

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5795

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 11 and 17b (MCL 388.1611 and 388.1617b),
section 11 as amended by 2021 PA 48 and section 17b as amended by
2007 PA 137.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 11. (1) ~~For the fiscal year ending September 30, 2021,~~
2 ~~there is appropriated for the public schools of this state and~~
3 ~~certain other state purposes relating to education the sum of~~
4 ~~\$13,715,807,900.00 from the state school aid fund, the sum of~~
5 ~~\$54,464,600.00 from the general fund, an amount not to exceed~~
6 ~~\$79,800,000.00 from the community district education trust fund~~
7 ~~created under section 12 of the Michigan trust fund act, 2000 PA~~

1 ~~489, MCL 12.262, and an amount not to exceed \$100.00 from the water~~
2 ~~emergency reserve fund.~~ For the fiscal year ending September 30,
3 ~~2022, 2023,~~ there is appropriated for the public schools of this
4 state and certain other state purposes relating to education the
5 sum of ~~\$14,797,232,100.00~~ **\$100.00** from the state school aid fund,
6 the sum of ~~\$85,400,000.00~~ **\$100.00** from the general fund, **and** an
7 amount not to exceed ~~\$72,000,000.00~~ **\$100.00** from the community
8 district education trust fund created under section 12 of the
9 Michigan trust fund act, 2000 PA 489, MCL 12.262. ~~, and an amount~~
10 ~~not to exceed \$100.00 from the water emergency reserve fund.~~ In
11 addition, all available federal funds are only appropriated as
12 allocated in this article for the fiscal ~~years~~ **year** ending
13 ~~September 30, 2021 and September 30, 2022.~~ **2023.**

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

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

22 Sec. 17b. (1) Not later than October 20, November 20, December
23 20, January 20, February 20, March 20, April 20, May 20, June 20,
24 July 20, and August 20, the department shall prepare electronic
25 files of the amount to be distributed under this act in the
26 installment to the districts and intermediate districts and deliver
27 the electronic files to the state treasurer, and the state
28 treasurer shall pay the installments on each of those dates or, if
29 the date is not a business day, on the next business day following

1 that date. Except as otherwise provided in this act, the portion of
2 the district's or intermediate district's state fiscal year
3 entitlement to be included in each installment ~~shall~~**must** be 1/11.
4 A district or intermediate district shall accrue the payments
5 received in July and August to the school fiscal year ending the
6 immediately preceding June 30.

7 (2) The state treasurer shall make payment under this section
8 by drawing a warrant in favor of the treasurer of each district or
9 intermediate district for the amount payable to the district or
10 intermediate district according to the electronic files and
11 delivering the warrant to the treasurer of each district or
12 intermediate district, or if the state treasurer receives a written
13 request by the treasurer of the district or intermediate district
14 specifying an account, by electronic funds transfer to that account
15 of the amount payable to the district or intermediate district
16 according to the electronic files. The department may make
17 adjustments in payments made under this section through additional
18 payments when changes in law or errors in computation cause the
19 regularly scheduled payment to be less than the amount to which the
20 district or intermediate district is entitled ~~pursuant to~~**under**
21 this act.

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

26 (4) Upon the written request of a district or intermediate
27 district and the submission of proof satisfactory to the department
28 of a need of a temporary and nonrecurring nature, the
29 superintendent, with the written concurrence of the state treasurer

1 and the state budget director, may authorize an advance release of
2 funds due a district or intermediate district under this act. An
3 advance authorized under this subsection ~~shall~~**must** not cause funds
4 to be paid to a district or intermediate district more than 30 days
5 earlier than the established payment date for those funds.