected costs to deliver  
14 virtual educational services to districts and a summary of the  
15 anticipated fees to be paid by districts for those services. Not  
16 later than March 1 each fiscal year for which funding is allocated  
17 under this section, the Michigan Virtual University shall submit to  
18 the house and senate appropriations subcommittees on school aid,  
19 the state budget director, and the house and senate fiscal agencies  
20 a breakdown on its actual costs to deliver virtual educational  
21 services to districts and a summary of the actual fees paid by  
22 districts for those services based on audited financial statements  
23 for the immediately preceding fiscal year.

24 (11) As used in this section:

25 (a) "Blended learning" means a hybrid instructional delivery  
26 model where pupils are provided content, instruction, and  
27 assessment, in part at a supervised educational facility away from  
28 home where the pupil and a teacher with a valid Michigan teaching  
29 certificate are in the same physical location and in part through

1 internet-connected learning environments with some degree of pupil  
2 control over time, location, and pace of instruction.

3 (b) "Cyber school" means a full-time instructional program of  
4 virtual courses for pupils that may or may not require attendance  
5 at a physical school location.

6 (c) "Virtual course" means a course of study that is capable  
7 of generating a credit or a grade and that is provided in an  
8 interactive learning environment in which the majority of the  
9 curriculum is delivered using the internet and in which pupils are  
10 separated from their instructor or teacher of record by time or  
11 location, or both.

12 **Sec. 98d. (1) From the state school aid fund money**  
13 **appropriated under section 11, there is allocated for 2023-2024**  
14 **only an amount not to exceed \$5,000,000.00 to Northern Michigan**  
15 **University to support the MLC as described in this section.**  
16 **Northern Michigan University shall not retain any portion of the**  
17 **funding received under this section for administrative purposes and**  
18 **shall provide funding to support the MLC. All of the following**  
19 **apply to the MLC:**

20 (a) The MLC must expand literacy programming over the air,  
21 online, and in communities that is aligned with this state's pre-K  
22 to 12 educational standards.

23 (b) The MLC shall provide over the air broadcasts 24 hours  
24 each day for 7 days each week of quality instructional content that  
25 is aligned with this state's pre-K to 12 educational standards.  
26 Over-the-air broadcasts as described in this subdivision must be  
27 streamed live and must be archived for on-demand viewing on a  
28 companion website, along with additional learning materials  
29 relevant to lessons.

1 (c) The MLC must be managed and operated by DPTV, and DPTV  
2 shall assume all risk, liability, and responsibility for the MLC in  
3 accordance with regulations by the United States Federal  
4 Communications Commission, PBS broadcast standards, and standard  
5 nonprofit business standards. DPTV shall serve as the fiduciary  
6 agent and service manager for the MLC. The MLC shall originate from  
7 a central operations center that is responsible for providing the  
8 infrastructure, content, and engagement of the MLC in partnership  
9 with this state's educational leadership organizations.

10 (d) The MLC shall require that DPTV provide technology,  
11 funding, staff training, and central management of the MLC to  
12 station partners to insert additional channels into each station's  
13 broadcast streams and to support staffing and engagement as  
14 outlined in a memorandum of understanding among the stations.

15 (e) The MLC shall require that DPTV partner with at least 5  
16 other Michigan public television stations, including, but not  
17 limited to, WKAR, WGVU, WDCQ, WCMU, and WNMU, to deliver the over-  
18 the-air MLC broadcasts described in this section and to support  
19 engagement with local educators. Stations described in this  
20 subdivision must be able to use the infrastructure provided by the  
21 MLC to develop their own local content that best serves their  
22 communities.

23 (f) The MLC shall not use the funds received from Northern  
24 Michigan University under this section in support of the MLC for  
25 any purposes fully funded by the governor's emergency education  
26 relief fund grant.

27 (2) Not later than February 1, 2024, the MLC shall provide a  
28 report to the house and senate appropriations subcommittees  
29 responsible for school aid, the house and senate fiscal agencies,

1 and the state budget director detailing the MLC's compliance with  
2 ensuring that conditions listed under subsection (1) were met.

3 (3) Notwithstanding section 17b, the department shall make  
4 payments under this section not later than December 1, 2023.

5 (4) As used in this section:

6 (a) "DPTV" means Detroit Public Television.

7 (b) "MLC" means the Michigan Learning Channel.

8 Sec. 99a. From the general fund money appropriated in section  
9 11, \$1,000,000.00 is allocated for 2023-2024 to Heroes Circle to  
10 expand programming to aid children with social-emotional learning.

11 Sec. 99b. (1) From the state school aid fund money  
12 appropriated in section 11, there is allocated an amount not to  
13 exceed \$4,000,000.00 for 2023-2024 only to a district to develop  
14 and implement teacher professional development programs for  
15 computer science and computational thinking courses and content.

16 (2) Funding received under subsection (1) may be used only for  
17 the following purposes:

18 (a) High-quality professional learning for K to 12 computer  
19 science content. The costs associated with professional learning as  
20 described in this subdivision include, but are not limited to,  
21 travel to workshops. As used in this subdivision, "high-quality  
22 profession learning" means learning that is sustained, intensive,  
23 collaborative, job embedded, data driven, and classroom focused.

24 (b) Supports for K to 12 computer science professional  
25 learning, including, but not limited to, mentoring and coaching.

26 (c) Creation of resources to support implementation.

27 (d) Professional learning offerings that identify strategies  
28 to include underrepresented groups.

29 (e) Participation in the Strategic CSforALL Resource and

1 Implementation Planning Tool (SCRIPT) process with a trained  
2 facilitator of this state.

3 (3) To be eligible to receive funding under this section, a  
4 district must apply for funding in a form and manner prescribed by  
5 the department. The application must, at a minimum, address how the  
6 district will do all of the following:

7 (a) Reach new and existing teachers with little to no computer  
8 science background.

9 (b) Use research- or evidence-based practices for high-quality  
10 professional development.

11 (c) Focus the professional learning on the mastery of all  
12 areas of computer science standards as approved by the state board  
13 of education in 2019.

14 (d) Reach and support marginalized racial and ethnic groups  
15 underrepresented in computer science.

16 (e) Provide teachers with concrete experience with hands-on,  
17 inquiry-based practices.

18 (f) Accommodate the particular teacher and student needs in  
19 each district and school.

20 (g) Ensure that participating districts shall begin offering  
21 the courses or content within the same or next school year after  
22 the teacher receives the professional learning.

23 (h) Commit to completing the SCRIPT process.

24 (4) The funds allocated under this section for 2023-2024 are a  
25 work project appropriation, and any unexpended funds for 2023-2024  
26 are carried forward into 2024-2025. The purpose of the work project  
27 is to continue to support computer science implementation. The  
28 estimated completion date of the work project is September 30,  
29 2025.

1 (5) A district that receives funding under this section shall  
2 submit a report to the department by June 30, 2024. The report must  
3 include all of the following:

4 (a) The number of teachers prepared.

5 (b) Students reached, including the number and percentage of  
6 students reached disaggregated by gender, race, ethnicity, and  
7 socioeconomic status.

8 (c) The number and percentage of students with passing AP exam  
9 scores for high school AP courses, by gender, race, and ethnicity,  
10 once that data is available.

11 (d) The number of teachers that started implementing computer  
12 science compared to the number of prepared teachers that attended  
13 professional learning.

14 (e) The number of elementary students who are provided  
15 integrated computer science opportunities.

16 (f) Progress in building a systematic K-12 computer science  
17 plan using the SCRIPT rubric.

18 (g) Any agreements to provide preassessments and  
19 postassessments of teacher readiness for teaching computational  
20 thinking and computer science and any data related to those  
21 assessments.

22 (6) The department shall make the report submitted under  
23 subsection (5) available on a publicly accessible website.

24 Sec. 99c. From the general fund money appropriated in section  
25 11, \$1,000,000.00 is allocated for 2023-2024 only to the Autism  
26 Alliance of Michigan to support the Special Education Coalition, as  
27 organized by the Autism Alliance of Michigan, through the promotion  
28 of pertinent legislative action, the fostering of inclusive  
29 community services, and the encouragement of inter- and intra-



1 agency collaboration to improve access to educational  
2 opportunities, experiences, and outcomes for students in this  
3 state.

4 Sec. 99d. From the state school aid fund money appropriated in  
5 section 11, there is allocated \$10,000,000.00 for 2023-2024 only to  
6 districts to do both of the following:

7 (a) Develop and implement plans for professional learning  
8 concerning the teaching of the fullness of American history,  
9 including, but not limited to, the teaching of the history of  
10 communities of color and other marginalized communities and  
11 teaching cultural competency.

12 (b) Purchase books and other educational resources for  
13 educators and students to support the goal of teaching every middle  
14 school and high school student American history that reflects the  
15 diversity of this state, including, but not limited to, the  
16 teaching of the history of communities of color and other  
17 marginalized communities.

18 Sec. 99e. (1) From the state school aid fund money  
19 appropriated in section 11, there is allocated \$2,000,000.00 for  
20 2023-2024 only for districts to partner with an eligible nonprofit  
21 organization to support delivery of high-dosage neighborhood-based  
22 tutoring and direct noninstructional services for at-risk pupils  
23 who are 3 to 12 years of age. Funding under this section is  
24 intended to ensure all of the following:

25 (a) That pupils are proficient in English language arts by the  
26 end of grade 3.

27 (b) That pupils are proficient in mathematics by the end of  
28 grade 8.

29 (c) That all participants are kindergarten ready, and that

1 pupils are prepared to attend school regularly.

2 (2) Funding under this section is intended to support  
3 communities in meeting service gaps for children who are unable to  
4 access 21st Century Community Learning Centers programs due to  
5 transportation barriers.

6 (3) Recipients under this section must forward an amount equal  
7 to the amount awarded under this section to contract with an  
8 eligible nonprofit organization. A nonprofit organization is  
9 eligible under this section if it meets all of the following:

10 (a) It operates in Detroit.

11 (b) It employs a community model that includes all of the  
12 following:

13 (i) Evaluation of a kid success-ready neighborhood.

14 (ii) Invitation of community input.

15 (iii) Renovation of a house in the neighborhood.

16 (iv) Holding goal-setting meetings with the family of each  
17 participating child.

18 (v) Partnership with organizations to collect data and  
19 facilitate a rigorous evaluation.

20 (c) It has the capacity to show evidence of improvements.

21 (d) It has systems to support early learning and K-3 school  
22 referrals.

23 (e) It has an understanding of assessments and growth measures  
24 used in this state.

25 (4) Funding under this section must be spent on staffing to  
26 support delivery of support and wraparound services. Funding must  
27 not supplant early learning or K-3 program staff.

28 (5) As used in this section, "at-risk pupil" means that term  
29 as defined under section 31a.

1           Sec. 99f. (1) From the state school aid fund money  
2 appropriated in section 11, there is allocated for 2023-2024 only  
3 an amount not to exceed \$4,000,000.00 to compensate an eligible  
4 district for residual costs associated with the collapse of a high  
5 school roof.

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

9           (3) As used in this section, "eligible district" means a  
10 district that demonstrates to the department that a roof collapsed  
11 in June of 2019 at a high school operated by the district.

12           Sec. 99g. (1) From the state school aid fund money  
13 appropriated in section 11, there is allocated \$1,000,000.00 to  
14 districts for the purposes under this section.

15           (2) The department shall award funding under this section to  
16 districts in urban, suburban, and rural areas in this state and  
17 shall award funding as follows:

18           (a) To at least 3 districts that are located in Wayne County  
19 that must include Detroit Public School Community District, 1  
20 suburban district, and 1 rural district.

21           (b) To at least 1 district located in Eaton County.

22           (c) To at least 1 district located in Grand Traverse County.

23           (d) To at least 1 district located in Kent County.

24           (e) To at least 1 district located in Macomb County.

25           (f) To at least 1 district located in Marquette County.

26           (g) After the awards under subdivisions (a) to (f), to  
27 districts across this state to achieve a representative  
28 distribution of urban, suburban, and rural districts.

29           (3) A district that receives funding under this section shall

1 use the funding to provide, upon request from eligible students,  
 2 feminine hygiene products at no cost to eligible students enrolled  
 3 in the district. From the funding allocated under this section,  
 4 each eligible student must receive, at a minimum, 20 tampons or  
 5 menstrual pads each month for the school year.

6 (4) As used in this section:

7 (a) "At-risk pupil" means that term as defined in section 31a.

8 (b) "Eligible student" means a student who is an at-risk  
 9 pupil.

