

# SENATE BILL NO. 924

February 24, 2022, Introduced by Senator BAYER and referred to the Committee on Appropriations.

A bill to amend 1979 PA 94, entitled

"The state school aid act of 1979," by amending sections 3, 6, 6a, 11, 11a, 11j, 11k, 11m, 11s, 15, 18, 20, 20d, 20f, 20m, 21f, 21h, 22a, 22b, 22c, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 28, 31a, 31d, 31f, 31j, 31n, 31o, 31p, 32d, 32p, 35a, 39, 39a, 41, 51a, 51c, 51d, 51f, 51g, 53a, 54, 54b, 54d, 56, 61a, 61b, 61c, 61d, 62, 65, 67, 74, 81, 94, 94a, 97, 98, 99h, 99s, 104, 104h, 107, 147, 147a, 147c, 147e, 152a, 201, 201e, 206, 207a, 207b, 207c, 209, 209a, 229a, 230, 236, 236b, 236c, 236i, 241, 245, 245a, 251, 252, 256, 259, 260, 263, 264, 265, 265a, 265b, 267, 268, 269, 270c, 275h, 276, 277, 278, 279, 280, 281, and 282 (MCL 388.1603, 388.1606, 388.1606a,

388.1611, 388.1611a, 388.1611j, 388.1611k, 388.1611m, 388.1611s, 388.1615, 388.1618, 388.1620, 388.1620d, 388.1620f, 388.1620m, 388.1621f, 388.1621h, 388.1622a, 388.1622b, 388.1622c, 388.1622d, 388.1622m, 388.1622p, 388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1626a, 388.1626b, 388.1626c, 388.1626d, 388.1628, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631n, 388.1631o, 388.1631p, 388.1632d, 388.1632p, 388.1635a, 388.1639, 388.1639a, 388.1641, 388.1651a, 388.1651c, 388.1651d, 388.1651f, 388.1651g, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1656, 388.1661a, 388.1661b, 388.1661c, 388.1661d, 388.1662, 388.1665, 388.1667, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1697, 388.1698, 388.1699h, 388.1699s, 388.1704, 388.1704h, 388.1707, 388.1747, 388.1747a, 388.1747c, 388.1747e, 388.1752a, 388.1801, 388.1801e, 388.1806, 388.1807a, 388.1807b, 388.1807c, 388.1809, 388.1809a, 388.1829a, 388.1830, 388.1836, 388.1836b, 388.1836c, 388.1836i, 388.1841, 388.1845, 388.1845a, 388.1851, 388.1852, 388.1856, 388.1859, 388.1860, 388.1863, 388.1864, 388.1865, 388.1865a, 388.1865b, 388.1867, 388.1868, 388.1869, 388.1870c, 388.1875h, 388.1876, 388.1877, 388.1878, 388.1879, 388.1880, 388.1881, 388.1882), sections 3 as amended by 2020 PA 165, sections 6, 6a, 11, 11a, 11j, 11k, 11m, 11s, 15, 18, 20, 20d, 20f, 21f, 21h, 22a, 22b, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 28, 31a, 31d, 31f, 31j, 31n, 32d, 32p, 35a, 39, 39a, 41, 51a, 51c, 51d, 51f, 53a, 54, 54b, 54d, 56, 61a, 61b, 61c, 61d, 62, 65, 67, 74, 81, 94, 94a, 98, 99h, 99s, 104, 107, 147, 147a, 147c, 147e, and 152a as amended and sections 20m, 22c, 26d, 31o, 31p, 51g, 97, and 104h as added by 2021 PA 48, sections 201, 206, 207a, 207b, 207c, 209, 209a, 229a, 230, 236, 236b, 236c, 241, 245, 245a, 256, 259, 260, 263, 264, 265, 265b, 267, 268, 269, 270c, 275h, 276, 277, 278, 279, 280, 281, and 282 as amended and 201e and 236i as added by 2021 PA 86, sections 251 and 252 as amended by 2019 PA 162, and section 265a as amended by 2019 PA 62, and by adding sections 11y, 27a, 27d, 32n, 32s, 97b, 226e, and 236k; and to repeal acts and parts of acts.

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

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## ARTICLE I

## STATE AID TO PUBLIC SCHOOLS, EARLY CHILDHOOD, AND ADULT EDUCATION

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

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

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

(4) "Community district" means a school district organized under part 5b of the revised school code.

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

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

(7) "District" means a local school district established under the revised school code or, except in sections 6(4), 6(6), ~~11x~~, ~~11y~~, 13, 20, 22a, 22p, 31a, 51a(14), 105, 105c, and 166b, a public school academy. Except in section 20, district also includes a community district.

(8) "District of residence", except as otherwise provided in this subsection, means the district in which a pupil's custodial parent or parents or legal guardian resides. For a pupil described in section 24b, the pupil's district of residence is the district in which the pupil enrolls under that section. For a pupil described in

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

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

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

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

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

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

1 ~~pupils in grades K to 12 actually enrolled and in regular daily attendance in the~~  
2 ~~public school academy for the immediately preceding school year.~~ All pupil counts used  
3 in this subsection are as determined by the department and calculated by adding the  
4 number of pupils registered for attendance plus pupils received by transfer and minus  
5 pupils lost as defined by rules promulgated by the superintendent, and as corrected by  
6 a subsequent department audit. The amount of the foundation allowance for a pupil in  
7 membership is determined under section 20. In making the calculation of membership,  
8 all of the following, as applicable, apply to determining the membership of a  
9 district, a public school academy, or an intermediate district:

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

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

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

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

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

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

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

9 (h) For the purposes of this section and section 6a, for a cyber school, as that  
10 term is defined in section 551 of the revised school code, MCL 380.551, that is in  
11 compliance with section 553a of the revised school code, MCL 380.553a, a pupil's  
12 participation in the cyber school's educational program is considered regular daily  
13 attendance, and for a district or public school academy, a pupil's participation in a  
14 virtual course as that term is defined in section 21f is considered regular daily  
15 attendance. For the purposes of this subdivision, for a pupil enrolled in a cyber  
16 school and utilizing sequential learning, participation means that term as defined in  
17 the pupil accounting manual, section 5-O-D: requirements for counting pupils in  
18 membership-subsection 10.

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

22 (i) If operations begin before the pupil membership count day for the fiscal  
23 year, membership is the average number of full-time equated pupils in grades K to 12  
24 actually enrolled and in regular daily attendance on the pupil membership count day  
25 for the current school year and on the supplemental count day for the current school  
26 year, as determined by the department and calculated by adding the number of pupils

1 registered for attendance on the pupil membership count day plus pupils received by  
2 transfer and minus pupils lost as defined by rules promulgated by the superintendent,  
3 and as corrected by a subsequent department audit, plus the final audited count from  
4 the supplemental count day for the current school year, and dividing that sum by 2.

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

10 (j) If a district is the authorizing body for a public school academy, then, in  
11 the first school year in which pupils are counted in membership on the pupil  
12 membership count day in the public school academy, the determination of the district's  
13 membership excludes from the district's pupil count for the immediately preceding  
14 supplemental count day any pupils who are counted in the public school academy on that  
15 first pupil membership count day who were also counted in the district on the  
16 immediately preceding supplemental count day.

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

20 (l) To be counted in membership, a pupil must meet the minimum age requirement  
21 to be eligible to attend school under section 1147 of the revised school code, MCL  
22 380.1147, or must be enrolled under subsection (3) of that section, and must be less  
23 than 20 years of age on September 1 of the school year except as follows:

24 (i) A special education pupil who is enrolled and receiving instruction in a  
25 special education program or service approved by the department, who does not have a  
26 high school diploma, and who is less than 26 years of age as of September 1 of the



1 current school year is counted in membership.

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

4 (A) Is enrolled in a public school academy or an alternative education high  
5 school diploma program, that is primarily focused on educating pupils with extreme  
6 barriers to education, such as being homeless as that term is defined under 42 USC  
7 11302.

8 (B) Had dropped out of school.

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

10 (iii) If a child does not meet the minimum age requirement to be eligible to  
11 attend school for that school year under section 1147 of the revised school code, MCL  
12 380.1147, but will be 5 years of age not later than December 1 of that school year,  
13 the district may count the child in membership for that school year if the parent or  
14 legal guardian has notified the district in writing that he or she intends to enroll  
15 the child in kindergarten for that school year.

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

24 (n) If a pupil counted in membership in a public school academy is also educated  
25 by a district or intermediate district as part of a cooperative education program, the  
26 pupil is counted in membership only in the public school academy unless a written

1 agreement signed by all parties designates the party or parties in which the pupil is  
2 counted in membership, and the instructional time scheduled for the pupil in the  
3 district or intermediate district is included in the full-time equated membership  
4 determination under subdivision (q) and section 101. However, for pupils receiving  
5 instruction in both a public school academy and in a district or intermediate district  
6 but not as a part of a cooperative education program, the following apply:

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

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

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

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

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

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

23 (s) For a district or a public school academy that has pupils enrolled in a  
24 grade level that was not offered by the district or public school academy in the  
25 immediately preceding school year, the number of pupils enrolled in that grade level  
26 to be counted in membership is the average of the number of those pupils enrolled and

1 in regular daily attendance on the pupil membership count day and the supplemental  
2 count day of the current school year. Membership is calculated by adding the number of  
3 pupils registered for attendance in that grade level on the pupil membership count day  
4 plus pupils received by transfer and minus pupils lost as defined by rules promulgated  
5 by the superintendent, and as corrected by subsequent department audit, plus the final  
6 audited count from the supplemental count day for the current school year, and  
7 dividing that sum by 2.

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

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

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

26 (ii) The district provides instructional materials, resources, and supplies that

1 are comparable to those otherwise provided in the district's alternative education  
2 program.

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

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

6 (v) If a pupil was enrolled in a public school academy on the pupil membership  
7 count day, if the public school academy's contract with its authorizing body is  
8 revoked or the public school academy otherwise ceases to operate, and if the pupil  
9 enrolls in a district within 45 days after the pupil membership count day, the  
10 department shall adjust the district's pupil count for the pupil membership count day  
11 to include the pupil in the count.

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

20 (x) If a district's membership for a particular fiscal year, as otherwise  
21 calculated under this subsection, would be less than 1,550 pupils, the district has  
22 4.5 or fewer pupils per square mile, as determined by the department, and the district  
23 does not receive funding under section 22d(2), the district's membership is considered  
24 to be the membership figure calculated under this subdivision. If a district educates  
25 and counts in its membership pupils in grades 9 to 12 who reside in a contiguous  
26 district that does not operate grades 9 to 12 and if 1 or both of the affected

1 districts request the department to use the determination allowed under this sentence,  
2 the department shall include the square mileage of both districts in determining the  
3 number of pupils per square mile for each of the districts for the purposes of this  
4 subdivision. If a district has established a community engagement advisory committee  
5 in partnership with the department of treasury, is required to submit a deficit  
6 elimination plan or an enhanced deficit elimination plan under section 1220 of the  
7 revised school code, MCL 380.1220, and is located in a city with a population between  
8 9,000 and 11,000, as determined by the department, that is in a county with a  
9 population between 150,000 and 160,000, as determined by the department, the  
10 district's membership is considered to be the membership figure calculated under this  
11 subdivision. The membership figure calculated under this subdivision is the greater of  
12 the following:

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

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

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

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

5           (aa) For the first year in which a pupil is counted in membership on the pupil  
6 membership count day in a middle college program, the membership is the average of the  
7 full-time equated membership on the pupil membership count day and on the supplemental  
8 count day for the current school year, as determined by the department. If a pupil  
9 described in this subdivision was counted in membership by the operating district on  
10 the immediately preceding supplemental count day, the pupil is excluded from the  
11 district's immediately preceding supplemental count for the purposes of determining  
12 the district's membership.

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

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

19           (dd) For a pupil enrolled in a dropout recovery program that meets the  
20 requirements of section 23a, the pupil is counted as 1/12 of a full-time equated  
21 membership for each month that the district operating the program reports that the  
22 pupil was enrolled in the program and was in full attendance. However, if the special  
23 membership counting provisions under this subdivision and the operation of the other  
24 membership counting provisions under this subsection result in a pupil being counted  
25 as more than 1.0 FTE in a fiscal year, the payment made for the pupil under sections  
26 22a and 22b must not be based on more than 1.0 FTE for that pupil, and any portion of

1 an FTE for that pupil that exceeds 1.0 is instead paid under section 25g. The district  
2 operating the program shall report to the center the number of pupils who were  
3 enrolled in the program and were in full attendance for a month not later than 30 days  
4 after the end of the month. A district shall not report a pupil as being in full  
5 attendance for a month unless both of the following are met:

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

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

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

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

24 (gg) If a special education pupil is expelled under section 1311 or 1311a of the  
25 revised school code, MCL 380.1311 and 380.1311a, and is not in attendance on the pupil  
26 membership count day because of the expulsion, and if the pupil remains enrolled in



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

4 (hh) A pupil enrolled in a community district is counted in membership in the  
5 community district.

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

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

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

17 (ii) The course in which the pupil is enrolled would meet the definition of an  
18 eligible course under the postsecondary enrollment options act, 1996 PA 160, MCL  
19 388.511 to 388.524, if the course were provided by an eligible postsecondary  
20 institution under that act.

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

26 (iv) The district or public school academy pays for a portion of the pupil's

1 tuition at the college or university in an amount equal to the eligible charges that  
2 the district or public school academy would pay to an eligible postsecondary  
3 institution under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511  
4 to 388.524, as if the course were an eligible course under that act.

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

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

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

17 (i) If the district's or public school academy's membership for pupils counted  
18 under section 166b equals or exceeds 5% of the district's or public school academy's  
19 membership for pupils not counted in membership under section 166b in the immediately  
20 preceding fiscal year, then the growth in the district's or public school academy's  
21 membership for pupils counted under section 166b must not exceed 10%.

22 (ii) If the district's or public school academy's membership for pupils counted  
23 under section 166b is less than 5% of the district's or public school academy's  
24 membership for pupils not counted in membership under section 166b in the immediately  
25 preceding fiscal year, then the district's or public school academy's membership for  
26 pupils counted under section 166b must not exceed the greater of the following:

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

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

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

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

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

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

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

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

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

22 (e) A pupil who has made an official written complaint or whose parent or legal  
23 guardian has made an official written complaint to law enforcement officials and to  
24 school officials of the pupil's district of residence that the pupil has been the  
25 victim of a criminal sexual assault or other serious assault, if the official  
26 complaint either indicates that the assault occurred at school or that the assault was

1 committed by 1 or more other pupils enrolled in the school the pupil would otherwise  
 2 attend in the district of residence or by an employee of the district of residence. A  
 3 person who intentionally makes a false report of a crime to law enforcement officials  
 4 for the purposes of this subdivision is subject to section 411a of the Michigan penal  
 5 code, 1931 PA 328, MCL 750.411a, which provides criminal penalties for that conduct.  
 6 As used in this subdivision:

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

10 (ii) "Serious assault" means an act that constitutes a felony violation of  
 11 chapter XI of the Michigan penal code, 1931 PA 328, MCL 750.81 to 750.90h, or that  
 12 constitutes an assault and infliction of serious or aggravated injury under section  
 13 81a of the Michigan penal code, 1931 PA 328, MCL 750.81a.

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

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

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

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

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

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

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

3 (i) A pupil who is the child of a person who works at the district or who is the  
4 child of a person who worked at the district as of the time the pupil first enrolled  
5 in the district but who no longer works at the district due to a workforce reduction.  
6 As used in this subdivision, "child" includes an adopted child, stepchild, or legal  
7 ward.

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

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

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

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

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

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

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

2 (a) Except as provided in subdivision (b), the first Wednesday in October each  
 3 school year or, for a district or building in which school is not in session on that  
 4 Wednesday due to conditions not within the control of school authorities, with the  
 5 approval of the superintendent, the immediately following day on which school is in  
 6 session in the district or building.

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

9 (i) Fourth Wednesday in July.

10 (ii) First Wednesday in October.

11 (iii) Second Wednesday in February.

12 (iv) Fourth Wednesday in April.

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

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

9       ~~(a) A~~<sup>a</sup> period of time in 1 day when pupils and an individual who is  
 10 appropriately placed under a valid certificate, substitute permit, authorization, or  
 11 approval issued by the department, are together and instruction is taking place. ~~This~~  
 12 ~~subdivision does not apply for the 2020-2021 and 2021-2022 school years.~~

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

18       ~~(9) "Pupils engaged in pandemic learning for spring 2021" means that term as~~  
 19 ~~defined in section 6a.~~

20       (9) ~~(10)~~ "Rule" means a rule promulgated pursuant to the administrative  
 21 procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

22       (10) ~~(11)~~ "The revised school code" means the revised school code, 1976 PA 451,  
 23 MCL 380.1 to 380.1852.

24       (11) ~~(12)~~ "School district of the first class", "first class school district",  
 25 and "district of the first class" mean, for the purposes of this article only, a  
 26 district that had at least 40,000 pupils in membership for the immediately preceding

1 fiscal year.

2 (12) ~~(13)~~ "School fiscal year" means a fiscal year that commences July 1 and  
3 continues through June 30.

4 (13) ~~(14)~~ "State board" means the state board of education.

5 (14) ~~(15)~~ "Superintendent", unless the context clearly refers to a district or  
6 intermediate district superintendent, means the superintendent of public instruction  
7 described in section 3 of article VIII of the state constitution of 1963.

8 (15) ~~(16)~~ "Supplemental count day" means the day on which the supplemental pupil  
9 count is conducted under section 6a. ~~or the day specified as supplemental count day~~  
10 ~~under section 6a.~~

11 (16) ~~(17)~~ "Tuition pupil" means a pupil of school age attending school in a  
12 district other than the pupil's district of residence for whom tuition may be charged  
13 to the district of residence. Tuition pupil does not include a pupil who is a special  
14 education pupil, a pupil described in subsection (6) (d) to (n), or a pupil whose  
15 parent or guardian voluntarily enrolls the pupil in a district that is not the pupil's  
16 district of residence. A pupil's district of residence shall not require a high school  
17 tuition pupil, as provided under section 111, to attend another school district after  
18 the pupil has been assigned to a school district.

19 (17) ~~(18)~~ "State school aid fund" means the state school aid fund established in  
20 section 11 of article IX of the state constitution of 1963.

21 (18) ~~(19)~~ "Taxable value" means, except as otherwise provided in this article,  
22 the taxable value of property as determined under section 27a of the general property  
23 tax act, 1893 PA 206, MCL 211.27a.

24 (19) ~~(20)~~ "Textbook" means a book, electronic book, or other instructional print  
25 or electronic resource that is selected and approved by the governing board of a  
26 district and that contains a presentation of principles of a subject, or that is a



1 literary work relevant to the study of a subject required for the use of classroom  
 2 pupils, or another type of course material that forms the basis of classroom  
 3 instruction.

4 (20) ~~(21)~~ "Total state aid" or "total state school aid", except as otherwise  
 5 provided in this article, means the total combined amount of all funds due to a  
 6 district, intermediate district, or other entity under this article.

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

1 ~~subsection when the district is providing pupil instruction pursuant to an extended~~  
 2 ~~COVID-19 learning plan approved under section 98a.~~

3 ~~(2) As used in this section, "pupils engaged in pandemic learning for spring~~  
 4 ~~2021" means pupils in grades K to 12 who are enrolled in a district, excluding a~~  
 5 ~~district that operates as a cyber school, as that term is defined in section 551 of~~  
 6 ~~the revised school code, MCL 380.551, or intermediate district and to which any of the~~  
 7 ~~following apply:~~

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

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

12 ~~(ii) The pupil logs into an online or virtual lesson or lesson activity on 2020-~~  
 13 ~~2021 supplemental count day and the login can be documented by the district or~~  
 14 ~~intermediate district.~~

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

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

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

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

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

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

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

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

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

1 ~~any of the following means:~~

2 ~~(A) Email.~~

3 ~~(B) Telephone.~~

4 ~~(C) Instant messaging.~~

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

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

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

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

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

20 ~~Sec. 11. (1) For the fiscal year ending September 30, 2021, there is~~  
 21 ~~appropriated for the public schools of this state and certain other state purposes~~  
 22 ~~relating to education the sum of \$13,715,807,900.00 from the state school aid fund,~~  
 23 ~~the sum of \$54,464,600.00 from the general fund, an amount not to exceed~~  
 24 ~~\$79,800,000.00 from the community district education trust fund created under section~~  
 25 ~~12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, and an amount not to~~  
 26 ~~exceed \$100.00 from the water emergency reserve fund. For the fiscal year ending~~

1 September 30, ~~2022, 2023~~, there is appropriated for the public schools of this state  
 2 and certain other state purposes relating to education the sum of ~~\$14,797,232,100.00~~  
 3 **\$15,814,595,600.00** from the state school aid fund, the sum of ~~\$85,400,000.00~~  
 4 **\$108,200,000.00** from the general fund, **an amount not to exceed \$170,000,000.00 from**  
 5 **the school infrastructure fund**, an amount not to exceed \$72,000,000.00 from the  
 6 community district education trust fund created under section 12 of the Michigan trust  
 7 fund act, 2000 PA 489, MCL 12.262, and an amount not to exceed \$100.00 from the water  
 8 emergency reserve fund. In addition, all available federal funds are only appropriated  
 9 as allocated in this article for the fiscal years ending September 30, ~~2021-2022~~ and  
 10 September 30, ~~2022-2023~~.

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

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

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

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

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

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

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

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

5 (4) The state treasurer shall direct the investment of the school aid  
6 stabilization fund. The state treasurer shall credit to the school aid stabilization  
7 fund interest and earnings from fund investments.

8 (5) Money in the school aid stabilization fund at the close of a fiscal year  
9 remains in the school aid stabilization fund and does not lapse to the unreserved  
10 school aid fund balance or the general fund.

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

21 (7) For ~~2021-2022, 2022-2023~~, in addition to the appropriations in section 11,  
22 there is appropriated from the school aid stabilization fund to the state school aid  
23 fund the amount necessary to fully fund the allocations under this article.

24 Sec. 11j. From the state school aid fund money appropriated in section 11, there  
25 is allocated an amount not to exceed \$111,000,000.00 for ~~2021-2022-2022-2023~~ for  
26 payments to the school loan bond redemption fund in the department of treasury on

1 behalf of districts and intermediate districts. Notwithstanding section 296 or any  
 2 other provision of this act, funds allocated under this section are not subject to  
 3 proration and must be paid in full.

4 Sec. 11k. For ~~2021-2022,~~**2022-2023**, there is appropriated from the general fund  
 5 to the school loan revolving fund an amount equal to the amount of school bond loans  
 6 assigned to the Michigan finance authority, not to exceed the total amount of school  
 7 bond loans held in reserve as long-term assets. As used in this section, "school loan  
 8 revolving fund" means that fund created in section 16c of the shared credit rating  
 9 act, 1985 PA 227, MCL 141.1066c.

10 Sec. 11m. From the state school aid fund money appropriated in section 11, there  
 11 is allocated for ~~2020-2021 an amount not to exceed \$8,700,000.00 and there is~~  
 12 ~~allocated for 2021-2022-~~**2022-2023** an amount not to exceed ~~\$9,500,000.00-~~**\$10,400,000.00**  
 13 for fiscal year cash-flow borrowing costs solely related to the state school aid fund  
 14 established under section 11 of article IX of the state constitution of 1963.

15 Sec. 11s. (1) From the state school aid fund money appropriated in section 11,  
 16 there is allocated \$5,000,000.00 for ~~2021-2022-~~**2022-2023** and from the general fund  
 17 money appropriated in section 11, there is allocated \$3,075,000.00 for ~~2021-2022-~~**2022-**  
 18 **2023** for the purpose of providing services and programs to children who reside within  
 19 the boundaries of a district with the majority of its territory located within the  
 20 boundaries of a city for which an executive proclamation of emergency concerning  
 21 drinking water is issued in the current or immediately preceding ~~6-7~~ fiscal years  
 22 under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. From the  
 23 funding appropriated in section 11, there is allocated for ~~2021-2022-~~**2022-2023** \$100.00  
 24 from the water emergency reserve fund for the purposes of this section.

25 (2) From the general fund money allocated in subsection (1), there is allocated  
 26 to a district with the majority of its territory located within the boundaries of a

1 city for which an executive proclamation of emergency concerning drinking water is  
 2 issued in the current or immediately preceding ~~6-7~~ fiscal years and that has at least  
 3 4,500 pupils in membership for the 2016-2017 fiscal year or has at least ~~3,000-2,900~~  
 4 pupils in membership for a fiscal year after 2016-2017, an amount not to exceed  
 5 \$2,425,000.00 for ~~2021-2022-2022-2023~~ for the purpose of employing school nurses,  
 6 classroom aides, and school social workers. The district shall provide a report to the  
 7 department in a form, manner, and frequency prescribed by the department. The  
 8 department shall provide a copy of that report to the governor, the house and senate  
 9 school aid subcommittees, the house and senate fiscal agencies, and the state budget  
 10 director within 5 days after receipt. The report must provide at least the following  
 11 information:

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

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

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

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

19 (3) For ~~2020-2021, from the state school aid fund money appropriated in section~~  
 20 ~~11, there is allocated \$2,400,000.00, and, for 2021-2022-2022-2023,~~ from the state  
 21 school aid fund money allocated in subsection (1), there is allocated an amount not to  
 22 exceed \$2,000,000.00 to an intermediate district that has a constituent district  
 23 described in subsection (2) to provide state early intervention services for children  
 24 described in subsection (1) who are between age 3 and age 5. The intermediate district  
 25 shall use these funds to provide state early intervention services that are similar to  
 26 the services described in the early on Michigan state plan.



1           (4) From the state school aid fund money allocated in subsection (1), there is  
2 allocated an amount not to exceed \$1,000,000.00 for ~~2021-2022-2022-2023~~ to the  
3 intermediate district described in subsection (3) to enroll children described in  
4 subsection (1) in school-day great start readiness programs, regardless of household  
5 income eligibility requirements contained in section 32d. The department shall  
6 administer this funding consistent with all other provisions that apply to great start  
7 readiness programs under sections 32d and 39.

8           (5) For ~~2021-2022, 2022-2023~~, from the general fund money allocated in  
9 subsection (1), there is allocated an amount not to exceed \$650,000.00 for nutritional  
10 services to children described in subsection (1).

11           (6) For ~~2021-2022, 2022-2023~~, from the state school aid fund money allocated in  
12 subsection (1), there is allocated an amount not to exceed \$2,000,000.00 to the  
13 intermediate district described in subsection (3) for interventions and supports for  
14 students in K to 12 who were impacted by an executive proclamation of emergency  
15 described in subsection (1) concerning drinking water. Funds under this subsection  
16 must be used for behavioral supports, social workers, counselors, psychologists,  
17 nursing services, including, but not limited to, vision and hearing services,  
18 transportation services, parental engagement, community coordination, and other  
19 support services.

20           (7) In addition to the allocation under subsection (1), from the general fund  
21 money appropriated under section 11, there is allocated an amount not to exceed  
22 \$1,000,000.00 for ~~2021-2022-2022-2023~~ only for an early childhood collaborative that  
23 serves students located in a county with a population of not less than 400,000 or more  
24 than 500,000. The funds allocated under this subsection must be used to continue the  
25 expansion of early childhood services in response to an executive proclamation of  
26 emergency described in this section concerning drinking water.

1           ~~(8) In addition to the allocation under subsection (1), from the general fund~~  
 2 ~~money appropriated under section 11, there is allocated an amount not to exceed~~  
 3 ~~\$1,384,900.00 for 2021-2022 only for the early childhood collaborative described in~~  
 4 ~~subsection (7) to be used in support of enrollment software and staff. The~~  
 5 ~~collaborative described in this subsection may use back office supports from Genesee~~  
 6 ~~Intermediate School District and the Genesee County Community Action Resource~~  
 7 ~~Department to reduce project costs for purposes of this subsection. The collaborative~~  
 8 ~~described in this subsection must ensure that all of the following are met:~~

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

11           ~~(i) A coordinated information campaign.~~

12           ~~(ii) Coordinated eligibility determination and preferences.~~

13           ~~(iii) A coordinated application.~~

14           ~~(iv) Highly qualified full-time and seasonal enrollment and analytics staff.~~

15           ~~(v) Content built with language services, program overhead, equipment, and~~  
 16 ~~supplies.~~

17           ~~(b) The enrollment program selected by the collaborative for purposes of this~~  
 18 ~~subsection has a record of improving enrollment in New Orleans.~~

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

21           ~~(d) It complies with application and reporting requirements as determined by the~~  
 22 ~~department.~~

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

26           ~~(8) (9)~~ In addition to other funding allocated and appropriated in this section,

1 there is appropriated an amount not to exceed \$5,000,000.00 for ~~2021-2022-2022-2023~~  
 2 for state restricted contingency funds. These contingency funds are not available for  
 3 expenditure until they have been transferred to a section within this article under  
 4 section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

5 (9) ~~(10)~~ Notwithstanding section 17b, the department shall make payments under  
 6 this section on a schedule determined by the department.

7 Sec. 11y. (1) For 2022-2023, from the school infrastructure fund money  
 8 appropriated under section 11, there is allocated an amount not to exceed  
 9 \$170,000,000.00 and from the general fund money appropriated under section 11, there  
 10 is allocated for 2022-2023 only an amount not to exceed \$1,000,000.00 for education  
 11 infrastructure projects. The department shall administer the program described in this  
 12 subsection in coordination with the department of treasury and the department of  
 13 technology, management and budget.

14 (2) From the school infrastructure fund allocated in subsection (1), there is an  
 15 amount not to exceed \$170,000,000.00 to be distributed for infrastructure projects  
 16 approved by the department.

17 (3) All of the following apply to the application process for funding under  
 18 subsection (1):

19 (a) To receive funding under subsection (1), a district shall submit an  
 20 application for funding under subsection (1) in a form and manner determined by the  
 21 department. This application shall include a minimum of a 5 year long-term  
 22 infrastructure plan for the district including a building utilization study, audited  
 23 financial statements for the two most recently completed school fiscal years, the  
 24 current approved budget and any budget amendments, budgeted cost for the  
 25 infrastructure project including any bids and supporting documentation already  
 26 obtained, whether the proposal includes replacing an existing school building with a

1 new school building or retrofitting an existing building, a cost analysis comparing  
2 replacement and retrofitting, planned use of the former school building, and proposed  
3 funding sources for the projects including millage rates passed.

4 (b) An application from a district under this subsection must be for 1 or more  
5 instructional buildings that have some or all of pre-K to grade 12 classrooms and  
6 pupils.

7 (c) An applicant may submit only 1 application per fiscal year.

8 (d) An applicant must demonstrate that projects have local matching funds. The  
9 department in coordination with the department of treasury shall determine the amount  
10 of local match required given the means available to the district through their local  
11 revenue generating capacity.

12 (e) An applicant must demonstrate that the long-term infrastructure project plan  
13 supports the current and projected building utilization for student enrollment.

14 (f) An applicant shall comply with Michigan Laws, including the Revised School  
15 Code, the State School Aid Act and the Uniform Budgeting and Accounting Act.

16 (4) From the general fund money allocated in subsection (1), there is allocated  
17 \$1,000,000.00 to administer the program.

18 (5) The following types of projects are not eligible for funding under this  
19 section:

20 (a) Any part of construction that includes sports facilities or other non-  
21 academic spaces. This does not include cafeterias used for student meals or blight  
22 removal.

23 (b) Buildings used exclusively for administrative purposes that do not include  
24 classrooms for some or all of per-K to grade 12 pupils.

25 (c) Buildings leased and not owned by the district.

26 (d) Projects whose primary purpose is school security or school hardening.

1           (6) The department, in coordination with the department of treasury and  
2 department of technology, management and budget, shall evaluate applications for  
3 funding from school districts and make awards based on the following criteria which  
4 include but are not limited to:

5           (a) The infrastructure plan submitted by the district.

6           (b) The proportion of students qualifying as economically disadvantaged as  
7 determined in section 31a, giving priority to districts with a higher proportion of  
8 economically disadvantaged students.

9           (c) As determined in Section 1220 of the Revised School Code, giving priority to  
10 districts with an Enhanced Deficit Elimination Plan.

11           (c) The taxable value in a district and the potential local funding that could  
12 be collected with an increase in millage rates. Higher priority shall be given to  
13 districts with lower taxable values and a diminished potential local funding stream.

14           (d) Higher priority shall be given to projects addressing health and safety  
15 concerns including, but not limited to, access to clean water and air.

16           (e) The millage level being levied in a school district and the district's  
17 ability to increase millage rates given legally allowable maximum rates. Consideration  
18 shall be given to school districts that are closer to the maximum millage rate.

19           (f) The analysis of a constructing a new school building compared to  
20 retrofitting the existing building referenced in subsection (3).

21           (g) The geographic distribution of award, which the department should maximize  
22 where funding and quality applications permit.

23           (h) Whether a district has previously received funding from the school  
24 infrastructure fund. Priority shall be given to districts that have not previously  
25 received funding under this section.

26           (i) The complete application submitted and whether it meets all the requirements

1 described in subsection 3.

2 (7) If the department approves an application for funding, it may approve the  
3 project submitted by the district either partially or in full.

4 (8) The department shall report on award activities under this section,  
5 including number of approved and denied applications, projected cost included in each  
6 application, and progress made on approved projects, to the senate and house  
7 appropriations subcommittees on school aid and the department of education, the senate  
8 and house fiscal agencies, and the state budget office by September 30, 2023.

9 (9) No one district shall receive more than 15% of the funds allocated under  
10 subsection (1) from the school infrastructure fund.

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

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

1 education or special education transportation payments, from the proceeds of a loan to  
2 the district under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to  
3 141.942, or from the proceeds of millage levied or pledged under section 1211 of the  
4 revised school code, MCL 380.1211.

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

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

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

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

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

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

20 (7) In addition to funds appropriated in section 11 for all programs and  
21 services, there is appropriated for ~~2021-2022~~**2022-2023** for obligations in excess of  
22 applicable appropriations an amount equal to the collection of overpayments, but not  
23 to exceed amounts available from overpayments.

24 Sec. 18. (1) Except as provided in another section of this article, each  
25 district or other entity shall apply the money received by the district or entity  
26 under this article to salaries and other compensation of teachers and other employees,



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

14 (2) A district or intermediate district shall adopt an annual budget in a manner  
15 that complies with the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to  
16 141.440a. Within 15 days after a district board adopts its annual operating budget for  
17 the following school fiscal year, or after a district board adopts a subsequent  
18 revision to that budget, the district shall make all of the following available  
19 through a link on its website homepage, or may make the information available through  
20 a link on its intermediate district's website homepage, in a form and manner  
21 prescribed by the department:

22 (a) The annual operating budget and subsequent budget revisions.

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

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

1 (A) Salaries and wages.

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

4 (C) Retirement benefit costs.

5 (D) All other personnel costs.

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

8 (A) Instruction.

9 (B) Support services.

10 (C) Business and administration.

11 (D) Operations and maintenance.

12 (c) Links to all of the following:

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

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

18 (iii) The audit report of the financial audit conducted under subsection (4) for  
19 the most recent fiscal year for which it is available.

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

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

24 (vi) The district's written policy establishing specific categories of  
25 reimbursable expenses, as described in section 1254(2) of the revised school code, MCL  
26 380.1254.

1           (vii) Either the district's accounts payable check register for the most recent  
2 school fiscal year or a statement of the total amount of expenses incurred by board  
3 members or employees of the district that were reimbursed by the district for the most  
4 recent school fiscal year.

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

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

9           (f) The annual amount spent on lobbying or lobbying services. As used in this  
10 subdivision, "lobbying" means that term as defined in section 5 of 1978 PA 472, MCL  
11 4.415.

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

14           (h) Identification of all credit cards maintained by the district as district  
15 credit cards, the identity of all individuals authorized to use each of those credit  
16 cards, the credit limit on each credit card, and the dollar limit, if any, for each  
17 individual's authorized use of the credit card.

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

22           (3) For the information required under subsection (2) (a), (2) (b) (i), and (2) (c),  
23 an intermediate district shall provide the same information in the same manner as  
24 required for a district under subsection (2).

25           (4) For the purposes of determining the reasonableness of expenditures, whether  
26 a district or intermediate district has received the proper amount of funds under this

1 article, and whether a violation of this article has occurred, all of the following  
2 apply:

3 (a) The department shall require that each district and intermediate district  
4 have an audit of the district's or intermediate district's financial and pupil  
5 accounting records conducted at least annually, and at such other times as determined  
6 by the department, at the expense of the district or intermediate district, as  
7 applicable. The audits must be performed by a certified public accountant or by the  
8 intermediate district superintendent, as may be required by the department, or in the  
9 case of a district of the first class by a certified public accountant, the  
10 intermediate superintendent, or the auditor general of the city. A district or  
11 intermediate district shall retain these records for the current fiscal year and from  
12 at least the 3 immediately preceding fiscal years.

13 (b) If a district operates in a single building with fewer than 700 full-time  
14 equated pupils, if the district has stable membership, and if the error rate of the  
15 immediately preceding 2 pupil accounting field audits of the district is less than 2%,  
16 the district may have a pupil accounting field audit conducted biennially but must  
17 continue to have desk audits for each pupil count. The auditor must document  
18 compliance with the audit cycle in the pupil auditing manual. As used in this  
19 subdivision, "stable membership" means that the district's membership for the current  
20 fiscal year varies from the district's membership for the immediately preceding fiscal  
21 year by less than 5%.

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

25 (d) The pupil and financial accounting records and reports, audits, and  
26 management letters are subject to requirements established in the auditing and

1 accounting manuals approved and published by the department.

2 (e) All of the following must be done not later than November 1 each year for  
3 reporting the prior fiscal year data:

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

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

8 (iii) The intermediate district shall enter the pupil membership audit reports,  
9 **known as the audit narrative**, for its constituent districts and for the intermediate  
10 district, for the pupil membership count day and supplemental count day, in the  
11 Michigan student data system.

12 (f) The annual financial audit reports and pupil accounting procedures reports  
13 must be available to the public in compliance with the freedom of information act,  
14 1976 PA 442, MCL 15.231 to 15.246.

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

20 (5) By the first business day in November of each fiscal year, each district and  
21 intermediate district shall submit to the center, in a manner prescribed by the  
22 center, annual comprehensive financial data consistent with the district's or  
23 intermediate district's audited financial statements and consistent with accounting  
24 manuals and charts of accounts approved and published by the department. For an  
25 intermediate district, the report must also contain the website address where the  
26 department can access the report required under section 620 of the revised school

1 code, MCL 380.620. The department shall ensure that the prescribed Michigan public  
2 school accounting manual chart of accounts includes standard conventions to  
3 distinguish expenditures by allowable fund function and object. The functions must  
4 include at minimum categories for instruction, pupil support, instructional staff  
5 support, general administration, school administration, business administration,  
6 transportation, facilities operation and maintenance, facilities acquisition, and debt  
7 service; and must include object classifications of salary, benefits, including  
8 categories for active employee health expenditures, purchased services, supplies,  
9 capital outlay, and other. A district shall report the required level of detail  
10 consistent with the manual as part of the comprehensive annual financial report.

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

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

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

1 subsequent fiscal year, the department must notify the district of that violation and  
2 allow the district 30 days to correct the violation before the department is allowed  
3 to impose financial penalties under this act related to the violation.

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

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

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

23 (12) By November 1 of each year, if a district or intermediate district offers  
24 virtual learning under section 21f, or for a school of excellence that is a cyber  
25 school, as defined in section 551 of the revised school code, MCL 380.551, the  
26 district or intermediate district shall submit to the department a report that details

1 the per-pupil costs of operating the virtual learning by vendor type and virtual  
2 learning model. The report must include information concerning the operation of  
3 virtual learning for the immediately preceding school fiscal year, including  
4 information concerning summer programming. Information must be collected in a form and  
5 manner determined by the department and must be collected in the most efficient manner  
6 possible to reduce the administrative burden on reporting entities.

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

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

14 (a) Virtual courses provided by the Michigan Virtual University.

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

17 (c) Virtual courses provided by third party vendors not affiliated with a public  
18 school in this state.

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

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

22 (16) The department shall annually submit to the senate and house subcommittees  
23 on school aid and to the senate and house standing committees on education an itemized  
24 list of allocations under this article to any association or consortium consisting of  
25 associations in the immediately preceding fiscal year. The report must detail the  
26 recipient or recipients, the amount allocated, and the purpose for which the funds



1 were distributed.

2           Sec. 20. (1) For ~~2021-2022, both of the following apply: 2022-2023, the target~~  
3 **foundation allowance is \$9,135.00.**

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

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

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

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

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

1 ~~minimum foundation allowance for the immediately preceding fiscal year.] The~~  
 2 ~~foundation allowance for a district that had less than the target foundation allowance~~  
 3 ~~for the immediately preceding fiscal year must not exceed the target foundation~~  
 4 ~~allowance for the current fiscal year. For 2021-2022, for a district that had a~~  
 5 ~~foundation allowance for the immediately preceding fiscal year that was at least equal~~  
 6 ~~to the minimum foundation allowance for the immediately preceding fiscal year, but~~  
 7 ~~less than the target foundation allowance for the immediately preceding fiscal year,~~  
 8 ~~the district's foundation allowance is \$8,700.00. **the target foundation allowance**~~  
 9 **described in subsection (1). The foundation allowance for a public school academy that**  
 10 **was issued a contract under section 552 of the revised school code, MCL 380.552, to**  
 11 **operate as a school of excellence that is a cyber school is \$8,700.00.**

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

17 ~~(b) (c)~~ For a district that had a foundation allowance for the immediately  
 18 preceding fiscal year that was greater than the target foundation allowance for the  
 19 immediately preceding fiscal year, the district's foundation allowance is an amount  
 20 equal to **the lesser of** (the sum of the district's foundation allowance for the  
 21 immediately preceding fiscal year plus **any per pupil amount calculated under section**  
 22 **20m(2) in the immediately preceding fiscal year plus the lesser of** the increase in the  
 23 target foundation allowance for the current fiscal year, as compared to the  
 24 immediately preceding fiscal year), ~~or~~ (the product of the district's foundation  
 25 allowance for the immediately preceding fiscal year times the percentage increase in  
 26 the United States Consumer Price Index in the calendar year ending in the immediately

1 preceding fiscal year as reported by the May revenue estimating conference conducted  
 2 under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b).

3 (c) For a district that has a foundation allowance less than the target  
 4 foundation in the current year but had a foundation allowance in fiscal year 2020-2021  
 5 that was greater than the target foundation in effect for that year, the district's  
 6 foundation allowance is an amount equal to the lesser of (the sum of the district's  
 7 foundation allowance for fiscal year 2020-2021 plus the increase in the target  
 8 foundation allowance for the current fiscal year, as compared to fiscal year 2020-  
 9 2021) or (the product of the district's foundation allowance for the immediately  
 10 preceding fiscal year times the percentage increase in the United States Consumer  
 11 Price Index in the calendar year ending in the immediately preceding fiscal year as  
 12 reported by the May revenue estimating conference conducted under section 367b of the  
 13 management and budget act, 1984 PA 431, MCL 18.1367b).

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

17 (4) Except as otherwise provided in this subsection, ~~beginning in 2021-2022,~~ the  
 18 state portion of a district's foundation allowance is an amount equal to the  
 19 district's foundation allowance or the target foundation allowance for the current  
 20 fiscal year, whichever is less, minus the local portion of the district's foundation  
 21 allowance. **Except as otherwise provided in this subsection, for a district described**  
 22 **in subsections (3) (b) and (3) (c), beginning in 2021-2022, the state portion of the**  
 23 **district's foundation allowance is an amount equal to the target foundation allowance**  
 24 **minus the district's foundation allowance supplemental payment per pupil calculated**  
 25 **under section 20m and minus the local portion of the district's foundation allowance.**  
 26 For a district that has a millage reduction required under section 31 of article IX of

1 the state constitution of 1963, the department shall calculate the state portion of  
2 the district's foundation allowance as if that reduction did not occur. For a  
3 receiving district, if school operating taxes continue to be levied on behalf of a  
4 dissolved district that has been attached in whole or in part to the receiving  
5 district to satisfy debt obligations of the dissolved district under section 12 of the  
6 revised school code, MCL 380.12, the taxable value per membership pupil of property in  
7 the receiving district used for the purposes of this subsection does not include the  
8 taxable value of property within the geographic area of the dissolved district. For a  
9 community district, if school operating taxes continue to be levied by a qualifying  
10 school district under section 12b of the revised school code, MCL 380.12b, with the  
11 same geographic area as the community district, the taxable value per membership pupil  
12 of property in the community district to be used for the purposes of this subsection  
13 does not include the taxable value of property within the geographic area of the  
14 community district.

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

1           (6) Except as otherwise provided in this subsection, for pupils in membership,  
2 other than special education pupils, in a public school academy, the allocation  
3 calculated under this section is an amount per membership pupil other than special  
4 education pupils in the public school academy equal to the ~~minimum foundation-target~~  
5 **foundation** allowance specified in subsection (1). Notwithstanding section 101, for a  
6 public school academy that begins operations after the pupil membership count day, the  
7 amount per membership pupil calculated under this subsection must be adjusted by  
8 multiplying that amount per membership pupil by the number of hours of pupil  
9 instruction provided by the public school academy after it begins operations, as  
10 determined by the department, divided by the minimum number of hours of pupil  
11 instruction required under section 101(3). The result of this calculation must not  
12 exceed the amount per membership pupil otherwise calculated under this subsection.

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

19           (8) Subject to subsection (4), for a district that is formed or reconfigured  
20 after June 1, 2002 by consolidation of 2 or more districts or by annexation, the  
21 resulting district's foundation allowance under this section beginning after the  
22 effective date of the consolidation or annexation is the lesser of the sum of the  
23 average of the foundation allowances of each of the original or affected districts,  
24 calculated as provided in this section, weighted as to the percentage of pupils in  
25 total membership in the resulting district who reside in the geographic area of each  
26 of the original or affected districts plus \$100.00 or the highest foundation allowance

1 among the original or affected districts. This subsection does not apply to a  
2 receiving district unless there is a subsequent consolidation or annexation that  
3 affects the district. The calculation under this subsection must take into account a  
4 district's per-pupil allocation under section 20m.

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

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

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

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

24 (b) The revenue adjustment factor is computed by dividing the sum of the  
25 estimated total state school aid fund revenue for the subsequent fiscal year plus the  
26 estimated total state school aid fund revenue for the current fiscal year, adjusted

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

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

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

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

25 (14) As used in this section:

26 (a) "Certified mills" means the lesser of 18 mills or the number of mills of

1 school operating taxes levied by the district in 1993-94.

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

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

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

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

13 (f) "Immediately preceding fiscal year" means the fiscal year immediately  
14 preceding the current fiscal year.

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

24 (h) "Local school operating revenue" means school operating taxes levied under  
25 section 1211 of the revised school code, MCL 380.1211. For a receiving district, if  
26 school operating taxes are to be levied on behalf of a dissolved district that has



1 been attached in whole or in part to the receiving district to satisfy debt  
2 obligations of the dissolved district under section 12 of the revised school code, MCL  
3 380.12, local school operating revenue does not include school operating taxes levied  
4 within the geographic area of the dissolved district.

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

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

10 (k) "Nonexempt property" means property that is not a principal residence,  
11 qualified agricultural property, qualified forest property, supportive housing  
12 property, industrial personal property, commercial personal property, or property  
13 occupied by a public school academy.

14 (l) "Principal residence", "qualified agricultural property", "qualified forest  
15 property", "supportive housing property", "industrial personal property", and  
16 "commercial personal property" mean those terms as defined in section 1211 of the  
17 revised school code, MCL 380.1211.

18 (m) "Receiving district" means a district to which all or part of the territory  
19 of a dissolved district is attached under section 12 of the revised school code, MCL  
20 380.12.

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

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

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

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

9 Sec. 20d. In making the final determination required under former section 20a of  
10 a district's combined state and local revenue per membership pupil in 1993-94 and in  
11 making calculations under section 20 for ~~2021-2022, 2022-2023~~, the department and the  
12 department of treasury shall comply with all of the following:

13 (a) For a district that had combined state and local revenue per membership  
14 pupil in the 1994-95 fiscal year of \$6,500.00 or more and served as a fiscal agent for  
15 a state board designated area vocational education center in the 1993-94 school year,  
16 total state school aid received by or paid on behalf of the district under this act in  
17 1993-94 excludes payments made under former section 146 and under section 147 on  
18 behalf of the district's employees who provided direct services to the area vocational  
19 education center. Not later than June 30, 1996, the department shall make an  
20 adjustment under this subdivision to the district's combined state and local revenue  
21 per membership pupil in the 1994-95 fiscal year and the department of treasury shall  
22 make a final certification of the number of mills that may be levied by the district  
23 under section 1211 of the revised school code, MCL 380.1211, as a result of the  
24 adjustment under this subdivision.

25 (b) If a district had an adjustment made to its 1993-94 total state school aid  
26 that excluded payments made under former section 146 and under section 147 on behalf

1 of the district's employees who provided direct services for intermediate district  
 2 center programs operated by the district under former section 51 and sections 51a to  
 3 56, if nonresident pupils attending the center programs were included in the  
 4 district's membership for purposes of calculating the combined state and local revenue  
 5 per membership pupil for 1993-94, and if there is a signed agreement by all  
 6 constituent districts of the intermediate district agreeing to an adjustment under  
 7 this subdivision, the department shall calculate the foundation allowances for 1995-96  
 8 and 1996-97 of all districts that had pupils attending the intermediate district  
 9 center program operated by the district that had the adjustment as if their combined  
 10 state and local revenue per membership pupil for 1993-94 included resident pupils  
 11 attending the center program and excluded nonresident pupils attending the center  
 12 program.

13 Sec. 20f. (1) From the state school aid fund money appropriated in section 11,  
 14 there is allocated an amount not to exceed \$18,000,000.00 for ~~2021-2022-2022-2023~~ for  
 15 payments to eligible districts under this section.

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

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

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

24 (c) The quotient of the district's allocation under section 147a for 2012-2013  
 25 divided by the district's membership pupils for 2012-2013 minus the quotient of the  
 26 district's allocation under section 147a for 2013-2014 divided by the district's

1 membership pupils for 2013-2014.

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

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

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

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

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

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

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

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

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

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

26 (d) The quotient of the district's allocation under section 31a for 2015-2016

1 divided by the district's membership pupils for 2015-2016 minus the quotient of the  
 2 district's allocation under section 31a for 2014-2015 divided by the district's  
 3 membership pupils for 2014-2015.

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

7 Sec. 20m. (1) Foundation allowance supplemental payments for the current fiscal  
 8 year to **qualifying** districts **with an adjustment to their foundation allowance from**  
 9 **fiscal year 2020-2021 to the current fiscal year that is less than the adjustment in**  
 10 **the target foundation allowance from fiscal year 2020-2021 to the current fiscal year**  
 11 ~~that in the immediately preceding fiscal year had a foundation allowance greater than~~  
 12 ~~the target foundation allowance~~ must be calculated under this section.

13 (2) The per-pupil allocation to each **qualifying** district under this section is  
 14 the difference between the dollar amount of the adjustment from ~~the immediately~~  
 15 ~~preceding~~ fiscal year **2020-2021** to the current fiscal year in the target foundation  
 16 allowance minus the dollar amount of the adjustment from ~~the immediately preceding~~  
 17 fiscal year **2020-2021** to the current fiscal year in a qualifying district's foundation  
 18 allowance.

19 (3) If a district's local revenue per pupil does not exceed the sum of its  
 20 foundation allowance under section 20 plus the per-pupil allocation under subsection  
 21 (2), the total payment to the district calculated under this section is the product of  
 22 the per-pupil allocation under subsection (2) multiplied by the district's membership,  
 23 excluding special education pupils. If a district's local revenue per pupil exceeds  
 24 the foundation allowance under section 20 but does not exceed the sum of the  
 25 foundation allowance under section 20 plus the per-pupil allocation under subsection  
 26 (2), the total payment to the district calculated under this section is the product of

1 the difference between the sum of the foundation allowance under section 20 plus the  
2 per-pupil allocation under subsection (2) minus the local revenue per pupil multiplied  
3 by the district's membership, excluding special education pupils. If a district's  
4 local revenue per pupil exceeds the sum of the foundation allowance under section 20  
5 plus the per-pupil allocation under subsection (2), there is no payment calculated  
6 under this section for the district.

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

10 (5) As used in this section, "qualifying district" means a district where the  
11 millage limitation in section 1211(3) of the revised school code, MCL 380.1211, is  
12 applied due to the increase in the target foundation allowance from the immediately  
13 preceding fiscal year to the current fiscal year exceeding the percentage increase in  
14 the general price level in the immediately preceding calendar year applied to the  
15 district's immediately preceding fiscal year foundation allowance.

16 Sec. 21f. (1) A primary district shall enroll an eligible pupil in virtual  
17 courses in accordance with the provisions of this section. A primary district shall  
18 not offer a virtual course to an eligible pupil unless the virtual course is published  
19 in the primary district's catalog of board-approved courses or in the statewide  
20 catalog of virtual courses maintained by the Michigan Virtual University pursuant to  
21 section 98. The primary district shall also provide on its publicly accessible website  
22 a link to the statewide catalog of virtual courses maintained by the Michigan Virtual  
23 University. Unless the pupil is at least age 18 or is an emancipated minor, a pupil  
24 must not be enrolled in a virtual course without the consent of the pupil's parent or  
25 legal guardian.

26 (2) Subject to subsection (3), a primary district shall enroll an eligible pupil

1 in up to 2 virtual courses as requested by the pupil during an academic term,  
2 semester, or trimester.

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

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

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

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

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

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

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

26 (b) The pupil has previously gained the credits that would be provided from the

1 completion of the virtual course.

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

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

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

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

9 (g) The virtual course is of insufficient quality or rigor. A primary district  
10 that denies a pupil enrollment request for this reason shall enroll the pupil in a  
11 virtual course in the same or a similar subject that the primary district determines  
12 is of acceptable rigor and quality.

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

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

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

22 (6) If a pupil is denied enrollment in a virtual course by the pupil's primary  
23 district, the primary district shall provide written notification to the pupil of the  
24 denial, the reason or reasons for the denial under subsection (5), and a description  
25 of the appeal process. The pupil may appeal the denial by submitting a letter to the  
26 superintendent of the intermediate district in which the pupil's primary district is



1 located. The letter of appeal must include the reason provided by the primary district  
2 for not enrolling the pupil and the reason why the pupil is claiming that the  
3 enrollment should be approved. The intermediate district superintendent or designee  
4 shall respond to the appeal within 5 days after it is received. If the intermediate  
5 district superintendent or designee determines that the denial of enrollment does not  
6 meet 1 or more of the reasons specified in subsection (5), the primary district shall  
7 enroll the pupil in the virtual course.

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

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

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

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

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

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

24 (ii) Not later than October 1 of each fiscal year, provide the Michigan Virtual  
25 University with an aggregated count of enrollments for each virtual course the  
26 provider delivered to pupils under this section during the immediately preceding

1 school year, and the number of enrollments in which the pupil earned 60% or more of  
2 the total course points for each virtual course.

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

6 (9) For any virtual course a pupil enrolls in under this section, the pupil's  
7 primary district must assign to the pupil a mentor and shall supply the provider with  
8 the mentor's contact information.

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

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

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

1           (13) The enrollment of a pupil in 1 or more virtual courses must not result in a  
 2 pupil being counted as more than 1.0 full-time equivalent pupils under this article.  
 3 The minimum requirements to count the pupil in membership are those established by the  
 4 pupil accounting manual as it was in effect for the 2015-2016 school year or as  
 5 subsequently amended by the department if the department notifies the legislature  
 6 about the proposed amendment at least 60 days before the amendment becomes effective.

7           (14) As used in this section:

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

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

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

17           (d) "Provider" means the district, intermediate district, or community college  
 18 that the primary district pays to provide the virtual course or the Michigan Virtual  
 19 University if it is providing the virtual course. ~~Beginning on the first day of the~~  
 20 ~~2020-2021 school year through August 31, 2021, "provider"~~ **"Provider"** also includes any  
 21 other institution or individual that the primary district pays to provide the virtual  
 22 course.

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

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

26           (ii) If applicable, is endorsed in the subject area and grade of the virtual

1 course.

2 (iii) Is responsible for providing instruction, determining instructional methods  
3 for each pupil, diagnosing learning needs, assessing pupil learning, prescribing  
4 intervention strategies and modifying lessons, reporting outcomes, and evaluating the  
5 effects of instruction and support strategies.

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

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

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

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

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

18 (ii) The virtual course content outline.

19 (iii) The virtual course required assessments.

20 (iv) The virtual course prerequisites.

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

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

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

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

1           (ix) The name of the institution or organization providing the instructor or  
2 teacher of record.

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

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

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

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

13           Sec. 21h. (1) From the state school aid fund money appropriated in section 11,  
14 there is allocated \$6,137,400.00 for ~~2021-2022~~**2022-2023** for assisting districts  
15 assigned by the superintendent to participate in a partnership and districts that have  
16 established a community engagement advisory committee in partnership with the  
17 department of treasury, are required to submit a deficit elimination plan or an  
18 enhanced deficit elimination plan under section 1220 of the revised school code, MCL  
19 380.1220, and are located in a city with a population between 9,000 and 11,000, as  
20 determined by the department, that is in a county with a population between 150,000  
21 and 160,000, as determined by the department, to improve student achievement and  
22 district financial stability. The superintendent shall collaborate with the state  
23 treasurer to identify any conditions that may be contributing to low academic  
24 performance within a district being considered for assignment to a partnership. The  
25 purpose of the partnership is to identify district needs, develop intervention plans,  
26 and partner with public, private, and nonprofit organizations to coordinate resources

1 and improve student achievement. Assignment of a district to a partnership is made by  
2 the superintendent in consultation with the state treasurer.

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

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

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

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

20 (iii) A review of classroom, instructional, and operational practices and  
21 curriculum to ensure alignment with research-based instructional practices and state  
22 curriculum standards.

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

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

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

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

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

21           (4) Funds allocated under this section, excluding funds allocated under  
22 subsection (5), may be used to pay for district expenditures approved by the  
23 superintendent to improve student achievement. Funds may be used for professional  
24 development for teachers or district or school leadership, increased instructional  
25 time, teacher mentors, or other expenditures that directly impact student achievement  
26 and cannot be paid from existing district financial resources. An eligible district

1 must not receive funds under this section for more than 3 years. Notwithstanding  
 2 section 17b, the department shall make payments to districts under this section on a  
 3 schedule determined by the department.

4 (5) From the funds allocated under subsection (1), there is allocated for ~~2021-~~  
 5 ~~2022-~~**2022-2023** an amount not to exceed \$137,400.00 for the purchase of a data  
 6 analytics tool to be used by districts described in subsection (1). The superintendent  
 7 of public instruction shall require districts described in subsection (1) to purchase  
 8 a data analytics tool funded under this subsection as part of the agreements described  
 9 in this section.

10 (6) The department, in consultation with the department of treasury, shall  
 11 annually report to the legislature on the activities funded under this section and how  
 12 those activities impacted student achievement in districts that received funds under  
 13 this section. To the extent possible, participating districts receiving funding under  
 14 this section shall participate in the report.

15 Sec. 22a. (1) From the state school aid fund money appropriated in section 11,  
 16 there is allocated an amount not to exceed ~~\$4,836,000,000.00 for 2020-2021 and there~~  
 17 ~~is allocated an amount not to exceed \$4,742,000,000.00~~ **\$4,421,000,000.00** for ~~2021-2022~~  
 18 **2022-2023** for payments to districts and qualifying public school academies to  
 19 guarantee each district and qualifying public school academy an amount equal to its  
 20 1994-95 total state and local per-pupil revenue for school operating purposes under  
 21 section 11 of article IX of the state constitution of 1963. Pursuant to section 11 of  
 22 article IX of the state constitution of 1963, this guarantee does not apply to a  
 23 district in a year in which the district levies a millage rate for school district  
 24 operating purposes less than it levied in 1994. However, subsection (2) applies to  
 25 calculating the payments under this section. Funds allocated under this section that  
 26 are not expended in the fiscal year for which they were allocated, as determined by



1 the department, may be used to supplement the allocations under sections 22b and 51c  
2 to fully fund those allocations for the same fiscal year. For each fund transfer as  
3 described in the immediately preceding sentence that occurs, the state budget director  
4 shall send notification of the transfer to the house and senate appropriations  
5 subcommittees on state school aid and the house and senate fiscal agencies by not  
6 later than 14 calendar days after the transfer occurs.

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

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

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

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

1 obligations of the dissolved district under section 12 of the revised school code, MCL  
2 380.12, ad valorem property tax revenue captured under tax increment financing acts do  
3 not include ad valorem property tax revenue captured within the geographic boundaries  
4 of the dissolved district under tax increment financing acts.

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

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

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

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

2 (7) As used in this section:

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

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

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

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

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

21 (f) "Hold harmless millage" means, for a district with a 1994-95 foundation  
22 allowance greater than \$6,500.00, the number of mills by which the exemption from the  
23 levy of school operating taxes on a principal residence, qualified agricultural  
24 property, qualified forest property, supportive housing property, industrial personal  
25 property, commercial personal property, and property occupied by a public school  
26 academy could be reduced as provided in section 1211 of the revised school code, MCL

1 380.1211, and the number of mills of school operating taxes that could be levied on  
2 all property as provided in section 1211(2) of the revised school code, MCL 380.1211,  
3 as certified by the department of treasury for the 1994 tax year. For a receiving  
4 district, if school operating taxes are to be levied on behalf of a dissolved district  
5 that has been attached in whole or in part to the receiving district to satisfy debt  
6 obligations of the dissolved district under section 12 of the revised school code, MCL  
7 380.12, school operating taxes do not include school operating taxes levied within the  
8 geographic area of the dissolved district.

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

11 (h) "Nonexempt property" means property that is not a principal residence,  
12 qualified agricultural property, qualified forest property, supportive housing  
13 property, industrial personal property, commercial personal property, or property  
14 occupied by a public school academy.

15 (i) "Principal residence", "qualified agricultural property", "qualified forest  
16 property", "supportive housing property", "industrial personal property", and  
17 "commercial personal property" mean those terms as defined in section 1211 of the  
18 revised school code, MCL 380.1211.

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

21 (k) "Receiving district" means a district to which all or part of the territory  
22 of a dissolved district is attached under section 12 of the revised school code, MCL  
23 380.12.

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

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

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

7 (i) For the number of mills by which the exemption from the levy of school  
8 operating taxes on a principal residence, qualified agricultural property, qualified  
9 forest property, supportive housing property, industrial personal property, commercial  
10 personal property, and property occupied by a public school academy may be reduced as  
11 provided in section 1211 of the revised school code, MCL 380.1211, the taxable value  
12 of principal residence, qualified agricultural property, qualified forest property,  
13 supportive housing property, industrial personal property, commercial personal  
14 property, and property occupied by a public school academy for the calendar year  
15 ending in the current fiscal year. For a receiving district, if school operating taxes  
16 are to be levied on behalf of a dissolved district that has been attached in whole or  
17 in part to the receiving district to satisfy debt obligations of the dissolved  
18 district under section 12 of the revised school code, MCL 380.12, mills do not include  
19 mills within the geographic area of the dissolved district.

20 (ii) For the number of mills of school operating taxes that may be levied on all  
21 property as provided in section 1211(2) of the revised school code, MCL 380.1211, the  
22 taxable value of all property for the calendar year ending in the current fiscal year.  
23 For a receiving 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 the receiving  
25 district to satisfy debt obligations of the dissolved district under section 12 of the  
26 revised school code, MCL 380.12, school operating taxes do not include school

1 operating taxes levied within the geographic area of the dissolved district.

2       Sec. 22b. (1) For discretionary nonmandated payments to districts under this  
 3 section, there is allocated for ~~2020-2021 an amount not to exceed \$4,478,200,000.00~~  
 4 ~~from the state school aid fund and general fund appropriations in section 11 and an~~  
 5 ~~amount not to exceed \$79,800,000.00 from the community district education trust fund~~  
 6 ~~appropriation in section 11, and there is allocated for 2021-2022-**2022-2023** an amount~~  
 7 not to exceed ~~\$5,132,000,000.00~~ **\$5,672,000,000.00** from the state school aid fund and  
 8 general fund appropriations in section 11 and an amount not to exceed \$72,000,000.00  
 9 from the community district education trust fund appropriation in section 11. Of the  
 10 funds allocated under this section for ~~2021-2022, \$13,600,000.00~~ **2022-2023,**  
 11 **\$16,700,000.00** represents the amount of the general fund revenue deposited into the  
 12 state school aid fund to reimburse the state school aid fund for community district  
 13 education trust fund costs in excess of \$72,000,000.00. **If the amount allocated under**  
 14 **this subsection from the community district education trust fund appropriation under**  
 15 **section 11 is insufficient to pay for an increase under this section, any amount**  
 16 **exceeding that allocation may be paid from other allocations under this subsection.**  
 17 Except for money allocated under this section from the community district education  
 18 trust fund appropriation in section 11, funds allocated under this section that are  
 19 not expended in the fiscal year for which they were allocated, as determined by the  
 20 department, may be used to supplement the allocations under sections 22a and 51c to  
 21 fully fund those allocations for the same fiscal year. For each fund transfer as  
 22 described in the immediately preceding sentence that occurs, the state budget director  
 23 shall send notification of the transfer to the house and senate appropriations  
 24 subcommittees on state school aid and the house and senate fiscal agencies by not  
 25 later than 14 calendar days after the transfer occurs.

26       (2) Subject to subsection (3) and section 296, the allocation to a district

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

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

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

14 (b) Comply with sections 1278a and 1278b of the revised school code, MCL  
15 380.1278a and 380.1278b.

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

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

20 (e) Comply with section 21f.

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

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



1           (5) From the allocation in subsection (1), the department shall pay up to  
2 \$1,000,000.00 in litigation costs incurred by this state related to commercial or  
3 industrial property tax appeals, including, but not limited to, appeals of  
4 classification, that impact revenues dedicated to the state school aid fund.

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

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

23           (8) If the local claims review board or a court of competent jurisdiction makes  
24 a final determination that this state is in violation of section 29 of article IX of  
25 the state constitution of 1963 regarding state payments to districts, the state budget  
26 director shall use work project funds under subsection (7) or allocate from the

1 discretionary funds for nonmandated payments under this section the amount as may be  
2 necessary to satisfy the amount owed to districts before making any payments to  
3 districts under subsection (2).

4 (9) If a claim is made in court that challenges the legislative determination of  
5 the adequacy of funding for this state's constitutional obligations or alleges that  
6 there exists an unfunded constitutional requirement, any interested party may seek an  
7 expedited review of the claim by the local claims review board. If the claim exceeds  
8 \$10,000,000.00, this state may remove the action to the court of appeals, and the  
9 court of appeals has and shall exercise jurisdiction over the claim.

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

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

1 payments to districts if the amount or allocation of reimbursed funds is challenged in  
 2 the lawsuit. As used in this subsection, "title XIX" means title XIX of the social  
 3 security act, 42 USC 1396 to 1396w-5.

4 Sec. 22c. From the state school aid fund money appropriated in section 11, there  
 5 is allocated for ~~2021-2022~~**2022-2023** an amount not to exceed \$3,000,000.00 for  
 6 payments to eligible districts as provided under this section. The payment for an  
 7 eligible district under this section must be in an amount per membership pupil equal  
 8 to \$171.00. As used in this section:

9 (a) "Eligible district" means a district **that received funds under this section**  
 10 **in the immediately preceding fiscal year and** for which the local school operating  
 11 revenue per membership pupil **in the current fiscal year** exceeds the district's  
 12 foundation allowance as calculated under section 20 **for the current fiscal year.**

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

15 Sec. 22d. (1) From the state school aid fund money appropriated under section  
 16 11, an amount not to exceed ~~\$8,420,000.00~~**\$8,841,000.00** is allocated for ~~2021-2022~~  
 17 **2022-2023** for supplemental payments to rural districts under this section.

18 (2) From the allocation under subsection (1), there is allocated for ~~2021-2022~~  
 19 **2022-2023** an amount not to exceed ~~\$1,557,300.00~~**\$1,635,200.00** for payments under this  
 20 subsection to districts that meet all of the following:

21 (a) Operates grades K to 12.

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

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

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

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

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

16 (4) Subject to subsection (7), from the allocation in subsection (1), there is  
 17 allocated for ~~2021-2022~~ **2022-2023** an amount not to exceed ~~\$6,042,700.00~~ **\$6,344,800.00**  
 18 for payments under this subsection to districts that have fewer than 10.0 pupils per  
 19 square mile as determined by the department.

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

21 (a) An amount equal to ~~\$5,200,000.00~~ **\$5,460,000.00** is allocated to districts  
 22 with fewer than 8.0 pupils per square mile, as determined by the department, on an  
 23 equal per-pupil basis.

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

25 (i) For districts with at least 8.0 but fewer than 9.0 pupils per square mile,  
 26 as determined by the department, the allocation is an amount per pupil equal to 75% of

1 the per-pupil amount allocated to districts under subdivision (a).

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

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

8 (6) From the allocation in subsection (1), there is allocated an amount not to  
9 exceed ~~\$820,000.00~~ **\$861,000.00** for payments under this subsection to districts that  
10 have greater than 250 square miles and that do not receive funding under subsection  
11 (2) or (4). The funds allocated under this subsection must be allocated on an equal  
12 per-pupil basis.

13 (7) A district receiving funds allocated under subsection (2) is not eligible  
14 for funding allocated under subsection (4).

15 Sec. 22m. (1) From the state school aid fund money appropriated in section 11,  
16 there is allocated for ~~2021-2022-2022-2023~~ an amount not to exceed \$2,200,000.00 for  
17 supporting the integration of local data systems into the Michigan data hub network  
18 based on common standards and applications that are in compliance with section 19(6).

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

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

1           (4) The center, in collaboration with the Michigan data hub network, shall  
2 determine the amount of funds distributed under this section to each participating  
3 regional data hub within the network, based upon a competitive grant process. The  
4 center shall ensure that the entities receiving funding under this section represent  
5 geographically diverse areas in this state.

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

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

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

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

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

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

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

26           (d) Promoting 100% district adoption of the Michigan data hub network. ~~by~~

1 ~~September 30, 2022.~~

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

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

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

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

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

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

22 (a) Measurable academic outcomes that the district or public school academy will  
23 achieve for each school operated by the district or public school academy that is  
24 subject to the partnership agreement after 18 months and after 36 months from the date  
25 the agreement was originally signed. Measurable academic outcomes under this  
26 subdivision must include all of the following:

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

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

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

7           (B) At least 1 proficiency or growth outcome based on a benchmark assessment  
8 described in section ~~104a.~~ **104h.**

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

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

22           (d) For a district assigned as a partnership district as described in this  
23 subsection, a provision that, if reconstitution is imposed on a school that is  
24 operated by the district and that is subject to the partnership agreement,  
25 reconstitution may require closure of the school building, but, if the school building  
26 remains open, reconstitution must include, but is not limited to, all of the



1 following:

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

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

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

11 (2) If a district or public school academy is assigned as a partnership district  
12 as described in subsection (1) during the current fiscal year, it shall ensure that it  
13 has a signed partnership agreement as described in subsection (1) in place by not  
14 later than 90 days after the date that it is assigned as a partnership district. If a  
15 district or public school academy described in this subsection does not comply with  
16 this subsection, the department shall withhold funding under section 22b for that  
17 district or public school academy until the district or public school academy has a  
18 signed partnership agreement as described in subsection (1) in place.

19 Sec. 24. (1) From the state school aid fund money appropriated in section 11,  
20 there is allocated for ~~2020-2021 an amount not to exceed \$7,650,000.00 and there is~~  
21 ~~allocated for 2021-2022-2022-2023~~ an amount not to exceed \$7,650,000.00 for payments  
22 to the educating district or intermediate district for educating pupils assigned by a  
23 court or the department of health and human services to reside in or to attend a  
24 juvenile detention facility or child caring institution licensed by the department of  
25 health and human services and approved by the department to provide an on-grounds  
26 education program. The amount of the payment under this section to a district or

1 intermediate district is calculated as prescribed under subsection (2).

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

7 (a) "Added cost" means 100% of the added cost each fiscal year for educating all  
8 pupils assigned by a court or the department of health and human services to reside in  
9 or to attend a juvenile detention facility or child caring institution licensed by the  
10 department of health and human services or the department of licensing and regulatory  
11 affairs and approved by the department to provide an on-grounds education program.  
12 Added cost is computed by deducting all other revenue received under this article for  
13 pupils described in this section from total costs, as approved by the department, in  
14 whole or in part, for educating those pupils in the on-grounds education program or in  
15 a program approved by the department that is located on property adjacent to a  
16 juvenile detention facility or child caring institution. Costs reimbursed by federal  
17 funds are not included.

18 (b) "Department's approved per-pupil allocation" for a district or intermediate  
19 district is determined by dividing the total amount allocated under this section for a  
20 fiscal year by the full-time equated membership total for all pupils approved by the  
21 department to be funded under this section for that fiscal year for the district or  
22 intermediate district.

23 (3) A district or intermediate district educating pupils described in this  
24 section at a residential child caring institution may operate, and receive funding  
25 under this section for, a department-approved on-grounds educational program for those  
26 pupils that is longer than 181 days, but not longer than 233 days, if the child caring

1 institution was licensed as a child caring institution and offered in 1991-92 an on-  
2 grounds educational program that was longer than 181 days but not longer than 233 days  
3 and that was operated by a district or intermediate district.

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

6 Sec. 24a. From the state school aid fund money appropriated in section 11, there  
7 is allocated an amount not to exceed \$1,355,700.00 for ~~2021-2022~~-2022-2023 for  
8 payments to intermediate districts for pupils who are placed in juvenile justice  
9 service facilities operated by the department of health and human services. The amount  
10 of the payment to each intermediate district is an amount equal to the state share of  
11 those costs that are clearly and directly attributable to the educational programs for  
12 pupils placed in facilities described in this section that are located within the  
13 intermediate district's boundaries. The intermediate districts receiving payments  
14 under this section shall cooperate with the department of health and human services to  
15 ensure that all funding allocated under this section is utilized by the intermediate  
16 district and department of health and human services for educational programs for  
17 pupils described in this section. Pupils described in this section are not eligible to  
18 be funded under section 24. However, a program responsibility or other fiscal  
19 responsibility associated with these pupils must not be transferred from the  
20 department of health and human services to a district or intermediate district unless  
21 the district or intermediate district consents to the transfer.

22 Sec. 25f. (1) From the state school aid fund money appropriated in section 11,  
23 there is allocated an amount not to exceed \$1,600,000.00 for ~~2021-2022~~-2022-2023 for  
24 payments to strict discipline academies established under sections 1311b to 1311m of  
25 the revised school code, MCL 380.1311b to 380.1311m, as provided under this section.

26 (2) In order to receive funding under this section, a strict discipline academy

1 must first comply with section 25e and use the pupil transfer process under that  
2 section for changes in enrollment as prescribed under that section.

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

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

24 (b) "Department's approved per-pupil allocation" for a strict discipline academy  
25 is determined by dividing the total amount allocated under this subsection for a  
26 fiscal year by the full-time equated membership total for all pupils approved by the

1 department to be funded under this subsection for that fiscal year for the strict  
2 discipline academy.

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

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

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

10 Sec. 25g. (1) From the state school aid fund money appropriated in section 11,  
11 there is allocated an amount not to exceed \$750,000.00 for ~~2021-2022~~**2022-2023** for the  
12 purposes of this section. Except as otherwise provided in this section, if the  
13 operation of the special membership counting provisions under section 6(4)(dd) and the  
14 other membership counting provisions under section 6(4) result in a pupil being  
15 counted as more than 1.0 FTE in a fiscal year, then the payment made for the pupil  
16 under sections 22a and 22b must not be based on more than 1.0 FTE for that pupil, and  
17 that portion of the FTE that exceeds 1.0 is paid under this section in an amount equal  
18 to that portion multiplied by the educating district's foundation allowance or per-  
19 pupil payment calculated under section 20.

20 (2) Special education pupils funded under section 53a are not funded under this  
21 section.

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

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

1           Sec. 26a. From the state school aid fund money appropriated in section 11, there  
 2 is allocated an amount not to exceed ~~\$15,300,000.00~~ **\$14,000,000.00** for ~~2021-2022-2022-~~  
 3 **2023** to reimburse districts and intermediate districts under section 12 of the  
 4 Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in ~~2021-~~  
 5 **2022**. The department shall pay the allocations not later than 60 days after the  
 6 department of treasury certifies to the department and to the state budget director  
 7 that the department of treasury has received all necessary information to properly  
 8 determine the amounts due to each eligible recipient.

9           Sec. 26b. (1) From the state school aid fund money appropriated in section 11,  
 10 there is allocated an amount not to exceed \$4,710,000.00 for ~~2021-2022-2022-2023~~ for  
 11 payments to districts, intermediate districts, and community college districts for the  
 12 portion of the payment in lieu of taxes obligation that is attributable to districts,  
 13 intermediate districts, and community college districts under section 2154 of the  
 14 natural resources and environmental protection act, 1994 PA 451, MCL 324.2154.

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

18           Sec. 26c. (1) From the state school aid fund money appropriated under section  
 19 11, there is allocated an amount not to exceed ~~\$11,300,000.00 for 2020-2021 and there~~  
 20 ~~is allocated an amount not to exceed \$13,800,000.00~~ **\$14,800,000.00** for ~~2021-2022-2022-~~  
 21 **2023** to the promise zone fund created in subsection (3). The funds allocated under  
 22 this section reflect the amount of revenue from the collection of the state education  
 23 tax captured under section 17 of the Michigan promise zone authority act, 2008 PA 549,  
 24 MCL 390.1677.

25           (2) Funds allocated to the promise zone fund under this section must be used  
 26 solely for payments to eligible districts and intermediate districts, in accordance

1 with section 17 of the Michigan promise zone authority act, 2008 PA 549, MCL 390.1677,  
 2 that have a promise zone development plan approved by the department of treasury under  
 3 section 7 of the Michigan promise zone authority act, 2008 PA 549, MCL 390.1667.

4 Eligible districts and intermediate districts shall use payments made under this  
 5 section for reimbursement for qualified educational expenses as that term is defined  
 6 in section 3 of the Michigan promise zone authority act, 2008 PA 549, MCL 390.1663.

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

11 (a) The state treasurer shall direct the investment of the promise zone fund.  
 12 The state treasurer shall credit to the promise zone fund interest and earnings from  
 13 fund investments.

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

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

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

22 Sec. 26d. (1) From the state school aid fund money appropriated under section  
 23 11, there is allocated an amount not to exceed \$7,500,000.00 for ~~2021-2022~~**2022-2023**  
 24 for reimbursements to intermediate districts as required under section 15b of the  
 25 brownfield redevelopment financing act, 1996 PA 381, MCL 125.2665b.

26 (2) The amounts reimbursed under subsection (1) must be used by the intermediate

1 district only for the purposes for which the property taxes were originally levied.

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

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

7 **Sec. 27a. (1) From the state school aid fund appropriation in section 11, there**  
8 **is allocated for 2022-2023 an amount not to exceed \$100,000,000.00 for the Mi Future**  
9 **Educator Fellowship program. These funds must be used to offset tuition costs for**  
10 **students who are working toward earning their initial teacher certification. All of**  
11 **the following apply to payments under this section:**

12 (a) To establish initial eligibility for an award under this section, an  
13 individual must meet all of the following conditions by the date of enrollment  
14 described in subparagraph (ii):

15 (i) Have graduated from high school with a diploma or certificate of completion  
16 or achieved a high school equivalency certificate.

17 (ii) Be admitted to an eligible educator preparation program working toward a  
18 teacher certification and enrolled in enough coursework to earn at least 24 credits in  
19 an academic year or the equivalent of full-time participation for individuals enrolled  
20 in an alternative certification program, as defined by the department.

21 (iii) Not have previously earned a teacher certification.

22 (iv) Timely complete a grant application in a form and manner determined by the  
23 department of treasury.

24 (v) Timely file the Free Application for Federal Student Aid for the enrollment  
25 period described in subparagraph (ii).

26 (vi) Timely apply for all available gift aid for the enrollment period described



1 in subparagraph (ii) .

2 (vii) Agree to repay any award funds received if the individual does not maintain  
3 enrollment in their educator preparation program, does not successfully complete their  
4 educator program, or does not work in a Michigan public school or a qualifying public  
5 preschool program for at least 2 years for every year awards were received under this  
6 section as a certified teacher beginning within one year of completion of their  
7 educator preparation program and the receipt of their teacher certification, subject  
8 to the provisions under subdivision (f) and guidance developed by the department of  
9 treasury.

10 (b) To establish continuing eligibility for an award under this section at an  
11 eligible educator preparation program, an individual must meet all of the following  
12 conditions:

13 (i) Maintain continuous enrollment in an eligible educator preparation program  
14 and earn at least 24 credits in an academic year or the equivalent of full-time  
15 participation for individuals enrolled in an alternative certification program, as  
16 defined by the department.

17 (ii) Maintain satisfactory academic progress.

18 (iii) Participate in relevant academic and career advising programs offered by  
19 the eligible educator preparation program.

20 (iv) Timely file the Free Application for Federal Student Aid for each academic  
21 year in which the individual receives an award under this section.

22 (v) Timely apply for all available gift aid for each academic year in which the  
23 individual applies for funding under this section.

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

1 attended, whichever is less.

2 (d) Awards under this section shall be distributed to eligible educator  
3 preparation programs on a timeline determined by the department of treasury.

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

6 (f) If an award recipient does not maintain enrollment in their educator  
7 preparation program, does not successfully complete their educator preparation  
8 program, does not work as a certified teacher in a Michigan public school or a  
9 qualifying public preschool program within a year of completing their educator  
10 preparation program and receiving their teacher certification, or does not maintain  
11 employment in a Michigan school for at least 2 years for every year an award was  
12 received under this section, any amount received from funds under this section  
13 converts to a 0% interest loan that must be repaid to the state. The amount of  
14 repayment must be reduced proportionate to the number of years worked in Michigan  
15 schools as a certified teacher out of the total number of years the recipient agreed  
16 to work in Michigan schools as a certified teacher. The department of treasury shall  
17 develop guidance to enforce this subdivision. This guidance may include hardship  
18 provisions that allow a loan to be reduced or discharged.

19 (2) An individual may be eligible for an award under this section and an award  
20 from funds appropriated in this section in the immediately preceding fiscal year for  
21 the Mi Future Educator - Student Teacher Stipend Program.

22 (3) An individual may not concurrently receive funding through programs funded  
23 under this section and grow your own programs funded under section 27b in the  
24 immediately preceding fiscal year.

25 Sec. 27d. (1) From the state school aid fund appropriation in section 11, there  
26 is allocated for 2022-2023 an amount not to exceed \$50,000,000.00 for the purposes of

1 this section. Programs funded under this section are intended to expand support for  
2 new teachers, improve their instructional practices, and improve teacher retention.

3 (2) From the allocation under subsection (1), the department shall partner with  
4 educator preparation programs provided by public institutions of higher education,  
5 districts, or districts in partnership with an institution of higher education or an  
6 alternative educator preparation program to provide coaching and cohort support to  
7 students in educator preparation programs and new teachers. The service must be free  
8 and must continue to be available for at least the first three years of a teacher's  
9 service. This partnership is intended to create a robust support system for new  
10 teachers. A cohort system of supports must provide both of the following:

11 (a) Provide new teachers with professional connections to similarly experienced  
12 teachers who face many of the same challenges when beginning their profession.

13 (b) Provide coaches or mentors who are experts in the field of education to new  
14 teachers who can offer guidance on complex issues and subsequently share that  
15 expertise with new teachers.

16 (3) From the allocation under subsection (1), the department shall provide  
17 grants for mentor stipends to support and retain quality teachers in Michigan.  
18 Districts are eligible to receive grants under this subsection and may use the funding  
19 for any of the following allowable expenditures:

20 (a) Stipends for veteran teachers who serve as mentor teachers.

21 (b) Training for mentor teachers.

22 (c) Books, materials, professional learning expenses, and other resources  
23 necessary for mentoring and onboarding new teachers.

24 (d) Staffing costs to cover time spent by both new and mentor teachers dedicated  
25 to mentoring and onboarding rather than being in the classroom.

26 (4) From the allocation under subsection (1), there is allocated \$500,000.00 for

1 a competitive grant to assist the department with the development of research-based  
 2 mentor standards, curriculum, and professional learning to ensure mentors are prepared  
 3 to support new teachers. Intermediate districts and other educational entities are  
 4 eligible to apply for this grant in a form and manner determined by the department.

5 (5) From the allocation under subsection (1), there is allocated \$500,000.00 for  
 6 a competitive grant to conduct a program evaluation of activities funded under this  
 7 section. The evaluation shall identify recommendations to strengthen the program.  
 8 Qualified evaluators are eligible to apply for this grant in a form and manner  
 9 determined by the department.

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

12 Sec. 28. (1) To recognize differentiated instructional costs for different types  
 13 of pupils in ~~2021-2022, 2022-2023~~, the following sections provide a weighted  
 14 foundation allocation or an additional payment of some type in the following amounts,  
 15 as allocated under those sections:

16 (a) Section 22d, isolated and rural districts, ~~\$8,420,000.00~~ **\$8,841,000.00**.

17 (b) Section 31a, at risk, standard programming, ~~\$512,500,000.00~~  
 18 **\$746,500,000.00**.

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

20 (c) ~~(d)~~ Section 41, bilingual education for English language learners,  
 21 ~~\$25,200,000.00~~ **\$26,475,000.00**.

22 (d) ~~(e)~~ Section 51c, special education, mandated percentages, ~~\$733,400,000.00~~  
 23 **\$710,000,000.00**.

24 (e) ~~(f)~~ Section 51f, special education, additional percentages,  
 25 ~~\$90,207,000.00~~ **\$240,207,000.00**.

26 (f) ~~(g)~~ Section 61a, career and technical education, standard reimbursement,

1 ~~\$37,611,300.00~~—**\$47,611,300.00**

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

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

6 Sec. 31a. (1) From the state school aid fund money appropriated in section 11,  
7 there is allocated for ~~2021-2022-2022-2023~~ an amount not to exceed ~~\$537,650,000.00,~~  
8 **\$770,650,000.00** and from the general fund money appropriated in section 11 there is  
9 allocated for ~~2021-2022-2022-2023~~ an amount not to exceed \$1,500,000.00, for payments  
10 to eligible districts and eligible public school academies for the purposes of  
11 ensuring that pupils are proficient in English language arts by the end of grade 3,  
12 that pupils are proficient in mathematics by the end of grade 8, that pupils are  
13 attending school regularly, that high school graduates are career and college ready,  
14 and for the purposes under subsections ~~(7)-(6)~~ and ~~(8)-(7)~~.