10 Sec. 99h. (1) From the state school aid fund money  
 11 appropriated in section 11, there is allocated an amount not to  
 12 exceed ~~\$5,223,200.00~~ **\$6,000,000.00** for ~~2022-2023~~ **2023-2024** for  
 13 competitive grants to districts and intermediate districts, and  
 14 from the general fund money appropriated in section 11, there is  
 15 allocated \$600,000.00 for ~~2022-2023~~ **2023-2024** for competitive  
 16 grants to nonpublic schools, that provide pupils in grades pre-K to  
 17 12 with expanded opportunities to improve mathematics, science, and  
 18 technology skills by participating in competitions hosted by a  
 19 science and technology development program known as FIRST (for  
 20 inspiration and recognition of science and technology) Robotics,  
 21 including JR FIRST Lego League, FIRST Lego League, FIRST Tech  
 22 challenge, and FIRST Robotics competition, or other competitive  
 23 robotics programs or equipment vendors, including VEX, Square One,  
 24 and those hosted by the Robotics Education and Competition (REC)  
 25 Foundation. ~~It is the intent of the legislature that, for 2023-~~  
 26 ~~2024, the allocation from the state school aid fund money~~  
 27 ~~appropriated in section 11 for purposes described in this section~~  
 28 ~~will be \$4,723,200.00.~~ Programs funded under this section are  
 29 intended to increase the number of pupils demonstrating proficiency

1 in science and mathematics on the state assessments and to increase  
 2 the number of pupils who are college- and career-ready upon high  
 3 school graduation. Notwithstanding section 17b, the department  
 4 shall make grant payments to districts, nonpublic schools, and  
 5 intermediate districts under this section on a schedule determined  
 6 by the department. The department shall set maximum grant awards  
 7 for each different level of programming and competition in a manner  
 8 that both maximizes the number of teams that will be able to  
 9 receive funds and expands the geographical distribution of teams.  
 10 **Districts and intermediate districts that receive funds under this**  
 11 **section must provide relevant student participation information, as**  
 12 **determined by the department, to program and competition providers**  
 13 **described in this section. For a district or intermediate district**  
 14 **to count a program competition provider for purposes of payments**  
 15 **under this section, the program and competition providers must**  
 16 **agree to aggregate data received by districts and intermediate**  
 17 **districts and provide this information to the department in a form**  
 18 **and manner determined by the department.**

19 (2) The department shall do all of the following for purposes  
 20 of this section:

21 (a) Both of the following by not later than 60 days after the  
 22 K to 12 appropriations bill for the current fiscal year is enacted  
 23 into law or October 1 of the current fiscal year, whichever is  
 24 later:

25 (i) Open applications for funding under this section to all  
 26 districts, nonpublic schools, and intermediate districts.

27 (ii) Publish a list of approved programs and vendors for  
 28 purposes of this section in a manner that is accessible to all  
 29 applicants. To obtain approval under this subparagraph, a program

1 or vendor must do both of the following:

2 (A) Submit to the department registration information,  
3 including any fees; pledge that it will post this information on  
4 its website; and, by not later than January 1 ,~~2023,~~ and ~~January 1~~  
5 ~~each year thereafter,~~ **of the current fiscal year,** submit this  
6 information to the department for publication on the department's  
7 website.

8 (B) Pledge that it will not require a payment of any team  
9 described in this section, including, but not limited to,  
10 registration fees, if the team does not receive a grant under this  
11 section.

12 (b) By not later than 30 days after applications are opened as  
13 described in subdivision (a), close applications under this  
14 section.

15 (c) By not later than 60 days after applications are closed as  
16 described in subdivision (b), make all determinations concerning  
17 funding under this section.

18 (d) By not later than July 1 ,~~2023,~~ and ~~by not later than~~  
19 ~~July 1 each year thereafter,~~ **of the current fiscal year,** publish a  
20 document listing the requirements for becoming an approved program  
21 or vendor under subdivision (a).

22 (3) Except as otherwise provided under this subsection, if  
23 funding under this section is insufficient to fulfill all funding  
24 requests by qualified applicants under this section, the department  
25 shall prorate the total funding allocated under this section  
26 equally among all qualified applicants. However, for funding under  
27 this section toward grants under subsection (5) (b), in its  
28 proration under this subsection, the department shall ensure that  
29 each district is paid in an amount equal to the percentage the

1 department would have paid the district in grant funding under  
2 subsection (5) (b), but for proration under this subsection, with no  
3 district receiving a grant under subsection (5) (b) in an amount  
4 that is greater than the district's total accrued costs under  
5 subsection (5) (b).

6 (4) A district, nonpublic school, or intermediate district  
7 applying for a grant under this section must submit an application  
8 in a form and manner prescribed by the department. To be eligible  
9 for a grant, a district, nonpublic school, or intermediate district  
10 must demonstrate in its application that the district, nonpublic  
11 school, or intermediate district has established a partnership for  
12 the purposes of the robotics program with at least 1 sponsor,  
13 business entity, higher education institution, or technical school,  
14 shall submit a spending plan, and shall provide a local in-kind or  
15 cash match from other private or local funds of at least 25% of the  
16 cost of the robotics program award.

17 (5) The department shall distribute the grant funding under  
18 this section for the following purposes:

19 (a) Grants to districts, nonpublic schools, or intermediate  
20 districts to pay for stipends not to exceed \$1,500.00 per building  
21 for coaching.

22 (b) Grants to districts, nonpublic schools, or intermediate  
23 districts for event registrations, materials, travel costs, and  
24 other expenses associated with the preparation for and attendance  
25 at robotics events and competitions. **Expenses are allowable for up  
26 to 10 teams per building.**

27 (c) Grants to districts, nonpublic schools, or intermediate  
28 districts for awards to teams that advance to the next levels of  
29 competition as determined by the department. The department shall

1 determine an equal amount per team for those teams that advance.

2 ~~(6) The funds allocated under this section for 2022-2023 are a~~  
3 ~~work project appropriation, and any unexpended funds for 2022-2023~~  
4 ~~are carried forward into 2023-2024. The purpose of the work project~~  
5 ~~is to continue support of programs under this section. The~~  
6 ~~estimated completion date of the work project is September 30,~~  
7 ~~2024.~~

8 (6) ~~(7)~~—A nonpublic school that receives a grant under this  
9 section may use the funds for either robotics or Science Olympiad  
10 programs.

11 (7) ~~(8)~~—To be eligible to receive funds under this section, a  
12 nonpublic school must be a nonpublic school registered with the  
13 department and must meet all applicable state reporting  
14 requirements for nonpublic schools.

15 (8) ~~(9)~~—For purposes of this section, an approved program or  
16 vendor under this section that provides a program under this  
17 section shall not work with the department to set prices or  
18 policies for the program.

19 (9) ~~(10)~~—As used in this section, "current fiscal year" means  
20 the fiscal year for which an allocation is made under this section.

21 **Sec. 99n. (1) From the state school aid fund money**  
22 **appropriated in section 11, there is allocated for 2023-2024 only**  
23 **an amount not to exceed \$6,000,000.00 to Ingham County Intermediate**  
24 **School District to support the construction of a career technical**  
25 **education center for students enrolled in the constituent**  
26 **districts.**

27 (2) **As used in this section, "constituent district" means that**  
28 **term as defined in section 3 revised school code, MCL 380.3.**

29 **Sec. 99s. (1) From state school aid fund money appropriated**



1 under section 11, there is allocated for ~~2022-2023~~**2023-2024** an  
2 amount not to exceed \$7,634,300.00 for Michigan science,  
3 technology, engineering, and mathematics (MiSTEM) programs. The  
4 MiSTEM network may receive funds from private sources. If the  
5 MiSTEM network receives funds from private sources, the MiSTEM  
6 network shall expend those funds in alignment with the statewide  
7 STEM strategy. Programs funded under this section are intended to  
8 increase the number of pupils demonstrating proficiency in science  
9 and mathematics on the state assessments, to increase the number of  
10 pupils who are college- and career-ready upon high school  
11 graduation, and to promote certificate and degree attainment in  
12 STEM fields. Notwithstanding section 17b, the department shall make  
13 payments under this section on a schedule determined by the  
14 department.

15 (2) The MiSTEM council annually shall review and make  
16 recommendations to the governor, the legislature, and the  
17 department concerning changes to the statewide strategy adopted by  
18 the council for delivering STEM education-related opportunities to  
19 pupils. The MiSTEM council shall use funds received under this  
20 subsection to ensure that its members or their designees are  
21 trained in the Change the Equation STEMworks rating system program  
22 for the purpose of rating STEM programs.

23 (3) The MiSTEM council shall make specific funding  
24 recommendations for the funds allocated under subsection (4) by  
25 December 15 of each fiscal year. Each specific funding  
26 recommendation must be for a program approved by the MiSTEM  
27 council. All of the following apply:

28 (a) To be eligible for MiSTEM council approval as described in  
29 this subsection, a program must satisfy all of the following:

1 (i) Align with this state's academic standards.

2 (ii) Have STEMworks certification.

3 (iii) Provide project-based experiential learning, student  
4 programming, or educator professional learning experiences.

5 (iv) Focus predominantly on classroom-based STEM experiences or  
6 professional learning experiences.

7 (b) The MiSTEM council shall approve programs that represent  
8 all network regions and include a diverse array of options for  
9 students and educators and at least 1 program in each of the  
10 following areas:

11 (i) Robotics.

12 (ii) Computer science or coding.

13 (iii) Engineering or bioscience.

14 (c) The MiSTEM council is encouraged to work with the MiSTEM  
15 network to develop locally and regionally developed programs and  
16 professional learning experiences for the programs on the list of  
17 approved programs.

18 (d) If the MiSTEM council is unable to make specific funding  
19 recommendations by December 15 of a fiscal year, the department  
20 shall award and distribute the funds allocated under subsection (4)  
21 on a competitive grant basis that at least follows the statewide  
22 STEM strategy plan and rating system recommended by the MiSTEM  
23 council. Each grant must provide STEM education-related  
24 opportunities for pupils.

25 (e) The MiSTEM council shall work with the department of labor  
26 and economic opportunity to implement the statewide STEM strategy  
27 adopted by the MiSTEM council.

28 (4) From the state school aid fund money allocated under  
29 subsection (1), there is allocated for ~~2022-2023~~**2023-2024** an

1 amount not to exceed \$3,050,000.00 for the purpose of funding  
 2 programs under this section for ~~2022-2023~~**2023-2024** as recommended  
 3 by the MiSTEM council.

4 (5) From the state school aid fund money allocated under  
 5 subsection (1), there is allocated an amount not to exceed  
 6 \$3,834,300.00 for ~~2022-2023~~**2023-2024** to support the activities and  
 7 programs of the MiSTEM network regions. From the money allocated  
 8 under this subsection, the department shall award the fiscal agent  
 9 for each MiSTEM network region \$200,000.00 for the base operations  
 10 of each region. The department shall distribute the remaining funds  
 11 to each fiscal agent in an equal amount per pupil, based on the  
 12 number of K to 12 pupils enrolled in districts within each region  
 13 in the immediately preceding fiscal year.

14 (6) A MiSTEM network region shall do all of the following:

15 (a) Collaborate with the career and educational advisory  
 16 council that is located in the MiSTEM region to develop a regional  
 17 strategic plan for STEM education that creates a robust regional  
 18 STEM culture, that empowers STEM teachers, that integrates business  
 19 and education into the STEM network, and that ensures high-quality  
 20 STEM experiences for pupils. At a minimum, a regional STEM  
 21 strategic plan should do all of the following:

22 (i) Identify regional employer need for STEM.

23 (ii) Identify processes for regional employers and educators to  
 24 create guided pathways for STEM careers that include internships or  
 25 externships, apprenticeships, and other experiential engagements  
 26 for pupils.

27 (iii) Identify educator professional learning opportunities,  
 28 including internships or externships and apprenticeships, that  
 29 integrate this state's science standards into high-quality STEM

1 experiences that engage pupils.

2 (b) Facilitate regional STEM events such as educator and  
3 employer networking and STEM career fairs to raise STEM awareness.

4 (c) Contribute to the MiSTEM website and engage in other  
5 MiSTEM network functions to further the mission of STEM in this  
6 state in coordination with the MiSTEM council and the department of  
7 labor and economic opportunity.

8 (d) Facilitate application and implementation of state and  
9 federal funds under this subsection and any other grants or funds  
10 for the MiSTEM network region.

11 (e) Work with districts to provide STEM programming and  
12 professional learning.

13 (f) Coordinate recurring discussions and work with the career  
14 and educational advisory council to ensure that feedback and best  
15 practices are being shared, including funding, program,  
16 professional learning opportunities, and regional strategic plans.

17 (7) From the state school aid fund money allocated under  
18 subsection (1), the department shall distribute for ~~2022-2023-2023-~~  
19 **2024** an amount not to exceed \$750,000.00, in a form and manner  
20 determined by the department, to those network regions able to  
21 further the statewide STEM strategy recommended by the MiSTEM  
22 council.

23 (8) In order to receive state or federal funds under  
24 subsection (5) or (7), or to receive funds from private sources as  
25 authorized under subsection (1), a grant recipient must allow  
26 access for the department or the department's designee to audit all  
27 records related to the program for which it receives those funds.  
28 The grant recipient shall reimburse the state for all disallowances  
29 found in the audit.