15 ~~(2) For a district that has combined state and local revenue per membership~~  
16 ~~pupil under section 20 that is greater than the target foundation allowance under~~  
17 ~~section 20 for the current fiscal year and that, for the immediately preceding fiscal~~  
18 ~~year, had combined state and local revenue per membership pupil under section 20 that~~  
19 ~~was greater than the target foundation allowance under section 20 that was in effect~~  
20 ~~for that fiscal year, the allocation under subsection (4) is an amount equal to 35% of~~  
21 ~~the allocation for which it would otherwise be eligible under subsection (4) before~~  
22 ~~any proration under subsection (15). It is the intent of the legislature that, if~~  
23 ~~revenues are sufficient and if districts with combined state and local revenue per~~  
24 ~~membership pupil under section 20 that is below the target foundation allowance are~~  
25 ~~receiving nonprorated payments under subsection (4), the percentage in the immediately~~  
26 ~~preceding sentence must be increased annually until it reaches 100%. If a district has~~

1 ~~combined state and local revenue per membership pupil under section 20 that is greater~~  
 2 ~~than the target foundation allowance under section 20 for the current fiscal year, but~~  
 3 ~~for the 2018-2019 fiscal year had combined state and local revenue per membership~~  
 4 ~~pupil under section 20 that was less than the basic foundation allowance under section~~  
 5 ~~20 that was in effect for the 2018-2019 fiscal year, the district shall receive an~~  
 6 ~~amount per pupil equal to 11.5% of the statewide weighted average foundation~~  
 7 ~~allowance, as applied under subsection (4), and before any proration under subsection~~  
 8 ~~(15).~~

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

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

26           (3) ~~(4)~~ From the state school aid fund money allocated under subsection (1),

1 there is allocated for ~~2021-2022-2022-2023~~ an amount not to exceed ~~\$512,500,000.00~~  
2 **\$746,500,000.00** to continue a weighted foundation per pupil payment for districts and  
3 public school academies enrolling economically disadvantaged pupils. The department  
4 shall pay under this subsection to each eligible district or eligible public school  
5 academy an amount per pupil equal to 11.5% of the ~~statewide weighted average target~~  
6 foundation allowance for the following, as applicable:

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

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

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

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

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

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

18 (d) If, for a particular fiscal year, the number of membership pupils in a  
19 district or public school academy who are determined under subdivision (a) to be  
20 economically disadvantaged or to be eligible based on the identified student  
21 percentage varies by more than 20 percentage points from the number of those pupils in  
22 the district or public school academy as calculated under subdivision (a) for the  
23 immediately preceding fiscal year caused by an egregious reporting error by the  
24 district or public school academy, the department may choose to have the calculations  
25 under subdivision (a) instead be made using the number of membership pupils in the  
26 district or public school academy who are determined to be economically disadvantaged,



1 as reported to the center in the form and manner prescribed by the center not later  
2 than the fifth Wednesday after the supplemental count day of the immediately preceding  
3 fiscal year.

4 (4) ~~(5)~~—Except as otherwise provided in this section, a district or public  
5 school academy receiving funding under this section shall use that money only to  
6 provide instructional programs and direct noninstructional services, including, but  
7 not limited to, medical, mental health, or counseling services, for at-risk pupils;  
8 for school health clinics; and for the purposes of subsection ~~(6), (7), or (8)~~. (5),  
9 (6), or (7). In addition, a district that is a school district of the first class or a  
10 district or public school academy in which at least 50% of the pupils in membership  
11 were determined to be economically disadvantaged in the immediately preceding state  
12 fiscal year, as determined and reported as described in subsection ~~(4)~~, (3) may use  
13 the funds it receives under this section for school security or school parent liaison  
14 personnel. The uses of the funds described in the immediately preceding sentence must  
15 align to the needs assessment and the multi-tiered system of supports model and, for  
16 funds spent on parent liaison personnel, must connect parents to the school community.  
17 A district or public school academy shall not use any of the money received under this  
18 section for administrative costs. The instruction or direct noninstructional services  
19 provided under this section may be conducted before or after regular school hours or  
20 by adding extra school days to the school year.

21 (5) ~~(6)~~—A district or public school academy that receives funds under this  
22 section and that operates a school breakfast program under section 1272a of the  
23 revised school code, MCL 380.1272a, shall use from the funds received under this  
24 section an amount, not to exceed \$10.00 per pupil for whom the district or public  
25 school academy receives funds under this section, necessary to pay for costs  
26 associated with the operation of the school breakfast program.

1           (6) ~~(7)~~ From the state school aid fund money allocated under subsection (1),  
 2 there is allocated for ~~2021-2022-2022-2023~~ an amount not to exceed ~~\$8,000,000.00~~  
 3 **\$19,000,000.00** to support primary health care services provided to children and  
 4 adolescents up to age 21. These funds must be expended in a form and manner determined  
 5 jointly by the department and the department of health and human services. If any  
 6 funds allocated under this subsection are not used for the purposes of this subsection  
 7 for the fiscal year in which they are allocated, those unused funds must be used that  
 8 fiscal year to avoid or minimize any proration that would otherwise be required under  
 9 subsection ~~(15)~~ **(14)** for that fiscal year.

10           (7) ~~(8)~~ From the state school aid fund money allocated under subsection (1),  
 11 there is allocated for ~~2021-2022-2022-2023~~ an amount not to exceed \$5,150,000.00 for  
 12 the state portion of the hearing and vision screenings as described in part 93 of the  
 13 public health code, 1978 PA 368, MCL 333.9301 to 333.9329, and, from the general fund  
 14 money allocated under subsection (1), there is allocated for ~~2021-2022-2022-2023~~ an  
 15 amount not to exceed \$1,500,000.00 for the state portion of the dental screenings as  
 16 described in part 93 of the public health code, 1978 PA 368, MCL 333.9301 to 333.9329.  
 17 A local public health department shall pay at least 50% of the total cost of the  
 18 screenings. The frequency of the vision screenings must be as required under R  
 19 325.13091 to R 325.13096 of the Michigan Administrative Code and the frequency of the  
 20 hearing screenings must be as required under R 325.3271 to R 325.3276 of the Michigan  
 21 Administrative Code. Funds must be awarded in a form and manner approved jointly by  
 22 the department and the department of health and human services. Notwithstanding  
 23 section 17b, the department shall make payments to eligible entities under this  
 24 subsection on a schedule determined by the department.

25           (8) ~~(9)~~ Each district or public school academy receiving funds under this  
 26 section shall submit to the department by July 15 of each fiscal year a report, in the

1 form and manner prescribed by the department, that includes a brief description of  
2 each program conducted or services performed by the district or public school academy  
3 using funds under this section, the amount of funds under this section allocated to  
4 each of those programs or services, the total number of at risk pupils served by each  
5 of those programs or services, and the data necessary for the department and the  
6 department of health and human services to verify matching funds for the temporary  
7 assistance for needy families program. In prescribing the form and manner of the  
8 report, the department shall ensure that districts are allowed to expend funds  
9 received under this section on any activities that are permissible under this section.  
10 If a district or public school academy does not comply with this subsection, the  
11 department shall withhold an amount equal to the August payment due under this section  
12 until the district or public school academy complies with this subsection. If the  
13 district or public school academy does not comply with this subsection by the end of  
14 the fiscal year, the withheld funds are forfeited to the school aid fund.

15 (9) ~~(10)~~—In order to receive funds under this section, a district or public  
16 school academy must allow access for the department or the department's designee to  
17 audit all records related to the program for which it receives those funds. The  
18 district or public school academy shall reimburse the state for all disallowances  
19 found in the audit.

20 (10) ~~(11)~~ Subject to subsections ~~(6), (7), or (8)~~, (5), (6), or (7), for schools  
21 in which more than 40% of pupils are identified as at-risk, a district or public  
22 school academy may use the funds it receives under this section to implement tier 1,  
23 evidence-based practices in schoolwide reforms that are guided by the district's  
24 comprehensive needs assessment and are included in the district improvement plan.  
25 Schoolwide reforms must include parent and community supports, activities, and  
26 services, that may include the pathways to potential program created by the department

1 of health and human services or the communities in schools program. As used in this  
 2 subsection, "tier 1, evidence-based practices" means research based instruction and  
 3 classroom interventions that are available to all learners and effectively meet the  
 4 needs of most pupils.

5 (11) ~~(12)~~ A district or public school academy that receives funds under this  
 6 section may use those funds to provide research based professional development and to  
 7 implement a coaching model that supports the multi-tiered system of supports  
 8 framework. Professional development may be provided to district and school leadership  
 9 and teachers and must be aligned to professional learning standards; integrated into  
 10 district, school building, and classroom practices; and solely related to the  
 11 following:

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

15 (b) Implementing section 1280f of the revised school code, MCL 380.1280f, as  
 16 required under subsection ~~(3)~~, (2) with fidelity.

17 (12) ~~(13)~~ A district or public school academy that receives funds under  
 18 subsection ~~(4) or (17)~~ (3) may use funds received under subsection ~~(4) or (17)~~ (3) for  
 19 support staff providing services to at-risk pupils.

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

25 (14) ~~(15)~~ If necessary, and before any proration required under section 296, the  
 26 department shall prorate payments under this section, except payments under subsection

1 ~~(7), (8), or (17), (6) or (7)~~ by reducing the amount of the allocation as otherwise  
 2 calculated under this section by an equal percentage per district.

3 (15) ~~(16)~~ If a district is dissolved pursuant to section 12 of the revised  
 4 school code, MCL 380.12, the intermediate district to which the dissolved district was  
 5 constituent shall determine the estimated number of pupils that are economically  
 6 disadvantaged and that are enrolled in each of the other districts within the  
 7 intermediate district and provide that estimate to the department for the purposes of  
 8 distributing funds under this section within 60 days after the district is declared  
 9 dissolved.

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

1 ~~be distributed through payments made under subsection (4) as provided under subsection~~  
 2 ~~(4), but those funds must not be factored into calculating payments under this~~  
 3 ~~subsection.~~

4 (16) ~~(18)~~ A district or public school academy that receives funds under this  
 5 section may use funds received under this section to provide an anti-bullying or  
 6 crisis intervention program.

7 (17) ~~(19)~~ The department shall collaborate with the department of health and  
 8 human services to prioritize assigning Pathways to Potential success coaches to  
 9 elementary schools that have a high percentage of pupils in grades K to 3 who are not  
 10 proficient in English language arts, based upon state assessments for pupils in those  
 11 grades.

12 (18) ~~(20)~~ As used in this section:

13 (a) "At-risk pupil" means a pupil in grades pre-K to 12 for whom the district  
 14 has documentation that the pupil meets any of the following criteria:

15 (i) The pupil is economically disadvantaged.

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

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

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

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

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

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

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

26 (ix) For pupils for whom the results of the state summative assessment have been

1 received, is a pupil who did not achieve proficiency on the English language arts,  
2 mathematics, science, or social studies content area assessment.

3 (x) Is a pupil who is at risk of not meeting the district's or public school  
4 academy's core academic curricular objectives in English language arts or mathematics,  
5 as demonstrated on local assessments.

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

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

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

20 Sec. 31d. (1) From the appropriations in section 11, there is allocated an  
21 amount not to exceed ~~\$23,838,400.00 for 2020-2021~~ and there is allocated an amount not  
22 ~~to exceed \$23,838,400.00~~ **\$24,553,400.00** for ~~2021-2022~~ **2022-2023** for the purpose of  
23 making payments to districts and other eligible entities under this section.

24 (2) The amounts allocated from state sources under this section are used to pay  
25 the amount necessary to reimburse districts for 6.0127% of the necessary costs of the  
26 state mandated portion of lunch programs provided by those districts. The department

1 shall calculate the amount due to each district under this section using the methods  
 2 of calculation adopted by the Michigan supreme court in the consolidated cases known  
 3 as Durant v State of Michigan, 456 Mich 175 (1997).

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

7 (4) The payments made under this section to districts and other eligible  
 8 entities that are not required under section 1272a of the revised school code, MCL  
 9 380.1272a, to provide a lunch program must be in an amount not to exceed \$10.00 per  
 10 eligible pupil plus 5 cents for each free lunch and 2 cents for each reduced price  
 11 lunch provided, as determined by the department.

12 (5) From the federal funds appropriated in section 11, there is allocated for  
 13 ~~2020-2021 all available federal funding, estimated at \$800,000,000.00, and there is~~  
 14 ~~allocated for 2021-2022~~ **2022-2023** all available federal funding, estimated at  
 15 ~~\$545,000,000.00~~ **\$900,000,000.00** for child nutrition programs and, for ~~2020-2021, all~~  
 16 ~~available federal funding, estimated at \$15,712,000.00 for food distribution programs,~~  
 17 ~~\$50,000,000.00 for the child nutrition program pandemic electronic benefit transfer~~  
 18 ~~cost reimbursement program, \$50,000,000.00 for child nutrition program emergency~~  
 19 ~~operational cost reimbursement programs, and \$259,600.00 for commodity supplemental~~  
 20 ~~fund programs, and, for 2021-2022,~~ **2022-2023**, all available federal funding, estimated  
 21 at ~~\$11,000,000.00,~~ **\$15,000,000.00** for food distribution programs.

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

25 (7) In purchasing food for a lunch program funded under this section, a district  
 26 or other eligible entity shall give preference to food that is grown or produced by



1 Michigan businesses if it is competitively priced and of comparable quality.

2 Sec. 31f. (1) From the state school aid fund money appropriated in section 11,  
3 there is allocated an amount not to exceed \$11,900,000.00 for ~~2020-2021~~ and there is  
4 ~~allocated an amount not to exceed \$11,900,000.00 for 2021-2022-2022-2023~~ for the  
5 purpose of making payments to districts to reimburse for the cost of providing  
6 breakfast.

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

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

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

14 (3) The payment for a district under this section is at a per meal rate equal to  
15 the lesser of the district's actual cost or 100% of the statewide average cost of a  
16 meal served, as determined and approved by the department, less federal reimbursement,  
17 participant payments, and other state reimbursement. The department shall determine  
18 the statewide average cost using costs as reported in a manner approved by the  
19 department for the preceding school year.

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

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

25 Sec. 31j. (1) From the general fund money appropriated in section 11, there is  
26 allocated an amount not to exceed \$500,000.00 and from the state school aid fund money

1 appropriated in section 11, there is allocated an amount not to exceed ~~\$4,500,000.00~~  
 2 **\$4,000,000.00** for ~~2021-2022~~**2022-2023** for a program to support districts and other  
 3 non-school sponsors in the purchase of locally grown fruits and vegetables as  
 4 described in this section.

5 (2) Funding under this section retained by the department for administration  
 6 must not exceed 5%. Funding under this section retained by project partners for data  
 7 collection, outreach and training must not exceed 1% for each partner.

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

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

22 (5) A district or other non-school sponsor that receives a grant under this  
 23 section shall use those funds for the costs incurred by the district or the sponsor to  
 24 purchase whole or minimally processed fruits, vegetables, and legumes that meet all of  
 25 the following:

26 (a) Were purchased for use in school meals served between September 1, ~~2021~~**2022**

1 through August 30, ~~2022~~-2023.

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

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

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

11 (7) A district or other non-school sponsor that receives a grant for  
12 reimbursement under this section shall use the grant to purchase whole or minimally  
13 processed fruits, vegetables, and legumes that are grown in this state and, if  
14 minimally processed, are also processed in this state.

15 (8) In awarding grants under this section, the department shall work in  
16 consultation with Michigan-based farm to school resource organizations, to develop  
17 scoring criteria that assess an applicant's ability to procure Michigan-grown  
18 products, prepare and menu Michigan-grown products, promote and market Michigan-grown  
19 products, and submit letters of intent from districts or other non-school sponsors on  
20 plans for educational activities that promote the goals of the program.

21 (9) The department shall give preference to districts or other non-school  
22 sponsors that propose educational activities that meet 1 or more of the following:  
23 promote healthy food activities; have clear educational objectives; involve parents or  
24 the community; connect to a school's or child care center's farm-to-school or farm-to-  
25 early-child-care procurement activities; and market and promote the program, leading  
26 to increased pupil knowledge and consumption of Michigan-grown products. The

1 department shall give stronger weighting and consideration to applications with robust  
2 marketing and promotional activities.

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

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

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

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

11 (11) As a condition of receiving a grant under this section, a district or other  
12 non-school sponsor shall provide or direct its vendors to provide to the department  
13 copies of monthly receipts that show the quantity of different Michigan-grown fruits,  
14 vegetables, and legumes purchased, the amount of money spent on each of these  
15 products, the name and Michigan location of the farm that grew the products, and the  
16 methods or plans to market and promote the program. The district or other non-school  
17 sponsor also shall provide to the department monthly United States Department of  
18 Agriculture child nutrition reimbursable meal numbers and participation rates and must  
19 retain monthly menus noting when and how Michigan-grown products were used in meals.  
20 The district or other non-school sponsor and school or non-school sponsor food service  
21 director or directors also shall agree to respond to brief online surveys and to  
22 provide a report that shows the percentage relationship of Michigan spending compared  
23 to total food spending. Not later than 60 days after the end of the school year in  
24 which funds under this section were received, each district or each non-school sponsor  
25 shall submit a report to the department on outcomes and related measurements for  
26 economic development and children's nutrition and readiness to learn. The report must

1 include at least both of the following:

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

6 (i) The data used to determine the amount of this increase are the total dollar  
7 amount of Michigan or local fruits, vegetables, and legumes purchased by schools and  
8 other non-school sponsors, along with the number of different types of products  
9 purchased; school and non-school sponsor food purchasing trends identified along with  
10 products that are of new and growing interest among food service directors; the number  
11 of businesses impacted; and the percentage of total food budget spent on Michigan-  
12 grown fruits, vegetables, and legumes.

13 (ii) The district or other non-school sponsor shall use purchasing data collected  
14 for the program and surveys of school and non-school sponsor food service directors on  
15 the impact and success of the program as the source for the data described in  
16 subparagraph (i).

17 (b) The ability to which pupils can access a variety of healthy Michigan-grown  
18 foods through schools and other non-school sponsor centers and increase their  
19 consumption of those foods. All of the following apply for purposes of this  
20 subdivision:

21 (i) The data used to determine whether this subdivision is met are the number of  
22 pupils exposed to Michigan-grown fruits, vegetables, and legumes at schools and non-  
23 school sponsor centers; the variety of products served; new items taste-tested or  
24 placed on menus; and the increase in pupil willingness to try new local healthy foods.

25 (ii) The district or other non-school sponsor shall use purchasing data collected  
26 for the project, meal count and enrollment numbers, school menu calendars, and surveys

1 of school and non-school sponsor food service directors as the source for the data  
2 described in subparagraph (i).

3 (12) The department shall compile the reports provided by districts and other  
4 non-school sponsors under subsection (11) into 1 legislative report. The department  
5 shall provide this report not later than November 1, ~~2022~~**2023** to the house and senate  
6 subcommittees responsible for school aid, the house and senate fiscal agencies, and  
7 the state budget director.

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

10 Sec. 31n. (1) From the state school aid fund money appropriated in section 11,  
11 there is allocated for ~~2021-2022~~**2022-2023** for the purposes of this section an amount  
12 not to exceed ~~\$52,600,000.00~~**\$102,600,000.00** and from the general fund money  
13 appropriated in section 11, there is allocated for ~~2021-2022~~**2022-2023** for the  
14 purposes of this section an amount not to exceed \$1,300,000.00. The department and the  
15 department of health and human services shall continue a program to distribute this  
16 funding to add licensed behavioral health providers for general education pupils, and  
17 shall continue to seek federal Medicaid match funding for all eligible mental health  
18 and support services.

19 (2) The department and the department of health and human services shall  
20 maintain an advisory council for programs funded under this section. The advisory  
21 council shall define goals for implementation of programs funded under this section,  
22 and shall provide feedback on that implementation. At a minimum, the advisory council  
23 shall consist of representatives of state associations representing school health,  
24 school mental health, school counseling, education, health care, and other  
25 organizations, representatives from the department and the department of health and  
26 human services, and a representative from the school safety task force created under

1 Executive Order No. 2018-5. The department and department of health and human  
2 services, working with the advisory council, shall determine an approach to increase  
3 capacity for mental health and support services in schools for general education  
4 pupils, and shall determine where that increase in capacity qualifies for federal  
5 Medicaid match funding.

6 (3) The advisory council shall develop a fiduciary agent checklist for  
7 intermediate districts to facilitate development of a plan to submit to the department  
8 and to the department of health and human services. The department and department of  
9 health and human services shall determine the requirements and format for intermediate  
10 districts to submit a plan for possible funding under subsection (6). The department  
11 shall make applications for funding for this program available to districts and  
12 intermediate districts not later than December 1, ~~2021-2022~~ for the ~~2021-2022-2022-~~  
13 ~~2023~~ fiscal year and shall award the funding not later than February 1, ~~2022-2023~~ for  
14 the ~~2021-2022-2022-2023~~ fiscal year.

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

23 (5) From the state school aid fund money allocated under subsection (1), there  
24 is allocated for ~~2021-2022-2022-2023~~ an amount not to exceed \$14,300,000.00 to be  
25 distributed to the network of child and adolescent health centers to place a licensed  
26 master's level behavioral health provider in schools that do not currently have

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

13 (6) From the state school aid fund money allocated under subsection (1), there  
14 is allocated for ~~2021-2022-2022-2023~~ an amount not to exceed ~~\$37,800,000.00~~  
15 **\$87,800,000.00** to be distributed to intermediate districts for the provision of mental  
16 health and support services to general education students. If a district or  
17 intermediate district is not able to procure the services of a licensed master's level  
18 behavioral health provider, the district or intermediate district shall notify the  
19 department and the department of health and human services and, if the department and  
20 department of health and human services verify that the district or intermediate  
21 district attempted to procure services from a master's level behavioral health  
22 provider and was not able to do so, then the district or intermediate district may  
23 instead procure services from a provider with less than a master's degree in  
24 behavioral health. To be able to use the exemption in the immediately preceding  
25 sentence, the district or intermediate district must submit evidence satisfactory to  
26 the department and department of health and human services demonstrating that the



1 district or intermediate district took measures to procure the services of a licensed  
2 master's level behavioral health provider but was unable to do so, and the department  
3 and department of health and human services must be able to verify this evidence. From  
4 the first ~~\$32,200,000.00~~ **\$74,760,000.00** of the funds allocated under this subsection,  
5 the department shall distribute ~~\$575,000.00~~ **\$1,335,000.00** for ~~2021-2022~~ **2022-2023** to  
6 each intermediate district that submits a plan approved by the department and the  
7 department of health and human services. The department shall distribute the remaining  
8 ~~\$5,600,000.00~~ **\$13,040,000.00** of the funds allocated under this subsection for ~~2021-~~  
9 ~~2022-~~ **2022-2023** to intermediate districts on an equal per-pupil basis based on the  
10 combined total number of pupils in membership in the intermediate district and its  
11 constituent districts, including public school academies that are considered to be  
12 constituent districts under section 705(7) of the revised school code, MCL 380.705.  
13 The department and department of health and human services shall work cooperatively in  
14 providing oversight and assistance to intermediate districts during the plan  
15 submission process and shall monitor the program upon implementation. An intermediate  
16 district shall use funds awarded under this subsection to provide funding to its  
17 constituent districts, including public school academies that are considered to be  
18 constituent districts under section 705(7) of the revised school code, MCL 380.705,  
19 for the provision of mental health and support services to general education students.  
20 In addition to the criteria identified under subsection (7), an intermediate district  
21 shall consider geography, cost, or other challenges when awarding funding to its  
22 constituent districts. Districts receiving funding under this subsection are  
23 encouraged to provide suicide prevention and awareness education and counseling. If  
24 funding awarded to an intermediate district remains after funds are provided by the  
25 intermediate district to its constituent districts, the intermediate district may hire  
26 or contract for experts to provide mental health and support services to general

1 education students residing within the boundaries of the intermediate district,  
 2 including, but not limited to, expanding, hiring, or contracting for staff and experts  
 3 to provide those services directly or to increase access to those services through  
 4 coordination with outside mental health agencies; **the intermediate district may**  
 5 **contract with 1 or more other intermediate districts for coordination and facilitation**  
 6 **of activities related to providing mental health and support services to general**  
 7 **education students residing within the boundaries of the intermediate district;** and  
 8 the intermediate district is encouraged to provide suicide prevention and awareness  
 9 education and counseling. ~~If funding awarded to an intermediate district under this~~  
 10 ~~section for 2019-2019 or 2019-2020 remains unspent as of April 1, 2022, the~~  
 11 ~~department, in conjunction with the intermediate district, may reallocate the funds to~~  
 12 ~~another intermediate district or other intermediate districts capable of expending the~~  
 13 ~~funds before September 30, 2022 in accordance with this section as if those funds were~~  
 14 ~~originally allocated to the intermediate district or intermediate districts to which~~  
 15 ~~the funds are being reallocated.~~

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

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

26 (b) The district's commitment to work with its intermediate district to use

1 funding it receives under this section that is spent by the district for general  
2 education pupils toward participation in federal Medicaid match methodologies. A  
3 district must provide a local match of at least 20% of the funding allocated to the  
4 district under section 31n.

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

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

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

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

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

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

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

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

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

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

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

25 (a) For ~~2021-2022~~, ~~2022-2023~~, an amount not to exceed \$1,000,000.00 for the  
26 purpose of upgrading technology and systems infrastructure and other administrative

1 requirements to support the programs funded under this section.

2 (b) For ~~2021-2022, 2022-2023~~ an amount not to exceed \$300,000.00 for the purpose  
3 of administering the programs under this section and working on generating additional  
4 Medicaid funds as a result of programs funded under this section.

5 (10) From the state school aid fund money allocated under subsection (1), there  
6 is allocated for ~~2021-2022-2022-2023~~ an amount not to exceed \$500,000.00-to  
7 intermediate districts on an equal per intermediate district basis for the purpose of  
8 administering programs funded under this section.

9 (11) In addition to state school aid fund money allocated under subsection (1),  
10 from the state school aid allocation in section 11, there is allocated for 2022-2023  
11 an amount not to exceed \$5,000,000.00 to be distributed by the department to a public  
12 institution of higher education for a partnership between child and adolescent health  
13 centers, school districts, and a program that provides statewide capacity building  
14 supports to school-based mental health personnel. This program must provide school-  
15 based mental health personnel access to professional development, same-day  
16 consultation with behavioral health clinicians to respond to students' complex mental  
17 health needs, telehealth evaluations as necessary, and information and resources for  
18 child and adolescent health centers and school districts on managing mental health  
19 conditions.

20 (12) In addition to state school aid fund money allocated under subsection (1),  
21 from the state school aid fund allocation in section 11, there is allocated for 2022-  
22 2023 an amount not to exceed \$25,000,000.00 to districts and intermediate districts to  
23 improve student mental health services through the adoption and implementation of  
24 health insurance portability and accountability act compliant tools for the purposes  
25 of conducting mental health screenings, managing referral and consent, care management  
26 and coordination, virtual visits, and reporting on outcomes. The department, in

1 collaboration with intermediate districts, shall develop guidance on tools eligible  
2 for funding under this subsection. Funds shall be distributed to districts and  
3 intermediate districts for the purchase or licensing of, and for the implementation  
4 of, eligible tools, including a platform to access multiple assessments; for  
5 professional development on the use of eligible tools and how to respond to results;  
6 and for development of local and regional systems to coordinate student services.  
7 Notwithstanding section 17b, the department shall make payments under this subsection  
8 on a schedule determined by the department. Funds allocated under this subsection for  
9 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are  
10 carried forward into 2023-2024. The purpose of the work project is to provide and  
11 deploy mental health screening tools and referral processes in districts and  
12 intermediate districts statewide. The estimated completion date of the work project is  
13 September 30, 2027.

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

1 increase efficacy and usefulness, proposals to increase performance, and proposals to  
2 expand coverage.

3 (14) ~~(12)~~ A district or intermediate district that receives funding directly or  
4 indirectly under this section may carry over any unexpended funds received under this  
5 section for up to 2 fiscal years beyond the fiscal year in which the funds were  
6 received.

7 Sec. 31o. (1) From the state school aid fund money appropriated in section 11,  
8 there is allocated for ~~2021-2022-2022-2023~~ **only** an amount not to exceed  
9 ~~\$240,000,000.00~~ **\$120,000,000.00** for payments to eligible districts **and intermediate**  
10 **districts** for the purpose of increasing the number of school psychologists, school  
11 social workers, school counselors, and school nurses serving students in this state.

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

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

1 (a) 1 school psychologist for every 500 full-time equated pupils counted in the  
2 district **or directly served by the intermediate district.**

3 (b) 1 school social worker for every 250 full-time equated pupils counted in the  
4 district **or directly served by the intermediate district.**

5 (c) 1 school counselor for every 250 full-time equated pupils counted in the  
6 district **or directly served by the intermediate district.**

7 (d) 1 school nurse for every 750 full-time equated pupils counted in the  
8 district **or directly served by the intermediate district.**

9 (4) To be eligible for funding under this section, a district **or intermediate**  
10 **district** must hire additional school psychologists, school social workers, school  
11 counselors, or school nurses by March 1, ~~2022~~**2025** and must maintain support for the  
12 new staff in an ongoing manner. As determined by the department, staff hired and  
13 supported by funding under this section must meet all applicable state and federal  
14 laws, rules, and license requirements to be considered a school psychologist, school  
15 social worker, school counselor, or school nurse.

16 (5) Subject to subsection (6), payments to eligible districts **and intermediate**  
17 **districts** must be made as follows:

18 (a) ~~In the first year funds are distributed from this section, For staff hired~~  
19 **on or after March 1, 2022 and before March 1, 2023** the department shall provide  
20 payments to eligible districts **or intermediate districts** equal to 100% of the annual  
21 cost of newly hired school psychologists, school social workers, school counselors, or  
22 school nurses. The amount paid to the eligible district **or intermediate district** must  
23 be the lesser of the actual cost of the employee, as determined by the department, or  
24 the median wage for an equivalent employee working in a school setting, as determined  
25 by the department, using wage data from the Bureau of Labor Statistics that is  
26 specific to this state.

1 (b) ~~In the second year funds are distributed under this section,~~ **For staff**  
2 **retained with funding under this section or new staff hired before March 1, 2024** the  
3 department shall pay eligible districts **or intermediate districts** 66% of the amount  
4 paid to the eligible district **or intermediate district** under subdivision (a).

5 (c) ~~In the third year funds are distributed under this section,~~ **For staff**  
6 **retained with funding under this section or new staff hired before March 1, 2025** the  
7 department shall pay eligible districts **or intermediate districts** 33% of the amount  
8 paid to the eligible district **or intermediate district** under subdivision (a).

9 (6) If, after awarding funding under subsection (3) and calculating payment  
10 amounts under subsection (5), the department determines that the amount allocated in  
11 subsection (1) is insufficient to fully fund payments under this section, the  
12 department shall prorate payments to eligible districts **or intermediate districts** on  
13 an equal percentage basis.

14 (7) The funds allocated under this section for ~~2021-2022-2022-2023~~ are a work  
15 project appropriation, and any unexpended funds for ~~2021-2022-2022-2023~~ are carried  
16 forward into ~~2022-2023-2023-2024~~. The purpose of the work project is to increase the  
17 number of school psychologists, school social workers, school counselors, and school  
18 nurses in school buildings. The estimated completion date of the work project is  
19 September 30, ~~2024-2025~~.

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

22 Sec. 31p. (1) From the state school aid fund money appropriated under section  
23 11, there is allocated for ~~2020-2021-2022-2023~~ **only** an amount not to exceed  
24 ~~\$5,400,000.00-\$150,000,000.00~~ for grants to intermediate districts ~~to implement for~~  
25 **statewide implementation of** a TRAILS program as described in subsection (2).

26 (2) Intermediate districts receiving funding under this section must use the



1 funding to implement a TRAILS program within the boundaries of the intermediate  
 2 district. The TRAILS program described in this subsection must improve youth access to  
 3 evidence-based mental health services by training school mental health professionals  
 4 in effective practices, such as cognitive behavioral therapy and mindfulness.

5 (3) The department shall establish a grant process to distribute funds under  
 6 this section.

7 (4) The department shall award, ~~in an equal amount,~~ grants under this section to  
 8 each intermediate district that has an approved grant application for funding under  
 9 this section. **Intermediate districts must use funds received this section for a direct**  
 10 **partnership with the TRAILS program.**

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

13 (6) The funds allocated under this section for ~~2020-2021-2022-2023~~ are a work  
 14 project appropriation, and any unexpended funds for ~~2020-2021-2022-2023~~ are carried  
 15 forward into ~~2021-2022-2023-2024~~. The purpose of the work project is to continue  
 16 support for the **statewide implementation of the** TRAILS program. The estimated  
 17 completion date of the work project is September 30, ~~2024-2027~~.

18 Sec. 32d. (1) From the state school aid fund money appropriated in section 11,  
 19 there is allocated to eligible intermediate districts and consortia of intermediate  
 20 districts for great start readiness programs an amount not to exceed ~~\$297,120,000.00~~  
 21 **\$451,120,000.00** for ~~2021-2022-2022-2023~~. ~~In addition, from the federal funds~~  
 22 ~~allocated in section 11n, there is allocated to eligible intermediate districts and~~  
 23 ~~consortia of intermediate districts for great start readiness programs an amount not~~  
 24 ~~to exceed \$121,000,000.00 for 2021-2022 from the coronavirus state fiscal recovery~~  
 25 ~~funds under the American rescue plan act of 2021, title IX, subtitle M of Public Law~~  
 26 ~~117-2.~~ An intermediate district or consortium shall use funds allocated under this

1 section for great start readiness programs to provide part-day, school-day, or  
2 GSRP/Head Start blended comprehensive free compensatory classroom programs designed to  
3 improve the readiness and subsequent achievement of educationally disadvantaged  
4 children who meet the participant eligibility and prioritization guidelines as defined  
5 by the department. For a child to be eligible to participate in a program under this  
6 section, the child must be at least 4, but less than 5, years of age as of September 1  
7 of the school year in which the program is offered and must meet those eligibility and  
8 prioritization guidelines. A child who is not 4 years of age as of September 1, but  
9 who will be 4 years of age not later than December 1, is eligible to participate if  
10 the child's parent or legal guardian seeks a waiver from the September 1 eligibility  
11 date by submitting a request for enrollment in a program to the responsible  
12 intermediate district, if the program has capacity on or after September 1 of the  
13 school year, and if the child meets eligibility and prioritization guidelines.

14 (2) From the state school aid fund money allocated under subsection (1), an  
15 amount not to exceed ~~\$295,120,000.00~~ and from the federal funds allocated under  
16 ~~subsection (1), an amount not to exceed \$121,000,000.00~~ **\$449,120,000.00** is allocated  
17 to intermediate districts or consortia of intermediate districts based on the formula  
18 in section 39. An intermediate district or consortium of intermediate districts  
19 receiving funding under this section shall act as the fiduciary for the great start  
20 readiness programs. An intermediate district or consortium of intermediate districts  
21 receiving funding under this section may collaborate with local governments to  
22 identify children eligible for programs funded under this section and may contract  
23 with local governments to provide services. In order to be eligible to receive funds  
24 allocated under this subsection from an intermediate district or consortium of  
25 intermediate districts, a district, a consortium of districts, a local government, or  
26 a public or private for-profit or nonprofit legal entity or agency must comply with

1 this section and section 39. The funds allocated under this subsection for ~~2021-2022~~  
2 ~~2022-2023~~ are a work project appropriation, and any unexpended funds for ~~2021-2022~~  
3 ~~2022-2023~~ are carried forward into ~~2022-2023.~~ **2023-2024**. The purpose of the work  
4 project is to continue to improve access to preschool programming for economically  
5 disadvantaged children. The estimated completion date of the work project described in  
6 the immediately preceding sentence is September 30, 2023.

7 (3) In addition to the allocation under subsection (1), from the general fund  
8 money appropriated under section 11, there is allocated an amount not to exceed  
9 \$350,000.00 for ~~2021-2022~~ **2022-2023** for a competitive grant to continue a longitudinal  
10 evaluation of children who have participated in great start readiness programs.

11 (4) To be eligible for funding under this section, a program must prepare  
12 children for success in school through comprehensive part-day, school-day, or  
13 GSRP/Head Start blended programs that contain all of the following program components,  
14 as determined by the department:

15 (a) Participation in a collaborative recruitment and enrollment process to  
16 assure that each child is enrolled in the program most appropriate to his or her needs  
17 and to maximize the use of federal, state, and local funds.

18 (b) An age-appropriate educational curriculum that is in compliance with the  
19 early childhood standards of quality for prekindergarten children adopted by the state  
20 board, including, at least, the Connect4Learning curriculum.

21 (c) Nutritional services for all program participants supported by federal,  
22 state, and local resources as applicable.

23 (d) Physical and dental health and developmental screening services for all  
24 program participants.

25 (e) Referral services for families of program participants to community social  
26 service agencies, including mental health services, as appropriate.

1 (f) Active and continuous involvement of the parents or guardians of the program  
2 participants.

3 (g) A plan to conduct and report annual great start readiness program  
4 evaluations and continuous improvement plans using criteria approved by the  
5 department.

6 (h) Participation in a school readiness advisory committee convened as a  
7 workgroup of the great start collaborative that provides for the involvement of  
8 classroom teachers, parents or guardians of program participants, and community,  
9 volunteer, and social service agencies and organizations, as appropriate. The advisory  
10 committee annually shall review and make recommendations regarding the program  
11 components listed in this subsection. The advisory committee also shall make  
12 recommendations to the great start collaborative regarding other community services  
13 designed to improve all children's school readiness.

14 (i) The ongoing articulation of the kindergarten and first grade programs  
15 offered by the program provider.

16 (j) Participation in this state's great start to quality process with a rating  
17 of at least 3 stars.

18 (5) An application for funding under this section must provide for the  
19 following, in a form and manner determined by the department:

20 (a) Ensure compliance with all program components described in subsection (4).

21 (b) Except as otherwise provided in this subdivision, ensure that at least 85%  
22 of the children participating in an eligible great start readiness program for whom  
23 the intermediate district is receiving funds under this section are children who live  
24 with families with a household income that is equal to or less than 250% of the  
25 federal poverty guidelines. If the intermediate district determines that all eligible  
26 children are being served and that there are no children on the waiting list who live

1 with families with a household income that is equal to or less than 250% of the  
2 federal poverty guidelines, the intermediate district may then enroll children who  
3 live with families with a household income that is equal to or less than 300% of the  
4 federal poverty guidelines. The enrollment process must consider income and risk  
5 factors, such that children determined with higher need are enrolled before children  
6 with lesser need. For purposes of this subdivision, all age-eligible children served  
7 in foster care or who are experiencing homelessness or who have individualized  
8 education programs recommending placement in an inclusive preschool setting are  
9 considered to live with families with household income equal to or less than 250% of  
10 the federal poverty guidelines regardless of actual family income and are prioritized  
11 for enrollment within the lowest quintile.

12 (c) Ensure that the applicant only uses qualified personnel for this program, as  
13 follows:

14 (i) Teachers possessing proper training. A lead teacher must have a valid  
15 Michigan teaching certificate with an early childhood or lower elementary endorsement  
16 or a bachelor's or higher degree in child development or early childhood education  
17 with specialization in preschool teaching. However, if an applicant demonstrates to  
18 the department that it is unable to fully comply with this subparagraph after making  
19 reasonable efforts to comply, teachers or paraprofessionals with at least 5 years of  
20 experience as a paraprofessional in a great start readiness program classroom who have  
21 significant but incomplete training in early childhood education or child development  
22 may be used if the applicant provides to the department, and the department approves,  
23 a plan for each teacher to come into compliance with the standards in this  
24 subparagraph. A teacher's compliance plan must be completed within 3 years of the date  
25 of employment. Progress toward completion of the compliance plan consists of at least  
26 2 courses per calendar year.

1           (ii) Paraprofessionals possessing proper training in early childhood education,  
2 including an associate degree in early childhood education or child development or the  
3 equivalent, or a child development associate (CDA) credential. However, if an  
4 applicant demonstrates to the department that it is unable to fully comply with this  
5 subparagraph after making reasonable efforts to comply, the applicant may use  
6 paraprofessionals who have completed at least 1 course that earns college credit in  
7 early childhood education or child development if the applicant provides to the  
8 department, and the department approves, a plan for each paraprofessional to come into  
9 compliance with the standards in this subparagraph. A paraprofessional's compliance  
10 plan must be completed within 3 years of the date of employment. Progress toward  
11 completion of the compliance plan consists of at least 2 courses or 60 clock hours of  
12 training per calendar year.

13           (d) Include a program budget that contains only those costs that are not  
14 reimbursed or reimbursable by federal funding, that are clearly and directly  
15 attributable to the great start readiness program, and that would not be incurred if  
16 the program were not being offered. Eligible costs include transportation costs. The  
17 program budget must indicate the extent to which these funds will supplement other  
18 federal, state, local, or private funds. An applicant shall not use funds received  
19 under this section to supplant any federal funds received by the applicant to serve  
20 children eligible for a federally funded preschool program that has the capacity to  
21 serve those children.

22           (6) For a grant recipient that enrolls pupils in a school-day program funded  
23 under this section, each child enrolled in the school-day program is counted as  
24 described in section 39 for purposes of determining the amount of the grant award.

25           (7) For a grant recipient that enrolls pupils in a GSRP/Head Start blended  
26 program, the grant recipient shall ensure that all Head Start and GSRP policies and

1 regulations are applied to the blended slots, with adherence to the highest standard  
2 from either program, to the extent allowable under federal law.

3 (8) An intermediate district or consortium of intermediate districts receiving a  
4 grant under this section shall designate an early childhood coordinator, and may  
5 provide services directly or may contract with 1 or more districts or public or  
6 private for-profit or nonprofit providers that meet all requirements of subsections  
7 (4) and (5).

8 (9) An intermediate district or consortium of intermediate districts may retain  
9 for administrative services provided by the intermediate district or consortium of  
10 intermediate districts an amount not to exceed 4% of the grant amount. Expenses  
11 incurred by subrecipients engaged by the intermediate district or consortium of  
12 intermediate districts for directly running portions of the program are considered  
13 program costs or a contracted program fee for service. Subrecipients operating with a  
14 federally approved indirect rate for other early childhood programs may include  
15 indirect costs, not to exceed the federal 10% de minimis.

16 (10) An intermediate district or consortium of intermediate districts may expend  
17 not more than 2% of the total grant amount for outreach, recruiting, and public  
18 awareness of the program.

19 (11) Each grant recipient shall enroll children identified under subsection  
20 (5)(b) according to how far the child's household income is below 250% of the federal  
21 poverty guidelines by ranking each applicant child's household income from lowest to  
22 highest and dividing the applicant children into quintiles based on how far the  
23 child's household income is below 250% of the federal poverty guidelines, and then  
24 enrolling children in the quintile with the lowest household income before enrolling  
25 children in the quintile with the next lowest household income until slots are  
26 completely filled. If the grant recipient determines that all eligible children are

1 being served and that there are no children on the waiting list who live with families  
2 with a household income that is equal to or less than 250% of the federal poverty  
3 guidelines, the grant recipient may then enroll children who live with families with a  
4 household income that is equal to or less than 300% of the federal poverty guidelines.  
5 The enrollment process must consider income and risk factors, such that children  
6 determined with higher need are enrolled before children with lesser need. For  
7 purposes of this subsection, all age-eligible children served in foster care or who  
8 are experiencing homelessness or who have individualized education programs  
9 recommending placement in an inclusive preschool setting are considered to live with  
10 families with household income equal to or less than 250% of the federal poverty  
11 guidelines regardless of actual family income and are prioritized for enrollment  
12 within the lowest quintile.

13 (12) An intermediate district or consortium of intermediate districts receiving  
14 a grant under this section shall allow parents of eligible children who are residents  
15 of the intermediate district or within the consortium to choose a program operated by  
16 or contracted with another intermediate district or consortium of intermediate  
17 districts and shall enter into a written agreement regarding payment, in a manner  
18 prescribed by the department.

19 (13) An intermediate district or consortium of intermediate districts receiving  
20 a grant under this section shall conduct a local process to contract with interested  
21 and eligible public and private for-profit and nonprofit community-based providers  
22 that meet all requirements of subsection (4) for at least 30% of its total allocation.  
23 For the purposes of this 30% allocation, an intermediate district or consortium of  
24 intermediate districts may count children served by a Head Start grantee or delegate  
25 in a blended Head Start and great start readiness school-day program. Children served  
26 in a program funded only through Head Start are not counted toward this 30%



1 allocation. The intermediate district or consortium shall report to the department, in  
2 a manner prescribed by the department, a detailed list of community-based providers by  
3 provider type, including private for-profit, private nonprofit, community college or  
4 university, Head Start grantee or delegate, and district or intermediate district, and  
5 the number and proportion of its total allocation allocated to each provider as  
6 subrecipient. If the intermediate district or consortium is not able to contract for  
7 at least 30% of its total allocation, the grant recipient shall notify the department  
8 and, if the department verifies that the intermediate district or consortium attempted  
9 to contract for at least 30% of its total allocation and was not able to do so, then  
10 the intermediate district or consortium may retain and use all of its allocation as  
11 provided under this section. To be able to use this exemption, the intermediate  
12 district or consortium shall demonstrate to the department that the intermediate  
13 district or consortium increased the percentage of its total allocation for which it  
14 contracts with a community-based provider and the intermediate district or consortium  
15 shall submit evidence satisfactory to the department, and the department must be able  
16 to verify this evidence, demonstrating that the intermediate district or consortium  
17 took measures to contract for at least 30% of its total allocation as required under  
18 this subsection, including, but not limited to, at least all of the following  
19 measures:

20 (a) The intermediate district or consortium notified each nonparticipating  
21 licensed child care center located in the service area of the intermediate district or  
22 consortium regarding the center's eligibility to participate, in a manner prescribed  
23 by the department.