1           (9) In order to receive state funds under subsection (5) or  
2 (7), a grant recipient must provide at least a 10% local match from  
3 local public or private resources for the funds received under this  
4 subsection.

5           (10) Not later than July 1 of each fiscal year for which  
6 funding is allocated under this section, a MiSTEM network region  
7 that receives funds under subsection (5) shall report to the  
8 executive director of the MiSTEM network in a form and manner  
9 prescribed by the executive director on performance measures  
10 developed by the MiSTEM network regions and approved by the  
11 executive director. The performance measures must be designed to  
12 ensure that the activities of the MiSTEM network are improving  
13 student academic outcomes.

14           (11) Not more than 5% of a MiSTEM network region grant under  
15 subsection (5) or (7) may be retained by a fiscal agent for serving  
16 as the fiscal agent of a MiSTEM network region.

17           (12) As used in this section:

18           (a) "Career and educational advisory council" means an  
19 advisory council to the local workforce development boards located  
20 in a prosperity region consisting of educational, employer, labor,  
21 and parent representatives.

22           (b) "DED" means the United States Department of Education.

23           (c) "DED-OESE" means the DED Office of Elementary and  
24 Secondary Education.

25           (d) "MiSTEM Council" means the Michigan Science, Technology,  
26 Engineering, and Mathematics Education Advisory Council created as  
27 an advisory body within the department of labor and economic  
28 opportunity by Executive Reorganization Order No. 2019-3, MCL  
29 125.1998.

1 (e) "STEM" means science, technology, engineering, and  
2 mathematics delivered in an integrated fashion using cross-  
3 disciplinary learning experiences that can include language arts,  
4 performing and fine arts, and career and technical education.

5 Sec. 99t. (1) From the general fund appropriation under  
6 section 11, there is allocated an amount not to exceed  
7 ~~\$3,000,000.00~~ **\$100.00** for ~~2022-2023~~ **2023-2024** only to purchase  
8 statewide access to an online algebra tool that meets all of the  
9 following:

10 (a) Provides students statewide with complete access to videos  
11 aligned with state standards including study guides and workbooks  
12 that are aligned with the videos.

13 (b) Provides students statewide with access to a personalized  
14 online algebra learning tool including adaptive diagnostics.

15 (c) Provides students statewide with dynamic algebra practice  
16 assessments that emulate the state assessment with immediate  
17 feedback and help solving problems.

18 (d) Provides students statewide with online access to algebra  
19 help 24 hours a day and 7 days a week from study experts, teachers,  
20 and peers on a moderated social networking platform.

21 (e) Provides an online algebra professional development  
22 network for teachers.

23 (f) Is already provided under a statewide contract in at least  
24 1 other state that has a population of at least 18,000,000 but not  
25 more than 19,000,000 according to the most recent decennial census  
26 and is offered in that state in partnership with a public  
27 university.

28 (2) The department shall purchase the online algebra tool that  
29 was chosen under this section in 2016-2017.

1 (3) A grantee receiving funding under this section shall  
2 comply with the requirements of section 19b.

3 Sec. 99u. (1) From the general fund money appropriated under  
4 section 11, there is allocated for ~~2022-2023~~**2023-2024** only an  
5 amount not to exceed ~~\$6,000,000.00~~**\$100.00** to a provider that is a  
6 provider of both of the following:

7 (a) An online mathematics tool that meets all of the  
8 following:

9 (i) Provides students statewide with complete access to  
10 mathematics support aligned with state standards through a program  
11 that has all of the following elements:

12 (A) Student motivation.

13 (B) Valid and reliable assessments.

14 (C) Personalized learning pathways.

15 (D) Highly qualified, live teachers available all day and all  
16 year.

17 (E) Twenty-four-hour reporting.

18 (F) Content built for rigorous mathematics.

19 (ii) Has a record of improving student mathematics scores in at  
20 least 5 other states.

21 (iii) Received funding under this section in 2017-2018.

22 (b) A program that provides explicit, targeted literacy  
23 instruction within an individualized learning path that continually  
24 adjusts to a pupil's needs. A program described in this subdivision  
25 that is funded under this subsection must be funded through a grant  
26 to a provider described in this subsection that also promotes  
27 literacy through the teaching of critical language and literacy  
28 concepts, such as reading and listening comprehension, basic  
29 vocabulary, academic language, grammar, phonological awareness,

1 phonics, and fluency.

2 (2) A grantee that receives funding under this section shall  
3 comply with the requirements of section 19b.

4 (3) Notwithstanding section 17b, the department shall make  
5 payments under this section by not later than December 1 of each  
6 fiscal year for which funding is allocated under this section.

7 Sec. 99x. (1) From the ~~federal funding~~ **general fund money**  
8 appropriated under section 11, there is allocated for ~~2022-2023~~  
9 **2023-2024** only an amount not to exceed ~~\$20,000,000.00 from the~~  
10 ~~federal funding awarded to this state from the coronavirus state~~  
11 ~~fiscal recovery fund under the American rescue plan act of 2021,~~  
12 ~~title IX, subtitle M of Public Law 117-2, \$1,000,000.00 for,~~  
13 subject to subsection (2), Teach for America to lead and support  
14 teacher recruitment, training, development, and retention efforts  
15 for high-performing educators in at-risk schools in this state,  
16 which includes, but is not limited to, the operation of educator  
17 fellowship programs in at least 3 regions in this state, including  
18 rural regions; the provision of support to educator-led innovation  
19 in this state; and investment in a broad educator workforce  
20 campaign to recruit and retain high-performing educators and  
21 educator candidates in this state.

22 (2) Teach for America must have recruited or invested in the  
23 retention and development of 100 teachers in this state in  
24 fulfilling the purposes under subsection (1) since December 15,  
25 2021 to be eligible for the first \$10,000,000.00 of the funding  
26 allocated under this section. Teach for America must have recruited  
27 or invested in the retention and development of a total of 450  
28 teachers in this state in fulfilling the purposes under subsection  
29 (1) since December 15, 2021 to be eligible for the remaining



1 \$10,000,000.00 of the funding allocated under this section.

2 (3) Teach for America shall engage with an external evaluator  
3 and produce semi-annual reports to the legislature that provide  
4 information concerning the recruitment, development, and retention  
5 of high-performing educators that can be scaled or shared with  
6 other similar programs.

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

10 (5) The department shall not make payments under this section  
11 on a reimbursement basis.

12 (6) The funds allocated under this section for 2022-2023 are a  
13 work project appropriation, and any unexpended funds for 2022-2023  
14 are carried forward into 2023-2024. The purpose of the work project  
15 is to continue to provide support to Teach for America as  
16 prescribed in this section. The estimated completion date of the  
17 work project is December 31, 2026.

18 ~~(7) The federal funding allocated under this section is~~  
19 ~~intended to respond to the COVID-19 public health emergency and its~~  
20 ~~negative impacts.~~

21 Sec. 99ee. (1) From the ~~general~~ **state school aid** fund money  
22 appropriated in section 11, there is allocated an amount not to  
23 exceed ~~\$1,500,000.00~~ **\$6,500,000.00** for ~~2022-2023~~ **2023-2024** only to  
24 **districts** for the provision of programming, ~~at~~ **in partnership with**  
25 a nonprofit **organization** that ~~teaches, mentors, and supports~~  
26 ~~academically ambitious first-generation Hispanic high school and~~  
27 ~~college students in under-resourced Hispanic communities in this~~  
28 ~~state.~~ **Is tax-exempt under section 501(c)(3) of the internal**  
29 **revenue code of 1986, 26 USC 501, and that provides academic and**

1 career support programs and services, to help more Hispanic  
 2 students to graduate from college. A ~~recipient of district that~~  
 3 receives funds under this section must ~~have contract with a~~  
 4 nonprofit organization for purposes of this section that received  
 5 state funds for ~~this purpose~~ purposes described in this section in  
 6 the immediately preceding fiscal year.

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

10 Sec. 99ff. (1) From the state school aid fund money  
 11 appropriated in section 11, \$6,200,000.00 is allocated for 2023-  
 12 2024 only to Wayne State University Law School's Levin Center for  
 13 Oversight and Democracy for the provision of advocacy for  
 14 bipartisan oversight and the teaching of critical thinking and ways  
 15 in which students can engage with individuals with whom they  
 16 disagree.

17 (2) The funds allocated under this section for 2023-2024 are a  
 18 work project appropriation, and any unexpended funds for 2023-2024  
 19 are carried forward into 2024-2025. The purpose of the work project  
 20 is to continue supporting the Levin Center for Oversight and  
 21 Democracy as described in this section. The estimated completion  
 22 date of the work project is September 30, 2028.

23 Sec. 99gg. From the state school aid fund money appropriated  
 24 in section 11, there is allocated \$15,000,000.00 for 2023-2024 only  
 25 to Detroit Public Schools Community District as provided in this  
 26 section. With the funding allocated under this section, Detroit  
 27 Public Schools Community District shall partner with 1 community-  
 28 based organization that provides before- and after-school programs  
 29 for children in southeast Michigan to expand locations where that

1 organization can offer programming.

2 Sec. 99hh. From the state school aid fund money appropriated  
3 in section 11, \$500,000.00 is allocated to Eastpointe Community  
4 Schools for the construction of a swimming pool.

5 Sec. 99ii. (1) From the state school aid fund money  
6 appropriated in section 11, there is allocated for 2023-2024 only  
7 \$300,000.00 to Wayne-Westland Community School District for the  
8 purposes under this section.

9 (2) Wayne-Westland Community School District shall establish a  
10 pilot grant program for K to 12 eligible students to attend  
11 driver's training programs. The department shall establish and  
12 provide to Wayne-Westland Community School District guidelines  
13 concerning the pilot grant program described in this section.

14 (3) Wayne-Westland Community School District shall issue a  
15 report to the department, on an annual basis, that provides the  
16 number of students eligible for a grant under this section, how  
17 many students have attended and successfully completed a driver's  
18 training program described in this section, and the average cost,  
19 per student, of participation in a driver's training program  
20 described in this section.

21 (4) The department shall create a report that summarizes the  
22 success of the program established under subsection (2) and publish  
23 that report on its public website.

24 (5) The funds allocated under this section for 2023-2024 are a  
25 work project appropriation, and any unexpended funds for 2023-2024  
26 are carried forward into 2024-2025. The purpose of the work project  
27 is to support the pilot program described in this section for the  
28 provision of grants to students to attend driver's training  
29 programs. The estimated completion date of the work project is

1 September 30, 2026.

2 (6) As used in this section, "eligible student" means a  
3 student to whom both of the following apply:

4 (a) Lives in a household that has an income at or below 180%  
5 of the federal poverty guidelines. As used in this subdivision,  
6 "federal poverty guidelines" means that term as used in section  
7 32d.

8 (b) Is enrolled in either of the following districts:

9 (i) Wayne-Westland Community School District.

10 (ii) A district contiguous to Wayne-Westland Community School  
11 District.

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

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

15 (2) To be eligible to receive state aid under this article,  
16 not later than the twenty-fourth Wednesday after the pupil  
17 membership count day and not later than the twenty-fourth Wednesday  
18 after the supplemental count day, an intermediate district shall  
19 submit to the center, in a form and manner prescribed by the  
20 center, the audited enrollment and attendance data as described in  
21 subsection (1) for the pupils of its constituent districts and of  
22 the intermediate district. If an intermediate district fails to  
23 submit the audited data as required under this subsection, the  
24 department shall withhold state aid due to be distributed under  
25 this article from the defaulting intermediate district immediately,  
26 beginning with the next payment after the failure and continuing  
27 with each payment until the intermediate district complies with  
28 this subsection. If an intermediate district does not comply with  
29 this subsection by the end of the fiscal year, the intermediate

1 district forfeits the amount withheld.

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

4 (a) Except as otherwise provided in this section, each  
5 district shall provide at least 1,098 hours and 180 days of pupil  
6 instruction. If a collective bargaining agreement that provides a  
7 complete school calendar was in effect for employees of a district  
8 as of June 24, 2014, and if that school calendar is not in  
9 compliance with this subdivision, then this subdivision does not  
10 apply to that district until after the expiration of that  
11 collective bargaining agreement. A district may apply for a waiver  
12 under subsection (9) from the requirements of this subdivision.

13 (b) Except as otherwise provided in this article, a district  
14 failing to comply with the required minimum hours and days of pupil  
15 instruction under this subsection forfeits from its total state aid  
16 allocation an amount determined by applying a ratio of the number  
17 of hours or days the district was in noncompliance in relation to  
18 the required minimum number of hours and days under this  
19 subsection. Not later than the first business day in August, the  
20 board of each district shall either certify to the department that  
21 the district was in full compliance with this section regarding the  
22 number of hours and days of pupil instruction in the previous  
23 school year, or report to the department, in a form and manner  
24 prescribed by the center, each instance of noncompliance. If the  
25 district did not provide at least the required minimum number of  
26 hours and days of pupil instruction under this subsection, the  
27 department shall make the deduction of state aid in the following  
28 fiscal year from the first payment of state school aid. A district  
29 is not subject to forfeiture of funds under this subsection for a

1 fiscal year in which a forfeiture was already imposed under  
2 subsection (6).

3 (c) Hours or days lost because of strikes or teachers'  
4 conferences are not counted as hours or days of pupil instruction.

5 (d) Except as otherwise provided in subdivisions (e) and (f),  
6 if a district does not have at least 75% of the district's  
7 membership in attendance on any day of pupil instruction, the  
8 department shall pay the district state aid in that proportion of  
9  $1/180$  that the actual percent of attendance bears to 75%.

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

26 (f) At the request of a district that operates a department-  
27 approved alternative education program and that does not provide  
28 instruction for pupils in all of grades K to 12, the superintendent  
29 shall grant a waiver from the requirements of subdivision (d). The

1 waiver must provide that an eligible district is subject to the  
2 proration provisions of subdivision (d) only if the district does  
3 not have at least 50% of the district's membership in attendance on  
4 any day of pupil instruction. In order to be eligible for this  
5 waiver, a district must maintain records to substantiate its  
6 compliance with the following requirements:

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

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

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

15 (g) All of the following apply to a waiver granted under  
16 subdivision (f):

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

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

29 (iii) A waiver that is not a waiver described in subparagraph



1 (i) or (ii) is valid for 3 fiscal years, unless it is revoked by the  
2 superintendent, and must be renewed at the end of the 3-year period  
3 to remain in effect.

4 (h) The superintendent shall promulgate rules for the  
5 implementation of this subsection.

6 (4) **All of the following apply to the counting of days and**  
7 **hours of pupil instruction under this section:**

8 (a) Except as otherwise provided in this subsection, the first  
9 6 days or the equivalent number of hours for which pupil  
10 instruction is not provided because of conditions not within the  
11 control of school authorities, such as severe storms, fires,  
12 epidemics, utility power unavailability, water or sewer failure, or  
13 health conditions as defined by the city, county, or state health  
14 authorities, are counted as hours and days of pupil instruction.

15 (b) With the approval of the superintendent of public  
16 instruction, the department shall count as hours and days of pupil  
17 instruction for a fiscal year not more than 3 additional days or  
18 the equivalent number of additional hours for which pupil  
19 instruction is not provided in a district due to unusual and  
20 extenuating occurrences resulting from conditions not within the  
21 control of school authorities such as those conditions described in  
22 this subsection. ~~Subsequent such hours or days are not counted as~~  
23 ~~hours or days of pupil instruction.~~

24 (c) **A district that counts hours or days of professional**  
25 **development for teachers as hours or days of pupil instruction, as**  
26 **provided under subsection (10), is eligible to have additional**  
27 **hours or days counted as hours and days of pupil instruction as**  
28 **provided under subdivision (b) to the same extent as a district**  
29 **that does not count hours or days of professional development for**

1 teachers as hours or days of pupil instruction.

2 (d) In deciding whether or not to approve the counting of  
3 additional hours or days of pupil instruction under subdivision (b)  
4 for a district, the superintendent of public instruction shall not  
5 take into account whether or not the district counts hours or days  
6 of professional development for teachers as hours or days of pupil  
7 instruction, as provided under subsection (10).

8 (e) Subsequent hours or days beyond those described in  
9 subdivisions (a) and (b) are not counted as hours or days of pupil  
10 instruction.

11 (5) A district does not forfeit part of its state aid  
12 appropriation because it adopts or has in existence an alternative  
13 scheduling program for pupils in kindergarten if the program  
14 provides at least the number of hours required under subsection (3)  
15 for a full-time equated membership for a pupil in kindergarten as  
16 provided under section 6(4).

17 (6) In addition to any other penalty or forfeiture under this  
18 section, if at any time the department determines that 1 or more of  
19 the following have occurred in a district, the district forfeits in  
20 the current fiscal year beginning in the next payment to be  
21 calculated by the department a proportion of the funds due to the  
22 district under this article that is equal to the proportion below  
23 the required minimum number of hours and days of pupil instruction  
24 under subsection (3), as specified in the following:

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

29 (b) The board of the district takes formal action not to

1 operate its schools for at least the required minimum number of  
2 hours and days of pupil instruction under subsection (3) in a  
3 school year, including hours and days counted under subsection (4).

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

8 (a) Except as otherwise provided in this subsection, a pupil  
9 must be scheduled for at least the required minimum number of hours  
10 of instruction, excluding study halls, or at least the sum of 90  
11 hours plus the required minimum number of hours of instruction,  
12 including up to 2 study halls.

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

16 (c) Except as otherwise provided in this subdivision, a pupil  
17 in grades 9 to 12 for whom a reduced schedule is determined to be  
18 in the individual pupil's best educational interest must be  
19 scheduled for a number of hours equal to at least 80% of the  
20 required minimum number of hours of pupil instruction to be  
21 considered a full-time equivalent pupil. A pupil in grades 9 to 12  
22 who is scheduled in a 4-block schedule may receive a reduced  
23 schedule under this subsection if the pupil is scheduled for a  
24 number of hours equal to at least 75% of the required minimum  
25 number of hours of pupil instruction to be considered a full-time  
26 equivalent pupil.

27 (d) If a pupil in grades 9 to 12 who is enrolled in a  
28 cooperative education program or a special education pupil cannot  
29 receive the required minimum number of hours of pupil instruction

1 solely because of travel time between instructional sites during  
2 the school day, that travel time, up to a maximum of 3 hours per  
3 school week, is considered to be pupil instruction time for the  
4 purpose of determining whether the pupil is receiving the required  
5 minimum number of hours of pupil instruction. However, if a  
6 district demonstrates to the satisfaction of the department that  
7 the travel time limitation under this subdivision would create  
8 undue costs or hardship to the district, the department may  
9 consider more travel time to be pupil instruction time for this  
10 purpose.

11 (e) In grades 7 through 12, instructional time that is part of  
12 a Junior Reserve Officer Training Corps (JROTC) program is  
13 considered to be pupil instruction time regardless of whether the  
14 instructor is a certificated teacher if all of the following are  
15 met:

16 (i) The instructor has met all of the requirements established  
17 by the United States Department of Defense and the applicable  
18 branch of the armed services for serving as an instructor in the  
19 Junior Reserve Officer Training Corps program.

20 (ii) The board of the district or intermediate district  
21 employing or assigning the instructor complies with the  
22 requirements of sections 1230 and 1230a of the revised school code,  
23 MCL 380.1230 and 380.1230a, with respect to the instructor to the  
24 same extent as if employing the instructor as a regular classroom  
25 teacher.

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

29 (9) Upon application by the district for a particular fiscal

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

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

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

29 (c) A waiver that is not a waiver described in subdivision (a)

1 or (b) is valid for 3 fiscal years, unless it is revoked by the  
2 superintendent, and must be renewed at the end of the 3-year period  
3 to remain in effect.

4 (10) A district may count up to 38 hours of professional  
5 development for teachers as hours of pupil instruction. All of the  
6 following apply to the counting of professional development as  
7 pupil instruction under this subsection:

8 (a) If the professional development exceeds 5 hours in a  
9 single day, that day may be counted as a day of pupil instruction.

10 (b) At least 8 hours of the professional development counted  
11 as hours of pupil instruction under this subsection must be  
12 recommended by a districtwide professional development advisory  
13 committee appointed by the district board. The advisory committee  
14 must be composed of teachers employed by the district who represent  
15 a variety of grades and subject matter specializations, including  
16 special education; nonteaching staff; parents; and administrators.  
17 The majority membership of the committee must be composed of  
18 teaching staff.

19 (c) Professional development provided online is allowable and  
20 encouraged, as long as the instruction has been approved by the  
21 district. The department shall issue a list of approved online  
22 professional development providers that must include the Michigan  
23 Virtual School.

24 (d) Professional development may only be counted as hours of  
25 pupil instruction under this subsection for the pupils of those  
26 teachers scheduled to participate in the professional development.

27 (e) The professional development must meet all of the  
28 following to be counted as pupil instruction under this subsection:

29 (i) Be aligned to the school or district improvement plan for

1 the school or district in which the professional development is  
2 being provided.

3 (ii) Be linked to 1 or more criteria in the evaluation tool  
4 developed or adopted by the district or intermediate district under  
5 section 1249 of the revised school code, MCL 380.1249.

6 (iii) Has been approved by the department as counting for state  
7 continuing education clock hours. The number of hours of  
8 professional development counted as hours of pupil instruction  
9 under this subsection may not exceed the number of state continuing  
10 education clock hours for which the professional development was  
11 approved.

12 (iv) Not more than a combined total of 10 hours of the  
13 professional development takes place before the first scheduled day  
14 of school for the school year ending in the fiscal year and after  
15 the last scheduled day of school for that school year.

16 (v) Not more than 10 hours of the professional development  
17 takes place in a single month.

18 (vi) At least 75% of teachers scheduled to participate in the  
19 professional development are in attendance.

20 (11) Subsections (3) and (8) do not apply to a school of  
21 excellence that is a cyber school, as that term is defined in  
22 section 551 of the revised school code, MCL 380.551, and is in  
23 compliance with section 553a of the revised school code, MCL  
24 380.553a. Beginning July 1, 2021, this subsection is subject to  
25 section 8c. It is the intent of the legislature that the  
26 immediately preceding sentence apply retroactively and is effective  
27 July 1, 2021.

28 (12) Subsections (3) and (8) do not apply to eligible pupils  
29 enrolled in a dropout recovery program that meets the requirements

1 of section 23a. As used in this subsection, "eligible pupil" means  
2 that term as defined in section 23a.

3 (13) At least every 2 years the superintendent shall review  
4 the waiver standards set forth in the pupil accounting and auditing  
5 manuals to ensure that the waiver standards and waiver process  
6 continue to be appropriate and responsive to changing trends in  
7 online learning. The superintendent shall solicit and consider  
8 input from stakeholders as part of this review.

9 Sec. 104. (1) In order to receive state aid under this  
10 article, a district shall comply with sections 1249, 1278a, 1278b,  
11 1279g, and 1280b of the revised school code, MCL 380.1249,  
12 380.1278a, 380.1278b, 380.1279g, and 380.1280b, and 1970 PA 38, MCL  
13 388.1081 to 388.1086. Subject to subsection (2), from the state  
14 school aid fund money appropriated in section 11, there is  
15 allocated for ~~2022-2023~~**2023-2024** an amount not to exceed  
16 \$37,509,400.00 for payments on behalf of districts for costs  
17 associated with complying with those provisions of law. In  
18 addition, from the federal funds appropriated in section 11, there  
19 is allocated for ~~2022-2023~~**2023-2024** an amount estimated at  
20 \$6,250,000.00 funded from DED-OESE, title VI, state assessment  
21 funds, and from DED-OSERS, part B of the individuals with  
22 disabilities education act, 20 USC 1411 to 1419, plus any carryover  
23 federal funds from previous year appropriations, for the purposes  
24 of complying with the every student succeeds act, Public Law 114-  
25 95.

26 (2) The results of each test administered as part of the  
27 Michigan student test of educational progress (M-STEP), including  
28 tests administered to high school students, must include an item  
29 analysis that lists all items that are counted for individual pupil



1 scores and the percentage of pupils choosing each possible  
2 response. The department shall work with the center to identify the  
3 number of students enrolled at the time assessments are given by  
4 each district. In calculating the percentage of pupils assessed for  
5 a district's scorecard, the department shall use only the number of  
6 pupils enrolled in the district at the time the district  
7 administers the assessments and shall exclude pupils who enroll in  
8 the district after the district administers the assessments.

9 (3) The department shall distribute federal funds allocated  
10 under this section in accordance with federal law and with  
11 flexibility provisions outlined in Public Law 107-116, and in the  
12 education flexibility partnership act of 1999, Public Law 106-25.

13 (4) The department may recommend, but may not require,  
14 districts to allow pupils to use an external keyboard with tablet  
15 devices for online M-STEP testing, including, but not limited to,  
16 open-ended test items such as constructed response or equation  
17 builder items.

18 (5) Notwithstanding section 17b, the department shall make  
19 payments on behalf of districts, intermediate districts, and other  
20 eligible entities under this section on a schedule determined by  
21 the department.

22 (6) From the allocation in subsection (1), there is allocated  
23 an amount not to exceed \$500,000.00 for ~~2022-2023~~**2023-2024** for the  
24 operation of an online reporting tool to provide student-level  
25 assessment data in a secure environment to educators, parents, and  
26 pupils immediately after assessments are scored. The department and  
27 the center shall ensure that any data collected by the online  
28 reporting tool do not provide individually identifiable student  
29 data to the federal government.