24 (b) The intermediate district or consortium provided to each nonparticipating  
25 licensed child care center located in the service area of the intermediate district or  
26 consortium information regarding great start readiness program requirements and a

1 description of the application and selection process for community-based providers.

2 (c) The intermediate district or consortium provided to the public and to  
3 participating families a list of community-based great start readiness program  
4 subrecipients with a great start to quality rating of at least 3 stars.

5 (14) If an intermediate district or consortium of intermediate districts  
6 receiving a grant under this section fails to submit satisfactory evidence to  
7 demonstrate its effort to contract for at least 30% of its total allocation, as  
8 required under subsection (13), the department shall reduce the allocation to the  
9 intermediate district or consortium by a percentage equal to the difference between  
10 the percentage of an intermediate district's or consortium's total allocation awarded  
11 to community-based providers and 30% of its total allocation.

12 (15) In order to assist intermediate districts and consortia in complying with  
13 the requirement to contract with community-based providers for at least 30% of their  
14 total allocation, the department shall do all of the following:

15 (a) Ensure that a great start resource center or the department provides each  
16 intermediate district or consortium receiving a grant under this section with the  
17 contact information for each licensed child care center located in the service area of  
18 the intermediate district or consortium by March 1 of each year.

19 (b) Provide, or ensure that an organization with which the department contracts  
20 provides, a community-based provider with a validated great start to quality rating  
21 within 90 days of the provider's having submitted a request and self-assessment.

22 (c) Ensure that all intermediate district, district, community college or  
23 university, Head Start grantee or delegate, private for-profit, and private nonprofit  
24 providers are subject to a single great start to quality rating system. The rating  
25 system must ensure 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 provider to receive a

1 great start to quality rating ahead of any other type of provider.

2 (d) Not later than March 1 of each year, compile the results of the information  
3 reported by each intermediate district or consortium under subsection (13) and report  
4 to the legislature a list by intermediate district or consortium with the number and  
5 percentage of each intermediate district's or consortium's total allocation allocated  
6 to community-based providers by provider type, including private for-profit, private  
7 nonprofit, community college or university, Head Start grantee or delegate, and  
8 district or intermediate district.

9 (16) A recipient of funds under this section shall report to the center in a  
10 form and manner prescribed by the center the information necessary to derive the  
11 number of children participating in the program who meet the program eligibility  
12 criteria under subsection (5) (b), the number of eligible children not participating in  
13 the program and on a waitlist, and the total number of children participating in the  
14 program by various demographic groups and eligibility factors necessary to analyze  
15 equitable and priority access to services for the purposes of subsection (3).

16 (17) As used in this section:

17 (a) "GSRP/Head Start blended program" means a part-day program funded under this  
18 section and a Head Start program, which are combined for a school-day program.

19 (b) "Federal poverty guidelines" means the guidelines published annually in the  
20 Federal Register by the United States Department of Health and Human Services under  
21 its authority to revise the poverty line under 42 USC 9902.

22 (c) "Part-day program" means a program that operates at least 4 days per week,  
23 30 weeks per year, for at least 3 hours of teacher-child contact time per day but for  
24 fewer hours of teacher-child contact time per day than a school-day program.

25 (d) "School-day program" means a program that operates for at least the same  
26 length of day as a district's first grade program for a minimum of 4 days per week, 30

1 weeks per year. A classroom that offers a school-day program must enroll all children  
2 for the school day to be considered a school-day program.

3 (18) An intermediate district or consortium of intermediate districts receiving  
4 funds under this section shall establish and charge tuition according to a sliding  
5 scale of tuition rates based upon household income for children participating in an  
6 eligible great start readiness program who live with families with a household income  
7 that is more than 250% of the federal poverty guidelines to be used by all of its  
8 providers, as approved by the department.

9 (19) From the amount allocated in subsection (2), there is allocated for ~~2021-~~  
10 ~~2022-2022-2023~~ an amount not to exceed \$10,000,000.00 for reimbursement of  
11 transportation costs for children attending great start readiness programs funded  
12 under this section. To receive reimbursement under this subsection, not later than  
13 November 1 of each year, a program funded under this section that provides  
14 transportation shall submit to the intermediate district that is the fiscal agent for  
15 the program a projected transportation budget. The amount of the reimbursement for  
16 transportation under this subsection is no more than the projected transportation  
17 budget or \$300.00 multiplied by the number of children funded for the program under  
18 this section. If the amount allocated under this subsection is insufficient to fully  
19 reimburse the transportation costs for all programs that provide transportation and  
20 submit the required information, the department shall prorate the reimbursement in an  
21 equal amount per child funded. The department shall make payments to the intermediate  
22 district that is the fiscal agent for each program, and the intermediate district  
23 shall then reimburse the program provider for transportation costs as prescribed under  
24 this subsection.

25 (20) Subject to, and from the funds allocated under, subsection (19), the  
26 department shall reimburse a program for transportation costs related to parent- or

1 guardian-accompanied transportation provided by transportation service companies,  
2 buses, or other public transportation services. To be eligible for reimbursement under  
3 this subsection, a program must submit to the intermediate district or consortia of  
4 intermediate districts all of the following:

5 (a) The names of families provided with transportation support along with a  
6 documented reason for the need for transportation support and the type of  
7 transportation provided.

8 (b) Financial documentation of actual transportation costs incurred by the  
9 program, including, but not limited to, receipts and mileage reports, as determined by  
10 the department.

11 (c) Any other documentation or information determined necessary by the  
12 department.

13 (21) The department shall implement a process to review and approve age-  
14 appropriate comprehensive classroom level quality assessments for GSRP grantees that  
15 support the early childhood standards of quality for prekindergarten children adopted  
16 by the state board. The department shall make available to intermediate districts at  
17 least 2 classroom level quality assessments that were approved in 2018.

18 (22) An intermediate district that is a GSRP grantee may approve the use of a  
19 supplemental curriculum that aligns with and enhances the age-appropriate educational  
20 curriculum in the classroom. If the department objects to the use of a supplemental  
21 curriculum approved by an intermediate district, the superintendent shall establish a  
22 review committee independent of the department. The review committee shall meet within  
23 60 days of the department registering its objection in writing and provide a final  
24 determination on the validity of the objection within 60 days of the review  
25 committee's first meeting.

26 (23) The department shall implement a process to evaluate and approve age-

1 appropriate educational curricula that are in compliance with the early childhood  
2 standards of quality for prekindergarten children adopted by the state board.

3 (24) From the funds allocated under subsection (1), there is allocated for ~~2021-~~  
4 ~~2022-2022-2023~~ an amount not to exceed \$2,000,000.00 for payments to intermediate  
5 districts or consortia of intermediate districts for professional development and  
6 training materials for educators in programs implementing new curricula or child  
7 assessment tools approved for use in the great start readiness program.

8 (25) A great start readiness program or a GSRP/Head Start blended program funded  
9 under this section is permitted to utilize AmeriCorps Pre-K Reading Corps members in  
10 classrooms implementing research-based early literacy intervention strategies.

11 **Sec. 32n. (1) For 2022-2023, from the general fund money appropriated in section**  
12 **11, there is allocated an amount not to exceed \$25,000,000.00 for before and after**  
13 **school programs. In addition, for 2022-2023 only, from the general fund money**  
14 **appropriated in section 11, there is allocated an additional \$25,000,000.00 for the**  
15 **purposes of this section. The department shall develop a competitive grant program to**  
16 **distribute this funding to eligible entities, as described in subsection (2), as**  
17 **prescribed under this section.**

18 (2) The department shall establish competitive grant criteria under this program  
19 for eligible applicants to expand access to quality, affordable programming before and  
20 after the school day for young people. To be eligible for a grant under this section,  
21 the applicant must meet, at a minimum, all of the following criteria:

22 (a) Serve children in any of grades kindergarten to 12.

23 (b) Be a community-based organization that is exempt from federal income tax  
24 under section 501(c)(3) of the internal revenue code, 26 USC 501, an institution of  
25 higher education, community or adult education program, a public library, or a local  
26 government.

1 (c) Provide before school, after school, or before and after school programming  
2 to children described in subdivision (a). These programs must be used to support  
3 expanded learning opportunities, including but not limited to mentoring, leadership,  
4 community engagement, agriculture, art, music, literacy, science, technology,  
5 engineering, mathematics, health, and recreation programming.

6 (d) Address measurable goals including, but not limited to, improved school  
7 attendance, academic outcomes, positive behaviors, and skill acquisition, and include  
8 activities linked to research or quality practices.

9 (3) The department shall establish a competitive grant process for awarding  
10 funding under this section. The process shall be posted publicly at least 30 days  
11 prior to the grant application period. The department shall develop the form and  
12 method for applying for the grants. The application shall include a request for  
13 information on the applicant's outreach to children, youth, and families who qualify  
14 for free or reduced-price lunch. The application must be open for no less than 30  
15 calendar days. At least 30 days before the application is opened, the department must  
16 publish on its public website the criteria that will be used in evaluating the  
17 application which must include, but are not limited to, priorities under subsection  
18 (5).

19 (4) In determining award amounts under this subsection, the department shall, to  
20 the extent practicable, ensure that eligible entities in all geographic regions of  
21 this state are represented in the distribution of grant funding under this section.

22 (5) The department shall prioritize the distribution of grant funding under this  
23 section based on, at a minimum, the following:

24 (a) An applicant's demonstrated need.

25 (b) The percentage of low-income families in the geographic area being served.

26 Prioritization must be determined by the average percentage of pupils in the school

1 district where eligible entities will provide before and after school programs who are  
2 eligible for free and reduced-priced meals as determined under the Richard B. Russell  
3 national school lunch act, 42 USC 1751 to 1769j.

4 (c) Whether the application provides services for the full school year.

5 (d) The applicant's track record providing quality, affordable before and after  
6 school services.

7 (e) Whether an applicant serving children in any of grades kindergarten through  
8 eighth grade is licensed or is in the process of becoming licensed or has implemented  
9 the Michigan State Board of Education Michigan Out-of-School Time Standards of  
10 Quality. This does not preclude a non-licensed entity from applying and being funded.

11 (6) An eligible entity that receives grant funding under this section shall use  
12 the funding only to provide before school, after school, or before and after school  
13 programming to children described in subsection (2) (a). The programming offered under  
14 this subsection must meet all of the following:

15 (a) Be provided to children in a manner in which the children are physically  
16 present at a building or location designated by the eligible entity.

17 (b) Provide educational programming in core subject areas, including, but not  
18 limited to, mathematics, reading, and science.

19 (c) Provide data to evaluate the program in a form and manner as prescribed by  
20 the department.

21 (7) Up to 3% of funding allocated in subsection (2) must be set aside and  
22 awarded to a non-profit entity with experience serving youth serving organizations to  
23 provide start-up grants and capacity building, professional development, and technical  
24 assistance for implementation of high quality, evidence-based out-of-school time  
25 learning opportunities.

26 (8) Notwithstanding section 17b, the department shall make payments under this



1 section in full upon grant award. Grantees that do not comply with reporting  
 2 requirements, fail to provide the services proposed in their grant application, and/or  
 3 close during the grant period may be required to repay state funds.

4 Sec. 32p. (1) From the state school aid fund money appropriated in section 11,  
 5 there is allocated an amount not to exceed ~~\$13,400,000.00~~ **\$22,900,000.00** to  
 6 intermediate districts for ~~2021-2022~~ **2022-2023** for the purpose of providing early  
 7 childhood funding to intermediate districts to support the goals and outcomes under  
 8 subsection (2) and subsection (4), and to provide **supports for** early childhood  
 9 programs for children from birth through age 8. The funding provided to each  
 10 intermediate district under this section is determined by the distribution formula  
 11 established by the department's office of great start to provide equitable funding  
 12 statewide. In order to receive funding under this section, each intermediate district  
 13 must provide an application to the office of great start not later than September 15  
 14 of the immediately preceding fiscal year indicating the strategies planned to be  
 15 provided.

16 (2) Each intermediate district or consortium of intermediate districts that  
 17 receives funding under this section shall convene a local great start collaborative  
 18 and a parent coalition that includes an active partnership with at least 1 community-  
 19 based organization. The goal of each great start collaborative and parent coalition is  
 20 to ensure the coordination and expansion of local early childhood ~~infrastructure~~  
 21 **systems** and programs, **increase the number eligible children that are enrolled from**  
 22 **birth to age 8 in publicly funded programs and services through joint recruitment and**  
 23 **enrollment systems, and to ~~that~~ allow every child in the community to achieve the**  
 24 following outcomes:

25 (a) Children born healthy.

26 (b) Children healthy, thriving, and developmentally on track from birth to grade

1 3.

2 (c) Children developmentally ready to succeed in school at the time of school  
3 entry.

4 (d) Children prepared to succeed in fourth grade and beyond by reading  
5 proficiently by the end of third grade.

6 (3) Each local great start collaborative and parent coalition shall convene  
7 workgroups to make recommendations about community services designed to achieve the  
8 outcomes described in subsection (2) and to ensure that its local great start system  
9 includes the following supports for children from birth through age 8:

10 (a) Physical health.

11 (b) Social-emotional health.

12 (c) Family supports, **including and basic needs, and economic self-sufficiency.**

13 (d) ~~Parent education.~~ **Parent leadership and family engagement.**

14 (e) Early education, including the child's development of skills linked to  
15 success in foundational literacy, and care.

16 (4) From the funds allocated in subsection (1), at least ~~\$2,500,000.00~~  
17 **\$4,500,000.00** must be used for the purpose of providing home visits to at-risk  
18 children and their families. The home visits must be conducted as part of a locally  
19 coordinated, family-centered, evidence-based, data-driven home visit strategic plan  
20 that is approved by the department. The goals of the home visits funded under this  
21 subsection are to improve school readiness using evidence-based methods, including a  
22 focus on developmentally appropriate outcomes for early literacy, to improve positive  
23 parenting practices, and to improve family economic self-sufficiency while reducing  
24 the impact of high-risk factors through community resources and referrals. The  
25 department shall coordinate the goals of the home visit strategic plans approved under  
26 this subsection with other state agency home visit programs in a way that strengthens

1 Michigan's home visiting infrastructure and maximizes federal funds available for the  
2 purposes of at-risk family home visits. The coordination among departments and  
3 agencies is intended to avoid duplication of state services and spending, and should  
4 emphasize efficient service delivery of home visiting programs.

5 (5) Not later than December 1 of each year, each intermediate district shall  
6 provide a report to the department detailing the strategies actually implemented  
7 during the immediately preceding school year and the families and children actually  
8 served. At a minimum, the report must include an evaluation of the services provided  
9 with additional funding under subsection (4) for home visits, using the goals  
10 identified in subsection (4) as the basis for the evaluation, including the degree to  
11 which school readiness was improved, the degree to which positive parenting practices  
12 were improved, the degree to which there was improved family economic self-  
13 sufficiency, and the degree to which community resources and referrals were utilized.  
14 The department shall compile and summarize these reports and submit its summary to the  
15 house and senate appropriations subcommittees on school aid and to the house and  
16 senate fiscal agencies not later than February 15 of each year.

17 (6) An intermediate district or consortium of intermediate districts that  
18 receives funding under this section may carry over any unexpended funds received under  
19 this section into the next fiscal year and may expend those unused funds through June  
20 30 of the next fiscal year. However, an intermediate district or consortium of  
21 intermediate districts that receives funding for the purposes described in subsection  
22 (2) in fiscal year ~~2021-2022-2022-2023~~ shall not carry over into the next fiscal year  
23 any amount exceeding ~~20%-15%~~ of the amount awarded to the intermediate district or  
24 consortium in the ~~2021-2022-2022-2023~~ fiscal year. ~~It is intended that the amount~~  
25 ~~carried over from funding awarded for the purposes described in subsection (2) in~~  
26 ~~fiscal year 2022-2023 not exceed 15% of the amount awarded in that fiscal year. A~~

1 recipient of a grant shall return any unexpended grant funds to the department in the  
2 manner prescribed by the department not later than September 30 of the next fiscal  
3 year after the fiscal year in which the funds are received.

4       Sec. 32s. (1) From the school aid fund money appropriated in section 11, there  
5 is allocated an amount not to exceed \$5,000,000.00 for 2022-2023 only to an  
6 intermediate district or consortia of intermediate districts to lead a statewide  
7 development for a 3-year pilot program that provides high-quality preschool  
8 programming in a licensed home-based child care setting as provided for under this  
9 section. The grantee must work in partnership with the department, licensed home-based  
10 providers, and other relevant stakeholders through a collaborative development  
11 process.

12       (2) Funds allocated under this section may be used for planning, start-up costs,  
13 program development, programming costs that exceed the per slot allotment, and  
14 evaluation. The pilot funded under this section shall include licensed home-based  
15 child care providers from each of the four early childhood support network regions.  
16 The participating home-based providers are considered community-based providers and  
17 may receive funds from their local intermediate school district under section 32d.

18       (3) Evaluation of this program shall be conducted by a third party that collects  
19 individual provider outcomes at each stage of the pilot, but at a minimum annually and  
20 assesses the viability of scaling the model and achieving improved outcomes for  
21 children. The report shall demonstrate how licensed home-based childcare programs were  
22 involved at each stage of the pilot.

23       (4) The department may waive certain requirements specified in section 32d for  
24 providers participating in the pilot program only if it can be demonstrated the  
25 requirements do not reasonably apply to a licensed home-based child care setting and  
26 if research suggests that waiving such requirements does not negatively impact child

1 outcomes.

2 (5) The funds allocated under this section for 2022-2023 are a work project  
3 appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-  
4 2024. The purpose of the work project is to continue to provide support for the  
5 preschool home-based pilot programs described in subsection (2). The estimated  
6 completion date of the work project is September 30, 2025.

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

9 Sec. 35a. (1) From the appropriations in section 11, there is allocated for  
10 ~~2021-2022~~ 2022-2023 for the purposes of this section an amount not to exceed  
11 \$61,400,000.00—from the state school aid fund and there is allocated for ~~2021-2022~~  
12 2022-2023 for the purposes of subsection (8) an amount not to exceed \$3,500,000.00  
13 from the general fund. Excluding staff or contracted employees funded under subsection  
14 (8), the superintendent shall designate staff or contracted employees funded under  
15 this section as critical shortage. Programs funded under this section are intended to  
16 ensure that this state will be a top 10 state in grade 4 reading proficiency by 2025  
17 according to the National Assessment of Educational Progress (NAEP). By December 31,  
18 ~~2021-2022~~, the superintendent of public instruction shall do both of the following:

19 (a) Report in person to the house and senate appropriations subcommittees on  
20 school aid regarding progress on the goal described in this subsection and be  
21 available for questioning as prescribed through a process developed by the chairs of  
22 the house and senate appropriations subcommittees on school aid.

23 (b) Submit a written report to the house and senate appropriations subcommittees  
24 on school aid regarding progress on the goal described in this subsection.

25 (2) A district that receives funds under subsection (5) may spend up to 5% of  
26 those funds for professional development for educators in a department-approved

1 research-based training program related to current state literacy standards for pupils  
2 in grades pre-K to 3. The professional development must also include training in the  
3 use of screening and diagnostic tools, progress monitoring, and intervention methods  
4 used to address barriers to learning and delays in learning that are diagnosed through  
5 the use of these tools.

6 (3) A district that receives funds under subsection (5) may use up to 5% of  
7 those funds to administer department-approved screening and diagnostic tools to  
8 monitor the development of early literacy and early reading skills, and risk factors  
9 for word-level reading difficulties of pupils in grades pre-K to 3 and to support  
10 evidence-based professional learning described in subsection (11) for educators in  
11 administering and using screening, progress monitoring, and diagnostic assessment data  
12 to inform instruction through prevention and intervention in a multi-tiered system of  
13 supports framework. A department-approved screening and diagnostic tool administered  
14 by a district using funding under this section must include all of the following  
15 components: phonemic awareness, phonics, fluency, rapid automatized naming (RAN), and  
16 comprehension. Further, all of the following sub-skills must be assessed within each  
17 of these components:

18 (a) Phonemic awareness - segmentation, blending, and sound manipulation  
19 (deletion and substitution).

20 (b) Phonics - decoding (reading) and encoding (spelling).

21 (c) Fluency.

22 (d) Comprehension - making meaning of text.

23 (4) From the allocation under subsection (1), there is allocated an amount not  
24 to exceed \$31,500,000.00 for ~~2021-2022~~**2022-2023** for the purpose of providing early  
25 literacy coaches at intermediate districts to assist teachers in developing and  
26 implementing instructional strategies for pupils in grades pre-K to 3 so that pupils

1 are reading at grade level by the end of grade 3. All of the following apply to  
2 funding under this subsection:

3 (a) The department shall develop an application process consistent with the  
4 provisions of this subsection. An application must provide assurances that literacy  
5 coaches funded under this subsection are knowledgeable about at least the following:

6 (i) Current state literacy standards for pupils in grades pre-K to 3.

7 (ii) Implementing an instructional delivery model based on frequent use of  
8 formative, screening, and diagnostic tools, known as a multi-tiered system of  
9 supports, to determine individual progress for pupils in grades pre-K to 3 so that  
10 pupils are reading at grade level by the end of grade 3.

11 (iii) The use of data from diagnostic tools to determine the necessary additional  
12 supports and interventions needed by individual pupils in grades pre-K to 3 in order  
13 to be reading at grade level.

14 (b) From the allocation under this subsection, the department shall award grants  
15 to intermediate districts for the support of early literacy coaches. The department  
16 shall provide this funding in the following manner:

17 (i) The department shall award each intermediate district grant funding to  
18 support the cost of 1 early literacy coach in an equal amount per early literacy  
19 coach, not to exceed \$112,500.00.

20 (ii) After distribution of the grant funding under subparagraph (i), the  
21 department shall distribute the remainder of grant funding for additional early  
22 literacy coaches in an amount not to exceed \$112,500.00 per early literacy coach. The  
23 number of funded early literacy coaches for each intermediate district is based on the  
24 percentage of the total statewide number of pupils in grades K to 3 who meet the  
25 income eligibility standards for the federal free and reduced-price lunch programs who  
26 are enrolled in districts in the intermediate district.

1 (c) If an intermediate district that receives funding under this subsection uses  
2 an assessment tool that screens for characteristics of dyslexia, the intermediate  
3 district shall use the assessment results from that assessment tool to identify pupils  
4 who demonstrate characteristics of dyslexia.

5 (5) From the allocation under subsection (1), there is allocated an amount not  
6 to exceed \$19,900,000.00 for ~~2021-2022~~**2022-2023** to districts that provide additional  
7 instructional time to those pupils in grades pre-K to 3 who have been identified by  
8 using department-approved screening and diagnostic tools as needing additional  
9 supports and interventions in order to be reading at grade level by the end of grade  
10 3. Additional instructional time may be provided before, during, and after regular  
11 school hours or as part of a year-round balanced school calendar. All of the following  
12 apply to funding under this subsection:

13 (a) In order to be eligible to receive funding, a district must demonstrate to  
14 the satisfaction of the department that the district has done all of the following:

15 (i) Implemented a multi-tiered system of supports instructional delivery model  
16 that is an evidence-based model that uses data-driven problem solving to integrate  
17 academic and behavioral instruction and that uses intervention delivered to all pupils  
18 in varying intensities based on pupil needs. The multi-tiered system of supports must  
19 provide at least all of the following essential components:

20 (A) Team-based leadership.

21 (B) A tiered delivery system.

22 (C) Selection and implementation of instruction, interventions, and supports.

23 (D) A comprehensive screening and assessment system.

24 (E) Continuous data-based decision making.

25 (ii) Used department-approved research-based diagnostic tools to identify  
26 individual pupils in need of additional instructional time.



1           (iii) Used a reading instruction method that focuses on the 5 fundamental  
2 building blocks of reading: phonics, phonemic awareness, fluency, vocabulary, and  
3 comprehension and content knowledge.

4           (iv) Provided teachers of pupils in grades pre-K to 3 with research-based  
5 professional development in diagnostic data interpretation.

6           (v) Complied with the requirements under section 1280f of the revised school  
7 code, MCL 380.1280f.

8           (b) The department shall distribute funding allocated under this subsection to  
9 eligible districts on an equal per-first-grade-pupil basis.

10           (c) If the funds allocated under this subsection are insufficient to fully fund  
11 the payments under this subsection, payments under this subsection are prorated on an  
12 equal per-pupil basis based on grade 1 pupils.

13           (6) Not later than September 1 of each year, a district that receives funding  
14 under subsection (5) in conjunction with the Michigan student data system, if  
15 possible, shall provide to the department a report that includes at least both of the  
16 following, in a form and manner prescribed by the department:

17           (a) For pupils in grades pre-K to 3, the teachers, pupils, schools, and grades  
18 served with funds under this section and the categories of services provided.

19           (b) For pupils in grades pre-K to 3, pupil proficiency and growth data that  
20 allows analysis both in the aggregate and by each of the following subgroups, as  
21 applicable:

22           (i) School.

23           (ii) Grade level.

24           (iii) Gender.

25           (iv) Race.

26           (v) Ethnicity.

1           (vi) Economically disadvantaged status.

2           (vii) Disability.

3           (viii) Pupils identified as having reading deficiencies.

4           (7) From the allocation under subsection (1), there is allocated an amount not  
5 to exceed \$6,000,000.00 for ~~2021-2022~~**2022-2023** to an intermediate district in which  
6 the combined total number of pupils in membership of all of its constituent districts  
7 is the fewest among all intermediate districts. All of the following apply to the  
8 funding under this subsection:

9           (a) Funding under this subsection must be used by the intermediate district, in  
10 partnership with an association that represents intermediate district administrators  
11 in this state, to implement all of the following:

12           (i) Literacy essentials teacher and principal training modules.

13           (ii) Face-to-face and online professional learning of literacy essentials teacher  
14 and principal training modules for literacy coaches, principals, and teachers.

15           (iii) The placement of regional lead literacy coaches to facilitate professional  
16 learning for early literacy coaches. These regional lead literacy coaches shall  
17 provide support for new literacy coaches, building teachers, and administrators and  
18 shall facilitate regional data collection to evaluate the effectiveness of statewide  
19 literacy coaches funded under this section.

20           (iv) Provide \$500,000.00 from this subsection for literacy training, modeling,  
21 coaching, and feedback for district principals or chief administrators, as applicable.  
22 The training described in this subparagraph must use the pre-K and K to 3 essential  
23 instructional practices in literacy created by the general education leadership  
24 network as the framework for all training provided under this subparagraph.

25           (v) Job-embedded professional learning opportunities for mathematics teachers  
26 through mathematics instructional coaching. Funding must be used for professional

1 learning for coaches, professional developers, administrators, and teachers; coaching  
2 for early mathematics educators; the development of statewide and regional  
3 professional learning networks in mathematics instructions; and the development and  
4 support of digital professional learning modules.

5 (b) Not later than September 1 of each year, the intermediate district described  
6 in this subsection, in consultation with grant recipients, shall submit a report to  
7 the chairs of the senate and house appropriations subcommittees on school aid, the  
8 chairs of the senate and house standing committees responsible for education  
9 legislation, the house and senate fiscal agencies, and the state budget director. The  
10 report described under this subdivision must include student achievement results in  
11 English language arts and mathematics and survey results with feedback from parents  
12 and teachers regarding the initiatives implemented under this subsection.

13 (c) Up to 2% of funds allocated under this subsection may be used by the  
14 association representing intermediate district administrators that is in partnership  
15 with the intermediate district specified in this subsection to administer this  
16 subsection.

17 (8) From the general fund money allocated in subsection (1), the department  
18 shall allocate the amount of \$3,500,000.00 for ~~2021-2022~~-2022-2023 to the Michigan  
19 Education Corps for the PreK Reading Corps, the K3 Reading Corps, and the Math Corps.  
20 All of the following apply to funding under this subsection:

21 (a) By September 1 of the current fiscal year, the Michigan Education Corps  
22 shall provide a report concerning its use of the funding to the senate and house  
23 appropriations subcommittees on state school aid, the senate and house fiscal  
24 agencies, and the senate and house caucus policy offices on outcomes and performance  
25 measures of the Michigan Education Corps, including, but not limited to, the degree to  
26 which the Michigan Education Corps' replication of the PreK Reading Corps, the K3

1 Reading Corps, and the Math Corps programs is demonstrating sufficient efficacy and  
2 impact. The report must include data pertaining to at least all of the following:

3 (i) The current impact of the programs on this state in terms of numbers of  
4 children and schools receiving support. This portion of the report must specify the  
5 number of children tutored, including dosage and completion, and the demographics of  
6 those children.

7 (ii) Whether the assessments and interventions are implemented with fidelity.  
8 This portion of the report must include details on the total number of assessments and  
9 interventions completed and the range, mean, and standard deviation.

10 (iii) Whether the literacy or math improvement of children participating in the  
11 programs is consistent with expectations. This portion of the report must detail at  
12 least all of the following:

13 (A) Growth rate by grade or age level, in comparison to targeted growth rate.

14 (B) Average linear growth rates.

15 (C) Exit rates.

16 (D) Percentage of children who exit who also meet or exceed spring benchmarks.

17 (iv) The impact of the programs on organizations and stakeholders, including,  
18 but not limited to, school administrators, internal coaches, and AmeriCorps members.

19 (b) If the department determines that the Michigan Education Corps has misused  
20 the funds allocated under this subsection, the Michigan Education Corps shall  
21 reimburse this state for the amount of state funding misused.

22 (c) The department may not reserve any portion of the allocation provided under  
23 this subsection for an evaluation of the Michigan Education Corps, the Michigan  
24 Education Corps' funding, or the Michigan Education Corps' programming unless agreed  
25 to in writing by the Michigan Education Corps. The department shall award the entire  
26 \$3,500,000.00 allocated under this subsection to the Michigan Education Corps and

1 shall not condition the awarding of this funding on the implementation of an  
2 independent evaluation.

3 (9) If a district or intermediate district expends any funding received under  
4 subsection (4) or (5) for professional development in research-based effective reading  
5 instruction, the district or intermediate district shall select a professional  
6 development program from the list described under subdivision (a). All of the  
7 following apply to the requirement under this subsection:

8 (a) The department shall issue a request for proposals for professional  
9 development programs in research-based effective reading instruction to develop an  
10 initial approved list of professional development programs in research-based effective  
11 reading instruction. The department shall make the initial approved list public and  
12 shall determine if it will, on a rolling basis, approve any new proposals submitted  
13 for addition to its initial approved list.

14 (b) To be included as an approved professional development program in research-  
15 based effective reading instruction under subdivision (a), an applicant must  
16 demonstrate to the department in writing the program's competency in all of the  
17 following topics:

18 (i) Understanding of phonemic awareness, phonics, fluency, vocabulary, and  
19 comprehension.

20 (ii) Appropriate use of assessments and differentiated instruction.

21 (iii) Selection of appropriate instructional materials.

22 (iv) Application of research-based instructional practices.

23 (c) As used in this subsection, "effective reading instruction" means reading  
24 instruction scientifically proven to result in improvement in pupil reading skills.

25 (10) From the allocation under subsection (1), there is allocated an amount not  
26 to exceed \$4,000,000.00 for ~~2021-2022~~**2022-2023** for professional learning described in

1 subsection (11), first to educators in pre-K, kindergarten, and grade 1 and then to  
2 educators in grade 2 and grade 3. All of the following apply to funding under this  
3 subsection:

4 (a) The department must establish and manage professional learning opportunities  
5 that are open to all pre-K through grade 3 teachers as follows:

6 (i) The department must open voluntary enrollment for any pre-K through grade 3  
7 teacher on a first-come, first-served basis, with voluntary enrollment prioritized for  
8 pre-K, kindergarten, and grade 1 teachers.

9 (ii) The department must maintain open enrollment until all funds are expended.

10 (b) The department shall distribute funding allocated under this subsection to  
11 eligible districts on an equal per-first-grade-pupil basis.

12 (c) If the funds allocated under this subsection are insufficient to fully fund  
13 the payments under this subsection, payments under this subsection are prorated on an  
14 equal per-pupil basis based on grade 1 pupils.

15 (11) The department shall provide a list of 1 or more approved providers of  
16 professional learning outlined in this subsection for pre-K to grade 3 teachers,  
17 administrators, and early literacy coaches. In order to be approved, a provider of  
18 professional learning must meet all of the following:

19 (a) Be offered through a system of training that provides educators with the  
20 knowledge base to effectively implement any class-wide, supplemental, or intervention  
21 reading approach and to determine why some students struggle with reading, writing,  
22 spelling, and language.

23 (b) Provide training activities that direct educators to implement effective  
24 reading and spelling instruction supported by scientifically based research and foster  
25 a direct explicit instructional sequence that uses techniques to support teachers'  
26 independence in using their newly-learned skills with students in the classroom.

1 (c) Include integrated components for educators and administrators in pre-K to  
2 grade 3 with embedded evaluation or assessment of knowledge. Evaluation or assessment  
3 of knowledge under this subdivision must incorporate evaluations of learning  
4 throughout each unit and include a summative assessment that must be completed to  
5 demonstrate successful course completion.

6 (d) Build teacher content knowledge and pedagogical knowledge of the critical  
7 components of literacy including how the brain learns to read, phonological and  
8 phonemic awareness; letter knowledge; phonics; advanced phonics; vocabulary and oral  
9 language; fluency; comprehension; spelling and writing; and the organization of  
10 language.

11 (e) Support educators in understanding how to effectively use screening,  
12 progress monitoring, and diagnostic assessment data to improve literacy outcomes  
13 through prevention and intervention for reading difficulties in a multi-tiered system  
14 of supports. The multi-tiered system of supports must include at least all of the  
15 following essential components:

16 (i) Team-based leadership.

17 (ii) A tiered delivery system.

18 (iii) Selection and implementation of instruction, interventions, and supports.

19 (iv) A comprehensive screening and assessment system.

20 (v) Continuous data-based decision making.

21 (12) Notwithstanding section 17b, the department shall make payments made under  
22 subsections (7) and (8) on a schedule determined by the department.

23 (13) As used in this section:

24 (a) "Dyslexia" means both of the following:

25 (i) A specific learning disorder that is neurobiological in origin and  
26 characterized by difficulties with accurate or fluent word recognition and by poor

1 spelling and decoding abilities that typically result from a deficit in the  
2 phonological component of language that is often unexpected in relation to other  
3 cognitive abilities and the provision of effective classroom instruction.

4 (ii) A specific learning disorder that may include secondary consequences, such  
5 as problems in reading comprehension and a reduced reading experience that can impede  
6 the growth of vocabulary and background knowledge and lead to social, emotional, and  
7 behavioral difficulties.

8 (b) "Evidence-based" means an activity, program, process, service, strategy, or  
9 intervention that demonstrates statistically significant effects on improving pupil  
10 outcomes or other relevant outcomes and that meets at least both of the following:

11 (i) At least 1 of the following:

12 (A) Is based on strong evidence from at least 1 well-designed and well-  
13 implemented experimental study.

14 (B) Is based on moderate evidence from at least 1 well-designed and well-  
15 implemented quasi-experimental study.

16 (C) Is based on promising evidence from at least 1 well-designed and well-  
17 implemented correlational study with statistical controls for selection bias.

18 (D) Demonstrates a rationale based on high-quality research findings or positive  
19 evaluation that the activity, program, process, service, strategy, or intervention is  
20 likely to improve pupil outcomes or other relevant outcomes.

21 (ii) Includes ongoing efforts to examine the effects of the activity, program,  
22 process, service, strategy, or intervention.

23 (c) "Explicit" means direct and deliberate instruction through continuous pupil-  
24 teacher interaction that includes teacher modeling, guided practice, and independent  
25 practice.

26 (d) "Fluency" means the ability to read with speed, accuracy, and proper



1 expression.

2 (e) "Multi-tiered system of supports" means a comprehensive framework that  
3 includes 3 distinct tiers of instructional support and is composed of a collection of  
4 evidence-based strategies designed to meet the individual needs and assets of a whole  
5 pupil at all achievement levels.

6 (f) "Phonemic awareness" means the conscious awareness of all of the following:

7 (i) Individual speech sounds, including, but not limited to, consonants and  
8 vowels, in spoken syllables.

9 (ii) The ability to consciously manipulate through, including, but not limited  
10 to, matching, blending, segmenting, deleting, or substituting, individual speech  
11 sounds described in subparagraph (i).

12 (iii) All levels of the speech sound system, including, but not limited to, word  
13 boundaries, rhyme recognition, stress patterns, syllables, onset-rime units, and  
14 phonemes.

15 (g) "Phonological" means relating to the system of contrastive relationships  
16 among the speech sounds that constitute the fundamental components of a language.

17 (h) "Progress monitoring" means the assessing of students' academic performance,  
18 quantifying students' rates of improvement or progress toward goals, and determining  
19 how students are responding to instruction.

20 (i) "Rapid automatized naming (RAN)" means a task that measures how quickly  
21 individuals can name objects; pictures; colors; or symbols, including letters and  
22 digits, aloud, which can predict later reading abilities for preliterate children.

23 Sec. 39. (1) An eligible applicant receiving funds under section 32d shall  
24 submit an application, in a form and manner prescribed by the department, by a date  
25 specified by the department in the immediately preceding fiscal year. An eligible  
26 applicant is not required to amend the applicant's current accounting cycle or adopt

1 this state's fiscal year accounting cycle in accounting for financial transactions  
 2 under this section. The application must include all of the following:

3 (a) The estimated total number of children in the community who meet the  
 4 criteria of section 32d, as provided to the applicant by the department utilizing the  
 5 most recent population data available from the American Community Survey conducted by  
 6 the United States Census Bureau. The department shall ensure that it provides updated  
 7 American Community Survey population data at least once every 3 years.

8 (b) The estimated number of children in the community who meet the criteria of  
 9 section 32d and are being served exclusively by Head Start programs operating in the  
 10 community.

11 (c) The number of children whom the applicant has the capacity to serve who meet  
 12 the criteria of section 32d including a verification of physical facility and staff  
 13 resources capacity.

14 (2) After notification of funding allocations, an applicant receiving funds  
 15 under section 32d shall also submit an implementation plan for approval, in a form and  
 16 manner prescribed by the department, by a date specified by the department, that  
 17 details how the applicant complies with the program components established by the  
 18 department pursuant to section 32d.

19 (3) The initial allocation to each eligible applicant under section 32d is the  
 20 lesser of the following:

21 (a) The sum of the number of children served in a school-day program in the  
 22 preceding school year multiplied by ~~\$8,700.00~~ **\$9,135.00** and the number of children  
 23 served in a GSRP/Head Start blended program or a part-day program in the preceding  
 24 school year multiplied by ~~\$4,350.00~~ **\$4,567.50**.

25 (b) The sum of the number of children the applicant has the capacity to serve in  
 26 the current school year in a school-day program multiplied by ~~\$8,700.00~~ **\$9,135.00** and

1 the number of children served in a GSRP/Head Start blended program or a part-day  
2 program the applicant has the capacity to serve in the current school year multiplied  
3 by ~~\$4,350.00.~~ **\$4,567.50.**

4 (4) If funds remain after the allocations under subsection (3), the department  
5 shall distribute the remaining funds to each intermediate district or consortium of  
6 intermediate districts that serves less than the state percentage benchmark determined  
7 under subsection (5). The department shall distribute these remaining funds to each  
8 eligible applicant based upon each applicant's proportionate share of the remaining  
9 unserved children necessary to meet the statewide percentage benchmark in intermediate  
10 districts or consortia of intermediate districts serving less than the statewide  
11 percentage benchmark. When all applicants have been given the opportunity to reach the  
12 statewide percentage benchmark, the statewide percentage benchmark may be reset, as  
13 determined by the department, until greater equity of opportunity to serve eligible  
14 children across all intermediate school districts has been achieved.

15 (5) For the purposes of subsection (4), the department shall calculate a  
16 percentage of children served by each intermediate district or consortium of  
17 intermediate districts by adding the number of children served in the immediately  
18 preceding year by that intermediate district or consortium with the number of eligible  
19 children under section 32d served exclusively by head start, as reported in a form and  
20 manner prescribed by the department, within the intermediate district or consortia  
21 service area and dividing that total by the total number of children within the  
22 intermediate district or consortium of intermediate districts who meet the criteria of  
23 section 32d as determined by the department utilizing the most recent population data  
24 available from the American Community Survey conducted by the United States Census  
25 Bureau. The department shall compare the resulting percentage of eligible children  
26 served to a statewide percentage benchmark to determine if the intermediate district

1 or consortium is eligible for additional funds under subsection (4). The statewide  
2 percentage benchmark is 100%.

3 (6) If, taking into account the total amount to be allocated to the applicant as  
4 calculated under this section, an applicant determines that it is able to include  
5 additional eligible children in the great start readiness program without additional  
6 funds under section 32d, the applicant may include additional eligible children but  
7 does not receive additional funding under section 32d for those children.

8 (7) The department shall review the program components under section 32d and  
9 under this section at least biennially. The department also shall convene a committee  
10 of internal and external stakeholders at least once every 5 years to ensure that the  
11 funding structure under this section reflects current system needs under section 32d.

12 (8) As used in this section, "GSRP/Head Start blended program", "part-day  
13 program", and "school-day program" mean those terms as defined in section 32d.

14 ~~(9) For the 2020-2021 program year only, the number of children reported on the~~  
15 ~~application described in subsection (1)(a), (b), and (c) must not be used by the~~  
16 ~~department for the purpose of calculating hold harmless funding levels for 2021-2022.~~  
17 ~~Hold harmless funding for 2021-2022 must be determined based on the 2019-2020 final~~  
18 ~~allocations calculated and paid under section 32d in 2019-2020.~~

19 Sec. 39a. (1) From the federal funds appropriated in section 11, there is  
20 allocated for ~~2020-2021 to districts, intermediate districts, and other eligible~~  
21 ~~entities all available federal funding, estimated at \$752,300,000.00 and there is~~  
22 ~~allocated for 2021-2022-2022-2023~~ to districts, intermediate districts, and other  
23 eligible entities all available federal funding, estimated at \$752,300,000.00, for the  
24 federal programs under the no child left behind act of 2001, Public Law 107-110, or  
25 the every student succeeds act, Public Law 114-95. These funds are allocated as  
26 follows:

1 (a) An amount estimated at ~~\$1,200,000.00 for 2020-2021 and estimated at~~  
2 \$1,200,000.00 for ~~2021-2022-2022-2023~~ to provide students with drug- and violence-  
3 prevention programs and to implement strategies to improve school safety, funded from  
4 DED-OESE, drug-free schools and communities funds.

5 (b) An amount estimated at ~~\$100,000,000.00 for 2020-2021 and estimated at~~  
6 \$100,000,000.00 for ~~2021-2022-2022-2023~~ for the purpose of preparing, training, and  
7 recruiting high-quality teachers and class size reduction, funded from DED-OESE,  
8 improving teacher quality funds.

9 (c) An amount estimated at ~~\$13,000,000.00 for 2020-2021 and estimated at~~  
10 \$13,000,000.00 for ~~2021-2022-2022-2023~~ for programs to teach English to limited  
11 English proficient (LEP) children, funded from DED-OESE, language acquisition state  
12 grant funds.

13 (d) An amount estimated at ~~\$2,800,000.00 for 2020-2021 and estimated at~~  
14 \$2,800,000.00 for ~~2021-2022-2022-2023~~ for rural and low-income schools, funded from  
15 DED-OESE, rural and low income school funds.

16 (e) An amount estimated at ~~\$535,000,000.00 for 2020-2021 and estimated at~~  
17 \$535,000,000.00 for ~~2021-2022-2022-2023~~ to provide supplemental programs to enable  
18 educationally disadvantaged children to meet challenging academic standards, funded  
19 from DED-OESE, title I, disadvantaged children funds.

20 (f) An amount estimated at ~~\$9,200,000.00 for 2020-2021 and estimated at~~  
21 \$9,200,000.00 for ~~2021-2022-2022-2023~~ for the purpose of identifying and serving  
22 migrant children, funded from DED-OESE, title I, migrant education funds.

23 (g) An amount estimated at ~~\$39,000,000.00 for 2020-2021 and estimated at~~  
24 \$39,000,000.00 for ~~2021-2022-2022-2023~~ for the purpose of providing high-quality  
25 extended learning opportunities, after school and during the summer, for children in  
26 low-performing schools, funded from DED-OESE, twenty-first century community learning

1 center funds.

2 (h) An amount estimated at ~~\$14,000,000.00 for 2020-2021 and estimated at~~  
 3 \$14,000,000.00 for ~~2021-2022-2022-2023~~ to help support local school improvement  
 4 efforts, funded from DED-OESE, title I, local school improvement grants.

5 (i) An amount estimated at ~~\$35,000,000.00 for 2020-2021 and estimated at~~  
 6 \$35,000,000.00 for ~~2021-2022-2022-2023~~ to improve the academic achievement of  
 7 students, funded from DED-OESE, title IV, student support and academic enrichment  
 8 grants.

9 (j) An amount estimated at ~~\$3,100,000.00 for 2020-2021 and estimated at~~  
 10 \$3,100,000.00 for ~~2021-2022-2022-2023~~ for literacy programs that advance literacy  
 11 skills for students from birth through grade 12, including, but not limited to,  
 12 English-proficient students and students with disabilities, funded from DED-OESE,  
 13 striving readers comprehensive literacy program.

14 (2) From the federal funds appropriated in section 11, there is allocated to  
 15 districts, intermediate districts, and other eligible entities all available federal  
 16 funding, estimated at ~~\$77,867,000.00 for 2020-2021 and estimated at \$56,500,000.00 for~~  
 17 ~~2021-2022-2022-2023~~ for the following programs that are funded by federal grants:

18 (a) An amount estimated at ~~\$24,367,000.00 for 2020-2021 and estimated at~~  
 19 \$3,000,000.00 for ~~2021-2022-2022-2023~~ to provide services to homeless children and  
 20 youth, funded from DED-OVAE, homeless children and youth funds.

21 (b) An amount estimated at ~~\$24,000,000.00 for 2020-2021 and estimated at~~  
 22 \$24,000,000.00 for ~~2021-2022-2022-2023~~ for providing career and technical education  
 23 services to pupils, funded from DED-OVAE, basic grants to states.

24 (c) An amount estimated at ~~\$14,000,000.00 for 2020-2021 and estimated at~~  
 25 \$14,000,000.00 for ~~2021-2022-2022-2023~~ for the Michigan charter school subgrant  
 26 program, funded from DED-OII, public charter schools program funds.

1 (d) An amount estimated at ~~\$14,000,000.00 for 2020-2021 and estimated at~~  
2 \$14,000,000.00 for ~~2021-2022-2022-2023~~ for the purpose of promoting and expanding  
3 high-quality preschool services, funded from HHS-OCC, preschool development funds.

4 (e) An amount estimated at ~~\$1,500,000.00 for 2020-2021 and estimated at~~  
5 \$1,500,000.00 for ~~2021-2022-2022-2023~~ for the purpose of addressing priority substance  
6 abuse treatment, prevention, and mental health needs, funded from HHS-SAMHSA.

7 (3) The department shall distribute all federal funds allocated under this  
8 section in accordance with federal law and with flexibility provisions outlined in  
9 Public Law 107-116, and in the education flexibility partnership act of 1999, Public  
10 Law 106-25. Notwithstanding section 17b, the department shall make payments of federal  
11 funds to districts, intermediate districts, and other eligible entities under this  
12 section on a schedule determined by the department.

13 (4) For the purposes of applying for federal grants appropriated under this  
14 article, the department shall allow an intermediate district to submit a consortium  
15 application on behalf of 2 or more districts with the agreement of those districts as  
16 appropriate according to federal rules and guidelines.

17 (5) For the purposes of funding federal title I grants under this article, in  
18 addition to any other federal grants for which the strict discipline academy is  
19 eligible, the department shall allocate to a strict discipline academy out of title I,  
20 part A an amount equal to what the strict discipline academy would have received if  
21 included and calculated under title I, part D, or what it would receive under the  
22 formula allocation under title I, part A, whichever is greater.

23 (6) As used in this section:

24 (a) "DED" means the United States Department of Education.

25 (b) "DED-OESE" means the DED Office of Elementary and Secondary Education.

26 (c) "DED-OII" means the DED Office of Innovation and Improvement.

- 1 (d) "DED-OVAE" means the DED Office of Vocational and Adult Education.  
 2 (e) "HHS" means the United States Department of Health and Human Services.  
 3 (f) "HHS-OCC" means the HHS Office of Child Care.  
 4 (g) "HHS-SAMHSA" means the HHS Substance Abuse and Mental Health Services  
 5 Project.

6 Sec. 41. (1) For a district to be eligible to receive funding under this  
 7 section, the district must administer to English language learners the English  
 8 language proficiency assessment known as the "WIDA ACCESS for English language  
 9 learners" or the "WIDA Alternate ACCESS". From the state school aid fund money  
 10 appropriated in section 11, there is allocated an amount not to exceed ~~\$25,200,000.00~~  
 11 **\$26,475,000.00** for ~~2021-2022~~ **2022-2023** for payments to eligible districts for services  
 12 for English language learners who have been administered the WIDA ACCESS for English  
 13 language learners.

14 (2) The department shall distribute funding allocated under subsection (1) to  
 15 eligible districts based on the number of full-time equivalent English language  
 16 learners as follows:

17 (a) ~~\$935.00~~ **\$982.00** per full-time equivalent English language learner who has  
 18 been assessed under the WIDA ACCESS for English language learners or the WIDA  
 19 Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between  
 20 1.0 and 1.9, or less, as applicable to each assessment.

21 (b) ~~\$645.00~~ **\$678.00** per full-time equivalent English language learner who has  
 22 been assessed under the WIDA ACCESS for English language learners or the WIDA  
 23 Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between  
 24 2.0 and 2.9, or less, as applicable to each assessment.

25 (c) ~~\$105.00~~ **\$111.00** per full-time equivalent English language learner who has  
 26 been assessed under the WIDA ACCESS for English language learners or the WIDA



1 Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between  
2 3.0 and 3.9, or less, as applicable to each assessment.

3 (3) If funds allocated under subsection (1) are insufficient to fully fund the  
4 payments as prescribed under subsection (2), the department shall prorate payments on  
5 an equal percentage basis, with the same percentage proration applied to all funding  
6 categories.

7 (4) Each district receiving funds under subsection (1) shall submit to the  
8 department by July 15 of each fiscal year a report, not to exceed 10 pages, on the  
9 usage by the district of funds under subsection (1) in a form and manner determined by  
10 the department, including a brief description of each program conducted or services  
11 performed by the district using funds under subsection (1) and the amount of funds  
12 under subsection (1) allocated to each of those programs or services. If a district  
13 does not comply with this subsection, the department shall withhold an amount equal to  
14 the August payment due under this section until the district complies with this  
15 subsection. If the district does not comply with this subsection by the end of the  
16 fiscal year, the withheld funds are forfeited to the school aid fund.

17 (5) In order to receive funds under subsection (1), a district must allow access  
18 for the department or the department's designee to audit all records related to the  
19 program for which it receives those funds. The district shall reimburse this state for  
20 all disallowances found in the audit.

21 (6) Beginning July 1, 2020, and every 3 years thereafter, the department shall  
22 review the per-pupil distribution under subsection (2), to ensure that funding levels  
23 are appropriate and make recommendations for adjustments to the members of the senate  
24 and house subcommittees on K-12 school aid appropriations.

25 Sec. 51a. (1) From the state school aid fund money in section 11, there is  
26 allocated an amount not to exceed ~~\$1,079,296,100.00 for 2020-2021 and there is~~

1 ~~allocated an amount not to exceed \$1,123,696,100.00~~ **\$1,124,396,100.00** for ~~2021-2022~~  
 2 **2022-2023** from state sources and all available federal funding under sections 1411 to  
 3 1419 of part B of the individuals with disabilities education act, 20 USC 1411 to  
 4 1419, estimated at ~~\$456,752,000.00 for 2020-2021 and \$380,000,000.00~~ **\$390,000,000.00**  
 5 for ~~2021-2022,~~ **2022-2023**, plus any carryover federal funds from previous year  
 6 appropriations. The allocations under this subsection are for the purpose of  
 7 reimbursing districts and intermediate districts for special education programs,  
 8 services, and special education personnel as prescribed in article 3 of the revised  
 9 school code, MCL 380.1701 to 380.1761; net tuition payments made by intermediate  
 10 districts to the Michigan Schools for the Deaf and Blind; and special education  
 11 programs and services for pupils who are eligible for special education programs and  
 12 services according to statute or rule. For meeting the costs of special education  
 13 programs and services not reimbursed under this article, a district or intermediate  
 14 district may use money in general funds or special education funds, not otherwise  
 15 restricted, or contributions from districts to intermediate districts, tuition  
 16 payments, gifts and contributions from individuals or other entities, or federal funds  
 17 that may be available for this purpose, as determined by the intermediate district  
 18 plan prepared under article 3 of the revised school code, MCL 380.1701 to 380.1761.  
 19 Notwithstanding section 17b, the department shall make payments of federal funds to  
 20 districts, intermediate districts, and other eligible entities under this section on a  
 21 schedule determined by the department.

22 (2) From the funds allocated under subsection (1), there is allocated the amount  
 23 necessary, estimated at ~~\$319,000,000.00 for 2020-2021 and estimated at \$332,000,000.00~~  
 24 **\$323,300,000.00** for ~~2021-2022,~~ **2022-2023**, for payments toward reimbursing districts  
 25 and intermediate districts for 28.6138% of total approved costs of special education,  
 26 excluding costs reimbursed under section 53a, and 70.4165% of total approved costs of

1 special education transportation. Allocations under this subsection are made as  
2 follows:

3 (a) The department shall calculate the initial amount allocated to a district  
4 under this subsection toward fulfilling the specified percentages by multiplying the  
5 district's special education pupil membership, excluding pupils described in  
6 subsection (11), times the foundation allowance under section 20 of the pupil's  
7 district of residence, plus the amount of the district's per-pupil allocation under  
8 section 20m, not to exceed the target foundation allowance for the current fiscal  
9 year, or, for a special education pupil in membership in a district that is a public  
10 school academy, times an amount equal to the amount per membership pupil calculated  
11 under section 20(6). For an intermediate district, the amount allocated under this  
12 subdivision toward fulfilling the specified percentages is an amount per special  
13 education membership pupil, excluding pupils described in subsection (11), and is  
14 calculated in the same manner as for a district, using the foundation allowance under  
15 section 20 of the pupil's district of residence, not to exceed the target foundation  
16 allowance for the current fiscal year, and that district's per-pupil allocation under  
17 section 20m.

18 (b) After the allocations under subdivision (a), the department shall pay a  
19 district or intermediate district for which the payments calculated under subdivision  
20 (a) do not fulfill the specified percentages the amount necessary to achieve the  
21 specified percentages for the district or intermediate district.

22 (3) From the funds allocated under subsection (1), there is allocated for ~~2020-~~  
23 ~~2021 an amount not to exceed \$1,000,000.00 and there is allocated for 2021-2022-2022-~~  
24 ~~2023~~ an amount not to exceed \$1,000,000.00 to make payments to districts and  
25 intermediate districts under this subsection. If the amount allocated to a district or  
26 intermediate district for a fiscal year under subsection (2)(b) is less than the sum

1 of the amounts allocated to the district or intermediate district for 1996-97 under  
2 sections 52 and 58, there is allocated to the district or intermediate district for  
3 the fiscal year an amount equal to that difference, adjusted by applying the same  
4 proration factor that was used in the distribution of funds under section 52 in 1996-  
5 97 as adjusted to the district's or intermediate district's necessary costs of special  
6 education used in calculations for the fiscal year. This adjustment is to reflect  
7 reductions in special education program operations or services between 1996-97 and  
8 subsequent fiscal years. The department shall make adjustments for reductions in  
9 special education program operations or services in a manner determined by the  
10 department and shall include adjustments for program or service shifts.

11 (4) If the department determines that the sum of the amounts allocated for a  
12 fiscal year to a district or intermediate district under subsection (2)(a) and (b) is  
13 not sufficient to fulfill the specified percentages in subsection (2), then the  
14 department shall pay the shortfall to the district or intermediate district during the  
15 fiscal year beginning on the October 1 following the determination and shall adjust  
16 payments under subsection (3) as necessary. If the department determines that the sum  
17 of the amounts allocated for a fiscal year to a district or intermediate district  
18 under subsection (2)(a) and (b) exceeds the sum of the amount necessary to fulfill the  
19 specified percentages in subsection (2), then the department shall deduct the amount  
20 of the excess from the district's or intermediate district's payments under this  
21 article for the fiscal year beginning on the October 1 following the determination and  
22 shall adjust payments under subsection (3) as necessary. However, if the amount  
23 allocated under subsection (2)(a) in itself exceeds the amount necessary to fulfill  
24 the specified percentages in subsection (2), there is no deduction under this  
25 subsection.

26 (5) State funds are allocated on a total approved cost basis. Federal funds are

1 allocated under applicable federal requirements.

2 (6) From the amount allocated in subsection (1), there is allocated an amount  
3 not to exceed ~~\$2,200,000.00 for 2020-2021~~ and there is allocated an amount not to  
4 ~~exceed~~ \$2,200,000.00 for ~~2021-2022-2022-2023~~ to reimburse 100% of the net increase in  
5 necessary costs incurred by a district or intermediate district in implementing the  
6 revisions in the administrative rules for special education that became effective on  
7 July 1, 1987. As used in this subsection, "net increase in necessary costs" means the  
8 necessary additional costs incurred solely because of new or revised requirements in  
9 the administrative rules minus cost savings permitted in implementing the revised  
10 rules. The department shall determine net increase in necessary costs in a manner  
11 specified by the department.

12 (7) For purposes of this section and sections 51b to 58, all of the following  
13 apply:

14 (a) "Total approved costs of special education" are determined in a manner  
15 specified by the department and may include indirect costs, but must not exceed 115%  
16 of approved direct costs for section 52 and section 53a programs. The total approved  
17 costs include salary and other compensation for all approved special education  
18 personnel for the program, including payments for Social Security and Medicare and  
19 public school employee retirement system contributions. The total approved costs do  
20 not include salaries or other compensation paid to administrative personnel who are  
21 not special education personnel as that term is defined in section 6 of the revised  
22 school code, MCL 380.6. Costs reimbursed by federal funds, other than those federal  
23 funds included in the allocation made under this article, are not included. Special  
24 education approved personnel not utilized full time in the evaluation of students or  
25 in the delivery of special education programs, ancillary, and other related services  
26 are reimbursed under this section only for that portion of time actually spent

1 providing these programs and services, with the exception of special education  
2 programs and services provided to youth placed in child caring institutions or  
3 juvenile detention programs approved by the department to provide an on-grounds  
4 education program.

5 (b) Beginning with the 2004-2005 fiscal year, a district or intermediate  
6 district that employed special education support services staff to provide special  
7 education support services in 2003-2004 or in a subsequent fiscal year and that in a  
8 fiscal year after 2003-2004 receives the same type of support services from another  
9 district or intermediate district shall report the cost of those support services for  
10 special education reimbursement purposes under this article. This subdivision does not  
11 prohibit the transfer of special education classroom teachers and special education  
12 classroom aides if the pupils counted in membership associated with those special  
13 education classroom teachers and special education classroom aides are transferred and  
14 counted in membership in the other district or intermediate district in conjunction  
15 with the transfer of those teachers and aides.

16 (c) If the department determines before bookclosing for a fiscal year that the  
17 amounts allocated for that fiscal year under subsections (2), (3), (6), and (11) and  
18 sections 53a, 54, and 56 will exceed expenditures for that fiscal year under  
19 subsections (2), (3), (6), and (11) and sections 53a, 54, and 56, then for a district  
20 or intermediate district whose reimbursement for that fiscal year would otherwise be  
21 affected by subdivision (b), subdivision (b) does not apply to the calculation of the  
22 reimbursement for that district or intermediate district and the department shall  
23 calculate reimbursement for that district or intermediate district in the same manner  
24 as it was for 2003-2004. If the amount of the excess allocations under subsections  
25 (2), (3), (6), and (11) and sections 53a, 54, and 56 is not sufficient to fully fund  
26 the calculation of reimbursement to those districts and intermediate districts under

1 this subdivision, then the department shall prorate calculations and resulting  
2 reimbursement under this subdivision on an equal percentage basis. Beginning in 2015-  
3 2016, the amount of reimbursement under this subdivision for a fiscal year must not  
4 exceed \$2,000,000.00 for any district or intermediate district.

5 (d) Reimbursement for ancillary and other related services, as that term is  
6 defined by R 340.1701c of the Michigan Administrative Code, is not provided when those  
7 services are covered by and available through private group health insurance carriers  
8 or federal reimbursed program sources unless the department and district or  
9 intermediate district agree otherwise and that agreement is approved by the state  
10 budget director. Expenses, other than the incidental expense of filing, must not be  
11 borne by the parent. In addition, the filing of claims must not delay the education of  
12 a pupil. A district or intermediate district is responsible for payment of a  
13 deductible amount and for an advance payment required until the time a claim is paid.

14 (e) Beginning with calculations for 2004-2005, if an intermediate district  
15 purchases a special education pupil transportation service from a constituent district  
16 that was previously purchased from a private entity; if the purchase from the  
17 constituent district is at a lower cost, adjusted for changes in fuel costs; and if  
18 the cost shift from the intermediate district to the constituent does not result in  
19 any net change in the revenue the constituent district receives from payments under  
20 sections 22b and 51c, then upon application by the intermediate district, the  
21 department shall direct the intermediate district to continue to report the cost  
22 associated with the specific identified special education pupil transportation service  
23 and shall adjust the costs reported by the constituent district to remove the cost  
24 associated with that specific service.

25 (8) A pupil who is enrolled in a full-time special education program conducted  
26 or administered by an intermediate district or a pupil who is enrolled in the Michigan

1 Schools for the Deaf and Blind is not included in the membership count of a district,  
2 but is counted in membership in the intermediate district of residence.

3 (9) Special education personnel transferred from 1 district to another to  
4 implement the revised school code are entitled to the rights, benefits, and tenure to  
5 which the person would otherwise be entitled had that person been employed by the  
6 receiving district originally.

7 (10) If a district or intermediate district uses money received under this  
8 section for a purpose other than the purpose or purposes for which the money is  
9 allocated, the department may require the district or intermediate district to refund  
10 the amount of money received. The department shall deposit money that is refunded in  
11 the state treasury to the credit of the state school aid fund.

12 (11) From the funds allocated in subsection (1), there is allocated the amount  
13 necessary, estimated at ~~\$2,400,000.00 for 2020-2021 and estimated at \$2,900,000.00~~  
14 **\$1,500,000.00** for ~~2021-2022, 2022-2023~~, to pay the foundation allowances for pupils  
15 described in this subsection. The department shall calculate the allocation to a  
16 district under this subsection by multiplying the number of pupils described in this  
17 subsection who are counted in membership in the district times the sum of the  
18 foundation allowance under section 20 of the pupil's district of residence, plus the  
19 amount of the district's per-pupil allocation under section 20m, not to exceed the  
20 target foundation allowance for the current fiscal year, or, for a pupil described in  
21 this subsection who is counted in membership in a district that is a public school  
22 academy, times an amount equal to the amount per membership pupil under section 20(6).  
23 The department shall calculate the allocation to an intermediate district under this  
24 subsection in the same manner as for a district, using the foundation allowance under  
25 section 20 of the pupil's district of residence not to exceed the target foundation  
26 allowance for the current fiscal year and that district's per-pupil allocation under



1 section 20m. This subsection applies to all of the following pupils:

2 (a) Pupils described in section 53a.

3 (b) Pupils counted in membership in an intermediate district who are not special  
4 education pupils and are served by the intermediate district in a juvenile detention  
5 or child caring facility.

6 (c) Pupils with an emotional impairment counted in membership by an intermediate  
7 district and provided educational services by the department of health and human  
8 services.

9 (12) If it is determined that funds allocated under subsection (2) or (11) or  
10 under section 51c will not be expended, funds up to the amount necessary and available  
11 may be used to supplement the allocations under subsection (2) or (11) or under  
12 section 51c in order to fully fund those allocations. After payments under subsections  
13 (2) and (11) and section 51c, the department shall expend the remaining funds from the  
14 allocation in subsection (1) in the following order:

15 (a) 100% of the reimbursement required under section 53a.

16 (b) 100% of the reimbursement required under subsection (6).

17 (c) 100% of the payment required under section 54.

18 (d) 100% of the payment required under subsection (3).

19 (e) 100% of the payments under section 56.

20 (13) The allocations under subsections (2), (3), and (11) are allocations to  
21 intermediate districts only and are not allocations to districts, but instead are  
22 calculations used only to determine the state payments under section 22b.

23 (14) If a public school academy that is not a cyber school, as that term is  
24 defined in section 551 of the revised school code, MCL 380.551, enrolls under this  
25 section a pupil who resides outside of the intermediate district in which the public  
26 school academy is located and who is eligible for special education programs and

1 services according to statute or rule, or who is a child with a disability, as that  
2 term is defined under the individuals with disabilities education act, Public Law 108-  
3 446, the intermediate district in which the public school academy is located and the  
4 public school academy shall enter into a written agreement with the intermediate  
5 district in which the pupil resides for the purpose of providing the pupil with a free  
6 appropriate public education, and the written agreement must include at least an  
7 agreement on the responsibility for the payment of the added costs of special  
8 education programs and services for the pupil. If the public school academy that  
9 enrolls the pupil does not enter into an agreement under this subsection, the public  
10 school academy shall not charge the pupil's resident intermediate district or the  
11 intermediate district in which the public school academy is located the added costs of  
12 special education programs and services for the pupil, and the public school academy  
13 is not eligible for any payouts based on the funding formula outlined in the resident  
14 or nonresident intermediate district's plan. If a pupil is not enrolled in a public  
15 school academy under this subsection, the provision of special education programs and  
16 services and the payment of the added costs of special education programs and services  
17 for a pupil described in this subsection are the responsibility of the district and  
18 intermediate district in which the pupil resides.

19 (15) For the purpose of receiving its federal allocation under part B of the  
20 individuals with disabilities education act, Public Law 108-446, a public school  
21 academy that is a cyber school, as that term is defined in section 551 of the revised  
22 school code, MCL 380.551, and is in compliance with section 553a of the revised school  
23 code, MCL 380.553a, directly receives the federal allocation under part B of the  
24 individuals with disabilities education act, Public Law 108-446, from the intermediate  
25 district in which the cyber school is located, as the subrecipient. If the  
26 intermediate district does not distribute the funds described in this subsection to

1 the cyber school by the part B application due date of July 1, the department may  
 2 distribute the funds described in this subsection directly to the cyber school  
 3 according to the formula prescribed in 34 CFR 300.705 and 34 CFR 300.816.

4 (16) For a public school academy that is a cyber school, as that term is defined  
 5 in section 551 of the revised school code, MCL 380.551, and is in compliance with  
 6 section 553a of the revised school code, MCL 380.553a, that enrolls a pupil under this  
 7 section, the intermediate district in which the cyber school is located shall ensure  
 8 that the cyber school complies with sections 1701a, 1703, 1704, 1751, 1752, 1756, and  
 9 1757 of the revised school code, MCL 380.1701a, 380.1703, 380.1704, 380.1751,  
 10 380.1752, 380.1756, and 380.1757; applicable rules; and the individuals with  
 11 disabilities education act, Public Law 108-446.

12 (17) For the purposes of this section, the department or the center shall only  
 13 require a district or intermediate district to report information that is not already  
 14 available from the financial information database maintained by the center.

15 Sec. 51c. As required by the court in the consolidated cases known as Durant v  
 16 State of Michigan, 456 Mich 175 (1997), from the allocation under section 51a(1),  
 17 there is allocated for ~~2020-2021 and for 2021-2022, 2022-2023~~, the amount necessary,  
 18 estimated at ~~\$702,500,000.00 for 2020-2021 and \$733,400,000.00~~ **\$710,000,000.00** for  
 19 ~~2021-2022, 2022-2023~~, for payments to reimburse districts for 28.6138% of total  
 20 approved costs of special education excluding costs reimbursed under section 53a, and  
 21 70.4165% of total approved costs of special education transportation. Funds allocated  
 22 under this section that are not expended in the fiscal year for which they were  
 23 allocated, as determined by the department, may be used to supplement the allocations  
 24 under sections 22a and 22b to fully fund those allocations for the same fiscal year.  
 25 For each fund transfer as described in the immediately preceding sentence that occurs,  
 26 the state budget director shall send notification of the transfer to the house and

1 senate appropriations subcommittees on state school aid and the house and senate  
2 fiscal agencies by not later than 14 calendar days after the transfer occurs.

3 Sec. 51d. (1) From the federal funds appropriated in section 11, there is  
4 allocated for ~~2020-2021 all available federal funding, estimated at \$83,195,000.00,~~  
5 ~~and there is allocated for 2021-2022-~~**2022-2023** all available federal funding,  
6 estimated at \$71,000,000.00, for special education programs and services that are  
7 funded by federal grants. The department shall distribute all federal funds allocated  
8 under this section in accordance with federal law. Notwithstanding section 17b, the  
9 department shall make payments of federal funds to districts, intermediate districts,  
10 and other eligible entities under this section on a schedule determined by the  
11 department.

12 (2) From the federal funds allocated under subsection (1), the following amounts  
13 are allocated:

14 (a) For ~~2020-2021, an amount estimated at \$19,822,000.00 for handicapped infants~~  
15 ~~and toddlers, funded from DED-OSERS, handicapped infants and toddlers funds. For 2021-~~  
16 ~~2022,-~~**2022-2023**, an amount estimated at \$14,000,000.00 for handicapped infants and  
17 toddlers, funded from DED-OSERS, handicapped infants and toddlers funds.

18 (b) For ~~2020-2021, an amount estimated at \$20,373,000.00 for preschool grants~~  
19 ~~under Public Law 94-142, funded from DED-OSERS, handicapped preschool incentive funds.~~  
20 ~~For 2021-2022,-~~**2022-2023**, an amount estimated at \$14,000,000.00 for preschool grants  
21 under Public Law 94-142, funded from DED-OSERS, handicapped preschool incentive funds.

22 (c) For ~~2020-2021 and for 2021-2022,-~~**2022-2023**, an amount estimated at  
23 \$43,000,000.00 for special education programs funded by DED-OSERS, handicapped  
24 program, individuals with disabilities act funds.

25 (3) As used in this section, "DED-OSERS" means the United States Department of  
26 Education Office of Special Education and Rehabilitative Services.

1           Sec. 51f. (1) From the funds appropriated under section 11, there is allocated  
 2 for ~~2021-2022-2022-2023~~ an amount not to exceed ~~\$90,207,000.00~~ **\$240,207,000.00** for  
 3 payments to districts and intermediate districts to increase the level of  
 4 reimbursement of costs associated with providing special education services required  
 5 under state and federal law.

6           (2) A district's or intermediate district's allocation under this section is  
 7 equal to the level percentage multiplied by each district's or intermediate district's  
 8 costs reported to the center on the special education actual cost report, known as  
 9 "SE-4096" as referred to under section 18(6), as approved by the department.

10           (3) The total reimbursement under this section and under section 51c must not  
 11 exceed the total reported costs for a district or intermediate district.

12           (4) For ~~2021-2022,~~ **2022-2023**, the level percentage is estimated at ~~3.0%~~ **\$8.0%**

13           (5) For the purposes of this section, "level percentage" means the percentage  
 14 calculated by dividing the allocation in subsection (1) by the total of costs reported  
 15 to the center on the special education actual cost report, known as "SE-4096" as  
 16 referred to under section 18(6), as approved by the department.

17           Sec. 51g. From the general fund money appropriated in section 11, \$3,000,000.00  
 18 is allocated for ~~2021-2022-2022-2023~~ to an association for administrators of special  
 19 education services to develop content for use by special education students, teachers,  
 20 and others. Any content that is developed as described in this section must be  
 21 accessible throughout this state. Funds received by an association under this section  
 22 may be used to support the development of assessment tools to measure the needs of  
 23 students with special education needs in remote learning environments and the  
 24 effectiveness of various educational methods and tools, in collaboration with the  
 25 department. Funds under this section may also be utilized to identify any available  
 26 federal funds for research related to special education in remote learning.

1           Sec. 53a. (1) For districts, reimbursement for pupils described in subsection  
2 (2) is 100% of the total approved costs of operating special education programs and  
3 services approved by the department and included in the intermediate district plan  
4 adopted under article 3 of the revised school code, MCL 380.1701 to 380.1761, minus  
5 the district's foundation allowance calculated under section 20 and minus the  
6 district's per-pupil allocation under section 20m. For intermediate districts, the  
7 department shall calculate reimbursement for pupils described in subsection (2) in the  
8 same manner as for a district, using the foundation allowance under section 20 of the  
9 pupil's district of residence, not to exceed the target foundation allowance under  
10 section 20 for the current fiscal year plus the amount of the district's per-pupil  
11 allocation under section 20m.

12           (2) Reimbursement under subsection (1) is for the following special education  
13 pupils:

14           (a) Pupils assigned to a district or intermediate district through the community  
15 placement program of the courts or a state agency, if the pupil was a resident of  
16 another intermediate district at the time the pupil came under the jurisdiction of the  
17 court or a state agency.

18           (b) Pupils who are residents of institutions operated by the department of  
19 health and human services.

20           (c) Pupils who are former residents of department of community health  
21 institutions for the developmentally disabled who are placed in community settings  
22 other than the pupil's home.

23           (d) Pupils enrolled in a department-approved on-grounds educational program  
24 longer than 180 days, but not longer than 233 days, at a residential child care  
25 institution, if the child care institution offered in 1991-92 an on-grounds  
26 educational program longer than 180 days but not longer than 233 days.

1 (e) Pupils placed in a district by a parent for the purpose of seeking a  
 2 suitable home, if the parent does not reside in the same intermediate district as the  
 3 district in which the pupil is placed.

4 (3) Only those costs that are clearly and directly attributable to educational  
 5 programs for pupils described in subsection (2), and that would not have been incurred  
 6 if the pupils were not being educated in a district or intermediate district, are  
 7 reimbursable under this section.

8 (4) The costs of transportation are funded under this section and are not  
 9 reimbursed under section 58.

10 (5) The department shall not allocate more than \$10,500,000.00 of the allocation  
 11 for ~~2021-2022-2022-2023~~ in section 51a(1) under this section.

12 Sec. 54. Each intermediate district receives an amount per pupil for each pupil  
 13 in attendance at the Michigan Schools for the Deaf and Blind. The amount is  
 14 proportionate to the total instructional cost at each school. The department shall not  
 15 allocate more than \$1,688,000.00 of the allocation for ~~2021-2022-2022-2023~~ in section  
 16 51a(1) under this section.

17 Sec. 54b. (1) From the general fund money appropriated in section 11, there is  
 18 allocated an amount not to exceed \$1,600,000.00 for ~~2021-2022-2022-2023~~ to continue  
 19 the implementation of the recommendations of the special education reform task force  
 20 published in January 2016.

21 (2) The department shall use funds allocated under this section for the purpose  
 22 of piloting statewide implementation of the ~~Michigan Integrated Behavior and Learning~~  
 23 ~~Support Initiative (MiBLSI), Michigan's Multi-Tiered System of Supports (MIMTSS)~~  
 24 **Center**, a nationally recognized program that includes positive behavioral intervention  
 25 and supports and provides a statewide structure to support local initiatives for an  
 26 integrated behavior and reading program. With the assistance of the intermediate

1 districts involved in ~~MIPLSI, MIMTSS~~ the department shall identify a number of  
 2 intermediate districts to participate in the pilot that is sufficient to ensure that  
 3 ~~MIPLSI-MIMTSS~~ can be implemented statewide with fidelity and sustainability. In  
 4 addition, the department shall identify an intermediate district to act as a fiscal  
 5 agent for these funds.

6 Sec. 54d. (1) From the state school aid fund money appropriated in section 11,  
 7 there is allocated an amount not to exceed ~~\$14,150,000.00~~ **\$21,250,000.00** for ~~2021-2022~~  
 8 **2022-2023** to intermediate districts for the purpose of providing state early on  
 9 services programs for children from birth to 3 years of age with a developmental delay  
 10 or a disability, or both, and their families, as described in the early on Michigan  
 11 state plan, as approved by the department.

12 (2) To be eligible to receive grant funding under this section, each  
 13 intermediate district must apply in a form and manner determined by the department.

14 (3) The grant funding allocated under this section must be used to increase  
 15 early on services and resources available to children that demonstrate developmental  
 16 delays to help prepare them for success as they enter school. State early on services  
 17 include evaluating and providing early intervention services for eligible infants and  
 18 toddlers and their families to address developmental delays, including those affecting  
 19 physical, cognitive, communication, adaptive, social, or emotional development. Grant  
 20 funds must not be used to supplant existing services that are currently being  
 21 provided.

22 (4) The department shall distribute the funds allocated under subsection (1) to  
 23 intermediate districts according to the department's early on funding formula utilized  
 24 to distribute the federal award to Michigan under part C of the individuals with  
 25 disabilities education act, Public Law 108-446. Funds received under this section must  
 26 not supplant existing funds or resources allocated for early on early intervention



1 services. An intermediate district receiving funds under this section shall maximize  
2 the capture of Medicaid funds to support early on early intervention services to the  
3 extent possible.

4 (5) Each intermediate district that receives funds under this section shall  
5 report data and other information to the department in a form, manner, and frequency  
6 prescribed by the department to allow for monitoring and evaluation of the program and  
7 to ensure that the children described in subsection (1) received appropriate levels  
8 and types of services delivered by qualified personnel, based on the individual needs  
9 of the children and their families.

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

12 (7) Grant funds awarded and allocated to an intermediate district under this  
13 section must be expended by the grant recipient before June 30 of the fiscal year  
14 immediately following the fiscal year in which the funds were received.

15 Sec. 56. (1) For the purposes of this section:

16 (a) "Membership" means for a particular fiscal year the total membership of the  
17 intermediate district and the districts constituent to the intermediate district,  
18 except that if a district has elected not to come under part 30 of the revised school  
19 code, MCL 380.1711 to 380.1741, membership of the district is not included in the  
20 membership of the intermediate district.

21 (b) "Millage levied" means the millage levied for special education under part  
22 30 of the revised school code, MCL 380.1711 to 380.1741, including a levy for debt  
23 service obligations.

24 (c) "Taxable value" means the total taxable value of the districts constituent  
25 to an intermediate district, except that if a district has elected not to come under  
26 part 30 of the revised school code, MCL 380.1711 to 380.1741, taxable value of the

1 district is not included in the taxable value of the intermediate district.

2 (2) From the allocation under section 51a(1), there is allocated an amount not  
3 to exceed ~~\$40,008,100.00 for 2020-2021~~ and an amount not to exceed \$40,008,100.00 for  
4 ~~2021-2022-2022-2023~~ to reimburse intermediate districts levying millages for special  
5 education under part 30 of the revised school code, MCL 380.1711 to 380.1741. The  
6 purpose, use, and expenditure of the reimbursement are limited as if the funds were  
7 generated by these millages and governed by the intermediate district plan adopted  
8 under article 3 of the revised school code, MCL 380.1701 to 380.1761. As a condition  
9 of receiving funds under this section, an intermediate district distributing any  
10 portion of special education millage funds to its constituent districts must submit  
11 for departmental approval and implement a distribution plan.

12 ~~(3) Except as otherwise provided in this subsection, reimbursement for those~~  
13 ~~millages levied in 2019-2020 is made in 2020-2021 at an amount per 2019-2020~~  
14 ~~membership pupil computed by subtracting from \$208,800.00 the 2019-2020 taxable value~~  
15 ~~behind each membership pupil and multiplying the resulting difference by the 2019-2020~~  
16 ~~millage levied, and then subtracting from that amount the 2019-2020 local community~~  
17 ~~stabilization share revenue for special education purposes behind each membership~~  
18 ~~pupil for reimbursement of personal property exemption loss under the local community~~  
19 ~~stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362. Reimbursement in~~  
20 ~~2020-2021 for an intermediate district whose 2017-2018 allocation was affected by the~~  
21 ~~operation of subsection (5) is an amount equal to 102.5% of the 2017-2018 allocation~~  
22 ~~to that intermediate district.~~

23 (3) ~~(4)~~ Except as otherwise provided in this subsection, reimbursement for those  
24 millages levied in ~~2020-2021-2021-2022~~ is made in ~~2021-2022-2022-2023~~ at an amount per  
25 ~~2020-2021-2021-2022~~ membership pupil computed by subtracting from ~~\$215,900.00~~  
26 ~~\$227,700.00~~ the ~~2020-2021-2021-2022~~ taxable value behind each membership pupil and

1 multiplying the resulting difference by the ~~2020-2021-2021-2022~~ millage levied, and  
 2 then subtracting from that amount the ~~2020-2021-2021-2022~~ local community  
 3 stabilization share revenue for special education purposes **and 2021-2022 tax increment**  
 4 **revenues captured by a brownfield redevelopment authority** behind each membership pupil  
 5 for reimbursement of personal property exemption loss under the local community  
 6 stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362 **and reimbursements**  
 7 **paid under section 26d for tax increment revenues captured by a brownfield**  
 8 **redevelopment authority**. Reimbursement in ~~2021-2022-2022-2023~~ for an intermediate  
 9 district whose 2017-2018 allocation was affected by the operation of subsection ~~(5)~~  
 10 **(4)** is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate  
 11 district.

12 **(4)** ~~(5)~~—The department shall ensure that the amount paid to a single  
 13 intermediate district under ~~this section~~ **subsection (2)** does not exceed 62.9% of the  
 14 total amount allocated under subsection (2).

15 **(5)** ~~(6)~~—The department shall ensure that the amount paid to a single  
 16 intermediate district under ~~this section~~ **subsection (2)** is not less than 75% of the  
 17 amount allocated to the intermediate district under ~~this section~~ **subsection (2)** for  
 18 the immediately preceding fiscal year.

19 **(6)** ~~(7)~~—From the **allocation under section 51a(1)**, ~~state school aid fund money~~  
 20 ~~appropriated in section 11~~, there is allocated an amount not to exceed \$34,200,000.00  
 21 for ~~2021-2022-2022-2023~~ to provide payments to intermediate districts levying millages  
 22 for special education under part 30 of the revised school code, MCL 380.1711 to  
 23 380.1741. The purpose, use, and expenditure of the payments under this subsection are  
 24 limited as if the funds were generated by these millages and governed by the  
 25 intermediate district plan adopted under article 3 of the revised school code, MCL  
 26 380.1701 to 380.1761. The department shall provide a payment under this subsection to

1 each intermediate district described in this subsection as follows:

2 (a) Except as otherwise provided in this subsection, for an intermediate  
3 district with a ~~2020-2021-2021-2022~~ 3-year average special education millage revenue  
4 per pupil that is less than \$251.00 and that is levying at least 46.2% but less than  
5 60.0% of its maximum millage rate allowed under section 1724a of the revised school  
6 code, MCL 380.1724a, an amount computed by subtracting from \$251.00 the ~~2020-2021~~  
7 ~~2021-2022~~ 3-year average special education millage revenue per pupil and, only if the  
8 millage levied by the intermediate district is less than 1, multiplying that amount by  
9 the number of mills levied divided by 1, and then multiplying that amount by the ~~2020-~~  
10 ~~2021-2021-2022~~ 3-year average membership, and then subtracting from that amount the  
11 amount allocated under subsection (2) for ~~2021-2022-~~**2022-2023**. If the calculation  
12 under this subdivision results in an amount below zero, there is no payment under this  
13 subdivision.

14 (b) Except as otherwise provided in this subsection, for an intermediate  
15 district with a ~~2020-2021-2021-2022~~ 3-year average special education millage revenue  
16 per pupil that is less than ~~\$281.00-~~**\$296.00** and that is levying at least 60.0% of its  
17 maximum millage rate allowed under section 1724a of the revised school code, MCL  
18 380.1724a, an amount computed by subtracting from ~~\$281.00-~~**\$296.00** the ~~2020-2021-2021-~~  
19 ~~2022~~ 3-year average special education millage revenue per pupil, and, only if the  
20 millage levied by the intermediate district is less than 1, multiplying that amount by  
21 the number of mills levied divided by 1, and then multiplying that amount by the ~~2020-~~  
22 ~~2021-2021-2022~~ 3-year average membership, and then subtracting from that amount the  
23 amount allocated under subsection (2) for ~~2021-2022-~~**2022-2023**. If the calculation  
24 under this subdivision results in an amount below zero, there is no payment under this  
25 subdivision.

26 (8) As used in subsection (7):

1 (a) "~~2020-2021-2021-2022~~ 3-year average membership" means the 3-year average  
 2 pupil membership for ~~2018-2019,~~ 2019-2020, ~~and~~ 2020-2021, **and 2021-2022.**

3 (b) "~~2020-2021-2022-2023~~ 3-year average special education millage revenue per  
 4 pupil" means the 3-year average taxable value per mill levied behind each membership  
 5 pupil for ~~2018-2019,~~ 2019-2020, ~~and~~ 2020-2021, **and 2021-2022** multiplied by the ~~2020-~~  
 6 ~~2021-~~**2021-2022** millage levied.

7 Sec. 61a. (1) From the state school aid fund money appropriated in section 11,  
 8 there is allocated an amount not to exceed ~~\$37,611,300.00~~ **\$47,611,300.00** for ~~2021-2022~~  
 9 **2022-2023** to reimburse on an added cost basis districts, except for a district that  
 10 served as the fiscal agent for a vocational education consortium in the 1993-94 school  
 11 year and that has a foundation allowance as calculated under section 20 greater than  
 12 the ~~minimum foundation~~ **target foundation** allowance under that section, and secondary  
 13 area vocational-technical education centers for secondary-level career and technical  
 14 education programs according to rules approved by the superintendent. Applications for  
 15 participation in the programs must be submitted in the form prescribed by the  
 16 department. The department shall determine the added cost for each career and  
 17 technical education program area. The department shall prioritize the allocation of  
 18 added cost funds based on the capital and program expenditures needed to operate the  
 19 career and technical education programs provided; the number of pupils enrolled; the  
 20 advancement of pupils through the instructional program; the existence of an  
 21 articulation agreement with at least 1 postsecondary institution that provides pupils  
 22 with opportunities to earn postsecondary credit during the pupil's participation in  
 23 the career and technical education program and transfers those credits to the  
 24 postsecondary institution upon completion of the career and technical education  
 25 program; and the program rank in student placement, job openings, and wages, and shall  
 26 ensure that the allocation does not exceed 75% of the added cost of any program.

1 Notwithstanding any rule or department determination to the contrary, when determining  
2 a district's allocation or the formula for making allocations under this section, the  
3 department shall include the participation of pupils in grade 9 in all of those  
4 determinations and in all portions of the formula. With the approval of the  
5 department, the board of a district maintaining a secondary career and technical  
6 education program may offer the program for the period from the close of the school  
7 year until September 1. The program shall use existing facilities and must be operated  
8 as prescribed by rules promulgated by the superintendent.

9 (2) Except for a district that served as the fiscal agent for a vocational  
10 education consortium in the 1993-94 school year, the department shall reimburse  
11 districts and intermediate districts for local career and technical education  
12 administration, shared time career and technical education administration, and career  
13 education planning district career and technical education administration. The  
14 superintendent shall adopt guidelines for the definition of what constitutes  
15 administration and shall make reimbursement pursuant to those guidelines. The  
16 department shall not distribute more than \$800,000.00 of the allocation in subsection  
17 (1) under this subsection.