1 (7) As used in this section:

2 (a) "DED" means the United States Department of Education.

3 (b) "DED-OESE" means the DED Office of Elementary and  
4 Secondary Education.

5 (c) "DED-OSERS" means the DED Office of Special Education and  
6 Rehabilitative Services.

7 Sec. 104f. (1) From the state school aid fund money  
8 appropriated under section 11, there is allocated an amount not to  
9 exceed ~~\$150,000.00~~ **\$1,200,000.00** to a district for the  
10 implementation of an assessment digital literacy preparation  
11 program for pupils enrolled in grades K to 8 for ~~2022-2023~~ **2023-**  
12 **2024** only. The department shall ensure that a program funded under  
13 this subsection satisfies all of the following:

14 (a) Is available to districts in the ~~2022-2023~~ **2023-2024**  
15 school year.

16 (b) Focuses on ensuring pupils have the necessary skills  
17 required for state online assessments by assessing pupil digital  
18 literacy skill levels and providing teachers with a digital  
19 curriculum targeted at areas of determined weakness.

20 (c) Allows pupils to engage with the digital curriculum in an  
21 independent or teacher-facilitated modality.

22 (d) Includes training and professional development for  
23 teachers.

24 ~~Is implemented in at least 50 districts that operate~~  
25 ~~grades K to 8 and that represent a diverse geography and socio-~~  
26 ~~economic demographic.~~ **Subject to subdivision (f), gives priority to**  
27 **any district serving pupils in grades K to 8 with a free or reduced**  
28 **lunch index of 85% or greater.**

29 (f) Allows districts that participated in 2022-2023 to access

1 **funding even if the district does not meet the criteria under**  
2 **subsection (e).**

3 (2) Funding under subsection (1) must be allocated to a  
4 district that operates at least grades K to 8 and has a partnership  
5 with a third party that is experienced in the assessment of digital  
6 literacy and the preparation of digital literacy skills and has  
7 demonstrable experience serving districts in this state and local  
8 education agencies in 10 other states. The district, along with its  
9 third-party partner, shall provide a report to the house and senate  
10 appropriations subcommittees on school aid and the house and senate  
11 fiscal agencies on the efficacy and usefulness of the assessment  
12 digital literacy preparation program no later than July 1 of each  
13 fiscal year for which funding is allocated under this section.

14 (3) Notwithstanding section 17b, the department shall make  
15 payments under subsection (1) by not later than December 1 of each  
16 fiscal year for which funding is allocated under this section.

17 Sec. 104h. (1) From the state school aid fund money  
18 appropriated under section 11, there is allocated for ~~2021-2022~~  
19 **2023-2024** an amount not to exceed \$11,500,000.00 to districts to  
20 begin implementation of a benchmark assessment system for the ~~2022-~~  
21 ~~2023-2024-2025~~ school year. All of the following apply to the  
22 benchmark assessment system described in this subsection:

23 (a) The system must provide for all of the following:

24 (i) That, within the first 9 weeks of the ~~2022-2023-2024-2025~~  
25 school year, the district shall administer 1 or more benchmark  
26 assessments provided by a provider approved under subsection (6),  
27 benchmark assessments described in subdivision (b), or local  
28 benchmark assessments, or any combination thereof, to all pupils in  
29 grades K to 8 to measure proficiency in reading and mathematics.

1           (ii) That, in addition to the benchmark assessment or benchmark  
 2 assessments administered under subparagraph (i), by not later than  
 3 the last day of the ~~2022-2023~~**2024-2025** school year, the district  
 4 shall administer ~~1 or more benchmark assessments provided by a~~  
 5 ~~provider approved under subsection (6), benchmark assessments~~  
 6 ~~described in subdivision (b), or local benchmark assessments, or~~  
 7 ~~any combination thereof,~~**the benchmark assessment or assessments**  
 8 **administered under subparagraph (i)** to all pupils in grades K to 8  
 9 to measure proficiency in reading and mathematics. **To support fall**  
 10 **to spring growth calculations, the same benchmark assessment that**  
 11 **is administered in the fall must be administered in the spring.**

12           (b) ~~A~~**Except as otherwise provided in this section, a** district  
 13 may administer 1 or more of the following benchmark assessments  
 14 toward meeting the requirements under subdivision (a):

15           (i) A benchmark assessment in reading for students in grades K  
 16 to 9 that contains progress monitoring tools and enhanced  
 17 diagnostic assessments.

18           (ii) A benchmark assessment in math for students in grades K to  
 19 8 that contains progress monitoring tools.

20           (c) The system must provide that, to the extent practicable,  
 21 if a district administers a benchmark assessment or benchmark  
 22 assessments under this section, the district shall administer the  
 23 same benchmark assessment or benchmark assessments provided by a  
 24 provider approved under subsection (6), benchmark assessment or  
 25 benchmark assessments described in subdivision (b), or local  
 26 benchmark assessment or local benchmark assessments that it  
 27 administered to pupils in previous school years, as applicable.

28           (d) The system must provide that, if a district administers a  
 29 benchmark assessment or benchmark assessments under this section,

1 the district shall provide each pupil's data from the benchmark  
 2 assessment or benchmark assessments, as available, to the pupil's  
 3 parent or legal guardian within 30 days of administering the  
 4 benchmark assessment or benchmark assessments.

5 (e) The system must provide that, if a local benchmark  
 6 assessment or local benchmark assessments are administered under  
 7 subdivision (a), the district shall report to the department and  
 8 the center, in a form and manner prescribed by the center, the  
 9 local benchmark assessment or local benchmark assessments that were  
 10 administered and how that assessment or those assessments measure  
 11 changes, including any losses, as applicable, in learning, and the  
 12 district's plan for addressing any losses in learning.

13 (f) The system must provide that, by not later than 30 days  
 14 after a benchmark assessment or benchmark assessments are  
 15 administered under subdivision (a) (ii), or within a time frame  
 16 specified by the department, the district shall send benchmark  
 17 assessment data, including grade level, student demographics, and  
 18 mode of instruction, to the department in a form and manner  
 19 prescribed by the department, from all benchmark assessments  
 20 administered in the ~~2022-2023~~**2024-2025** school year, excluding data  
 21 from a local benchmark assessment, as applicable. If available, the  
 22 data described in this subdivision must include information  
 23 concerning pupil growth from fall ~~2022-2024~~ to spring ~~2023-2025~~.

24 (2) To receive funding under this section, a district must  
 25 ~~apply~~ **do all of the following:**

26 (a) **Apply** for the funding in a form and manner prescribed by  
 27 the department.

28 (b) **Pledge to administer 1 or more of the benchmark**  
 29 **assessments described in subsection (6), excluding the benchmark**

1 **assessment described in subsection (4).**

2 (c) **Pledge to administer the same benchmark assessment or**  
 3 **assessments in both the fall and spring, as required under this**  
 4 **section.**

5 (d) **Pledge to meet all reporting requirements pertaining to**  
 6 **assessment and mode-of-instruction data outlined in this section.**

7 (3) ~~The~~ **Subject to subsection (2), the** department shall pay an  
 8 ~~amount equal to \$12.50~~ **amount** per membership pupil in grades K to 8  
 9 in the district to each district that applies for funding under  
 10 this section.

11 (4) The department shall make 1 of the benchmark assessments  
 12 provided by a provider approved under subsection (6) available to  
 13 districts at no cost to the districts for purposes of meeting the  
 14 requirements under this section. The benchmark assessment described  
 15 in this subsection must meet all of the following:

16 (a) Be aligned to the content standards of this state.

17 (b) Complement the state's summative assessment system.

18 (c) Be internet-delivered and include a standards-based  
 19 assessment.

20 (d) Provide information on pupil achievement with regard to  
 21 learning content required in a given year or grade span.

22 (e) Provide timely feedback to pupils and teachers.

23 (f) Be nationally normed.

24 (g) Provide information to educators about student growth and  
 25 allow for multiple testing opportunities.

26 (5) By not later than ~~September 30, 2023,~~ **November 15, 2025,**  
 27 the department shall submit a report to the house and senate  
 28 appropriations committees, the house and senate appropriations  
 29 subcommittees on school aid, and the house and senate fiscal

1 agencies regarding the benchmark assessment data received under  
 2 this section, disaggregated by grade level and demographic subgroup  
 3 for each district. If information concerning pupil growth is  
 4 included in the data described in this subsection, it must be  
 5 incorporated in the report described in this subsection.

6 (6) The department shall approve at least 4 but not more than  
 7 6 providers of benchmark assessments for the purposes of this  
 8 section. The department shall inform districts of all of the  
 9 providers approved under this subsection in an equitable manner.  
 10 The benchmark assessments, with the exclusion of the benchmark  
 11 assessment described in subsection (4), provided by approved  
 12 providers under this subsection must meet 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 Sec. 107. (1) From the **state school aid fund** appropriation in  
 26 section 11, there is allocated an amount not to exceed  
 27 ~~\$30,000,000.00~~ **\$45,000,000.00** for ~~2022-2023~~ **2023-2024** for adult  
 28 education programs authorized under this section. **It is the intent**  
 29 **of the legislature that, for 2024-2025, the allocation from the**

1 **state school aid fund money appropriated in section 11 for purposes**  
2 **described in this section will be \$30,000,000.00.** Except as  
3 otherwise provided under subsections (14) and (15), funds allocated  
4 under this section are restricted for adult education programs as  
5 authorized under this section only. A recipient of funds under this  
6 section shall not use those funds for any other purpose.

7 (2) To be eligible for funding under this section, an eligible  
8 adult education provider shall employ certificated teachers and  
9 qualified administrative staff and shall offer continuing education  
10 opportunities for teachers to allow them to maintain certification.

11 (3) To be eligible to be a participant funded under this  
12 section, an individual must be enrolled in an adult basic education  
13 program, an adult secondary education program, an adult English as  
14 a second language program, a high school equivalency test  
15 preparation program, or a high school completion program, that  
16 meets the requirements of this section, and for which instruction  
17 is provided, and the individual must be at least 18 years of age by  
18 July 1 of the program year and the individual's graduating class  
19 must have graduated.

20 (4) By April 1 of each fiscal year for which funding is  
21 allocated under this section, the intermediate districts within a  
22 prosperity region or subregion shall determine which intermediate  
23 district will serve as the prosperity region's or subregion's  
24 fiscal agent for the next fiscal year and shall notify the  
25 department in a form and manner determined by the department. The  
26 department shall approve or disapprove of the prosperity region's  
27 or subregion's selected fiscal agent. From the funds allocated  
28 under subsection (1), an amount as determined under this subsection  
29 is allocated to each intermediate district serving as a fiscal



1 agent for adult education programs in each of the prosperity  
2 regions or subregions identified by the department. An intermediate  
3 district shall not use more than 5% of the funds allocated under  
4 this subsection for administration costs for serving as the fiscal  
5 agent. The allocation provided to each intermediate district  
6 serving as a fiscal agent must be calculated as follows:

7 (a) Sixty percent of this portion of the funding must be  
8 distributed based upon the proportion of the state population of  
9 individuals between the ages of 18 and 24 that are not high school  
10 graduates that resides in each of the prosperity regions or  
11 subregions located within the intermediate district, as reported by  
12 the most recent 5-year estimates from the American Community Survey  
13 (ACS) from the United States Census Bureau.

14 (b) Thirty-five percent of this portion of the funding must be  
15 distributed based upon the proportion of the state population of  
16 individuals age 25 or older who are not high school graduates that  
17 resides in each of the prosperity regions or subregions located  
18 within the intermediate district, as reported by the most recent 5-  
19 year estimates from the ACS from the United States Census Bureau.

20 (c) Five percent of this portion of the funding must be  
21 distributed based upon the proportion of the state population of  
22 individuals age 18 or older who lack basic English language  
23 proficiency that resides in each of the prosperity regions or  
24 subregions located within the intermediate district, as reported by  
25 the most recent 5-year estimates from the ACS from the United  
26 States Census Bureau.

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

1 (a) Distribute funds to adult education programs in a  
2 prosperity region or subregion as described in this section.

3 (b) Collaborate with the career and educational advisory  
4 council, which is an advisory council of the workforce development  
5 boards located in the prosperity region or subregion, or its  
6 successor, to develop a regional strategy that aligns adult  
7 education programs and services into an efficient and effective  
8 delivery system for adult education learners, with special  
9 consideration for providing contextualized learning and career  
10 pathways and addressing barriers to education and employment.

11 (c) Collaborate with the career and educational advisory  
12 council, which is an advisory council of the workforce development  
13 boards located in the prosperity region or subregion, or its  
14 successor, to create a local process and criteria that will  
15 identify eligible adult education providers to receive funds  
16 allocated under this section based on location, demand for  
17 services, past performance, quality indicators as identified by the  
18 department, and cost to provide instructional services. The fiscal  
19 agent shall determine all local processes, criteria, and provider  
20 determinations. However, the local processes, criteria, and  
21 provider services must be approved by the department before funds  
22 may be distributed to the fiscal agent.