18 (3) A career and technical education program funded under this section may  
19 provide an opportunity for participants who are eligible to be funded under section  
20 107 to enroll in the career and technical education program funded under this section  
21 if the participation does not occur during regular school hours.

22 Sec. 61b. (1) From the funds appropriated under section 11, there is allocated  
23 for ~~2021-2022-2022-2023~~ an amount not to exceed \$8,000,000.00 from the state school  
24 aid fund appropriation for CTE early middle college and CTE dual enrollment programs  
25 authorized under this section and for planning grants for the development or expansion  
26 of CTE early middle college programs. The purpose of these programs is to increase the

1 number of Michigan residents with high-quality degrees or credentials, and to increase  
2 the number of students who are college and career ready upon high school graduation.

3 (2) From the funds allocated under subsection (1), the department shall allocate  
4 an amount as determined under this subsection to each intermediate district serving as  
5 a fiscal agent for state-approved CTE early middle college and CTE dual enrollment  
6 programs in each of the career education planning districts identified by the  
7 department. An intermediate district shall not use more than 5% of the funds allocated  
8 under this subsection for administrative costs for serving as the fiscal agent.

9 (3) To be an eligible fiscal agent, an intermediate district must agree to do  
10 all of the following in a form and manner determined by the department:

11 (a) Distribute funds to eligible CTE early middle college and CTE dual  
12 enrollment programs in a career education planning district as described in this  
13 section.

14 (b) Collaborate with the career and educational advisory council in the  
15 workforce development board service delivery area to develop 1 regional strategic plan  
16 under subsection (4) that aligns CTE programs and services into an efficient and  
17 effective delivery system for high school students. The department will align career  
18 education planning districts, workforce development board service delivery areas, and  
19 intermediate districts for the purpose of creating 1 regional strategic plan for each  
20 workforce development board service delivery area.

21 (c) Implement a regional process to rank career clusters in the workforce  
22 development board service delivery area as described under subsection (4). Regional  
23 processes must be approved by the department before the ranking of career clusters.

24 (d) Report CTE early middle college and CTE dual enrollment program and student  
25 data and information as prescribed by the department and the center.

26 (e) The local education agency responsible for student reporting in the Michigan

1 student data system (MSDS) will report the total number of college credits the student  
2 earned, at the time of high school graduation, as determined by the department and the  
3 center.

4 (f) The local education agency will report each award outcome in the Michigan  
5 student data system (MSDS) that the CTE early middle college student attained. For  
6 purposes of this subsection, an on-track CTE early middle college graduate is a  
7 graduate who obtained their high school diploma and at least 1 of the following:

8 (i) An associate's degree.

9 (ii) 60 transferrable college credits.

10 (iii) Professional certification.

11 (iv) A Michigan Early Middle College Association certificate.

12 (v) Participation in a registered apprenticeship.

13 (4) A regional strategic plan must be approved by the career and educational  
14 advisory council before submission to the department. A regional strategic plan must  
15 include, but is not limited to, the following:

16 (a) An identification of regional employer need based on a ranking of all career  
17 clusters in the workforce development board service delivery area ranked by 10-year  
18 projections of annual job openings and median wage for each standard occupational code  
19 in each career cluster as obtained from the United States Bureau of Labor Statistics.  
20 Standard occupational codes within high-ranking clusters also may be further ranked by  
21 median wage and annual job openings. The career and educational advisory council  
22 located in the workforce development board service delivery area shall review the  
23 rankings and modify them if necessary to accurately reflect employer demand for talent  
24 in the workforce development board service delivery area. A career and educational  
25 advisory council shall document that it has conducted this review and certify that it  
26 is accurate. These career cluster rankings must be determined and updated once every 4



1 years.

2 (b) An identification of educational entities in the workforce development board  
 3 service delivery area that will provide eligible CTE early middle college and CTE dual  
 4 enrollment programs including districts, intermediate districts, postsecondary  
 5 institutions, and noncredit occupational training programs leading to an industry-  
 6 recognized credential.

7 (c) A strategy to inform parents and students of CTE early middle college and  
 8 CTE dual enrollment programs in the workforce development board service delivery area.

9 (d) Any other requirements as defined by the department.

10 (5) An eligible CTE program is a program that meets all of the following:

11 (a) Has been identified in the highest 5 career cluster rankings in any of the  
 12 16 workforce development board service delivery area strategic plans jointly approved  
 13 by the department of labor and economic opportunity and the department.

14 (b) Has a coherent sequence of courses in a specific career cluster that will  
 15 allow a student to earn a high school diploma and achieve at least 1 of the following:

16 (i) For CTE early middle college, outcomes as defined in subsection (3) (f).

17 (ii) For CTE dual enrollment, 1 of the following:

18 (A) An associate degree.

19 (B) An industry-recognized technical certification approved by the department of  
 20 labor and economic opportunity.

21 (C) Up to 60 transferable college credits.

22 (D) Participation in a registered apprenticeship, pre-apprenticeship, or  
 23 apprentice readiness program.

24 (c) Is aligned with the Michigan merit curriculum.

25 (d) Has an articulation or a college credit agreement with at least 1  
 26 postsecondary institution that provides students with opportunities to receive

1 postsecondary credits during the student's participation in the CTE early middle  
2 college or CTE dual enrollment program and transfers those credits to the  
3 postsecondary institution upon completion of the CTE early middle college or CTE dual  
4 enrollment program.

5 (e) Provides instruction that is supervised, directed, or coordinated by an  
6 appropriately certificated CTE teacher or, for concurrent enrollment courses, a  
7 postsecondary faculty member.

8 (f) Provides for highly integrated student support services that include at  
9 least the following:

10 (i) Teachers as academic advisors.

11 (ii) Supervised course selection.

12 (iii) Monitoring of student progress and completion.

13 (iv) Career planning services provided by a local one-stop service center as  
14 described in the Michigan works one-stop service center system act, 2006 PA 491, MCL  
15 408.111 to 408.135, or by a high school counselor or advisor.

16 (g) Has courses that are taught on a college campus, are college courses offered  
17 at the high school and taught by college faculty, or are courses taught in combination  
18 with online instruction.

19 (6) The department shall distribute funds to eligible CTE early middle college  
20 and CTE dual enrollment programs as follows:

21 (a) The department shall determine statewide average CTE costs per pupil for  
22 each CIP code program by calculating statewide average costs for each CIP code program  
23 for the 3 most recent fiscal years.

24 (b) The distribution to each eligible CTE early middle college or CTE dual  
25 enrollment program is the product of 50% of CTE costs per pupil times the pupil  
26 enrollment of each eligible CTE early middle college or CTE dual enrollment program in

1 the immediately preceding school year.

2 (7) In order to receive funds under this section, a CTE early middle college or  
3 CTE dual enrollment program shall furnish to the intermediate district that is the  
4 fiscal agent identified in subsection (2), in a form and manner determined by the  
5 department, all information needed to administer this program and meet federal  
6 reporting requirements; shall allow the department or the department's designee to  
7 review all records related to the program for which it receives funds; and shall  
8 reimburse the state for all disallowances found in the review, as determined by the  
9 department.

10 (8) There is allocated for ~~2021-2022-2022-2023~~ from the funds under subsection  
11 (1) an amount not to exceed \$500,000.00 from the state school aid fund allocation for  
12 grants to intermediate districts or consortia of intermediate districts for the  
13 purpose of planning for new or expanded early middle college programs. Applications  
14 for grants must be submitted in a form and manner determined by the department. The  
15 amount of a grant under this subsection must not exceed \$50,000.00. To be eligible for  
16 a grant under this subsection, an intermediate district or consortia of intermediate  
17 districts must provide matching funds equal to the grant received under this  
18 subsection. Notwithstanding section 17b, the department shall make payments under this  
19 subsection in the manner determined by the department.

20 (9) Funds distributed under this section may be used to fund program  
21 expenditures that would otherwise be paid from foundation allowances. A program  
22 receiving funding under section 61a may receive funding under this section for  
23 allowable costs that exceed the reimbursement the program received under section 61a.  
24 The combined payments received by a program under section 61a and this section must  
25 not exceed the total allowable costs of the program. A program provider shall not use  
26 more than 5% of the funds allocated under this section to the program for

1 administrative costs.

2 (10) If the allocation under subsection (1) is insufficient to fully fund  
3 payments as otherwise calculated under this section, the department shall prorate  
4 payments under this section on an equal percentage basis.

5 (11) If pupils enrolled in a career cluster in an eligible CTE early middle  
6 college or CTE dual enrollment program qualify to be reimbursed under this section,  
7 those pupils continue to qualify for reimbursement until graduation, even if the  
8 career cluster is no longer identified as being in the highest 5 career cluster  
9 rankings.

10 (12) As used in this section:

11 (a) "Allowable costs" means those costs directly attributable to the program as  
12 jointly determined by the department of labor and economic opportunity and the  
13 department.

14 (b) "Career and educational advisory council" means an advisory council to the  
15 local workforce development boards located in a workforce development board service  
16 delivery area consisting of educational, employer, labor, and parent representatives.

17 (c) "CIP" means classification of instructional programs.

18 (d) "CTE" means career and technical education programs.

19 (e) "CTE dual enrollment program" means a 4-year high school program of  
20 postsecondary courses offered by eligible postsecondary educational institutions that  
21 leads to an industry-recognized certification or degree.

22 (f) "Early middle college program" means a 5-year high school program.

23 (g) "Eligible postsecondary educational institution" means that term as defined  
24 in section 3 of the career and technical preparation act, 2000 PA 258, MCL 388.1903.

25 Sec. 61c. (1) From the general fund money appropriated in section 11, there is  
26 allocated for ~~2021-2022-2022-2023~~ **2022-2023 only** an amount not to exceed ~~\$7,500,000.00~~

1 **\$10,000,000.00** to eligible career education planning districts for the ~~CTE skilled~~  
 2 ~~trades initiative described in subsections (2) to (5).~~ **purposes described in this**  
 3 **section.** To be eligible to receive funding under this section, at least 50% of the  
 4 area served by a CEPD must be located in an intermediate district that did not levy a  
 5 vocational education millage in ~~2021.~~ **2022.**

6 (2) To receive funding under subsection (1), each eligible CEPD must apply in a  
 7 form and manner prescribed by the department. Funding to each eligible CEPD must be  
 8 equal to the quotient of the allocation under subsection (1) and the sum of the number  
 9 of career education planning districts applying for funding under subsection (1) that  
 10 are located in an intermediate district that did not levy a vocational education  
 11 millage in ~~2021.~~ **2022.**

12 (3) At least 50% of the funding allocated to each eligible CEPD must be used to  
 13 update equipment in current CTE programs that have been identified in the highest 5  
 14 career cluster rankings in the most recent CEPD regional strategic plans jointly  
 15 approved by the Michigan talent investment agency in the department of labor and  
 16 economic opportunity and the department, for training on new equipment, for  
 17 professional development relating to computer science or coding, or for new and  
 18 emerging certified CTE programs to allow CEPD administrators to provide programming in  
 19 communities that will enhance economic development. The funding for equipment should  
 20 be used to support and enhance community areas that have sustained job growth, and act  
 21 as a commitment to build a more qualified and skilled workforce. In addition, each  
 22 CEPD is encouraged to explore the option of leasing equipment from local private  
 23 industry to encourage the use of the most advanced equipment.

24 (4) The allocation of funds at the local level must be determined by CEPD  
 25 administrators using data from the state, region, and local sources to make well-  
 26 informed decisions on program equipment improvements. Grants awarded by CEPD

1 administrators for capital infrastructure must be used to ensure that CTE programs can  
 2 deliver educational programs in high-wage, high-skill, and high-demand occupations.  
 3 Each CEPD shall continue to ensure that program advisory boards make recommendations  
 4 on needed improvements for equipment that support job growth and job skill development  
 5 and retention for both the present and the future.

6 (5) Not later than September 15 of each fiscal year, each CEPD receiving funding  
 7 shall annually report to the department, the senate and house appropriations  
 8 subcommittees on school aid, the senate and house fiscal agencies, and legislature on  
 9 equipment purchased under subsection (1). In addition, the report must identify growth  
 10 data on program involvement, retention, and development of student skills.

11 (6) As used in this section:

12 (a) "CEPD" means a career education planning district described in this section.

13 (b) "CTE" means career and technical education.

14 Sec. 61d. (1) From the appropriation in section 11, there is allocated for ~~2021-~~  
 15 ~~2022-2022-2023~~ an amount not to exceed \$5,000,000.00 from the state school aid fund  
 16 for additional payments to districts for career and technical education programs for  
 17 the purpose of increasing the number of Michigan residents with high-quality degrees  
 18 or credentials, and to increase the number of pupils who are college- and career-ready  
 19 upon high school graduation.

20 (2) The department shall calculate payments to districts under this section in  
 21 the following manner:

22 (a) A payment of \$35.00 multiplied by the number of pupils in grades 9 to 12 who  
 23 are counted in membership in the district and are enrolled in at least 1 career and  
 24 technical education program.

25 (b) An additional payment of \$35.00 multiplied by the number of pupils in grades  
 26 9 to 12 who are counted in membership in the district and are enrolled in at least 1

1 career and technical education program that provides instruction in critical skills  
2 and high-demand career fields.

3 (3) If the allocation under subsection (1) is insufficient to fully fund  
4 payments under subsection (2), the department shall prorate payments under this  
5 section on an equal per-pupil basis.

6 (4) As used in this section:

7 (a) "Career and technical education program" means a state-approved career and  
8 technical education program, as determined by the department.

9 (b) "Career and technical education program that provides instruction in  
10 critical skills and high-demand career field" means a career and technical education  
11 program classified under any of the following 2-digit classification of instructional  
12 programs (CIP) codes:

13 (i) 01, which refers to "agriculture, agriculture operations, and related  
14 sciences".

15 (ii) 03, which refers to "natural resources and conservation".

16 (iii) 10 through 11, which refers to "communications technologies/technicians and  
17 support services" and "computer and information sciences and support services".

18 (iv) 14 through 15, which refers to "engineering" and "engineering technologies  
19 and engineering-related fields".

20 (v) 26, which refers to "biological and biomedical sciences".

21 (vi) 46 through 48, which refers to "construction trades", "mechanic and repair  
22 technologies/technicians", and "precision production".

23 (vii) 51, which refers to "health professions and related programs".

24 Sec. 62. (1) For the purposes of this section:

25 (a) "Membership" means for a particular fiscal year the total membership of the  
26 intermediate district and the districts constituent to the intermediate district or

1 the total membership of the area vocational-technical program, except that if a  
2 district has elected not to come under sections 681 to 690 of the revised school code,  
3 MCL 380.681 to 380.690, the membership of that district are not included in the  
4 membership of the intermediate district. However, the membership of a district that  
5 has elected not to come under sections 681 to 690 of the revised school code, MCL  
6 380.681 to 380.690, is included in the membership of the intermediate district if the  
7 district meets both of the following:

8 (i) The district operates the area vocational-technical education program  
9 pursuant to a contract with the intermediate district.

10 (ii) The district contributes an annual amount to the operation of the program  
11 that is commensurate with the revenue that would have been raised for operation of the  
12 program if millage were levied in the district for the program under sections 681 to  
13 690 of the revised school code, MCL 380.681 to 380.690.

14 (b) "Millage levied" means the millage levied for area vocational-technical  
15 education under sections 681 to 690 of the revised school code, MCL 380.681 to  
16 380.690, including a levy for debt service obligations incurred as the result of  
17 borrowing for capital outlay projects and in meeting capital projects fund  
18 requirements of area vocational-technical education.

19 (c) "Taxable value" means the total taxable value of the districts constituent  
20 to an intermediate district or area vocational-technical education program, except  
21 that if a district has elected not to come under sections 681 to 690 of the revised  
22 school code, MCL 380.681 to 380.690, the taxable value of that district is not  
23 included in the taxable value of the intermediate district. However, the taxable value  
24 of a district that has elected not to come under sections 681 to 690 of the revised  
25 school code, MCL 380.681 to 380.690, is included in the taxable value of the  
26 intermediate district if the district meets both of the following:



1 (i) The district operates the area vocational-technical education program  
2 pursuant to a contract with the intermediate district.

3 (ii) The district contributes an annual amount to the operation of the program  
4 that is commensurate with the revenue that would have been raised for operation of the  
5 program if millage were levied in the district for the program under sections 681 to  
6 690 of the revised school code, MCL 380.681 to 380.690.

7 (2) From the appropriation in section 11, there is allocated an amount not to  
8 exceed ~~\$9,190,000.00 each fiscal year for 2020-2021 and \$20,000,000.00 for 2021-2022~~  
9 **2022-2023** to reimburse intermediate districts and area vocational-technical education  
10 programs established under section 690(3) of the revised school code, MCL 380.690,  
11 levying millages for area vocational-technical education under sections 681 to 690 of  
12 the revised school code, MCL 380.681 to 380.690. The purpose, use, and expenditure of  
13 the reimbursement are limited as if the funds were generated by those millages.

14 ~~(3) Reimbursement for those millages levied in 2019-2020 is made in 2020-2021 at~~  
15 ~~an amount per 2019-2020 membership pupil computed by subtracting from \$218,700.00 the~~  
16 ~~2019-2020 taxable value behind each membership pupil and multiplying the resulting~~  
17 ~~difference by the 2019-2020 millage levied, and then subtracting from that amount the~~  
18 ~~2019-2020 local community stabilization share revenue for area vocational technical~~  
19 ~~education behind each membership pupil for reimbursement of personal property~~  
20 ~~exemption loss under the local community stabilization authority act, 2014 PA 86, MCL~~  
21 ~~123.1341 to 123.1362.~~

22 (3) ~~(4)~~ Reimbursement for those millages levied in ~~2020-2021-2021-2022~~ is made  
23 in ~~2021-2022-2022-2023~~ at an amount per ~~2020-2021-2021-2022~~ membership pupil computed  
24 by subtracting from ~~\$224,800.00~~ **\$263,400.00** the ~~2020-2021-2021-2022~~ taxable value  
25 behind each membership pupil and multiplying the resulting difference by the ~~2020-2021~~  
26 **2021-2022** millage levied, and then subtracting from that amount the ~~2020-2021-2021-~~

1 2022 local community stabilization share revenue for area vocational technical  
 2 education and 2021-2022 tax increment revenues captured by a brownfield redevelopment  
 3 authority behind each membership pupil for reimbursement of personal property  
 4 exemption loss under the local community stabilization authority act, 2014 PA 86, MCL  
 5 123.1341 to 123.1362 and reimbursements paid under section 26d for tax increment  
 6 revenues captured by a brownfield redevelopment authority.

7 (4) ~~(5)~~—The department shall ensure that the amount paid to a single  
 8 intermediate district under this section does not exceed 38.4% of the total amount  
 9 allocated under subsection (2).

10 (5) ~~(6)~~—The department shall ensure that the amount paid to a single  
 11 intermediate district under this section is not less than 75% of the amount allocated  
 12 to the intermediate district under this section for the immediately preceding fiscal  
 13 year.

14 Sec. 65. (1) From the appropriation under section 11, there is allocated an  
 15 amount not to exceed \$400,000.00 for ~~2021-2022~~ 2022-2023 for a pre-college engineering  
 16 K-12 educational program that is focused on the development of a diverse future  
 17 Michigan workforce, that serves multiple communities within southeast Michigan, that  
 18 enrolls pupils from multiple districts, and that received funds appropriated for this  
 19 purpose in the appropriations act that provided the Michigan strategic fund budget for  
 20 2014-2015.

21 (2) To be eligible for funding under this section, a program must have the  
 22 ability to expose pupils to, and motivate and prepare pupils for, science, technology,  
 23 engineering, and mathematics careers and postsecondary education with special  
 24 attention given to groups of pupils who are at-risk and underrepresented in technical  
 25 professions and careers.

26 Sec. 67. (1) From the general fund money appropriated in section 11, there is

1 allocated an amount not to exceed \$3,000,000.00 for ~~2021-2022-2022-2023~~ for college  
2 access programs. The programs funded under this section are intended to inform  
3 students of college and career options and to provide resources intended to increase  
4 the number of pupils who are adequately prepared with the information needed to make  
5 informed decisions on college and career. The funds appropriated under this section  
6 are intended to be used to increase the number of Michigan residents with high-quality  
7 degrees or credentials. Funds appropriated under this section must not be used to  
8 supplant funding for counselors already funded by districts.

9 (2) The department of labor and economic opportunity shall administer funds  
10 allocated under this section in collaboration with the Michigan college access  
11 network. These funds may be used for any of the following purposes:

12 (a) Michigan college access network operations, programming, and services to  
13 local college access networks.

14 (b) Local college access networks, which are community-based college  
15 access/success partnerships committed to increasing the college participation and  
16 completion rates within geographically defined communities through a coordinated  
17 strategy.

18 (c) The Michigan college advising program, a program intended to place trained,  
19 recently graduated college advisors in high schools that serve significant numbers of  
20 low-income and first-generation college-going pupils. State funds used for this  
21 purpose may not exceed 33% of the total funds available under this subsection.

22 (d) Subgrants of up to \$5,000.00 to districts with comprehensive high schools  
23 that establish a college access team and implement specific strategies to create a  
24 college-going culture in a high school in a form and manner approved by the Michigan  
25 college access network and the department of labor and economic opportunity.

26 (e) The Michigan college access portal, an online one-stop portal to help pupils

1 and families plan and apply for college.

2 (f) Public awareness and outreach campaigns to encourage low-income and first-  
3 generation college-going pupils to take necessary steps toward college and to assist  
4 pupils and families in completing a timely and accurate free application for federal  
5 student aid.

6 (g) Subgrants to postsecondary institutions to recruit, hire, and train college  
7 student mentors and college advisors to assist high school pupils in navigating the  
8 postsecondary planning and enrollment process.

9 (3) For the purposes of this section, "college" means any postsecondary  
10 educational opportunity that leads to a career, including, but not limited to, a  
11 postsecondary degree, industry-recognized technical certification, or registered  
12 apprenticeship.

13 Sec. 74. (1) From the state school aid fund money appropriated in section 11,  
14 there is allocated an amount not to exceed ~~\$3,805,800.00~~ **\$3,844,200.00** for ~~2021-2022~~  
15 **2022-2023** for the purposes of this section.

16 (2) From the allocation in subsection (1), there is allocated for ~~2021-2022~~  
17 **2022-2023** the amount necessary for payments to state supported colleges or  
18 universities and intermediate districts providing school bus driver safety instruction  
19 under section 51 of the pupil transportation act, 1990 PA 187, MCL 257.1851. The  
20 department shall make payments in an amount determined by the department not to exceed  
21 the actual cost of instruction and driver compensation for each public or nonpublic  
22 school bus driver attending a course of instruction. For the purpose of computing  
23 compensation, the hourly rate allowed each school bus driver must not exceed the  
24 hourly rate received for driving a school bus. The department shall make reimbursement  
25 compensating the driver during the course of instruction to the college or university  
26 or intermediate district providing the course of instruction.

1           (3) From the allocation in subsection (1), there is allocated for ~~2021-2022~~  
2 **2022-2023** the amount necessary to pay the reasonable costs of nonspecial education  
3 auxiliary services transportation provided under section 1323 of the revised school  
4 code, MCL 380.1323. Districts funded under this subsection do not receive funding  
5 under any other section of this article for nonspecial education auxiliary services  
6 transportation.

7           (4) From the funds allocated in subsection (1), there is allocated an amount not  
8 to exceed ~~\$1,780,800.00~~ **\$1,819,200.00** for ~~2021-2022-2022-2023~~ for reimbursement to  
9 districts and intermediate districts for costs associated with the inspection of  
10 school buses and pupil transportation vehicles by the department of state police as  
11 required under section 715a of the Michigan vehicle code, 1949 PA 300, MCL 257.715a,  
12 and section 39 of the pupil transportation act, 1990 PA 187, MCL 257.1839. The  
13 department of state police shall prepare a statement of costs attributable to each  
14 district for which bus inspections are provided and submit it to the department and to  
15 an intermediate district serving as fiduciary in a time and manner determined jointly  
16 by the department and the department of state police. Upon review and approval of the  
17 statement of cost, the department shall forward to the designated intermediate  
18 district serving as fiduciary the amount of the reimbursement on behalf of each  
19 district and intermediate district for costs detailed on the statement within 45 days  
20 after receipt of the statement. The designated intermediate district shall make  
21 payment in the amount specified on the statement to the department of state police  
22 within 45 days after receipt of the statement. The total reimbursement of costs under  
23 this subsection must not exceed the amount allocated under this subsection.  
24 Notwithstanding section 17b, the department shall make payments to eligible entities  
25 under this subsection on a schedule prescribed by the department.

26           Sec. 81. (1) From the state school aid fund money appropriated in section 11,

1 there is allocated for ~~2020-2021 to the intermediate districts the sum necessary, but~~  
 2 ~~not to exceed \$69,138,000.00, and there is allocated for 2021-2022-2022-2023~~ to the  
 3 intermediate districts the sum necessary, but not to exceed ~~\$71,903,600.00~~  
 4 **\$75,498,800.00** to provide state aid to intermediate districts under this section.

5 (2) The amount allocated under this section for ~~2020-2021 to each intermediate~~  
 6 ~~district is an amount equal to 100% of the amount allocated to the intermediate~~  
 7 ~~district under this section for 2019-2020. The amount allocated under this section for~~  
 8 ~~2021-2022-2022-2023~~ to each intermediate district is an amount equal to ~~104%~~ **105.0%** of  
 9 the amount allocated to the intermediate district under this section for ~~2020-2021.~~  
 10 **2021-2022.** An intermediate district shall use funding provided under this section to  
 11 comply with requirements of this article and the revised school code that are  
 12 applicable to intermediate districts, and for which funding is not provided elsewhere  
 13 in this article, and to provide technical assistance to districts as authorized by the  
 14 intermediate school board.

15 (3) Intermediate districts receiving funds under this section shall collaborate  
 16 with the department to develop expanded professional development opportunities for  
 17 teachers to update and expand their knowledge and skills needed to support the  
 18 Michigan merit curriculum.

19 (4) From the allocation in subsection (1), there is allocated to an intermediate  
 20 district, formed by the consolidation or annexation of 2 or more intermediate  
 21 districts or the attachment of a total intermediate district to another intermediate  
 22 district or the annexation of all of the constituent K-12 districts of a previously  
 23 existing intermediate district which has disorganized, an additional allotment of  
 24 \$3,500.00 each fiscal year for each intermediate district included in the new  
 25 intermediate district for 3 years following consolidation, annexation, or attachment.

26 (5) In order to receive funding under this section, an intermediate district

1 shall do all of the following:

2 (a) Demonstrate to the satisfaction of the department that the intermediate  
3 district employs at least 1 person who is trained in pupil accounting and auditing  
4 procedures, rules, and regulations.

5 (b) Demonstrate to the satisfaction of the department that the intermediate  
6 district employs at least 1 person who is trained in rules, regulations, and district  
7 reporting procedures for the individual-level student data that serves as the basis  
8 for the calculation of the district and high school graduation and dropout rates.

9 (c) Comply with sections 1278a and 1278b of the revised school code, MCL  
10 380.1278a and 380.1278b.

11 (d) Furnish data and other information required by state and federal law to the  
12 center and the department in the form and manner specified by the center or the  
13 department, as applicable.

14 (e) Comply with section 1230g of the revised school code, MCL 380.1230g.

15 (f) Provide advice, guidance, and leadership to assist all districts located  
16 within its geographic boundaries to assist in the preparedness and response efforts  
17 toward addressing COVID-19. At a minimum, this must include the coordination and  
18 collaboration with any local public health agency that has jurisdiction within the  
19 intermediate district's geographic boundaries and may include the coordination of bulk  
20 purchasing of personal protective equipment, technology, or other products or services  
21 necessary for students to return to school. An intermediate district shall ensure that  
22 all districts located within its geographic boundaries have equitable access to the  
23 intermediate district's coordination activities and services, intermediate district-  
24 wide or regional meetings, regularly scheduled superintendent meetings, programming,  
25 events, or other coordination or collaboration activities. In ensuring that all  
26 districts located within the geographic boundaries of the intermediate district have

1 equitable access to services, meetings, programming, events, or activities as  
2 described in the immediately preceding sentence, the intermediate district shall  
3 ensure that districts that are public school academies that are located within its  
4 geographic boundaries are not excluded from said services, meetings, programming,  
5 events, or activities if districts that are not public school academies that are  
6 located within the geographic boundaries of the intermediate district are not  
7 excluded.

8           Sec. 94. (1) From the general fund money appropriated in section 11, there is  
9 allocated to the department for ~~2021-2022~~**2022-2023** an amount not to exceed  
10 \$1,200,000.00—for efforts to increase the number of pupils who participate and succeed  
11 in advanced placement and international baccalaureate programs, and to support the  
12 college-level examination program (CLEP).

13           (2) From the funds allocated under this section, the department shall award  
14 funds to cover all or part of the costs of advanced placement test fees or  
15 international baccalaureate test fees and international baccalaureate registration  
16 fees for low-income pupils who take an advanced placement or an international  
17 baccalaureate test and CLEP fees for low-income pupils who take a CLEP test.

18           (3) The department shall only award funds under this section if the department  
19 determines that all of the following criteria are met:

20           (a) Each pupil for whom payment is made meets eligibility requirements of the  
21 federal advanced placement test fee program under section 1701 of the no child left  
22 behind act of 2001, Public Law 107-110, or under a corresponding provision of the  
23 every student succeeds act, Public Law 114-95.

24           (b) The tests are administered by the college board, the international  
25 baccalaureate organization, or another test provider approved by the department.

26           (c) The pupil for whom payment is made pays at least \$5.00 toward the cost of



1 each test for which payment is made.

2 (4) The department shall establish procedures for awarding funds under this  
3 section.

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

6 Sec. 94a. (1) There is created within the state budget office in the department  
7 of technology, management, and budget the center for educational performance and  
8 information. The center shall do all of the following:

9 (a) Coordinate the collection of all data required by state and federal law from  
10 districts, intermediate districts, and postsecondary institutions.

11 (b) Create, maintain, and enhance this state's P-20 longitudinal data system and  
12 ensure that it meets the requirements of subsection (4).

13 (c) Collect data in the most efficient manner possible in order to reduce the  
14 administrative burden on reporting entities, including, but not limited to, electronic  
15 transcript services.

16 (d) Create, maintain, and enhance this state's web-based educational portal to  
17 provide information to school leaders, teachers, researchers, and the public in  
18 compliance with all federal and state privacy laws. Data must include, but are not  
19 limited to, all of the following:

20 (i) Data sets that link teachers to student information, allowing districts to  
21 assess individual teacher impact on student performance and consider student growth  
22 factors in teacher and principal evaluation systems.

23 (ii) Data access or, if practical, data sets, provided for regional data hubs  
24 that, in combination with local data, can improve teaching and learning in the  
25 classroom.

26 (iii) Research-ready data sets for researchers to perform research that advances

1 this state's educational performance.

2 (e) Provide data in a useful manner to allow state and local policymakers to  
3 make informed policy decisions.

4 (f) Provide public reports to the residents of this state to allow them to  
5 assess allocation of resources and the return on their investment in the education  
6 system of this state.

7 (g) Other functions as assigned by the state budget director.

8 (2) Each state department, officer, or agency that collects information from  
9 districts, intermediate districts, or postsecondary institutions as required under  
10 state or federal law shall make arrangements with the center to ensure that the state  
11 department, officer, or agency is in compliance with subsection (1). This subsection  
12 does not apply to information collected by the department of treasury under the  
13 uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a; the revised  
14 municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821; the school bond  
15 qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to 388.1939; or  
16 section 1351a of the revised school code, MCL 380.1351a.

17 (3) The center may enter into any interlocal agreements necessary to fulfill its  
18 functions.

19 (4) The center shall ensure that the P-20 longitudinal data system required  
20 under subsection (1)(b) meets all of the following:

21 (a) Includes data at the individual student level from preschool through  
22 postsecondary education and into the workforce.

23 (b) Supports interoperability by using standard data structures, data formats,  
24 and data definitions to ensure linkage and connectivity in a manner that facilitates  
25 the exchange of data among agencies and institutions within the state and between  
26 states.

1           (c) Enables the matching of individual teacher and student records so that an  
2 individual student may be matched with those teachers providing instruction to that  
3 student.

4           (d) Enables the matching of individual teachers with information about their  
5 certification and the institutions that prepared and recommended those teachers for  
6 state certification.

7           (e) Enables data to be easily generated for continuous improvement and decision-  
8 making, including timely reporting to parents, teachers, and school leaders on student  
9 achievement.

10           (f) Ensures the reasonable quality, validity, and reliability of data contained  
11 in the system.

12           (g) Provides this state with the ability to meet federal and state reporting  
13 requirements.

14           (h) For data elements related to preschool through grade 12 and postsecondary,  
15 meets all of the following:

16           (i) Contains a unique statewide student identifier that does not permit a  
17 student to be individually identified by users of the system, except as allowed by  
18 federal and state law.

19           (ii) Contains student-level enrollment, demographic, and program participation  
20 information.

21           (iii) Contains student-level information about the points at which students exit,  
22 transfer in, transfer out, drop out, or complete education programs.

23           (iv) Has the capacity to communicate with higher education data systems.

24           (i) For data elements related to preschool through grade 12 only, meets all of  
25 the following:

26           (i) Contains yearly test records of individual students for assessments approved

1 by DED-OESE for accountability purposes under section 1111(b) of the elementary and  
 2 secondary education act of 1965, 20 USC 6311, including information on individual  
 3 students not tested, by grade and subject.

4 (ii) Contains student-level transcript information, including information on  
 5 courses completed and grades earned.

6 (iii) Contains student-level college readiness test scores.

7 (j) For data elements related to postsecondary education only:

8 (i) Contains data that provide information regarding the extent to which  
 9 individual students transition successfully from secondary school to postsecondary  
 10 education, including, but not limited to, all of the following:

11 (A) Enrollment in remedial coursework.

12 (B) Completion of 1 year's worth of college credit applicable to a degree within  
 13 2 years of enrollment.

14 (ii) Contains data that provide other information determined necessary to address  
 15 alignment and adequate preparation for success in postsecondary education.

16 (5) From the general fund money appropriated in section 11, there is allocated  
 17 an amount not to exceed ~~\$18,802,500.00~~ **\$19,032,300.00** for ~~2021-2022~~ **2022-2023** to the  
 18 department of technology, management, and budget to support the operations of the  
 19 center. In addition, from the federal funds appropriated in section 11, there is  
 20 allocated for ~~2021-2022~~ **2022-2023** the amount necessary, estimated at \$193,500.00, to  
 21 support the operations of the center and to establish a P-20 longitudinal data system  
 22 necessary for state and federal reporting purposes. The center shall cooperate with  
 23 the department to ensure that this state is in compliance with federal law and is  
 24 maximizing opportunities for increased federal funding to improve education in this  
 25 state.

26 (6) From the funds allocated in subsection (5), the center may use an amount

1 determined by the center for competitive grants for ~~2021-2022-2022-2023~~ to support  
2 collaborative efforts on the P-20 longitudinal data system. All of the following apply  
3 to grants awarded under this subsection:

4 (a) The center shall award competitive grants to eligible intermediate districts  
5 or a consortium of intermediate districts based on criteria established by the center.

6 (b) Activities funded under the grant must support the P-20 longitudinal data  
7 system portal and may include portal hosting, hardware and software acquisition,  
8 maintenance, enhancements, user support and related materials, and professional  
9 learning tools and 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 for the immediately  
12 preceding fiscal year has priority for funding under this section. However, after 3  
13 fiscal years of continuous funding, an applicant is required to compete openly with  
14 new applicants.

15 (7) Funds allocated under this section that are not expended in the fiscal year  
16 in which they were allocated may be carried forward to a subsequent fiscal year and  
17 are appropriated for the purposes for which the funds were originally allocated.

18 (8) The center may bill departments as necessary in order to fulfill reporting  
19 requirements of state and federal law. The center may also enter into agreements to  
20 supply custom data, analysis, and reporting to other principal executive departments,  
21 state agencies, local units of government, and other individuals and organizations.

22 The center may receive and expend funds in addition to those authorized in subsection  
23 (5) to cover the costs associated with salaries, benefits, supplies, materials, and  
24 equipment necessary to provide such data, analysis, and reporting services.

25 (9) As used in this section, "DED-OESE" means the United States Department of  
26 Education Office of Elementary and Secondary Education.

1           Sec. 97. (1) For ~~2021-2022, 2022-2023~~, from the state school aid fund money  
 2 appropriated under section 11, there is allocated an amount not to exceed  
 3 ~~\$7,500,000.00 and from the general fund money appropriated under section 11, there is~~  
 4 ~~allocated an amount not to exceed \$2,500,000.00~~ **\$51,000,000.00** for competitive grants  
 5 to public schools, ~~nonpublic schools~~, districts, and intermediate districts to  
 6 purchase technology equipment, upgrade hardening measures, **or hire school resource**  
 7 **officers** ~~or conduct school building safety assessments~~ to improve the safety and  
 8 security of school buildings, pupils or students, and school staff with the goal of  
 9 creating a safer school environment through equipment and technology enhancements. The  
 10 department of state police, grants and community services division, shall administer  
 11 the grant program described in this subsection. All grants under this subsection must  
 12 be funded on a reimbursement-only basis. Grants under this subsection must not exceed  
 13 ~~\$50,000.00~~ **\$250,000.00** for each public school ~~or nonpublic school~~ and ~~\$250,000.00~~  
 14 **\$1,250,000.00** for each district or intermediate district.

15           (2) All of the following apply to the application process for funding under  
 16 subsection (1):

17           (a) To receive funding under subsection (1), a public school, ~~nonpublic school~~,  
 18 district, or intermediate district shall submit an application for funding under  
 19 subsection (1) directly to the department of state police, grants and community  
 20 services division.

21           (b) An application from a district or intermediate district under this  
 22 subsection must be for 1 or more buildings that have some or all of pre-K to grade 12  
 23 classrooms and pupils.

24           (c) An applicant may submit only 1 application.

25           (d) **Applicants must document how they used community input to guide their grant**  
 26 **applications. Once approved, grantees must host at least one community conversation**

1 **about school safety and student mental health.**

2 (e) ~~(d)~~—An individual public school may submit its own application but must not  
3 also be included in its district's application if the district submits an application  
4 under this subsection.

5 (f) ~~(e)~~—The department of state police shall award grants to applicants based on  
6 eligibility, the project description, and whether the project reflects the highest  
7 security need of the applicant within grant funding constraints, the budget narrative,  
8 the budget, project goals, objectives, and performance measures.

9 (g) ~~(f)~~—The department of state police shall give priority to all of the  
10 following applicants:

11 ~~(i) Applicants seeking funding for projects that involve multiple agencies  
12 working in partnership.~~

13 (i) ~~(ii)~~—Applicants seeking funding for proposals that seek to secure exterior  
14 access points of school buildings.

15 (ii) ~~(iii)~~—Applicants that did not receive a school safety grant in the past **under**  
16 **this section in prior fiscal years.**

17 (iii) ~~(iv)~~—Applicants that did not receive a grant under section 1001 of article  
18 XX of 2018 PA 207 or under section 115 of 2018 PA 618.

19 (h) ~~(g)~~—To be awarded a grant, an applicant must demonstrate proof that the  
20 public school, ~~nonpublic school,~~ district, or intermediate district has an emergency  
21 operation plan that was updated after ~~August 1, 2017~~ **a date specified by the**  
22 **department of state police** to align with the state emergency operations plan guidance  
23 and statewide school safety information policy developed under section 1308 of the  
24 revised school code, MCL 380.1308.

25 (i) ~~(h)~~—The department of state police shall issue grant guidance and  
26 application materials, including required performance measures, not later than

1 February 1, ~~2022.~~**2023.**

2 (3) The department of state police shall not award funding under subsection (1)  
 3 to a public school, ~~nonpublic school,~~ district, or intermediate district in relation  
 4 to the same school building more than once **in a single grant application period.** If a  
 5 district submits an application under subsection (2) relating to a school building and  
 6 a public school within that district also submits an application for funding in  
 7 relation to that same school building, the department of state police shall not  
 8 allocate funding under subsection (1) twice for that school building. If a public  
 9 school, ~~nonpublic school,~~ district, or intermediate district submits more than 1  
 10 application, the department of state police shall first consider the most recent  
 11 application submitted in considering funding under subsection (1).

12 (4) Eligible expenses for reimbursement under subsection (1) must be consistent  
 13 with the recommendations of the **school safety commission.** ~~school safety task force~~  
 14 ~~created by Executive Order No. 2018-5.~~ **Grant applicants may request funding to create**  
 15 **new school resource officer positions in a school, including establishing a position**  
 16 **for the first time or adding additional staff. Any school resource officer hired with**  
 17 **funds from this section must complete training through the Michigan commission on law**  
 18 **enforcements standards (MCOLES). Schools must demonstrate a sustainable funding source**  
 19 **for these positions beyond the availability of these state funds to be awarded a**  
 20 **grant.** The department of state police shall list the eligible expenses in the grant  
 21 guidance and application materials described under subsection (2). The following items  
 22 are not eligible expenses for which grant funds under subsection (1) may be applied:

- 23 (a) Weapons, including tasers.  
 24 (b) Personal body armor for routine use.  
 25 (c) Construction of new facilities.  
 26 (d) Costs in applying for the grant, such as consultants and grant writers.



1 (e) Expenses incurred before the date of the award or after the end of the  
2 performance period of the grant award.

3 (f) Personnel costs or operation costs related to a capital improvement.

4 (g) Indirect costs or indirect administrative expenses.

5 (h) Travel.

6 (i) Contributions or donations.

7 (j) Management or administrative training and conferences, except as otherwise  
8 preapproved by the department of state police.

9 (k) Management studies or research and development.

10 (l) Memberships and dues, except for a specific requirement of the project that  
11 has been preapproved by the department of state police.

12 (m) Vehicles, watercraft, or aircraft, including unmanned or remotely piloted  
13 aircraft and vehicles.

14 (n) Service contracts and training beyond the performance period of the grant  
15 award.

16 (o) Food, refreshments, and snacks.

17 (5) A grantee under section 1001 of article XX of 2018 PA 207 that is a public  
18 school, ~~nonpublic school~~, district, or intermediate district or a grantee under  
19 section 115 of 2018 PA 618 that is a public school, ~~nonpublic school~~, district, or  
20 intermediate district is not prohibited from applying for, and receiving, a grant  
21 award under this section.

22 (6) The department of state police shall begin issuing awards for grants under  
23 subsection (1) not later than May 1, ~~2022~~-~~2023~~. A project that is awarded a grant  
24 under this section must be completed by July 1, ~~2023~~-~~2024~~.

25 (7) The department of state police shall report on grant activities under this  
26 section, including available performance outcomes as identified in individual grant

1 agreements, to the senate and house appropriations subcommittees on state police, the  
2 senate and house fiscal agencies, and the state budget office by August 1, ~~2023.~~2024.

3 (8) From the allocation under subsection (1), the department, in consultation  
4 with the department of state police, districts, intermediate districts, and other  
5 public safety and educational stakeholder organizations, may use an amount not to  
6 exceed \$1,000,000.00 for the purposes of evaluating the effectiveness of school safety  
7 grants funded under this section in the current fiscal year and in previous fiscal  
8 years.

9 (9) ~~(8)~~The funds allocated for school safety grants under this section for  
10 ~~2021-2022-2022-2023~~ are a work project appropriation, and any unexpended funds for  
11 ~~2021-2022-2022-2023~~ do not lapse to the state school aid fund and are carried forward  
12 into ~~2022-2023.~~2023-2024. The purpose of the work project is to continue promoting  
13 safer school environments. The estimated completion date of the work project is July  
14 1, ~~2023.~~2024.

15 ~~(9) The department of state police shall ensure that a grant to a nonpublic~~  
16 ~~school under this section is funded from the general fund money allocated under this~~  
17 ~~section.~~

18 Sec. 97b. (1) From the state school aid fund money appropriated in section 11,  
19 there is allocated for 2022-2023 only an amount not to exceed \$15,000,000.00 to pilot  
20 a cross-system intervention approach to identifying and supporting middle and high  
21 school students that are determined to be at risk for violence through a psychiatric  
22 or psychological assessment.

23 (2) Funding allocated in this section must be awarded to a public research  
24 institution and must be used for the pilot program described in this section.

25 (3) The pilot program must be a collaboration between a public research  
26 institution and a national law enforcement foundation and must include all the

1 following:

2 (a) The use of case management, intensive mentoring, and technical assistance to  
3 reduce the threat of violence in school communities in the state and to provide early  
4 interventions for participating youth.

5 (b) Implementation in at least five communities from regions across the state.

6 (c) A third party evaluation to assess outcomes and inform potential statewide  
7 implementation.

8 (d) The provision of research-informed training and technical assistance to law  
9 enforcement, schools, and community organizations to avert school violence and support  
10 young people in the state.

11 (4) The funds allocated under this section for 2022-2023 are a work project  
12 appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-  
13 2024. The purpose of the work project is to increase school safety by identifying and  
14 supporting middle and high school students that are determined to be at risk for  
15 violence. The estimated completion date of the work project is September 30, 2027.

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

18 Sec. 98. (1) From the general fund money appropriated in section 11, there is  
19 allocated an amount not to exceed \$7,500,000.00 for ~~2021-2022-2022-2023~~ for the  
20 purposes described in this section. The Michigan Virtual University shall provide a  
21 report to the legislature not later than November 1 of each year that includes its  
22 mission, its plans, and proposed benchmarks it must meet, including a plan to achieve  
23 the organizational priorities identified in this section, in order to receive full  
24 funding for ~~2022-2023.~~ 2023-2024. Not later than March 1 of each year, the Michigan  
25 Virtual University shall provide an update to the house and senate appropriations  
26 subcommittees on school aid to show the progress being made to meet the benchmarks

1 identified.

2 (2) The Michigan Virtual University shall operate the Michigan Virtual Learning  
3 Research Institute. The Michigan Virtual Learning Research Institute shall do all of  
4 the following:

5 (a) Support and accelerate innovation in education through the following  
6 activities:

7 (i) Test, evaluate, and recommend as appropriate new technology-based  
8 instructional tools and resources.

9 (ii) Research, design, and recommend virtual education delivery models for use by  
10 pupils and teachers that include age-appropriate multimedia instructional content.

11 (iii) Research, develop, and recommend annually to the department criteria by  
12 which cyber schools and virtual course providers should be monitored and evaluated to  
13 ensure a quality education for their pupils.

14 (iv) Based on pupil completion and performance data reported to the department  
15 or the center from cyber schools and other virtual course providers operating in this  
16 state, analyze the effectiveness of virtual learning delivery models in preparing  
17 pupils to be college- and career-ready and publish a report that highlights enrollment  
18 totals, completion rates, and the overall impact on pupils. The Michigan Virtual  
19 Learning Research Institute shall submit the report to the house and senate  
20 appropriations subcommittees on school aid, the state budget director, the house and  
21 senate fiscal agencies, the department, districts, and intermediate districts not  
22 later than March 31 of each year.

23 (v) Provide an extensive professional development program to at least 30,000  
24 educational personnel, including teachers, school administrators, and school board  
25 members, that focuses on the effective integration of virtual learning into curricula  
26 and instruction. The Michigan Virtual Learning Research Institute is encouraged to

1 work with the MiSTEM council described in section 99s to coordinate professional  
2 development of teachers in applicable fields. In addition, the Michigan Virtual  
3 Learning Research Institute and external stakeholders are encouraged to coordinate  
4 with the department for professional development in this state. Not later than  
5 December 1 of each year, the Michigan Virtual Learning Research Institute shall submit  
6 a report to the house and senate appropriations subcommittees on school aid, the state  
7 budget director, the house and senate fiscal agencies, and the department on the  
8 number of teachers, school administrators, and school board members who have received  
9 professional development services from the Michigan Virtual University. The report  
10 must also identify barriers and other opportunities to encourage the adoption of  
11 virtual learning in the public education system.

12 (vi) Identify and share best practices for planning, implementing, and  
13 evaluating virtual and blended education delivery models with intermediate districts,  
14 districts, and public school academies to accelerate the adoption of innovative  
15 education delivery models statewide.

16 (b) Provide leadership for this state's system of virtual learning education by  
17 doing the following activities:

18 (i) Develop and report policy recommendations to the governor and the  
19 legislature that accelerate the expansion of effective virtual learning in this  
20 state's schools.

21 (ii) Provide a clearinghouse for research reports, academic studies, evaluations,  
22 and other information related to virtual learning.

23 (iii) Promote and distribute the most current instructional design standards and  
24 guidelines for virtual teaching.

25 (iv) In collaboration with the department and interested colleges and  
26 universities in this state, support implementation and improvements related to

1 effective virtual learning instruction.

2 (v) Pursue public/private partnerships that include districts to study and  
3 implement competency-based technology-rich virtual learning models.

4 (vi) Create a statewide network of school-based mentors serving as liaisons  
5 between pupils, virtual instructors, parents, and school staff, as provided by the  
6 department or the center, and provide mentors with research-based training and  
7 technical assistance designed to help more pupils be successful virtual learners.

8 (vii) Convene focus groups and conduct annual surveys of teachers,  
9 administrators, pupils, parents, and others to identify barriers and opportunities  
10 related to virtual learning.

11 (viii) Produce an annual consumer awareness report for schools and parents about  
12 effective virtual education providers and education delivery models, performance data,  
13 cost structures, and research trends.

14 (ix) Provide an internet-based platform that educators can use to create  
15 student-centric learning tools and resources for sharing in the state's open  
16 educational resource repository and facilitate a user network that assists educators  
17 in using the content creation platform and state repository for open educational  
18 resources. As part of this initiative, the Michigan Virtual University shall work  
19 collaboratively with districts and intermediate districts to establish a plan to make  
20 available virtual resources that align to Michigan's K-12 curriculum standards for use  
21 by students, educators, and parents.

22 (x) Create and maintain a public statewide catalog of virtual learning courses  
23 being offered by all public schools and community colleges in this state. The Michigan  
24 Virtual Learning Research Institute shall identify and develop a list of nationally  
25 recognized best practices for virtual learning and use this list to support reviews of  
26 virtual course vendors, courses, and instructional practices. The Michigan Virtual

1 Learning Research Institute shall also provide a mechanism for intermediate districts  
2 to use the identified best practices to review content offered by constituent  
3 districts. The Michigan Virtual Learning Research Institute shall review the virtual  
4 course offerings of the Michigan Virtual University, and make the results from these  
5 reviews available to the public as part of the statewide catalog. The Michigan Virtual  
6 Learning Research Institute shall ensure that the statewide catalog is made available  
7 to the public on the Michigan Virtual University website and shall allow the ability  
8 to link it to each district's website as provided for in section 21f. The statewide  
9 catalog must also contain all of the following:

10 (A) The number of enrollments in each virtual course in the immediately  
11 preceding school year.

12 (B) The number of enrollments that earned 60% or more of the total course points  
13 for each virtual course in the immediately preceding school year.

14 (C) The pass rate for each virtual course.

15 (xi) Support registration, payment services, and transcript functionality for  
16 the statewide catalog and train key stakeholders on how to use new features.

17 (xii) Collaborate with key stakeholders to examine district level accountability  
18 and teacher effectiveness issues related to virtual learning under section 21f and  
19 make findings and recommendations publicly available.

20 (xiii) Provide a report on the activities of the Michigan Virtual Learning  
21 Research Institute.

22 (3) To further enhance its expertise and leadership in virtual learning, the  
23 Michigan Virtual University shall continue to operate the Michigan Virtual School as a  
24 statewide laboratory and quality model of instruction by implementing virtual and  
25 blended learning solutions for Michigan schools in accordance with the following  
26 parameters:

1 (a) The Michigan Virtual School must maintain its accreditation status from  
2 recognized national and international accrediting entities.

3 (b) The Michigan Virtual University shall use no more than \$1,000,000.00 of the  
4 amount allocated under this section to subsidize the cost paid by districts for  
5 virtual courses.

6 (c) In providing educators responsible for the teaching of virtual courses as  
7 provided for in this section, the Michigan Virtual School shall follow the  
8 requirements to request and assess, and the department of state police shall provide,  
9 a criminal history check and criminal records check under sections 1230 and 1230a of  
10 the revised school code, MCL 380.1230 and 380.1230a, in the same manner as if the  
11 Michigan Virtual School were a school district under those sections.

12 (4) From the funds allocated under subsection (1), the Michigan Virtual  
13 University shall allocate up to \$500,000.00 to support the expansion of new online and  
14 blended educator professional development programs.

15 (5) If the course offerings are included in the statewide catalog of virtual  
16 courses under subsection (2) (b) (x), the Michigan Virtual School operated by the  
17 Michigan Virtual University may offer virtual course offerings, including, but not  
18 limited to, all of the following:

19 (a) Information technology courses.

20 (b) College level equivalent courses, as that term is defined in section 1471 of  
21 the revised school code, MCL 380.1471.

22 (c) Courses and dual enrollment opportunities.

23 (d) Programs and services for at-risk pupils.

24 (e) High school equivalency test preparation courses for adjudicated youth.

25 (f) Special interest courses.

26 (g) Professional development programs for teachers, school administrators, other



1 school employees, and school board members.

2 (6) If a home-schooled or nonpublic school student is a resident of a district  
3 that subscribes to services provided by the Michigan Virtual School, the student may  
4 use the services provided by the Michigan Virtual School to the district without  
5 charge to the student beyond what is charged to a district pupil using the same  
6 services.

7 (7) Not later than December 1 of each fiscal year, the Michigan Virtual  
8 University shall provide a report to the house and senate appropriations subcommittees  
9 on school aid, the state budget director, the house and senate fiscal agencies, and  
10 the department that includes at least all of the following information related to the  
11 Michigan Virtual School for the preceding state fiscal year:

12 (a) A list of the districts served by the Michigan Virtual School.

13 (b) A list of virtual course titles available to districts.

14 (c) The total number of virtual course enrollments and information on  
15 registrations and completions by course.

16 (d) The overall course completion rate percentage.

17 (8) In addition to the information listed in subsection (7), the report under  
18 subsection (7) must also include a plan to serve at least 600 schools with courses  
19 from the Michigan Virtual School or with content available through the internet-based  
20 platform identified in subsection (2) (b) (ix).

21 (9) The governor may appoint an advisory group for the Michigan Virtual Learning  
22 Research Institute established under subsection (2). The members of the advisory group  
23 serve at the pleasure of the governor and without compensation. The purpose of the  
24 advisory group is to make recommendations to the governor, the legislature, and the  
25 president and board of the Michigan Virtual University that will accelerate innovation  
26 in this state's education system in a manner that will prepare elementary and

1 secondary students to be career and college ready and that will promote the goal of  
2 increasing the percentage of residents of this state with high-quality degrees and  
3 credentials to at least 60% by 2025.

4 (10) Not later than November 1 of each year, the Michigan Virtual University  
5 shall submit to the house and senate appropriations subcommittees on school aid, the  
6 state budget director, and the house and senate fiscal agencies a detailed budget for  
7 that fiscal year that includes a breakdown on its projected costs to deliver virtual  
8 educational services to districts and a summary of the anticipated fees to be paid by  
9 districts for those services. Not later than March 1 each year, the Michigan Virtual  
10 University shall submit to the house and senate appropriations subcommittees on school  
11 aid, the state budget director, and the house and senate fiscal agencies a breakdown  
12 on its actual costs to deliver virtual educational services to districts and a summary  
13 of the actual fees paid by districts for those services based on audited financial  
14 statements for the immediately preceding fiscal year.

15 (11) As used in this section:

16 (a) "Blended learning" means a hybrid instructional delivery model where pupils  
17 are provided content, instruction, and assessment, in part at a supervised educational  
18 facility away from home where the pupil and a teacher with a valid Michigan teaching  
19 certificate are in the same physical location and in part through internet-connected  
20 learning environments with some degree of pupil control over time, location, and pace  
21 of instruction.

22 (b) "Cyber school" means a full-time instructional program of virtual courses  
23 for pupils that may or may not require attendance at a physical school location.

24 (c) "Virtual course" means a course of study that is capable of generating a  
25 credit or a grade and that is provided in an interactive learning environment in which  
26 the majority of the curriculum is delivered using the internet and in which pupils are

1 separated from their instructor or teacher of record by time or location, or both.

2           Sec. 99h. (1) From the state school aid fund money appropriated in section 11,  
3 there is allocated an amount not to exceed ~~\$4,723,200.00~~ **\$5,323,200.00** for ~~2021-2022~~  
4 **2022-2023** for competitive grants to districts and intermediate districts, ~~and from the~~  
5 ~~general fund money appropriated in section 11, there is allocated \$600,000.00 for~~  
6 ~~2021-2022 for competitive grants to nonpublic schools,~~ that provide pupils in grades  
7 pre-K to 12 with expanded opportunities to improve mathematics, science, and  
8 technology skills by participating in events hosted by a science and technology  
9 development program known as FIRST (for inspiration and recognition of science and  
10 technology) Robotics, including JR FIRST Lego League, FIRST Lego League, FIRST Tech  
11 challenge, and FIRST Robotics competition, or other competitive robotics programs,  
12 including VEX, Square One, and those hosted by the Robotics Education and Competition  
13 (REC) Foundation. Programs funded under this section are intended to increase the  
14 number of pupils demonstrating proficiency in science and mathematics on the state  
15 assessments and to increase the number of pupils who are college- and career-ready  
16 upon high school graduation. Notwithstanding section 17b, the department shall make  
17 grant payments to districts, ~~nonpublic schools,~~ and intermediate districts under this  
18 section on a schedule determined by the department. The department shall set maximum  
19 grant awards for each different level of programming and competition in a manner that  
20 both maximizes the number of teams that will be able to receive funds and expands the  
21 geographical distribution of teams. **To be considered an eligible science and**  
22 **technology development program listed in this subsection, the department may require**  
23 **the science and technology development program to provide performance metrics**  
24 **including, but not limited to, a plan describing how the program will continue to**  
25 **expand offerings for students, proposed measurements of student outcomes, and the**  
26 **number of students who participated in the program.**

1           (2) A district,~~nonpublic school,~~ or intermediate district applying for a grant  
2 under this section shall submit an application in a form and manner prescribed by the  
3 department. To be eligible for a grant, a district,~~nonpublic school,~~ or intermediate  
4 district must demonstrate in its application that the district,~~nonpublic school,~~ or  
5 intermediate district has established a partnership for the purposes of the robotics  
6 program with at least 1 sponsor, business entity, higher education institution, or  
7 technical school, shall submit a spending plan, and shall provide a local in-kind or  
8 cash match from other private or local funds of at least 25% of the cost of the  
9 robotics program award.

10           (3) The department shall distribute the grant funding under this section for the  
11 following purposes:

12           (a) Grants to districts,~~nonpublic schools,~~ or intermediate districts to pay for  
13 stipends not to exceed \$1,500.00 per building for coaching.

14           (b) Grants to districts,~~nonpublic schools,~~ or intermediate districts for event  
15 registrations, materials, travel costs, and other expenses associated with the  
16 preparation for and attendance at robotics events and competitions.

17           (c) Grants to districts,~~nonpublic schools,~~ or intermediate districts for awards  
18 to teams that advance to the next levels of competition as determined by the  
19 department. The department shall determine an equal amount per team for those teams  
20 that advance.

21           ~~(4) The funds allocated under this section for 2021-2022 are a work project~~  
22 ~~appropriation, and any unexpended funds for 2021-2022 are carried forward into 2022-~~  
23 ~~2023. The purpose of the work project is to continue support of FIRST Robotics and~~  
24 ~~must not be used to support other robotics competitions. The estimated completion date~~  
25 ~~of the work project is September 30, 2023.~~

26           ~~(5) A nonpublic school that receives a grant under this section may use the~~

1 ~~funds for either robotics or Science Olympiad programs.~~

2 ~~(6) To be eligible to receive funds under this section, a nonpublic school must~~  
3 ~~be a nonpublic school registered with the department and must meet all applicable~~  
4 ~~state reporting requirements for nonpublic schools.~~

5 Sec. 99s. (1) From the funds appropriated under section 11, there is allocated  
6 for ~~2021-2022~~-**2022-2023** an amount not to exceed \$7,634,300.00 from the state school  
7 aid fund appropriation ~~and an amount not to exceed \$300,000.00 from the general fund~~  
8 ~~appropriation~~ for Michigan science, technology, engineering, and mathematics (MiSTEM)  
9 programs. ~~In addition, from the federal funds appropriated in section 11, there is~~  
10 ~~allocated to the department for 2021-2022 an amount estimated at \$235,000.00 from DED-~~  
11 ~~OESE, title II, mathematics and science partnership grants.~~ The MiSTEM network may  
12 receive funds from private sources. If the MiSTEM network receives funds from private  
13 sources, the MiSTEM network shall expend those funds in alignment with the statewide  
14 STEM strategy. Programs funded under this section are intended to increase the number  
15 of pupils demonstrating proficiency in science and mathematics on the state  
16 assessments, to increase the number of pupils who are college- and career-ready upon  
17 high school graduation, and to promote certificate and degree attainment in STEM  
18 fields. Notwithstanding section 17b, the department shall make payments under this  
19 section on a schedule determined by the department.

20 (2) The MiSTEM council annually shall review and make recommendations to the  
21 governor, the legislature, and the department concerning changes to the statewide  
22 strategy adopted by the council for delivering STEM education-related opportunities to  
23 pupils. The MiSTEM council shall use funds received under this subsection to ensure  
24 that its members or their designees are trained in the Change the Equation STEMworks  
25 rating system program for the purpose of rating STEM programs.

26 (3) The MiSTEM council shall make specific funding recommendations for the funds

1 allocated under subsection (4) by December 15 of each fiscal year. Each specific  
2 funding recommendation must be for a program approved by the MiSTEM council. All of  
3 the following apply:

4 (a) To be eligible for MiSTEM council approval as described in this subsection,  
5 a program must satisfy all of the following:

6 (i) Align with this state's academic standards.

7 (ii) Have STEMworks certification.

8 (iii) Provide project-based experiential learning, student programming, or  
9 educator professional learning experiences.

10 (iv) Focus predominantly on classroom-based STEM experiences or professional  
11 learning experiences.

12 (b) The MiSTEM council shall approve programs that represent all network regions  
13 and include a diverse array of options for students and educators and at least 1  
14 program in each of the following areas:

15 (i) Robotics.

16 (ii) Computer science or coding.

17 (iii) Engineering or bioscience.

18 (c) The MiSTEM council is encouraged to work with the MiSTEM network to develop  
19 locally and regionally developed programs and professional learning experiences for  
20 the programs on the list of approved programs.

21 (d) If the MiSTEM council is unable to make specific funding recommendations by  
22 December 15 of a fiscal year, the department shall award and distribute the funds  
23 allocated under subsection (4) on a competitive grant basis that at least follows the  
24 statewide STEM strategy plan and rating system recommended by the MiSTEM council. Each  
25 grant must provide STEM education-related opportunities for pupils.

26 (e) The MiSTEM council shall work with the department of labor and economic

1 opportunity to implement the statewide STEM strategy adopted by the MiSTEM council.

2 (4) ~~Except as otherwise provided in this subsection, from~~ **From** the state school  
 3 aid fund money allocated under subsection (1), there is allocated for ~~2021-2022-2022-~~  
 4 **2023** an amount not to exceed \$3,050,000.00 for the purpose of funding programs under  
 5 this section for ~~2021-2022-2022-2023~~ as recommended by the MiSTEM council. ~~However,~~  
 6 ~~from the allocation under this subsection, the MiSTEM council shall recommend and the~~  
 7 ~~department shall award \$350,000.00 in grants to intermediate districts to implement~~  
 8 ~~fabrication laboratories (Fab Labs). The MiSTEM council shall recommend and the~~  
 9 ~~department shall only award 10 grants described in the immediately preceding sentence~~  
 10 ~~in an amount not to exceed \$35,000.00 each.~~

11 (5) From the state school aid fund money allocated under subsection (1), there  
 12 is allocated an amount not to exceed \$3,834,300.00 for ~~2021-2022-2022-2023~~ to support  
 13 the activities and programs of the MiSTEM network regions. ~~In addition, from the~~  
 14 ~~federal funds allocated under subsection (1), there is allocated for 2021-2022 an~~  
 15 ~~amount estimated at \$235,000.00 from DED-OESE, title II, mathematics and science~~  
 16 ~~partnership grants, for the purposes of this subsection.~~ From the money allocated  
 17 under this subsection, the department shall award the fiscal agent for each MiSTEM  
 18 network region \$200,000.00 for the base operations of each region. The department  
 19 shall distribute the remaining funds to each fiscal agent in an equal amount per  
 20 pupil, based on the number of K to 12 pupils enrolled in districts within each region  
 21 in the immediately preceding fiscal year.

22 (6) A MiSTEM network region shall do all of the following:

23 (a) Collaborate with the career and educational advisory council that is located  
 24 in the MiSTEM region to develop a regional strategic plan for STEM education that  
 25 creates a robust regional STEM culture, that empowers STEM teachers, that integrates  
 26 business and education into the STEM network, and that ensures high-quality STEM

1 experiences for pupils. At a minimum, a regional STEM strategic plan should do all of  
2 the following:

3 (i) Identify regional employer need for STEM.

4 (ii) Identify processes for regional employers and educators to create guided  
5 pathways for STEM careers that include internships or externships, apprenticeships,  
6 and other experiential engagements for pupils.

7 (iii) Identify educator professional learning opportunities, including  
8 internships or externships and apprenticeships, that integrate this state's science  
9 standards into high-quality STEM experiences that engage pupils.

10 (b) Facilitate regional STEM events such as educator and employer networking and  
11 STEM career fairs to raise STEM awareness.

12 (c) Contribute to the MiSTEM website and engage in other MiSTEM network  
13 functions to further the mission of STEM in this state in coordination with the MiSTEM  
14 council and the department of labor and economic opportunity.

15 (d) Facilitate application and implementation of state and federal funds under  
16 this subsection and any other grants or funds for the MiSTEM network region.

17 (e) Work with districts to provide STEM programming and professional learning.

18 (f) Coordinate recurring discussions and work with the career and educational  
19 advisory council to ensure that feedback and best practices are being shared,  
20 including funding, program, professional learning opportunities, and regional  
21 strategic plans.

22 (7) From the state school aid fund money allocated under subsection (1), the  
23 department shall distribute for ~~2021-2022-2022-2023~~ an amount not to exceed  
24 \$750,000.00, in a form and manner determined by the department, to those network  
25 regions able to further the statewide STEM strategy recommended by the MiSTEM council.

26 (8) In order to receive state or federal funds under subsection (5) or (7), or



1 to receive funds from private sources as authorized under subsection (1), a grant  
2 recipient must allow access for the department or the department's designee to audit  
3 all records related to the program for which it receives those funds. The grant  
4 recipient shall reimburse the state for all disallowances found in the audit.

5 (9) In order to receive state funds under subsection (5) or (7), a grant  
6 recipient must provide at least a 10% local match from local public or private  
7 resources for the funds received under this subsection.

8 (10) Not later than July 1 of each year, a MiSTEM network region that receives  
9 funds under subsection (5) shall report to the executive director of the MiSTEM  
10 network in a form and manner prescribed by the executive director on performance  
11 measures developed by the MiSTEM network regions and approved by the executive  
12 director. The performance measures must be designed to ensure that the activities of  
13 the MiSTEM network are improving student academic outcomes.

14 (11) Not more than 5% of a MiSTEM network region grant under subsection (5) or  
15 (7) may be retained by a fiscal agent for serving as the fiscal agent of a MiSTEM  
16 network region.

17 ~~(12) From the general fund money allocated under subsection (1), there is~~  
18 ~~allocated an amount not to exceed \$300,000.00 to the department of labor and economic~~  
19 ~~opportunity to support the staff for the MiSTEM network, and for administrative,~~  
20 ~~training, and travel costs related to the MiSTEM council. The staff for the MiSTEM~~  
21 ~~network shall do all of the following:~~

22 ~~(a) Serve as a liaison among and between the department, the department of labor~~  
23 ~~and economic opportunity, the MiSTEM council, the governor's workforce development~~  
24 ~~board, the MiSTEM regions, and any other relevant organization or entity in a manner~~  
25 ~~that creates a robust statewide STEM culture, that empowers STEM teachers, that~~  
26 ~~integrates business and education into the STEM network, and that ensures high-quality~~

1 ~~STEM experiences for pupils.~~

2 ~~(b) Coordinate the implementation of a marketing campaign, including, but not~~  
 3 ~~limited to, a website that includes dashboards of outcomes, to build STEM awareness~~  
 4 ~~and communicate STEM needs and opportunities to pupils, parents, educators, and the~~  
 5 ~~business community.~~

6 ~~(c) Work with the department and the MiSTEM council to coordinate, award, and~~  
 7 ~~monitor MiSTEM state and federal grants to the MiSTEM network regions and conduct~~  
 8 ~~reviews of grant recipients, including, but not limited to, pupil experience and~~  
 9 ~~feedback.~~

10 ~~(d) Report to the governor, the legislature, the department, and the MiSTEM~~  
 11 ~~council annually on the activities and performance of the MiSTEM network regions.~~

12 ~~(e) Coordinate recurring discussions and work with regional staff to ensure that~~  
 13 ~~a network or loop of feedback and best practices are shared, including funding,~~  
 14 ~~programming, professional learning opportunities, discussion of MiSTEM strategic~~  
 15 ~~vision, and regional objectives.~~

16 ~~(f) Coordinate major grant application efforts with the MiSTEM council to assist~~  
 17 ~~regional staff with grant applications on a local level. The MiSTEM council shall~~  
 18 ~~leverage private and nonprofit relationships to coordinate and align private funds in~~  
 19 ~~addition to funds appropriated under this section.~~

20 ~~(g) Train state and regional staff in the STEMworks rating system, in~~  
 21 ~~collaboration with the MiSTEM council and the department.~~

22 ~~(h) Hire MiSTEM network region staff in collaboration with the network region~~  
 23 ~~fiscal agent.~~

24 ~~(12) (13) As used in this section:~~

25 (a) "Career and educational advisory council" means an advisory council to the  
 26 local workforce development boards located in a prosperity region consisting of

1 educational, employer, labor, and parent representatives.

2 (b) "DED" means the United States Department of Education.

3 (c) "DED-OESE" means the DED Office of Elementary and Secondary Education.

4 (d) "MiSTEM Council" means the Michigan Science, Technology, Engineering, and  
5 Mathematics Education Advisory Council created as an advisory body within the  
6 department of labor and economic opportunity by Executive Reorganization Order No.  
7 2019-3, MCL 125.1998.

8 (e) "STEM" means science, technology, engineering, and mathematics delivered in  
9 an integrated fashion using cross-disciplinary learning experiences that can include  
10 language arts, performing and fine arts, and career and technical education.

11 Sec. 104. (1) In order to receive state aid under this article, a district shall  
12 comply with sections 1249, 1278a, 1278b, 1279g, and 1280b of the revised school code,  
13 MCL 380.1249, 380.1278a, 380.1278b, 380.1279g, and 380.1280b, and 1970 PA 38, MCL  
14 388.1081 to 388.1086. Subject to subsection (2), from the state school aid fund money  
15 appropriated in section 11, there is allocated for ~~2021-2022-2022-2023~~ an amount not  
16 to exceed ~~\$29,509,400.00~~ **\$37,509,400.00** for payments on behalf of districts for costs  
17 associated with complying with those provisions of law. In addition, from the federal  
18 funds appropriated in section 11, there is allocated for ~~2021-2022-2022-2023~~ an amount  
19 estimated at \$6,250,000.00 funded from DED-OESE, title VI, state assessment funds, and  
20 from DED-OSERS, part B of the individuals with disabilities education act, 20 USC 1411  
21 to 1419, plus any carryover federal funds from previous year appropriations, for the  
22 purposes of complying with the every student succeeds act, Public Law 114-95.

23 (2) The results of each test administered as part of the Michigan student test  
24 of educational progress (M-STEP), including tests administered to high school  
25 students, must include an item analysis that lists all items that are counted for  
26 individual pupil scores and the percentage of pupils choosing each possible response.

1 The department shall work with the center to identify the number of students enrolled  
2 at the time assessments are given by each district. In calculating the percentage of  
3 pupils assessed for a district's scorecard, the department shall use only the number  
4 of pupils enrolled in the district at the time the district administers the  
5 assessments and shall exclude pupils who enroll in the district after the district  
6 administers the assessments.

7 (3) The department shall distribute federal funds allocated under this section  
8 in accordance with federal law and with flexibility provisions outlined in Public Law  
9 107-116, and in the education flexibility partnership act of 1999, Public Law 106-25.

10 (4) The department may recommend, but may not require, districts to allow pupils  
11 to use an external keyboard with tablet devices for online M-STEP testing, including,  
12 but not limited to, open-ended test items such as constructed response or equation  
13 builder items.

14 (5) Notwithstanding section 17b, the department shall make payments on behalf of  
15 districts, intermediate districts, and other eligible entities under this section on a  
16 schedule determined by the department.

17 (6) From the allocation in subsection (1), there is allocated an amount not to  
18 exceed \$500,000.00 for ~~2021-2022~~**2022-2023** for the operation of an online reporting  
19 tool to provide student-level assessment data in a secure environment to educators,  
20 parents, and pupils immediately after assessments are scored. The department and the  
21 center shall ensure that any data collected by the online reporting tool do not  
22 provide individually identifiable student data to the federal government.

23 (7) As used in this section:

24 (a) "DED" means the United States Department of Education.

25 (b) "DED-OESE" means the DED Office of Elementary and Secondary Education.

26 (c) "DED-OSERS" means the DED Office of Special Education and Rehabilitative

1 Services.

2 Sec. 104h. (1) From the state school aid fund money appropriated under section  
 3 11, there is allocated for ~~2021-2022-2022-2023~~ an amount not to exceed \$11,500,000.00  
 4 to districts **and intermediate school districts with enrolled K-8 pupils for to begin**  
 5 implementation of a benchmark assessment system for the ~~2022-2023-2023-2024~~ school  
 6 year. All of the following apply to the benchmark assessment system described in this  
 7 subsection:

8 (a) The system must provide for all of the following:

9 (i) That, within the first 9 weeks of the ~~2022-2023-2023-2024~~ school year, the  
 10 district shall administer 1 or more benchmark assessments provided by a provider  
 11 approved under subsection (6), benchmark assessments described in subdivision (b), or  
 12 local benchmark assessments, or any combination thereof, to all pupils in grades K to  
 13 8 to measure proficiency in reading and mathematics.

14 (ii) That, in addition to the benchmark assessment or benchmark assessments  
 15 administered under subparagraph (i), by not later than the last day of the ~~2022-2023~~  
 16 **2023-2024** school year, the district shall administer 1 or more benchmark assessments  
 17 provided by a provider approved under subsection (6), benchmark assessments described  
 18 in subdivision (b), or local benchmark assessments, or any combination thereof, to all  
 19 pupils in grades K to 8 to measure proficiency in reading and mathematics.

20 (b) A district may administer 1 or more of the following benchmark assessments  
 21 toward meeting the requirements under subdivision (a):

22 (i) A benchmark assessment in reading for students in grades K to 9 that  
 23 contains progress monitoring tools and enhanced diagnostic assessments.

24 (ii) A benchmark assessment in math for students in grades K to 8 that contains  
 25 progress monitoring tools.

26 (c) The system must provide that, to the extent practicable, if a district

1 administers a benchmark assessment or benchmark assessments under this section, the  
2 district shall administer the same benchmark assessment or benchmark assessments  
3 provided by a provider approved under subsection (6), benchmark assessment or  
4 benchmark assessments described in subdivision (b), or local benchmark assessment or  
5 local benchmark assessments that it administered to pupils in previous school years,  
6 as applicable.

7 (d) The system must provide that, if a district administers a benchmark  
8 assessment or benchmark assessments under this section, the district shall provide  
9 each pupil's data from the benchmark assessment or benchmark assessments, as  
10 available, to the pupil's parent or legal guardian within 30 days of administering the  
11 benchmark assessment or benchmark assessments.

12 (e) The system must provide that, if a local benchmark assessment or local  
13 benchmark assessments are administered under subdivision (a), the district shall  
14 report to the department and the center, in a form and manner prescribed by the  
15 center, the local benchmark assessment or local benchmark assessments that were  
16 administered and how that assessment or those assessments measure changes, including  
17 any losses, as applicable, in learning, and the district's plan for addressing any  
18 losses in learning.

19 (f) The system must provide that, by not later than 30 days after a benchmark  
20 assessment or benchmark assessments are administered under subparagraph (1) (a) (ii), **or**  
21 **within the timeframe specified by the department**, the district shall send benchmark  
22 assessment data from all benchmark assessments administered in the ~~2022-2023-2023-2024~~  
23 school year, excluding data from a local benchmark assessment, as applicable,  
24 ~~aggregated by grade level, student demographic subgroups, and mode of instruction~~  
25 **including grade level, student demographics, and mode of instruction in a form and**  
26 **manner prescribed by the department** to the department. If available, the data

1 described in this subdivision must include information concerning pupil growth from  
 2 fall ~~2022-2023~~ to spring ~~2023-2024~~.

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

5 (3) The department shall pay an amount equal to \$12.50 per membership pupil in  
 6 grades K to 8 in the district to each district that applies for funding under this  
 7 section.

8 (4) The department shall make 1 of the benchmark assessments provided by a  
 9 provider approved under subsection (6) available to districts at no cost to the  
 10 districts for purposes of meeting the requirements under this section. The benchmark  
 11 assessment described in this subsection must meet all of the following:

12 (a) Be aligned to the content standards of this state.

13 (b) Complement the state's summative assessment system.

14 (c) Be internet-delivered and include a standards-based assessment.

15 (d) Provide information on pupil achievement with regard to learning content  
 16 required in a given year or grade span.

17 (e) Provide timely feedback to pupils and teachers.

18 (f) Be nationally normed.

19 (g) Provide information to educators about student growth and allow for multiple  
 20 testing opportunities.

21 (5) By not later than ~~June 15, 2023~~, **September 25, 2024**, the department shall  
 22 submit a report to the house and senate appropriations committees, the house and  
 23 senate appropriations subcommittees on school aid, and the house and senate fiscal  
 24 agencies regarding the benchmark assessment data received under this section,  
 25 disaggregated by grade level and demographic subgroup for each district. If  
 26 information concerning pupil growth is included in the data described in this

1 subsection, it must be incorporated in the report described in this subsection.

2 (6) The department shall approve at least 4 but not more than 6 providers of  
3 benchmark assessments for the purposes of this section. The department shall inform  
4 districts of all of the providers approved under this subsection in an equitable  
5 manner. The benchmark assessments, with the exclusion of the benchmark assessment  
6 described in subsection (4), provided by approved providers under this subsection must  
7 meet all of the following:

8 (a) Be aligned to the content standards of this state.

9 (b) Complement the state's summative assessment system.

10 (c) Be internet-delivered and include a standards-based remote, in-person, or  
11 both remote and in-person assessment using a computer-adaptive model to target the  
12 instructional level of each pupil.

13 (d) Provide information on pupil achievement with regard to learning content  
14 required in a given year or grade span.

15 (e) Provide immediate feedback to pupils and teachers.

16 (f) Be nationally normed.

17 (g) Provide multiple measures of growth and provide for multiple testing  
18 opportunities.

19 Sec. 107. (1) From the appropriation in section 11, there is allocated an amount  
20 not to exceed \$30,000,000.00 for ~~2021-2022-2022-2023~~ for adult education programs  
21 authorized under this section. Except as otherwise provided under subsections (14) and  
22 (15), funds allocated under this section are restricted for adult education programs  
23 as authorized under this section only. A recipient of funds under this section shall  
24 not use those funds for any other purpose.

25 (2) To be eligible for funding under this section, an eligible adult education  
26 provider shall employ certificated teachers and qualified administrative staff and



1 shall offer continuing education opportunities for teachers to allow them to maintain  
2 certification.

3 (3) To be eligible to be a participant funded under this section, an individual  
4 must be enrolled in an adult basic education program, an adult secondary education  
5 program, an adult English as a second language program, a high school equivalency test  
6 preparation program, or a high school completion program, that meets the requirements  
7 of this section, and for which instruction is provided, and the individual must be at  
8 least 18 years of age by July 1 of the program year and the individual's graduating  
9 class must have graduated.

10 (4) By April 1 of each fiscal year, the intermediate districts within a  
11 prosperity region or subregion shall determine which intermediate district will serve  
12 as the prosperity region's or subregion's fiscal agent for the next fiscal year and  
13 shall notify the department in a form and manner determined by the department. The  
14 department shall approve or disapprove of the prosperity region's or subregion's  
15 selected fiscal agent. From the funds allocated under subsection (1), an amount as  
16 determined under this subsection is allocated to each intermediate district serving as  
17 a fiscal agent for adult education programs in each of the prosperity regions or  
18 subregions identified by the department. An intermediate district shall not use more  
19 than 5% of the funds allocated under this subsection for administration costs for  
20 serving as the fiscal agent. The allocation provided to each intermediate district  
21 serving as a fiscal agent must be calculated as follows:

22 (a) Sixty percent of this portion of the funding must be distributed based upon  
23 the proportion of the state population of individuals between the ages of 18 and 24  
24 that are not high school graduates that resides in each of the prosperity regions or  
25 subregions located within the intermediate district, as reported by the most recent 5-  
26 year estimates from the American Community Survey (ACS) from the United States Census

1 Bureau.

2 (b) Thirty-five percent of this portion of the funding must be distributed based  
3 upon the proportion of the state population of individuals age 25 or older who are not  
4 high school graduates that resides in each of the prosperity regions or subregions  
5 located within the intermediate district, as reported by the most recent 5-year  
6 estimates from the ACS from the United States Census Bureau.

7 (c) Five percent of this portion of the funding must be distributed based upon  
8 the proportion of the state population of individuals age 18 or older who lack basic  
9 English language proficiency that resides in each of the prosperity regions or  
10 subregions located within the intermediate district, as reported by the most recent 5-  
11 year estimates from the ACS from the United States Census Bureau.

12 (5) To be an eligible fiscal agent, an intermediate district must agree to do  
13 the following in a form and manner determined by the department:

14 (a) Distribute funds to adult education programs in a prosperity region or  
15 subregion as described in this section.

16 (b) Collaborate with the career and educational advisory council, which is an  
17 advisory council of the workforce development boards located in the prosperity region  
18 or subregion, or its successor, to develop a regional strategy that aligns adult  
19 education programs and services into an efficient and effective delivery system for  
20 adult education learners, with special consideration for providing contextualized  
21 learning and career pathways and addressing barriers to education and employment.

22 (c) Collaborate with the career and educational advisory council, which is an  
23 advisory council of the workforce development boards located in the prosperity region  
24 or subregion, or its successor, to create a local process and criteria that will  
25 identify eligible adult education providers to receive funds allocated under this  
26 section based on location, demand for services, past performance, quality indicators

1 as identified by the department, and cost to provide instructional services. The  
2 fiscal agent shall determine all local processes, criteria, and provider  
3 determinations. However, the local processes, criteria, and provider services must be  
4 approved by the department before funds may be distributed to the fiscal agent.

5 (d) Provide oversight to its adult education providers throughout the program  
6 year to ensure compliance with the requirements of this section.

7 (e) Report adult education program and participant data and information as  
8 prescribed by the department.

9 (6) An adult basic education program, an adult secondary education program, or  
10 an adult English as a second language program operated on a year-round or school year  
11 basis may be funded under this section, subject to all of the following:

12 (a) The program enrolls adults who are determined by a department-approved  
13 assessment, in a form and manner prescribed by the department, to be below twelfth  
14 grade level in reading or mathematics, or both, or to lack basic English proficiency.

15 (b) The program tests individuals for eligibility under subdivision (a) before  
16 enrollment and upon completion of the program in compliance with the state-approved  
17 assessment policy.

18 (c) A participant in an adult basic education program is eligible for  
19 reimbursement until 1 of the following occurs:

20 (i) The participant's reading and mathematics proficiency are assessed at or  
21 above the ninth grade level.

22 (ii) The participant fails to show progress on 2 successive assessments after  
23 having completed at least 450 hours of instruction.

24 (d) A participant in an adult secondary education program is eligible for  
25 reimbursement until 1 of the following occurs:

26 (i) The participant's reading and mathematics proficiency are assessed above the

1 twelfth grade level.

2 (ii) The participant fails to show progress on 2 successive assessments after  
3 having at least 450 hours of instruction.

4 (e) A funding recipient enrolling a participant in an English as a second  
5 language program is eligible for funding according to subsection (9) until the  
6 participant meets 1 of the following:

7 (i) The participant is assessed as having attained basic English proficiency as  
8 determined by a department-approved assessment.

9 (ii) The participant fails to show progress on 2 successive department-approved  
10 assessments after having completed at least 450 hours of instruction. The department  
11 shall provide information to a funding recipient regarding appropriate assessment  
12 instruments for this program.

13 (7) A high school equivalency test preparation program operated on a year-round  
14 or school year basis may be funded under this section, subject to all of the  
15 following:

16 (a) The program enrolls adults who do not have a high school diploma or a high  
17 school equivalency certificate.

18 (b) The program administers a pre-test approved by the department before  
19 enrolling an individual to determine the individual's literacy levels, administers a  
20 high school equivalency practice test to determine the individual's potential for  
21 success on the high school equivalency test, and administers a post-test upon  
22 completion of the program in compliance with the state-approved assessment policy.

23 (c) A funding recipient receives funding according to subsection (9) for a  
24 participant, and a participant may be enrolled in the program until 1 of the following  
25 occurs:

26 (i) The participant achieves a high school equivalency certificate.

1           (ii) The participant fails to show progress on 2 successive department-approved  
2 assessments used to determine readiness to take a high school equivalency test after  
3 having completed at least 450 hours of instruction.

4           (8) A high school completion program operated on a year-round or school year  
5 basis may be funded under this section, subject to all of the following:

6           (a) The program enrolls adults who do not have a high school diploma.

7           (b) The program tests participants described in subdivision (a) before  
8 enrollment and upon completion of the program in compliance with the state-approved  
9 assessment policy.

10          (c) A funding recipient receives funding according to subsection (9) for a  
11 participant in a course offered under this subsection until 1 of the following occurs:

12          (i) The participant passes the course and earns a high school diploma.

13          (ii) The participant fails to earn credit in 2 successive semesters or terms in  
14 which the participant is enrolled after having completed at least 900 hours of  
15 instruction.

16          (9) The department shall make payments to a funding recipient under this section  
17 in accordance with all of the following:

18          (a) Statewide allocation criteria, including 3-year average enrollments, census  
19 data, and local needs.

20          (b) Participant completion of the adult basic education objectives by achieving  
21 an educational gain as determined by the national reporting system levels; for  
22 achieving basic English proficiency, as determined by the department; for achieving a  
23 high school equivalency certificate or passage of 1 or more individual high school  
24 equivalency tests; for attainment of a high school diploma or passage of a course  
25 required for a participant to attain a high school diploma; for enrollment in a  
26 postsecondary institution, or for entry into or retention of employment, as

1 applicable.

2 (c) Participant completion of core indicators as identified in the innovation  
3 and opportunity act.

4 (d) Allowable expenditures.

5 (10) A person who is not eligible to be a participant funded under this section  
6 may receive adult education services upon the payment of tuition. In addition, a  
7 person who is not eligible to be served in a program under this section due to the  
8 program limitations specified in subsection (6), (7), or (8) may continue to receive  
9 adult education services in that program upon the payment of tuition. The local or  
10 intermediate district conducting the program shall determine the tuition amount.

11 (11) An individual who is an inmate in a state correctional facility is not  
12 counted as a participant under this section.

13 (12) A funding recipient shall not commingle money received under this section  
14 or from another source for adult education purposes with any other funds and shall  
15 establish a separate ledger account for funds received under this section. This  
16 subsection does not prohibit a district from using general funds of the district to  
17 support an adult education or community education program.