23 (d) Provide oversight to its adult education providers  
24 throughout the program year to ensure compliance with the  
25 requirements of this section.

26 (e) Report adult education program and participant data and  
27 information as prescribed by the department.

28 (6) An adult basic education program, an adult secondary  
29 education program, or an adult English as a second language program

1 operated on a year-round or school year basis may be funded under  
2 this section, subject to all of the following:

3 (a) The program enrolls adults who are determined by a  
4 department-approved assessment, in a form and manner prescribed by  
5 the department, to be below twelfth grade level in reading or  
6 mathematics, or both, or to lack basic English proficiency.

7 (b) The program tests individuals for eligibility under  
8 subdivision (a) before enrollment and upon completion of the  
9 program in compliance with the state-approved assessment policy.

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

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

14 (ii) The participant fails to show progress on 2 successive  
15 assessments after having completed at least 450 hours of  
16 instruction.

17 (d) A participant in an adult secondary education program is  
18 eligible for reimbursement until 1 of the following occurs:

19 (i) The participant's reading and mathematics proficiency are  
20 assessed above the twelfth grade level.

21 (ii) The participant fails to show progress on 2 successive  
22 assessments after having at least 450 hours of instruction.

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

26 (i) The participant is assessed as having attained basic  
27 English proficiency as determined by a department-approved  
28 assessment.

29 (ii) The participant fails to show progress on 2 successive

1 department-approved assessments after having completed at least 450  
2 hours of instruction. The department shall provide information to a  
3 funding recipient regarding appropriate assessment instruments for  
4 this program.

5 (7) A high school equivalency test preparation program  
6 operated on a year-round or school year basis may be funded under  
7 this section, subject to all of the following:

8 (a) The program enrolls adults who do not have a high school  
9 diploma or a high school equivalency certificate.

10 (b) The program administers a pre-test approved by the  
11 department before enrolling an individual to determine the  
12 individual's literacy levels, administers a high school equivalency  
13 practice test to determine the individual's potential for success  
14 on the high school equivalency test, and administers a post-test  
15 upon completion of the program in compliance with the state-  
16 approved assessment policy.

17 (c) A funding recipient receives funding according to  
18 subsection (9) for a participant, and a participant may be enrolled  
19 in the program until 1 of the following occurs:

20 (i) The participant achieves a high school equivalency  
21 certificate.

22 (ii) The participant fails to show progress on 2 successive  
23 department-approved assessments used to determine readiness to take  
24 a high school equivalency test after having completed at least 450  
25 hours of instruction.

26 (8) A high school completion program operated on a year-round  
27 or school year basis may be funded under this section, subject to  
28 all of the following:

29 (a) The program enrolls adults who do not have a high school

1 diploma.

2 (b) The program tests participants described in subdivision  
3 (a) before enrollment and upon completion of the program in  
4 compliance with the state-approved assessment policy.

5 (c) A funding recipient receives funding according to  
6 subsection (9) for a participant in a course offered under this  
7 subsection until 1 of the following occurs:

8 (i) The participant passes the course and earns a high school  
9 diploma.

10 (ii) The participant fails to earn credit in 2 successive  
11 semesters or terms in which the participant is enrolled after  
12 having completed at least 900 hours of instruction.

13 (9) The department shall make payments to a funding recipient  
14 under this section in accordance with all of the following:

15 (a) Statewide allocation criteria, including 3-year average  
16 enrollments, census data, and local needs.

17 (b) Participant completion of the adult basic education  
18 objectives by achieving an educational gain as determined by the  
19 national reporting system levels; for achieving basic English  
20 proficiency, as determined by the department; for achieving a high  
21 school equivalency certificate or passage of 1 or more individual  
22 high school equivalency tests; for attainment of a high school  
23 diploma or passage of a course required for a participant to attain  
24 a high school diploma; for enrollment in a postsecondary  
25 institution, or for entry into or retention of employment, as  
26 applicable.

27 (c) Participant completion of core indicators as identified in  
28 the innovation and opportunity act.

29 (d) Allowable expenditures.

1           (10) An individual who is not eligible to be a participant  
2 funded under this section may receive adult education services upon  
3 the payment of tuition. In addition, an individual who is not  
4 eligible to be served in a program under this section due to the  
5 program limitations specified in subsection (6), (7), or (8) may  
6 continue to receive adult education services in that program upon  
7 the payment of tuition. The local or intermediate district  
8 conducting the program shall determine the tuition amount.

9           (11) An individual who is an inmate in a state correctional  
10 facility is not counted as a participant under this section.

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

17           (13) A funding recipient receiving funds under this section  
18 may establish a sliding scale of tuition rates based upon a  
19 participant's family income. A funding recipient may charge a  
20 participant tuition to receive adult education services under this  
21 section from that sliding scale of tuition rates on a uniform  
22 basis. The amount of tuition charged per participant must not  
23 exceed the actual operating cost per participant minus any funds  
24 received under this section per participant. A funding recipient  
25 may not charge a participant tuition under this section if the  
26 participant's income is at or below 200% of the federal poverty  
27 guidelines published by the United States Department of Health and  
28 Human Services.

29           (14) In order to receive funds under this section, a funding

1 recipient shall furnish to the department, in a form and manner  
2 determined by the department, all information needed to administer  
3 this program and meet federal reporting requirements; shall allow  
4 the department or the department's designee to review all records  
5 related to the program for which it receives funds; and shall  
6 reimburse the state for all disallowances found in the review, as  
7 determined by the department. In addition, a funding recipient  
8 shall agree to pay to a career and technical education program  
9 under section 61a the amount of funding received under this section  
10 in the proportion of career and technical education coursework used  
11 to satisfy adult basic education programming, as billed to the  
12 funding recipient by programs operating under section 61a. In  
13 addition to the funding allocated under subsection (1), there is  
14 allocated for ~~2022-2023~~**2023-2024** an amount not to exceed  
15 \$500,000.00 to reimburse funding recipients for administrative and  
16 instructional expenses associated with commingling programming  
17 under this section and section 61a. The department shall make  
18 payments under this subsection to each funding recipient in the  
19 same proportion as funding calculated and allocated under  
20 subsection (4).

21 (15) From the amount appropriated in subsection (1), an amount  
22 not to exceed \$4,000,000.00 is allocated for ~~2022-2023~~**2023-2024**  
23 for grants to adult education or state-approved career technical  
24 center programs that connect adult education participants with  
25 employers as provided under this subsection. The department shall  
26 determine the amount of the grant to each program under this  
27 subsection, not to exceed \$350,000.00. To be eligible for funding  
28 under this subsection, a program must provide a collaboration  
29 linking adult education programs within the county, the area career

1 technical center, and local employers. To receive funding under  
2 this subsection, an eligible program must satisfy all of the  
3 following:

4 (a) Connect adult education participants directly with  
5 employers by linking adult education, career and technical skills,  
6 and workforce development.

7 (b) Require adult education staff to work with Michigan Works!  
8 agency to identify a cohort of participants who are most prepared  
9 to successfully enter the workforce. Except as otherwise provided  
10 under this subdivision, participants identified under this  
11 subsection must be dually enrolled in adult education programming  
12 and in at least 1 state-approved technical course at the area  
13 career and technical center. A program that links participants  
14 identified under this subsection with adult education programming  
15 and commercial driver license courses does not need to enroll the  
16 participants in at least 1 state-approved technical course at the  
17 area career and technical center to be considered an eligible  
18 program under this subsection.

19 (c) Employ an individual staffed as an adult education  
20 navigator who will serve as a caseworker for each participant  
21 identified under subdivision (b). The navigator shall work with  
22 adult education staff and potential employers to design an  
23 educational program best suited to the personal and employment  
24 needs of the participant and shall work with human service agencies  
25 or other entities to address any barrier in the way of participant  
26 access.

27 (16) Each program funded under subsection (15) will receive  
28 funding for 3 years. After 3 years of operations and funding, a  
29 program must reapply for funding.



1 (17) Not later than December 1 of each year, a program funded  
2 under subsection (15) shall provide a report to the senate and  
3 house appropriations subcommittees on school aid, to the senate and  
4 house fiscal agencies, and to the state budget director identifying  
5 the number of participants, graduation rates, and a measure of  
6 transition to employment.

7 (18) 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 ~~15%~~10% of adult education participants  
16 served under subsection (15) may already have a high school diploma  
17 or a high school equivalency certificate at the time of enrollment  
18 in an eligible career and technical skills program under subsection  
19 (15) 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~~2 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 referred to as the national apprenticeship act, 29 USC 50  
11 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. 121. (1) The valuation of a whole or fractional district  
6 ~~shall~~**must** be the total taxable value of the property contained in  
7 the whole or fractional district as last determined by the state  
8 tax commission and placed on the ad valorem tax roll. For purposes  
9 of computations made under this act, except as provided in section  
10 26, the taxable value of a district or intermediate district ~~shall~~  
11 **must** include the value of property used to calculate the tax  
12 imposed on lessees or users of tax-exempt property under 1953 PA  
13 189, MCL 211.181 to 211.182, and the value of property used to  
14 calculate the state payment in lieu of taxes on state purchased  
15 property under section 2153 of the natural resources and  
16 environmental protection act, 1994 PA 451, MCL 324.2153.  
17 Adjustments to this taxable value ~~shall~~**must** be made for all of the  
18 following:

- 19       (a) State tax tribunal decisions.
- 20       (b) Court decisions.
- 21       (c) Local board of review adjustments made after the state tax  
22 commission determination.
- 23       (d) Lands deeded to the state for jurisdictions without  
24 delinquent tax revolving funds or for jurisdictions that have  
25 required repayment to the delinquent tax revolving funds.
- 26       (e) The requirements of this act.

27       (2) ~~Adjustments under subsection (1) shall not be made for~~  
28 ~~more than the 6 state fiscal years immediately preceding the state~~  
29 ~~fiscal year in which the adjustment is made, except that an **An**~~

1 adjustment pursuant to a state tax tribunal decision or court  
 2 decision ~~shall~~**must** be made for the tax years involved in the  
 3 decision and any subsequent years affected by the decision.

4 Sec. 147. (1) The allocation for ~~2022-2023~~**2023-2024** for the  
 5 public school employees' retirement system pursuant to the public  
 6 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301  
 7 to 38.1437, is made using the individual projected benefit entry  
 8 age normal cost method of valuation and risk assumptions adopted by  
 9 the public school employees retirement board and the department of  
 10 technology, management, and budget.

11 (2) The annual level percentage of payroll contribution rates  
 12 for the ~~2022-2023~~**2023-2024** fiscal year, as determined by the  
 13 retirement system, are estimated as follows:

14 (a) For public school employees who first worked for a public  
 15 school reporting unit before July 1, 2010 and who are enrolled in  
 16 the health premium subsidy, the annual level percentage of payroll  
 17 contribution rate is estimated at ~~44.88%~~**48.23%** with ~~28.23%~~**31.34%**  
 18 paid directly by the employer.

19 (b) For public school employees who first worked for a public  
 20 school reporting unit on or after July 1, 2010 and who are enrolled  
 21 in the health premium subsidy, the annual level percentage of  
 22 payroll contribution rate is estimated at ~~41.96%~~**44.37%** with ~~25.31%~~  
 23 **27.48%** paid directly by the employer.

24 (c) For public school employees who first worked for a public  
 25 school reporting unit on or after July 1, 2010 and who participate  
 26 in the personal healthcare fund, the annual level percentage of  
 27 payroll contribution rate is estimated at ~~41.10%~~**43.12%** with ~~24.45%~~  
 28 **26.23%** paid directly by the employer.

29 (d) For public school employees who first worked for a public

1 school reporting unit on or after September 4, 2012, who elect  
2 defined contribution, and who participate in the personal  
3 healthcare fund, the annual level percentage of payroll  
4 contribution rate is estimated at ~~37.61%~~**37.85%** with 20.96% paid  
5 directly by the employer.

6 (e) For public school employees who first worked for a public  
7 school reporting unit before July 1, 2010, who elect defined  
8 contribution, and who are enrolled in the health premium subsidy,  
9 the annual level percentage of payroll contribution rate is  
10 estimated at ~~38.47%~~**39.10%** with ~~21.82%~~**22.21%** paid directly by the  
11 employer.

12 (f) For public school employees who first worked for a public  
13 school reporting unit before July 1, 2010, who elect defined  
14 contribution, and who participate in the personal healthcare fund,  
15 the annual level percentage of payroll contribution rate is  
16 estimated at ~~37.61%~~**37.85%** with 20.96% paid directly by the  
17 employer.

18 (g) For public school employees who first worked for a public  
19 school reporting unit before July 1, 2010 and who participate in  
20 the personal healthcare fund, the annual level percentage of  
21 payroll contribution rate is estimated at ~~44.02%~~**46.98%** with ~~27.37%~~  
22 **30.09%** paid directly by the employer.

23 (h) For public school employees who first worked for a public  
24 school reporting unit after January 31, 2018 and who elect to  
25 become members of the MPSERS plan, the annual level percentage of  
26 payroll contribution rate is estimated at ~~43.81%~~**44.05%** with 27.16%  
27 paid directly by the employer.

28 (3) In addition to the employer payments described in  
29 subsection (2), the employer shall pay the applicable contributions

1 to the Tier 2 plan, as determined by the public school employees  
2 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

3 (4) The contribution rates in subsection (2) reflect an  
4 amortization period of ~~16-15~~ years for ~~2022-2023-2023-2024~~. The  
5 public school employees' retirement system board shall notify each  
6 district and intermediate district by February 28 of each fiscal  
7 year of the estimated contribution rate for the next fiscal year.

8 Sec. 147a. (1) From the state school aid fund money  
9 appropriated in section 11, there is allocated for ~~2021-2022-2023-~~  
10 **2024** an amount not to exceed ~~\$100,000,000.00~~ and for ~~2022-2023~~ an  
11 amount not to exceed ~~\$100,000,000.00~~ for payments to participating  
12 districts. **\$111,939,000.00 for payments to participating entities.**  
13 A participating ~~district~~ **entity** that receives money under this  
14 subsection shall use that money solely for the purpose of  
15 offsetting a portion of the retirement contributions owed by the  
16 ~~district~~ **entity** for the fiscal year in which it is received. The  
17 amount allocated to each participating ~~district~~ **entity** under this  
18 subsection is ~~based on each participating district's percentage of~~  
19 ~~the total statewide payroll for all participating districts for the~~  
20 ~~immediately preceding fiscal year. As used in this subsection,~~  
21 ~~"participating district" means a district that is a reporting unit~~  
22 ~~of the Michigan public school employees' retirement system under~~  
23 ~~the public school employees retirement act of 1979, 1980 PA 300,~~  
24 ~~MCL 38.1301 to 38.1437, and that reports employees to the Michigan~~  
25 ~~public school employees' retirement system for the applicable~~  
26 ~~fiscal year.~~ **calculated as follows:**

27 (a) **For each participating district, \$100,000,000.00**  
28 **multiplied by each participating district's percentage of the total**  
29 **statewide payroll for all participating districts.**

1           (b) For each participating intermediate district,  
 2 \$11,912,000.00 multiplied by each participating intermediate  
 3 district's percentage of the total statewide payroll for all  
 4 participating intermediate districts.

5           (c) For each participating district library, \$27,000.00  
 6 multiplied by each participating district library's percentage of  
 7 the total statewide payroll for all participating district  
 8 libraries.

9           (2) In addition to the allocation under subsection (1), from  
 10 the state school aid fund money appropriated under section 11,  
 11 there is allocated an amount not to exceed ~~\$197,000,000.00~~  
 12 **\$357,700,000.00** for ~~2021-2022~~ and an amount not to exceed  
 13 ~~\$191,700,000.00 for 2022-2023~~ **2023-2024** for payments to  
 14 participating districts and intermediate districts and from the  
 15 general fund money appropriated under section 11, there is  
 16 allocated an amount not to exceed ~~\$60,000.00~~ **\$100,000.00** for ~~2021-~~  
 17 ~~2022~~ and an amount not to exceed ~~\$50,000.00 for 2022-2023~~ **2023-2024**  
 18 for payments to participating district libraries. The amount  
 19 allocated to each participating entity under this subsection is  
 20 based on each participating entity's reported quarterly payroll for  
 21 members that became tier 1 prior to February 1, 2018 for the  
 22 current fiscal year. A participating entity that receives money  
 23 under this subsection shall use that money solely for the purpose  
 24 of offsetting a portion of the normal cost contribution rate. As  
 25 used in this subsection:

26           (a) "District library" means a district library established  
 27 under the district library establishment act, 1989 PA 24, MCL  
 28 397.171 to 397.196.

29           (b) "Participating entity" means a district, intermediate

1 district, or district library that is a reporting unit of the  
2 Michigan public school employees' retirement system under the  
3 public school employees retirement act of 1979, 1980 PA 300, MCL  
4 38.1301 to 38.1437, and that reports employees to the Michigan  
5 public school employees' retirement system for the applicable  
6 fiscal year.

7       Sec. 147b. (1) The MPERS retirement obligation reform reserve  
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 MPERS retirement obligation reform  
12 reserve fund. The state treasurer shall direct the investment of  
13 the MPERS retirement obligation reform reserve fund. The state  
14 treasurer shall credit to the MPERS retirement obligation reform  
15 reserve fund interest and earnings from the MPERS retirement  
16 obligation reform reserve fund.

17       (3) Money available in the MPERS retirement obligation reform  
18 reserve fund must not be expended without a specific appropriation.

19       (4) Money in the MPERS retirement obligation reform reserve  
20 fund at the close of the fiscal year remains in the MPERS  
21 retirement obligation reform reserve fund and does not lapse to the  
22 state school aid fund or to the general fund. The department of  
23 treasury is the administrator of the MPERS retirement obligation  
24 reform reserve fund for auditing purposes.

25       (5) For 2022-2023, \$425,000,000.00 from the state school aid  
26 fund is deposited into the MPERS retirement obligation reform  
27 reserve fund. **For 2023-2024, \$500,000,000.00 from the state school**  
28 **aid fund is deposited into the MPERS retirement obligation reform**  
29 **reserve fund.** It is the intent of the legislature that funds



1 deposited under this subsection **for 2022-2023** are used to offset  
 2 costs associated with accelerating the reduction of the payroll  
 3 growth assumption for reporting units that are not university  
 4 reporting units until that rate is zero by October 1, 2026.

5       Sec. 147c. (1) From the state school aid fund money  
 6 appropriated in section 11, there is allocated for ~~2022-2023-2023-~~  
 7 **2024** an amount not to exceed ~~\$1,478,000,000.00,~~ **\$1,849,200,000.00**,  
 8 and from the MPSERS retirement obligation reform reserve fund money  
 9 appropriated in section 11, there is allocated for ~~2022-2023-2023-~~  
 10 **2024** only an amount needed, estimated at ~~\$140,400,000.00,~~  
 11 **\$202,000,000.00**, for payments to districts and intermediate  
 12 districts that are participating entities of the Michigan public  
 13 school employees' retirement system. In addition, from the general  
 14 fund money appropriated in section 11, there is allocated for ~~2022-~~  
 15 ~~2023-2023-2024~~ an amount not to exceed \$500,000.00 for payments to  
 16 district libraries that are participating entities of the Michigan  
 17 public school employees' retirement system. It is the intent of the  
 18 legislature that money allocated from the MPSERS retirement  
 19 obligation reform reserve fund under this subsection for ~~2022-2023~~  
 20 **2023-2024** represents the amount necessary to reduce the payroll  
 21 growth assumption to ~~1.75%.~~ **0.75%**. All of the following apply to  
 22 funding under this subsection:

23       (a) Except as otherwise provided in this subdivision, for  
 24 ~~2022-2023,~~ **2023-2024**, the amounts allocated under this subsection  
 25 are estimated to provide an average MPSERS rate cap per pupil  
 26 amount of ~~\$1,042.00~~ **\$1,157.00** and are estimated to provide a rate  
 27 cap per pupil for districts ranging between ~~\$5.00~~ **\$4.00** and  
 28 ~~\$3,700.00.~~ ~~For 2022-2023, if the retirement system determines the~~  
 29 ~~average MPSERS rate cap per pupil amount and rate cap per pupil for~~

1 ~~districts estimated in the immediately preceding sentence need to~~  
2 ~~be adjusted, the estimated average MPSERS rate cap per pupil amount~~  
3 ~~and estimated rate cap per pupil for districts under this~~  
4 ~~subdivision are the estimations determined by the retirement~~  
5 ~~system. If the retirement system makes a determination as described~~  
6 ~~in the immediately preceding sentence, it shall issue its~~  
7 ~~estimations publicly and describe the need for the adjustment~~  
8 ~~described in the immediately preceding sentence. \$5,020.00.~~

9 (b) Payments made under this subsection are equal to the  
10 difference between the unfunded actuarial accrued liability  
11 contribution rate as calculated under section 41 of the public  
12 school employees retirement act of 1979, 1980 PA 300, MCL 38.1341,  
13 as calculated without taking into account the maximum employer rate  
14 of 20.96% included in section 41 of the public school employees  
15 retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum  
16 employer rate of 20.96% included in section 41 of the public school  
17 employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

18 (c) The amount allocated to each participating entity under  
19 this subsection is based on each participating entity's proportion  
20 of the total covered payroll for the immediately preceding fiscal  
21 year for the same type of participating entities. A participating  
22 entity that receives funds under this subsection shall use the  
23 funds solely for the purpose of retirement contributions as  
24 specified in subdivision (d).

25 (d) Each participating entity receiving funds under this  
26 subsection shall forward an amount equal to the amount allocated  
27 under subdivision (c) to the retirement system in a form, manner,  
28 and time frame determined by the retirement system.

29 (e) Funds allocated under this subsection should be considered

1 when comparing a district's growth in total state aid funding from  
2 1 fiscal year to the next.

3 (f) Not later than December 20 of each fiscal year for which  
4 funding is allocated under this subsection, the department shall  
5 publish and post on its website an estimated MPSEERS rate cap per  
6 pupil for each district.

7 (g) The office of retirement services shall first apply funds  
8 allocated under this subsection to pension contributions and, if  
9 any funds remain after that payment, shall apply those remaining  
10 funds to other postemployment benefit contributions.

11 ~~(2) In addition to the funds allocated under subsection (1),~~  
12 ~~from the state school aid fund money appropriated in section 11,~~  
13 ~~there is allocated for 2022-2023 only \$1,000,000,000.00 for~~  
14 ~~payments to participating entities of the Michigan public school~~  
15 ~~employees' retirement system. The amount allocated to each~~  
16 ~~participating entity under this subsection must be based on each~~  
17 ~~participating entity's proportion of the total covered payroll for~~  
18 ~~the immediately preceding fiscal year. A participating entity that~~  
19 ~~receives funds under this subsection shall use the funds solely for~~  
20 ~~purposes of this subsection. Each participating entity receiving~~  
21 ~~funds under this subsection shall forward an amount equal to the~~  
22 ~~amount allocated under this subsection to the retirement system in~~  
23 ~~a form, manner, and time frame determined by the retirement system.~~  
24 ~~The retirement system shall recognize funds received under this~~  
25 ~~subsection as additional assets being contributed to the system and~~  
26 ~~shall not categorize them as unfunded actuarial liability~~  
27 ~~contributions or normal cost contributions.~~

28 (2) ~~(3)~~ As used in this section:

29 (a) "Community college" means a community college created

1 under the community college act of 1966, 1966 PA 331, MCL 389.1 to  
2 389.195.

3 (b) "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 (c) "MPERS rate cap per pupil" means an amount equal to the  
7 quotient of the district's payment under this section divided by  
8 the district's pupils in membership.

9 (d) "Participating entity" means:

10 (i) As used in subsection (1) only, a district, intermediate  
11 district, or district library that is a reporting unit of the  
12 Michigan public school employees' retirement system under the  
13 public school employees retirement act of 1979, 1980 PA 300, MCL  
14 38.1301 to 38.1437, and that reports employees to the Michigan  
15 public school employees' retirement system for the applicable  
16 fiscal year.

17 (ii) As used in subsection (2) only, a district, intermediate  
18 district, community college, or district library that is a  
19 reporting unit of the Michigan public school employees' retirement  
20 system under the public school employees retirement act of 1979,  
21 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to  
22 the Michigan public school employees' retirement system for the  
23 applicable fiscal year.

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

27 Sec. 147e. (1) From the state school aid fund money  
28 appropriated in section 11, there is allocated for ~~2021-2022-2023-~~  
29 **2024** an amount not to exceed ~~\$50,000,000.00~~ and there is allocated

1 ~~for 2022-2023 an amount not to exceed \$54,000,000.00~~ **\$82,400,000.00**  
2 for payments to participating entities.

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

5 (a) An amount equal to the contributions made by a  
6 participating entity for the additional contribution made to a  
7 qualified participant's Tier 2 account in an amount equal to the  
8 contribution made by the qualified participant not to exceed 3% of  
9 the qualified participant's compensation as provided for under  
10 section 131(6) of the public school employees retirement act of  
11 1979, 1980 PA 300, MCL 38.1431.

12 (b) Beginning October 1, 2017, an amount equal to the  
13 contributions made by a participating entity for a qualified  
14 participant who is only a Tier 2 qualified participant under  
15 section 81d of the public school employees retirement act of 1979,  
16 1980 PA 300, MCL 38.1381d, not to exceed 4%, and, beginning  
17 February 1, 2018, not to exceed 1%, of the qualified participant's  
18 compensation.

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

26 (3) As used in this section:

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

1 (b) "Participating entity" means a district, intermediate  
2 district, or community college that is a reporting unit of the  
3 Michigan public school employees' retirement system under the  
4 public school employees retirement act of 1979, 1980 PA 300, MCL  
5 38.1301 to 38.1437, and that reports employees to the Michigan  
6 public school employees' retirement system for the applicable  
7 fiscal year.

8 (c) "Qualified participant" means that term as defined under  
9 section 124 of the public school employees retirement act of 1979,  
10 1980 PA 300, MCL 38.1424.

11 Sec. 152a. (1) As required by the court in the consolidated  
12 cases known as *Adair v State of Michigan*, 486 Mich 468 (2010), from  
13 the state school aid fund money appropriated in section 11, there  
14 is allocated for ~~2022-2023-2023-2024~~ an amount not to exceed  
15 ~~\$38,000,500.00~~ **\$41,000,500.00** to be used solely for the purpose of  
16 paying necessary costs related to the state-mandated collection,  
17 maintenance, and reporting of data to this state. **From this**  
18 **allocation, \$3,000,000.00 is allocated for costs associated with**  
19 **collecting data necessary to provide reporting to tribal**  
20 **governments on the status of students affiliated with their**  
21 **particular tribe and data necessary to determine student**  
22 **participation in federal programs funded under 20 USC 7401 to 7546**  
23 **and participation in federal programs funded under the Johnson-**  
24 **O'Malley Supplemental Indian Education Program Modernization Act,**  
25 **Public Law 115-404.**

26 (2) From the allocation in subsection (1), the department  
27 shall make payments to districts and intermediate districts in an  
28 equal amount per pupil based on the total number of pupils in  
29 membership in each district and intermediate district. The

1 department shall not make any adjustment to these payments after  
2 the final installment payment under section 17b is made.

3       Sec. 152b. (1) From the general fund money appropriated under  
4 section 11, there is allocated an amount not to exceed  
5 \$1,000,000.00 for ~~2022-2023~~**2023-2024** to reimburse actual costs  
6 incurred by nonpublic schools in complying with a health, safety,  
7 or welfare requirement mandated by a law or administrative rule of  
8 this state.

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

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

28       (4) By August 15 of each applicable fiscal year, the  
29 department shall distribute funds to each nonpublic school that

1 submits a completed form described under subsection (2) in a timely  
2 manner. The superintendent shall determine the amount of funds to  
3 be paid to each nonpublic school in an amount that does not exceed  
4 the nonpublic school's actual costs in complying with a health,  
5 safety, or welfare requirement under a law or administrative rule  
6 of this state. The superintendent shall calculate a nonpublic  
7 school's actual cost in accordance with this section.

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

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

19 (7) The funds appropriated under this section are for purposes  
20 that are incidental to teaching and the provision of educational  
21 services to nonpublic school students; that are noninstructional in  
22 nature; that do not constitute a primary function or element  
23 necessary for a nonpublic school's existence, operation, and  
24 survival; that do not involve or result in excessive religious  
25 entanglement; and that are intended for the public purpose of  
26 ensuring the health, safety, and welfare of the children in  
27 nonpublic schools and to reimburse nonpublic schools for costs  
28 described in this section.

29 (8) Funds allocated under this section are not intended to aid



1 or maintain any nonpublic school, support the attendance of any  
2 student at a nonpublic school, employ any person at a nonpublic  
3 school, support the attendance of any student at any location where  
4 instruction is offered to a nonpublic school student, or support  
5 the employment of any person at any location where instruction is  
6 offered to a nonpublic school student.

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

27 (10) Training fees, inspection fees, and criminal background  
28 check fees are considered actual costs in complying with a health,  
29 safety, or welfare requirement under a law or administrative rule

1 of this state.

2 ~~(11) The funds allocated under this section for 2021-2022 are~~  
3 ~~a work project appropriation, and any unexpended funds for 2021-~~  
4 ~~2022 are carried forward into 2022-2023. The purpose of the work~~  
5 ~~project is to continue to reimburse nonpublic schools for actual~~  
6 ~~costs incurred in complying with a health, safety, or welfare~~  
7 ~~requirement mandated by a law or administrative rule of this state.~~  
8 ~~The estimated completion date of the work project is September 30,~~  
9 ~~2023.~~

10 **(11)** ~~(12)~~The funds allocated under this section for 2022-2023  
11 are a work project appropriation, and any unexpended funds for  
12 2022-2023 are carried forward into 2023-2024. The purpose of the  
13 work project is to continue to reimburse nonpublic schools for  
14 actual costs incurred in complying with a health, safety, or  
15 welfare requirement mandated by a law or administrative rule of  
16 this state. The estimated completion date of the work project is  
17 September 30, 2024.

18 **(12) The funds allocated under this section for 2023-2024 are**  
19 **a work project appropriation, and any unexpended funds for 2023-**  
20 **2024 are carried forward into 2024-2025. The purpose of the work**  
21 **project is to continue to reimburse nonpublic schools for actual**  
22 **costs incurred in complying with a health, safety, or welfare**  
23 **requirement mandated by a law or administrative rule of this state.**  
24 **The estimated completion date of the work project is September 30,**  
25 **2025.**

26 (13) The department shall reimburse nonpublic schools for  
27 actual costs incurred in complying with health, safety, or welfare  
28 requirements under a law or administrative rule of this state from  
29 2017-2018 through ~~2021-2022~~**2022-2023** using work project funds or,

1 if those funds are insufficient to fund reimbursements under this  
2 subsection, from the allocation under subsection (1).

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

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

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

14 (c) An individual who does not satisfy the requirements of  
15 section 1246 of the revised school code, MCL 380.1246, ~~or who is~~  
16 ~~not~~ **and rules promulgated by the department to be employed as a**  
17 **superintendent, principal, or assistant principal, or as an**  
18 **individual whose primary responsibility is to administer**  
19 **instructional programs in an elementary or secondary school or in a**  
20 **district or intermediate district, unless the individual is** working  
21 under a valid substitute permit issued under rules promulgated by  
22 the department. ~~, to be employed as a superintendent, principal, or~~  
23 ~~assistant principal, or as an individual whose primary~~  
24 ~~responsibility is to administer instructional programs in an~~  
25 ~~elementary or secondary school or in a district or intermediate~~  
26 ~~district.~~

27 (2) Except as otherwise provided in the revised school code,  
28 this subsection, or subsection (4) or (7), a district or  
29 intermediate district employing an individual in violation of this

1 section before July 1, 2021 must have deducted an amount equal to  
2 the amount paid to the individual for the period of employment that  
3 is in violation of this section. Except as otherwise provided under  
4 subsection (4) or (7), a district or intermediate district  
5 employing an individual in violation of this section on or after  
6 July 1, 2021 must have deducted an amount equal to 50% of the  
7 amount paid to the individual for the period of employment that is  
8 in violation of this section. Except as otherwise provided under  
9 subsection (4), beginning July 1, 2021, if a district or  
10 intermediate district is notified by the department that it is  
11 employing an individual in violation of this section and it  
12 continues to employ the individual in violation of this section 10  
13 business days after receiving the notification, both of the  
14 following apply:

15 (a) The district or intermediate district must have deducted  
16 an amount equal to 50% of the amount paid to the individual for the  
17 period of employment that is in violation of this section that  
18 occurs before the expiration of the 10-day period described in this  
19 subsection.

20 (b) The district or intermediate district must have deducted  
21 an amount equal to 100% of the amount paid to the individual for  
22 the period of employment that is in violation of this section that  
23 occurs after the 10-day period described in this subsection.

24 (3) For purposes of subsection (2), if a district or  
25 intermediate district on behalf of an individual or an individual  
26 successfully completes the credential application process through  
27 the department, including the submission of an appropriate  
28 application, required fees, and all required supporting  
29 documentation, the individual's employment with the district or

1 intermediate district after this completion is not considered a  
2 period of employment that is in violation of this section.

3 (4) A deduction under subsection (2) for employment in  
4 violation of this section that occurs on or after July 1, 2021, may  
5 be less than the amount required under that subsection if the  
6 superintendent of public instruction finds that the district or  
7 intermediate district was hindered in its ability to obtain a  
8 substitute credential to enable the district or intermediate  
9 district to employ the individual in compliance with this section  
10 due to unusual and extenuating circumstances resulting from  
11 conditions not within the control of school authorities, including,  
12 but not limited to, a natural disaster, death or serious illness of  
13 the individual or another employee, an emergency school closure,  
14 fraud or other intentional wrongdoing of the individual or another  
15 employee, or an emergency health condition as defined by city,  
16 county, or state health authorities.

17 (5) For employment of an individual in violation of this  
18 section that occurs on or after July 1, 2021, upon request by a  
19 district or intermediate district, the department shall credit the  
20 amount of an adjustment in payments under section 15 that is based  
21 on the employment of the individual that gave rise to the deduction  
22 under subsection (2) or (4) against the amount of the deduction  
23 under subsection (2) or (4). The amount of the credit under this  
24 subsection must not be in an amount that is greater than the  
25 deduction assessed under subsection (2) or (4).

26 (6) If a school official is notified by the department that he  
27 or she is employing an individual in violation of this section and  
28 knowingly continues to employ that individual, the school official  
29 is guilty of a misdemeanor punishable by a fine of \$1,500.00 for

1 each ~~incidence.~~ **incident**. This penalty is in addition to all other  
 2 financial penalties otherwise specified in this article.

3 (7) There must be no deduction under subsection (2) for a  
 4 period of employment in violation of this section that occurs  
 5 between July 1, 2020 and June 30, 2021.

6 Enacting section 1. In accordance with section 30 of article  
 7 IX of the state constitution of 1963, total state spending on  
 8 school aid under article I of the state school aid act of 1979,  
 9 1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2022 PA 144,  
 10 2022 PA 212, 2023 PA 3, and by this amendatory act, from state  
 11 sources for fiscal year 2022-2023 is estimated at  
 12 \$17,623,565,900.00 and state appropriations for school aid to be  
 13 paid to local units of government for fiscal year 2022-2023 are  
 14 estimated at \$16,078,068,400.00. In accordance with section 30 of  
 15 article IX of the state constitution of 1963, total state spending  
 16 on school aid under article I of the state school aid act of 1979,  
 17 1979 PA 94, MCL 388.1601 to 388.1772, as amended by this amendatory  
 18 act, from state sources for fiscal year 2023-2024 is estimated at  
 19 \$18,612,237,500.00 and state appropriations for school aid to be  
 20 paid to local units of government for fiscal year 2023-2024 are  
 21 estimated at \$16,790,898,600.00.

22 Enacting section 2. Sections 23f, 27f, 30c, 31c, 31m, 31o,  
 23 31q, 31bb, 31cc, 31dd, 31ee, 32u, 35f, 35g, 35h, 67c, 67e, 97, 97b,  
 24 97c, 97d, 97e, 97f, 98a, 98b, 98c, 99i, 99j, 99aa, 99cc, 99dd,  
 25 164g, 164h, 166, and 166a of the state school aid act of 1979, 1979  
 26 PA 94, MCL 388.16.23f, 388.1627f, 388.1630c, 388.1631c, 388.1631m,  
 27 388.1631o, 388.1631q, 388.1631bb, 388.1631cc, 388.1631dd,  
 28 388.1631ee, 388.1632u, 388.1635f, 388.1635g, 388.1635h, 388.1667c,  
 29 388.1667e, 388.1697, 388.1697b, 388.1697c, 388.1697d, 388.1697e,

1 388.1697f, 388.1698a, 388.1698b, 388.1698c, 388.1699i, 388.1699j,  
2 388.1699aa, 388.1699cc, 388.1699dd, 388.1764g, 388.1764h, 388.1766,  
3 and 388.1766a, are repealed effective October 1, 2023.

4 Enacting section 3. (1) Sections 4, 6, 11, 11m, 11x, 20, 22a,  
5 22b, 26c, 27b, 31f, 31j, 31p, 32n, 39a, 51a, 51c, and 51e of the  
6 state school aid act of 1979, 1979 PA 94, MCL 388.1604, 388.1606,  
7 388.1611, 388.1611m, 388.1611x, 388.1620, 388.1622a, 388.1622b,  
8 388.1626c, 388.1627b, 388.1631f, 388.1631j, 388.1631p, 388.1632n,  
9 388.1639a, 388.1651a, 388.1651c, and 388.1651e, as amended and  
10 sections 11v, 11z, 12a, 23g, 27g, 30d, 31k, 31l, and 32e of the  
11 state school aid act of 1979, 1979 PA 94, as added by this  
12 amendatory act, if granted immediate effect pursuant to section 27  
13 of article IV of the state constitution of 1963, take effect on  
14 enactment of this amendatory act.

15 (2) Except as otherwise provided for those sections listed in  
16 subsection (1), the remaining sections of this amendatory act take  
17 effect October 1, 2023.