18 (13) A funding recipient receiving funds under this section may establish a  
19 sliding scale of tuition rates based upon a participant's family income. A funding  
20 recipient may charge a participant tuition to receive adult education services under  
21 this section from that sliding scale of tuition rates on a uniform basis. The amount  
22 of tuition charged per participant must not exceed the actual operating cost per  
23 participant minus any funds received under this section per participant. A funding  
24 recipient may not charge a participant tuition under this section if the participant's  
25 income is at or below 200% of the federal poverty guidelines published by the United  
26 States Department of Health and Human Services.

1           (14) In order to receive funds under this section, a funding recipient shall  
2 furnish to the department, in a form and manner determined by the department, all  
3 information needed to administer this program and meet federal reporting requirements;  
4 shall allow the department or the department's designee to review all records related  
5 to the program for which it receives funds; and shall reimburse the state for all  
6 disallowances found in the review, as determined by the department. In addition, a  
7 funding recipient shall agree to pay to a career and technical education program under  
8 section 61a the amount of funding received under this section in the proportion of  
9 career and technical education coursework used to satisfy adult basic education  
10 programming, as billed to the funding recipient by programs operating under section  
11 61a. In addition to the funding allocated under subsection (1), there is allocated for  
12 ~~2021-2022-2022-2023~~ an amount not to exceed \$500,000.00 to reimburse funding  
13 recipients for administrative and instructional expenses associated with commingling  
14 programming under this section and section 61a. The department shall make payments  
15 under this subsection to each funding recipient in the same proportion as funding  
16 calculated and allocated under subsection (4).

17           (15) From the amount appropriated in subsection (1), an amount not to exceed  
18 \$4,000,000.00 is allocated for ~~2021-2022-2022-2023~~ for grants to adult education or  
19 state-approved career technical center programs that connect adult education  
20 participants with employers as provided under this subsection. The department shall  
21 determine the amount of the grant to each program under this subsection, not to exceed  
22 \$350,000.00. To be eligible for funding under this subsection, a program must provide  
23 a collaboration linking adult education programs within the county, the area career  
24 technical center, and local employers. To receive funding under this subsection, an  
25 eligible program must satisfy all of the following:

26           (a) Connect adult education participants directly with employers by linking

1 adult education, career and technical skills, and workforce development.

2 (b) Require adult education staff to work with Michigan Works! agency to  
3 identify a cohort of participants who are most prepared to successfully enter the  
4 workforce. Except as otherwise provided under this subdivision, participants  
5 identified under this subsection must be dually enrolled in adult education  
6 programming and in at least 1 state-approved technical course at the area career and  
7 technical center. A program that links participants identified under this subsection  
8 with adult education programming and commercial driver license courses does not need  
9 to enroll the participants in at least 1 state-approved technical course at the area  
10 career and technical center to be considered an eligible program under this  
11 subsection.

12 (c) Employ an individual staffed as an adult education navigator who will serve  
13 as a caseworker for each participant identified under subdivision (b). The navigator  
14 shall work with adult education staff and potential employers to design an educational  
15 program best suited to the personal and employment needs of the participant and shall  
16 work with human service agencies or other entities to address any barrier in the way  
17 of participant access.

18 (16) Each program funded under subsection (15) will receive funding for 3 years.  
19 After 3 years of operations and funding, a program must reapply for funding.

20 (17) Not later than December 1 of each year, a program funded under subsection  
21 (15) shall provide a report to the senate and house appropriations subcommittees on  
22 school aid, to the senate and house fiscal agencies, and to the state budget director  
23 identifying the number of participants, graduation rates, and a measure of transition  
24 to employment.

25 (18) Except as otherwise provided in this subsection, participants under  
26 subsection (15) must be concurrently enrolled and actively working toward obtaining a



1 high school diploma or a high school equivalency certificate. Concurrent enrollment is  
2 not required under this subsection for a participant that was enrolled in adult  
3 education during the same program year and obtained a high school diploma or a high  
4 school equivalency certificate prior to enrollment in an eligible career and technical  
5 skills program under subsection (15). Up to ~~25%~~15% of adult education participants  
6 served under subsection (15) may already have a high school diploma or a high school  
7 equivalency certificate at the time of enrollment in an eligible career and technical  
8 skills program under subsection (15) and receive remediation services. It is intended  
9 that the cap described in the immediately preceding sentence is continually lowered on  
10 an annual basis until it eventually is 0%.

11 (19) The department shall approve at least 3 high school equivalency tests and  
12 determine whether a high school equivalency certificate meets the requisite standards  
13 for high school equivalency in this state.

14 (20) As used in this section:

15 (a) "Career and educational advisory council" means an advisory council to the  
16 local workforce development boards located in a prosperity region consisting of  
17 educational, employer, labor, and parent representatives.

18 (b) "Career pathway" means a combination of rigorous and high-quality education,  
19 training, and other services that comply with all of the following:

20 (i) Aligns with the skill needs of industries in the economy of this state or in  
21 the regional economy involved.

22 (ii) Prepares an individual to be successful in any of a full range of secondary  
23 or postsecondary education options, including apprenticeships registered under the act  
24 of August 16, 1937, commonly referred to as the national apprenticeship act, 29 USC 50  
25 et seq.

26 (iii) Includes counseling to support an individual in achieving the individual's

1 education and career goals.

2 (iv) Includes, as appropriate, education offered concurrently with and in the  
3 same context as workforce preparation activities and training for a specific  
4 occupation or occupational cluster.

5 (v) Organizes education, training, and other services to meet the particular  
6 needs of an individual in a manner that accelerates the educational and career  
7 advancement of the individual to the extent practicable.

8 (vi) Enables an individual to attain a secondary school diploma or its  
9 recognized equivalent, and at least 1 recognized postsecondary credential.

10 (vii) Helps an individual enter or advance within a specific occupation or  
11 occupational cluster.

12 (c) "Department" means the department of labor and economic opportunity.

13 (d) "Eligible adult education provider" means a district, intermediate district,  
14 a consortium of districts, a consortium of intermediate districts, or a consortium of  
15 districts and intermediate districts that is identified as part of the local process  
16 described in subsection (5) (c) and approved by the department.

17 Sec. 147. (1) The allocation for ~~2021-2022-2022-2023~~ for the public school  
18 employees' retirement system pursuant to the public school employees retirement act of  
19 1979, 1980 PA 300, MCL 38.1301 to 38.1437, is made using the individual projected  
20 benefit entry age normal cost method of valuation and risk assumptions adopted by the  
21 public school employees retirement board and the department of technology, management,  
22 and budget.

23 (2) The annual level percentage of payroll contribution rates for the ~~2021-2022~~  
24 ~~2022-2023~~ fiscal year, as determined by the retirement system, are estimated as  
25 follows:

26 (a) ~~Except as otherwise provided in this subdivision, for~~ **For** public school

1 employees who first worked for a public school reporting unit before July 1, 2010 and  
2 who are enrolled in the health premium subsidy, the annual level percentage of payroll  
3 contribution rate is estimated at ~~43.28%~~ **44.88%** with 28.23% paid directly by the  
4 employer. ~~For 2021-2022, if the retirement system determines that the annual level~~  
5 ~~percentage of payroll contribution rate estimated in the immediately preceding~~  
6 ~~sentence needs to be adjusted, the annual level percentage of payroll contribution~~  
7 ~~rate estimations under this subdivision are the estimations determined by the~~  
8 ~~retirement system. If the retirement system makes a determination as described in the~~  
9 ~~immediately preceding sentence, it shall issue its estimations publicly and describe~~  
10 ~~the need for the adjustment described in the immediately preceding sentence.~~

11 (b) ~~Except as otherwise provided in this subdivision, for~~ **For** public school  
12 employees who first worked for a public school reporting unit on or after July 1, 2010  
13 and who are enrolled in the health premium subsidy, the annual level percentage of  
14 payroll contribution rate is estimated at ~~40.36%~~ **41.96%** with 25.31% paid directly by  
15 the employer. ~~For 2021-2022, if the retirement system determines that the annual level~~  
16 ~~percentage of payroll contribution rate estimated in the immediately preceding~~  
17 ~~sentence needs to be adjusted, the annual level percentage of payroll contribution~~  
18 ~~rate estimations under this subdivision are the estimations determined by the~~  
19 ~~retirement system. If the retirement system makes a determination as described in the~~  
20 ~~immediately preceding sentence, it shall issue its estimations publicly and describe~~  
21 ~~the need for the adjustment described in the immediately preceding sentence.~~

22 (c) ~~Except as otherwise provided in this subdivision, for~~ **For** public school  
23 employees who first worked for a public school reporting unit on or after July 1, 2010  
24 and who participate in the personal healthcare fund, the annual level percentage of  
25 payroll contribution rate is estimated at ~~39.50%~~ **41.10%** with 24.45% paid directly by  
26 the employer. ~~For 2021-2022, if the retirement system determines that the annual level~~

1 ~~percentage of payroll contribution rate estimated in the immediately preceding~~  
 2 ~~sentence needs to be adjusted, the annual level percentage of payroll contribution~~  
 3 ~~rate estimations under this subdivision are the estimations determined by the~~  
 4 ~~retirement system. If the retirement system makes a determination as described in the~~  
 5 ~~immediately preceding sentence, it shall issue its estimations publicly and describe~~  
 6 ~~the need for the adjustment described in the immediately preceding sentence.~~

7 (d) ~~Except as otherwise provided in this subdivision, for~~ **For** public school  
 8 employees who first worked for a public school reporting unit on or after September 4,  
 9 2012, who elect defined contribution, and who participate in the personal healthcare  
 10 fund, the annual level percentage of payroll contribution rate is estimated at ~~36.01%~~  
 11 **37.61%** with 20.96% paid directly by the employer. ~~For 2021-2022, if the retirement~~  
 12 ~~system determines that the annual level percentage of payroll contribution rate~~  
 13 ~~estimated in the immediately preceding sentence needs to be adjusted, the annual level~~  
 14 ~~percentage of payroll contribution rate estimations under this subdivision are the~~  
 15 ~~estimations determined by the retirement system. If the retirement system makes a~~  
 16 ~~determination as described in the immediately preceding sentence, it shall issue its~~  
 17 ~~estimations publicly and describe the need for the adjustment described in the~~  
 18 ~~immediately preceding sentence.~~

19 (e) ~~Except as otherwise provided in this subdivision, for~~ **For** public school  
 20 employees who first worked for a public school reporting unit before July 1, 2010, who  
 21 elect defined contribution, and who are enrolled in the health premium subsidy, the  
 22 annual level percentage of payroll contribution rate is estimated at ~~36.87%~~ **38.47%**  
 23 with 21.82% paid directly by the employer. ~~For 2021-2022, if the retirement system~~  
 24 ~~determines that the annual level percentage of payroll contribution rate estimated in~~  
 25 ~~the immediately preceding sentence needs to be adjusted, the annual level percentage~~  
 26 ~~of payroll contribution rate estimations under this subdivision are the estimations~~

1 ~~determined by the retirement system. If the retirement system makes a determination as~~  
2 ~~described in the immediately preceding sentence, it shall issue its estimations~~  
3 ~~publicly and describe the need for the adjustment described in the immediately~~  
4 ~~preceding sentence.~~

5 (f) ~~Except as otherwise provided in this subdivision, for~~ **For** public school  
6 employees who first worked for a public school reporting unit before July 1, 2010, who  
7 elect defined contribution, and who participate in the personal healthcare fund, the  
8 annual level percentage of payroll contribution rate is estimated at ~~36.01%~~ **37.61%**  
9 with 20.96% paid directly by the employer. ~~For 2021-2022, if the retirement system~~  
10 ~~determines that the annual level percentage of payroll contribution rate estimated in~~  
11 ~~the immediately preceding sentence needs to be adjusted, the annual level percentage~~  
12 ~~of payroll contribution rate estimations under this subdivision are the estimations~~  
13 ~~determined by the retirement system. If the retirement system makes a determination as~~  
14 ~~described in the immediately preceding sentence, it shall issue its estimations~~  
15 ~~publicly and describe the need for the adjustment described in the immediately~~  
16 ~~preceding sentence.~~

17 (g) ~~Except as otherwise provided in this subdivision, for~~ **For** public school  
18 employees who first worked for a public school reporting unit before July 1, 2010 and  
19 who participate in the personal healthcare fund, the annual level percentage of  
20 payroll contribution rate is estimated at ~~42.42%~~ **44.02%** with 27.37% paid directly by  
21 the employer. ~~For 2021-2022, if the retirement system determines that the annual level~~  
22 ~~percentage of payroll contribution rate estimated in the immediately preceding~~  
23 ~~sentence needs to be adjusted, the annual level percentage of payroll contribution~~  
24 ~~rate estimations under this subdivision are the estimations determined by the~~  
25 ~~retirement system. If the retirement system makes a determination as described in the~~  
26 ~~immediately preceding sentence, it shall issue its estimations publicly and describe~~

1 ~~the need for the adjustment described in the immediately preceding sentence.~~

2 (h) ~~Except as otherwise provided in this subdivision, for~~ For public school  
 3 employees who first worked for a public school reporting unit after January 31, 2018  
 4 and who elect to become members of the MPSERS plan, the annual level percentage of  
 5 payroll contribution rate is estimated at ~~42.21%~~ **43.81%** with 27.16% paid directly by  
 6 the employer. ~~For 2021-2022, if the retirement system determines that the annual level~~  
 7 ~~percentage of payroll contribution rate estimated in the immediately preceding~~  
 8 ~~sentence needs to be adjusted, the annual level percentage of payroll contribution~~  
 9 ~~rate estimations under this subdivision are the estimations determined by the~~  
 10 ~~retirement system. If the retirement system makes a determination as described in the~~  
 11 ~~immediately preceding sentence, it shall issue its estimations publicly and describe~~  
 12 ~~the need for the adjustment described in the immediately preceding sentence.~~

13 (3) In addition to the employer payments described in subsection (2), the  
 14 employer shall pay the applicable contributions to the Tier 2 plan, as determined by  
 15 the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to  
 16 38.1437.

17 (4) The contribution rates in subsection (2) reflect an amortization period of  
 18 ~~17-16~~ years for ~~2021-2022.~~ **2022-2023**. The public school employees' retirement system  
 19 board shall notify each district and intermediate district by February 28 of each  
 20 fiscal year of the estimated contribution rate for the next fiscal year.

21 Sec. 147a. (1) From the **state school aid fund** appropriation in section 11, there  
 22 is allocated for ~~2020-2021 an amount not to exceed \$100,000,000.00 and for 2021-2022~~  
 23 **2022-2023** an amount not to exceed ~~\$100,000,000.00~~ **\$112,040,000.00** for payments to  
 24 participating districts **and intermediate districts, and from the general fund**  
 25 **appropriation in section 11, there is allocated for 2022-2023 an amount not to exceed**  
 26 **\$31,000.00 for payments to participating district libraries.** A participating ~~district~~

1 **entity** that receives money under this subsection shall use that money solely for the  
 2 purpose of offsetting a portion of the retirement contributions owed by the ~~district~~  
 3 **participating entity** for the fiscal year in which it is received. The amount allocated  
 4 to ~~each participating district entities~~ under this subsection is **calculated as**  
 5 **follows:**

6 (a) For each participating district, \$100,000,000.00 multiplied by each  
 7 participating district's percentage of the total statewide payroll for all  
 8 participating districts.

9 (b) For each participating intermediate district, \$12,040,000.00 multiplied by  
 10 each participating intermediate district's percentage of the total statewide payroll  
 11 for all participating intermediate districts.

12 (c) For each participating district library, \$31,000.00 multiplied by each  
 13 participating district library's percentage of the total statewide payroll for all  
 14 participating district libraries. ~~based on each participating district's percentage of~~  
 15 ~~the total statewide payroll for all participating districts for the immediately~~  
 16 ~~preceding fiscal year. As used in this subsection, "participating district" means a~~  
 17 ~~district, that is a reporting unit of the Michigan public school employees' retirement~~  
 18 ~~system under the public school employees retirement act of 1979, 1980 PA 300, MCL~~  
 19 ~~38.1301 to 38.1437, and that reports employees to the Michigan public school~~  
 20 ~~employees' retirement system for the applicable fiscal year.~~

21 (2) In addition to the allocation under subsection (1), from the state school  
 22 aid fund money appropriated under section 11, there is allocated an amount not to  
 23 exceed ~~\$190,430,000.00 for 2020-2021 and an amount not to exceed \$177,400,000.00~~  
 24 **\$172,100,000.00 for 2021-2022-2022-2023** for payments to participating districts and  
 25 intermediate districts and from the general fund money appropriated under section 11,  
 26 there is allocated an amount not to exceed ~~\$70,000.00 for 2020-2021 and an amount not~~

1 ~~to exceed \$60,000.00~~ **\$50,000.00** for ~~2021-2022~~ **2022-2023** for payments to participating  
 2 district libraries. The amount allocated to each participating entity under this  
 3 subsection is based on each participating entity's reported quarterly payroll for  
 4 members that became tier 1 prior to February 1, 2018 for the current fiscal year. A  
 5 participating entity that receives money under this subsection shall use that money  
 6 solely for the purpose of offsetting a portion of the normal cost contribution rate.  
 7 ~~As used in this subsection:~~

8 **(3) As used in this section:**

9 (a) "District library" means a district library established under the district  
 10 library establishment act, 1989 PA 24, MCL 397.171 to 397.196.

11 (b) "Participating entity" means a district, intermediate district, or district  
 12 library that is a reporting unit of the Michigan public school employees' retirement  
 13 system under the public school employees retirement act of 1979, 1980 PA 300, MCL  
 14 38.1301 to 38.1437, and that reports employees to the Michigan public school  
 15 employees' retirement system for the applicable fiscal year.

16 Sec. 147c. From the state school aid fund money appropriated in section 11,  
 17 there is allocated for ~~2021-2022~~ **2022-2023** an amount not to exceed ~~\$1,468,500,000.00~~  
 18 **\$1,478,000,000.00** for payments to districts and intermediate districts that are  
 19 participating entities of the Michigan public school employees' retirement system. In  
 20 addition, from the general fund money appropriated in section 11, there is allocated  
 21 for ~~2021-2022~~ **2022-2023** an amount not to exceed \$500,000.00 for payments to district  
 22 libraries that are participating entities of the Michigan public school employees'  
 23 retirement system. All of the following apply to funding under this section:

24 (a) Except as otherwise provided in this subdivision, for ~~2021-2022,~~ **2022-2023**  
 25 the amounts allocated under this section are estimated to provide an average MPSERS  
 26 rate cap per pupil amount of ~~\$911.00~~ **\$1,042.00** and are estimated to provide a rate cap



1 per pupil for districts ranging between \$5.00 and ~~\$4,200.00.~~ ~~\$3,700.00.~~ ~~For 2021-2022,~~  
2 ~~if the retirement system determines the average MPSERS rate cap per pupil amount and~~  
3 ~~rate cap per pupil for districts estimated in the immediately preceding sentence need~~  
4 ~~to be adjusted, the estimated average MPSERS rate cap per pupil amount and estimated~~  
5 ~~rate cap per pupil for districts under this subdivision are the estimations determined~~  
6 ~~by the retirement system. If the retirement system makes a determination as described~~  
7 ~~in the immediately preceding sentence, it shall issue its estimations publicly and~~  
8 ~~describe the need for the adjustment described in the immediately preceding sentence.~~

9 (b) Payments made under this section are equal to the difference between the  
10 unfunded actuarial accrued liability contribution rate as calculated pursuant to  
11 section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL  
12 38.1341, as calculated without taking into account the maximum employer rate of 20.96%  
13 included in section 41 of the public school employees retirement act of 1979, 1980 PA  
14 300, MCL 38.1341, and the maximum employer rate of 20.96% included in section 41 of  
15 the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

16 (c) The amount allocated to each participating entity under this section is  
17 based on each participating entity's proportion of the total covered payroll for the  
18 immediately preceding fiscal year for the same type of participating entities. A  
19 participating entity that receives funds under this section shall use the funds solely  
20 for the purpose of retirement contributions as specified in subdivision (d).

21 (d) Each participating entity receiving funds under this section shall forward  
22 an amount equal to the amount allocated under subdivision (c) to the retirement system  
23 in a form, manner, and time frame determined by the retirement system.

24 (e) Funds allocated under this section should be considered when comparing a  
25 district's growth in total state aid funding from 1 fiscal year to the next.

26 (f) Not later than December 20, ~~2021,~~ **2022**, the department shall publish and

1 post on its website an estimated MPSERS rate cap per pupil for each district.

2 (g) The office of retirement services shall first apply funds allocated under  
3 this section to pension contributions and, if any funds remain after that payment,  
4 shall apply those remaining funds to other postemployment benefit contributions.

5 (h) As used in this section:

6 (i) "District library" means a district library established under the district  
7 library establishment act, 1989 PA 24, MCL 397.171 to 397.196.

8 (ii) "MPSERS rate cap per pupil" means an amount equal to the quotient of the  
9 district's payment under this section divided by the district's pupils in membership.

10 (iii) "Participating entity" means a district, intermediate district, or district  
11 library that is a reporting unit of the Michigan public school employees' retirement  
12 system under the public school employees retirement act of 1979, 1980 PA 300, MCL  
13 38.1301 to 38.1437, and that reports employees to the Michigan public school  
14 employees' retirement system for the applicable fiscal year.

15 (iv) "Retirement board" means the board that administers the retirement system  
16 under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to  
17 38.1437.

18 (v) "Retirement system" means the Michigan public school employees' retirement  
19 system under the public school employees retirement act of 1979, 1980 PA 300, MCL  
20 38.1301 to 38.1437.

21 Sec. 147e. (1) From the state school aid fund money appropriated in section 11,  
22 there is allocated for ~~2020-2021 an amount not to exceed \$33,800,000.00 and there is~~  
23 ~~allocated for 2021-2022~~ **2022-2023** an amount not to exceed ~~\$65,300,000.00~~  
24 **\$69,300,000.00** for payments to participating entities.

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

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

6 (b) Beginning October 1, 2017, an amount equal to the contributions made by a  
7 participating entity for a qualified participant who is only a Tier 2 qualified  
8 participant under section 81d of the public school employees retirement act of 1979,  
9 1980 PA 300, MCL 38.1381d, not to exceed 4%, and, beginning February 1, 2018, not to  
10 exceed 1%, of the qualified participant's compensation.

11 (c) An amount equal to the increase in employer normal cost contributions under  
12 section 41b(2) of the public school employees retirement act of 1979, 1980 PA 300, MCL  
13 38.1341b, for a member that was hired after February 1, 2018 and chose to participate  
14 in Tier 1, compared to the employer normal cost contribution for a member under  
15 section 41b(1) of the public school employees retirement act of 1979, 1980 PA 300, MCL  
16 38.1341b.

17 (3) As used in this section:

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

20 (b) "Participating entity" means a district, intermediate district, or community  
21 college that is a reporting unit of the Michigan public school employees' retirement  
22 system under the public school employees retirement act of 1979, 1980 PA 300, MCL  
23 38.1301 to 38.1437, and that reports employees to the Michigan public school  
24 employees' retirement system for the applicable fiscal year.

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

1           Sec. 152a. (1) As required by the court in the consolidated cases known as Adair  
2 v State of Michigan, 486 Mich 468 (2010), from the state school aid fund money  
3 appropriated in section 11, there is allocated for ~~2021-2022~~**2022-2023** an amount not  
4 to exceed \$38,000,500.00 to be used solely for the purpose of paying necessary costs  
5 related to the state-mandated collection, maintenance, and reporting of data to this  
6 state.

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

12   ARTICLE II

13   STATE AID TO COMMUNITY COLLEGES

14           Sec. 201. (1) Subject to the conditions set forth in this article, the amounts  
15 listed in this section are appropriated for community colleges for the fiscal year  
16 ending September 30, ~~2022~~**2023**, from the funds indicated in this section. The  
17 following is a summary of the appropriations in this section:

18           (a) The gross appropriation is ~~\$431,917,000.00~~**\$470,028,400.00**. After deducting  
19 total interdepartmental grants and intradepartmental transfers in the amount of \$0.00,  
20 the adjusted gross appropriation is ~~\$431,917,000.00~~**\$470,028,400.00**.

21           (b) The sources of the adjusted gross appropriation described in subdivision (a)  
22 are as follows:

23                         (i) Total federal revenues, \$0.00.

24                         (ii) Total local revenues, \$0.00.

25                         (iii) Total private revenues, \$0.00.

26                         (iv) Total other state restricted revenues, ~~\$431,917,000.00~~**\$470,028,400.00**.

1 (v) State general fund/general purpose money, \$0.00.

2 (2) Subject to subsection (3), the amount appropriated for community college  
3 operations is ~~\$328,583,400.00~~, **\$341,224,400.00**, allocated as follows:

4 (a) The appropriation for Alpena Community College is ~~\$5,830,600.00~~,  
5 ~~\$5,753,300.00 for operations, \$53,400.00 for 1-time performance funding, and~~  
6 ~~\$23,900.00 for costs incurred under the North American Indian tuition waiver.~~  
7 **\$6,040,500.00, \$5,753,300.00 for operations, \$273,500.00 for performance funding, and**  
8 **\$13,700.00 for costs incurred under the North American Indian tuition waiver.**

9 (b) The appropriation for Bay de Noc Community College is ~~\$5,772,400.00~~,  
10 ~~\$5,602,800.00 for operations, \$58,000.00 for 1-time performance funding, and~~  
11 ~~\$111,600.00 for costs incurred under the North American Indian tuition waiver.~~  
12 **\$5,986,700.00, \$5,602,800.00 for operations, \$274,200.00 for performance funding, and**  
13 **\$109,700.00 for costs incurred under the North American Indian tuition waiver.**

14 (c) The appropriation for Delta College is ~~\$15,364,000.00, \$15,160,500.00 for~~  
15 ~~operations, \$143,400.00 for 1-time performance funding, and \$60,100.00 for costs~~  
16 ~~incurred under the North American Indian tuition waiver.~~ **\$15,928,400.00,**  
17 **\$15,160,500.00 for operations, \$727,700.00 for performance funding, and \$40,200.00 for**  
18 **costs incurred under the North American Indian tuition waiver.**

19 (d) The appropriation for Glen Oaks Community College is ~~\$2,684,500.00~~,  
20 ~~\$2,651,200.00 for operations, \$33,300.00 for 1-time performance funding, and \$0.00 for~~  
21 ~~costs incurred under the North American Indian tuition waiver.~~ **\$2,802,100.00,**  
22 **\$2,651,200.00 for operations, \$150,900.00 for performance funding, and \$0.00 for costs**  
23 **incurred under the North American Indian tuition waiver.**

24 (e) The appropriation for Gogebic Community College is ~~\$4,968,100.00~~,  
25 ~~\$4,873,700.00 for operations, \$42,400.00 for 1-time performance funding, and~~  
26 ~~\$52,000.00 for costs incurred under the North American Indian tuition waiver.~~

1 \$5,145,800.00, \$4,873,700.00 for operations, \$229,600.00 for performance funding, and  
 2 \$42,500.00 for costs incurred under the North American Indian tuition waiver.

3 (f) The appropriation for Grand Rapids Community College is ~~\$19,193,200.00,~~  
 4 ~~\$18,773,100.00 for operations, \$221,500.00 for 1-time performance funding, and~~  
 5 ~~\$198,600.00 for costs incurred under the North American Indian tuition waiver.~~  
 6 \$19,950,600.00, \$18,773,100.00 for operations, \$993,100.00 for performance funding,  
 7 and \$184,400.00 for costs incurred under the North American Indian tuition waiver.

8 (g) The appropriation for Henry Ford College is ~~\$22,753,900.00, \$22,533,100.00~~  
 9 ~~for operations, \$205,800.00 for 1-time performance funding, and \$15,000.00 for costs~~  
 10 ~~incurred under the North American Indian tuition waiver.~~ \$23,731,400.00,  
 11 \$22,533,100.00 for operations, \$1,167,000.00 for performance funding, and \$31,300.00  
 12 for costs incurred under the North American Indian tuition waiver.

13 (h) The appropriation for Jackson College is ~~\$12,912,300.00, \$12,756,200.00 for~~  
 14 ~~operations, \$109,900.00 for 1-time performance funding, and \$46,200.00 for costs~~  
 15 ~~incurred under the North American Indian tuition waiver.~~ \$13,337,700.00,  
 16 \$12,756,200.00 for operations, \$538,900.00 for performance funding, and \$42,600.00 for  
 17 costs incurred under the North American Indian tuition waiver.

18 (i) The appropriation for Kalamazoo Valley Community College is ~~\$13,320,400.00,~~  
 19 ~~\$13,099,900.00 for operations, \$134,400.00 for 1-time performance funding, and~~  
 20 ~~\$86,100.00 for costs incurred under the North American Indian tuition waiver.~~  
 21 \$13,832,700.00, \$13,099,900.00 for operations, \$676,200.00 for performance funding,  
 22 and \$56,600.00 for costs incurred under the North American Indian tuition waiver.

23 (j) The appropriation for Kellogg Community College is ~~\$10,419,200.00,~~  
 24 ~~\$10,267,100.00 for operations, \$100,800.00 for 1-time performance funding, and~~  
 25 ~~\$51,300.00 for costs incurred under the North American Indian tuition waiver.~~  
 26 \$10,781,400.00, \$10,267,100.00 for operations, \$487,300.00 for performance funding,

1 and \$27,000.00 for costs incurred under the North American Indian tuition waiver.

2 (k) The appropriation for Kirtland Community College is ~~\$3,404,000.00,~~  
 3 ~~\$3,358,400.00 for operations, \$39,100.00 for 1-time performance funding, and \$6,500.00~~  
 4 ~~for costs incurred under the North American Indian tuition waiver.~~ **\$3,601,000.00,**  
 5 **\$3,358,400.00 for operations, \$219,500.00 for performance funding, and \$23,100.00 for**  
 6 **costs incurred under the North American Indian tuition waiver.**

7 (l) The appropriation for Lake Michigan College is ~~\$5,768,200.00, \$5,702,700.00~~  
 8 ~~for operations, \$52,400.00 for 1-time performance funding, and \$13,100.00 for costs~~  
 9 ~~incurred under the North American Indian tuition waiver.~~ **\$5,990,800.00, \$5,702,700.00**  
 10 **for operations, \$275,700.00 for performance funding, and \$12,400.00 for costs incurred**  
 11 **under the North American Indian tuition waiver.**

12 (m) The appropriation for Lansing Community College is ~~\$33,255,300.00,~~  
 13 ~~\$32,852,000.00 for operations, \$280,600.00 for 1-time performance funding, and~~  
 14 ~~\$122,700.00 for costs incurred under the North American Indian tuition waiver.~~  
 15 **\$34,339,200.00, \$32,852,000.00 for operations, \$1,376,900.00 for performance funding,**  
 16 **and \$110,300.00 for costs incurred under the North American Indian tuition waiver.**

17 (n) The appropriation for Macomb Community College is ~~\$34,629,700.00,~~  
 18 ~~\$34,276,100.00 for operations, \$330,300.00 for 1-time performance funding, and~~  
 19 ~~\$23,300.00 for costs incurred under the North American Indian tuition waiver.~~  
 20 **\$35,950,400.00, \$34,276,100.00 for operations, \$1,635,800.00 for performance funding,**  
 21 **and \$38,500.00 for costs incurred under the North American Indian tuition waiver.**

22 (o) The appropriation for Mid Michigan Community College is ~~\$5,396,300.00,~~  
 23 ~~\$5,184,400.00 for operations, \$58,000.00 for 1-time performance funding, and~~  
 24 ~~\$153,900.00 for costs incurred under the North American Indian tuition waiver.~~  
 25 **\$5,555,700.00, \$5,184,400.00 for operations, \$273,700.00 for performance funding, and**  
 26 **\$97,600.00 for costs incurred under the North American Indian tuition waiver.**

1           (p) The appropriation for Monroe County Community College is ~~\$4,798,100.00,~~  
 2 ~~\$4,746,200.00 for operations, \$51,200.00 for 1-time performance funding, and \$700.00~~  
 3 ~~for costs incurred under the North American Indian tuition waiver.~~ **\$5,005,000.00,**  
 4 **\$4,746,200.00 for operations, \$257,400.00 for performance funding, and \$1,400.00 for**  
 5 **costs incurred under the North American Indian tuition waiver.**

6           (q) The appropriation for Montcalm Community College is ~~\$3,612,600.00,~~  
 7 ~~\$3,570,600.00 for operations, \$37,200.00 for 1-time performance funding, and \$4,800.00~~  
 8 ~~for costs incurred under the North American Indian tuition waiver.~~ **\$3,767,400.00,**  
 9 **\$3,570,600.00 for operations, \$188,300.00 for performance funding, and \$8,500.00 for**  
 10 **costs incurred under the North American Indian tuition waiver.**

11           (r) The appropriation for C.S. Mott Community College is ~~\$16,623,500.00,~~  
 12 ~~\$16,440,000.00 for operations, \$142,500.00 for 1-time performance funding, and~~  
 13 ~~\$41,000.00 for costs incurred under the North American Indian tuition waiver.~~  
 14 **\$17,127,100.00, \$16,440,000.00 for operations, \$658,300.00 for performance funding,**  
 15 **and \$28,800.00 for costs incurred under the North American Indian tuition waiver.**

16           (s) The appropriation for Muskegon Community College is ~~\$9,431,700.00,~~  
 17 ~~\$9,289,100.00 for operations, \$85,100.00 for 1-time performance funding, and~~  
 18 ~~\$57,500.00 for costs incurred under the North American Indian tuition waiver.~~  
 19 **\$9,775,400.00, \$9,289,100.00 for operations, \$444,300.00 for performance funding, and**  
 20 **\$42,000.00 for costs incurred under the North American Indian tuition waiver.**

21           (t) The appropriation for North Central Michigan College is ~~\$3,612,700.00,~~  
 22 ~~\$3,389,300.00 for operations, \$42,200.00 for 1-time performance funding, and~~  
 23 ~~\$181,200.00 for costs incurred under the North American Indian tuition waiver.~~  
 24 **\$3,779,800.00, \$3,389,300.00 for operations, \$226,600.00 for performance funding, and**  
 25 **\$163,900.00 for costs incurred under the North American Indian tuition waiver.**

26           (u) The appropriation for Northwestern Michigan College is ~~\$9,906,900.00,~~



1 ~~\$9,567,100.00 for operations, \$88,600.00 for 1-time performance funding, and~~  
 2 ~~\$251,200.00 for costs incurred under the North American Indian tuition waiver.~~  
 3 **\$10,162,300.00, \$9,567,100.00 for operations, \$439,700.00 for performance funding, and**  
 4 **\$155,500.00 for costs incurred under the North American Indian tuition waiver.**

5 (v) The appropriation for Oakland Community College is ~~\$22,485,200.00,~~  
 6 ~~\$22,211,700.00 for operations, \$240,000.00 for 1-time performance funding, and~~  
 7 ~~\$33,500.00 for costs incurred under the North American Indian tuition waiver.~~  
 8 **\$23,505,300.00, \$22,211,700.00 for operations, \$1,257,800.00 for performance funding,**  
 9 **and \$35,800.00 for costs incurred under the North American Indian tuition waiver.**

10 (w) The appropriation for Schoolcraft College is ~~\$13,386,700.00, \$13,196,200.00~~  
 11 ~~for operations, \$151,700.00 for 1-time performance funding, and \$38,800.00 for costs~~  
 12 ~~incurred under the North American Indian tuition waiver. \$13,960,700.00,~~  
 13 **\$13,196,200.00 for operations, \$743,300.00 for performance funding, and \$21,200.00 for**  
 14 **costs incurred under the North American Indian tuition waiver.**

15 (x) The appropriation for Southwestern Michigan College is ~~\$7,081,900.00,~~  
 16 ~~\$6,979,400.00 for operations, \$68,400.00 for 1-time performance funding, and~~  
 17 ~~\$34,100.00 for costs incurred under the North American Indian tuition waiver.~~  
 18 **\$7,359,900.00, \$6,979,400.00 for operations, \$353,400.00 for performance funding, and**  
 19 **\$27,100.00 for costs incurred under the North American Indian tuition waiver.**

20 (y) The appropriation for St. Clair County Community College is ~~\$7,478,700.00,~~  
 21 ~~\$7,385,200.00 for operations, \$78,400.00 for 1-time performance funding, and~~  
 22 ~~\$15,100.00 for costs incurred under the North American Indian tuition waiver.~~  
 23 **\$7,805,200.00, \$7,385,200.00 for operations, \$401,400.00 for performance funding, and**  
 24 **\$18,600.00 for costs incurred under the North American Indian tuition waiver.**

25 (z) The appropriation for Washtenaw Community College is ~~\$14,080,600.00,~~  
 26 ~~\$13,855,900.00 for operations, \$189,400.00 for 1-time performance funding, and~~

1 ~~\$35,300.00 for costs incurred under the North American Indian tuition waiver.~~  
 2 **\$14,875,000.00, \$13,855,900.00 for operations, \$995,400.00 for performance funding,**  
 3 **and \$23,700.00 for costs incurred under the North American Indian tuition waiver.**

4 (aa) The appropriation for Wayne County Community College is ~~\$17,782,100.00,~~  
 5 ~~\$17,593,400.00 for operations, \$173,700.00 for 1-time performance funding, and~~  
 6 ~~\$15,000.00 for costs incurred under the North American Indian tuition waiver.~~  
 7 **\$18,384,700.00, \$17,593,400.00 for operations, \$782,700.00 for performance funding,**  
 8 **and \$8,600.00 for costs incurred under the North American Indian tuition waiver.**

9 (bb) The appropriation for West Shore Community College is ~~\$2,630,600.00,~~  
 10 ~~\$2,585,600.00 for operations, \$24,800.00 for 1-time performance funding, and~~  
 11 ~~\$20,200.00 for costs incurred under the North American Indian tuition waiver.~~  
 12 **\$2,742,200.00, \$2,585,600.00 for operations, \$135,400.00 for performance funding, and**  
 13 **\$21,200.00 for costs incurred under the North American Indian tuition waiver.**

14 (3) The amount appropriated in subsection (2) for community college operations  
 15 is ~~\$328,583,400.00~~ **\$341,244,400.00** and is appropriated from the state school aid fund.

16 (4) From the appropriations described in subsection (1), both of the following  
 17 apply:

18 (a) Subject to section 207a, the amount appropriated for fiscal year ~~2021-2022~~  
 19 ~~2022-2023~~ to offset certain fiscal year ~~2021-2022~~ ~~2022-2023~~ retirement contributions  
 20 is ~~\$1,733,600.00,~~ **\$7,020,000.00,** appropriated from the state school aid fund.

21 (b) For fiscal year ~~2021-2022,~~ ~~2022-2023,~~ there is allocated an amount not to  
 22 exceed ~~\$11,700,000.00~~ **\$10,800,000.00** for payments to participating community colleges,  
 23 appropriated from the state school aid fund. A community college that receives money  
 24 under this subdivision shall use that money solely for the purpose of offsetting the  
 25 normal cost contribution rate.

26 (5) From the appropriations described in subsection (1), subject to section

1 207b, the amount appropriated for payments to community colleges that are  
 2 participating entities of the retirement system is ~~\$87,200,000.00~~ **\$92,600,000.00**  
 3 appropriated from the state school aid fund.

4 (6) From the appropriations described in subsection (1), subject to section  
 5 207c, the amount appropriated for renaissance zone tax reimbursements is  
 6 \$2,200,000.00, appropriated from the state school aid fund. Each community college  
 7 receiving funds in this subsection shall accrue these payments to its institutional  
 8 fiscal year ending June 30, ~~2022~~ **2023**.

9 Sec. 201e. (1) In addition to the funds appropriated under section 201(2) for  
 10 community college operations, for the fiscal year ending September 30, 2023 only,  
 11 there is appropriated an amount not to exceed ~~\$12,696,000.00~~ **\$16,184,000.00**. from the  
 12 state school aid fund for ~~operational support payments~~ **one-time performance funding**.

13 (2) From the amount appropriated under subsection (1), each community college is  
 14 allocated the following:

- 15 (a) Alpena Community College, ~~\$225,700.00~~ **\$273,500.00**.
- 16 (b) Bay de Noc Community College, ~~\$219,800.00~~ **\$274,200.00**.
- 17 (c) Delta College, ~~\$594,700.00~~ **\$727,700.00**.
- 18 (d) Glen Oaks Community College, ~~\$104,000.00~~ **\$150,900.00**.
- 19 (e) Gogebic Community College, ~~\$191,100.00~~ **\$229,600.00**.
- 20 (f) Grand Rapids Community College, ~~\$736,400.00~~ **\$993,100.00**.
- 21 (g) Henry Ford College, ~~\$883,900.00~~ **\$1,167,000.00**.
- 22 (h) Jackson College, ~~\$500,400.00~~ **\$538,900.00**.
- 23 (i) Kalamazoo Valley Community College, ~~\$513,900.00~~ **\$676,200.00**.
- 24 (j) Kellogg Community College, ~~\$402,700.00~~ **\$487,300.00**.
- 25 (k) Kirtland Community College, ~~\$131,700.00~~ **\$219,500.00**.
- 26 (l) Lake Michigan College, ~~\$223,700.00~~ **\$275,700.00**.

- 1 (m) Lansing Community College, ~~\$1,288,700.00~~ **\$1,376,900.00**.
- 2 (n) Macomb Community College, ~~\$1,344,500.00~~ **\$1,635,800.00**.
- 3 (o) Mid Michigan Community College, ~~\$203,400.00~~ **\$273,700.00**.
- 4 (p) Monroe County Community College, ~~\$186,200.00~~ **\$257,400.00**.
- 5 (q) Montcalm Community College, ~~\$140,100.00~~ **\$188,300.00**.
- 6 (r) C.S. Mott Community College, ~~\$644,900.00~~ **\$658,300.00**.
- 7 (s) Muskegon Community College, ~~\$364,400.00~~ **\$444,300.00**.
- 8 (t) North Central Michigan College, ~~\$133,000.00~~ **\$226,600.00**.
- 9 (u) Northwestern Michigan College, ~~\$375,300.00~~ **\$439,700.00**.
- 10 (v) Oakland Community College, ~~\$871,300.00~~ **\$1,257,800.00**.
- 11 (w) Schoolcraft College, ~~\$517,700.00~~ **\$743,300.00**.
- 12 (x) Southwestern Michigan College, ~~\$273,800.00~~ **\$353,400.00**.
- 13 (y) St. Clair County Community College, ~~\$289,700.00~~ **\$401,400.00**.
- 14 (z) Washtenaw Community College, ~~\$543,500.00~~ **\$995,400.00**.
- 15 (aa) Wayne County Community College, ~~\$690,100.00~~ **\$782,700.00**.
- 16 (bb) West Shore Community College, ~~\$101,400.00~~ **\$135,400.00**.

17 Sec. 206. (1) Except for the funds appropriated in section 201(4)(b), the funds

18 appropriated in section 201 **and section 201e** are appropriated for community colleges

19 with fiscal years ending June 30, ~~2022~~**2023** and shall be paid out of the state

20 treasury and distributed by the state treasurer to the respective community colleges

21 in 11 monthly installments on the sixteenth of each month, or the next succeeding

22 business day, beginning with October 16, ~~2021~~**2022**. Each community college shall

23 accrue its July and August ~~2022~~**2023** payments to its institutional fiscal year ending

24 June 30, ~~2022~~**2023**.

25 (2) The funds appropriated in section 201(4)(b) are appropriated for community

26 colleges with fiscal years ending June 30, ~~2022~~**2023** and shall be distributed to the

1 respective community colleges in quarterly installments on the sixteenth of each  
 2 November, February, May, and August. Each community college shall accrue its August  
 3 ~~2022-2023~~ payments to its institutional fiscal year ending June 30, ~~2022-2023~~.

4 (3) If the state budget director determines that a community college failed to  
 5 submit any of the following information in the form and manner specified by the  
 6 center, the state treasurer shall, subject to subsection (4), withhold the monthly  
 7 installments from that community college until those data are submitted:

8 (a) The Michigan community colleges verified data inventory data for the  
 9 preceding academic year to the center by the first business day of November of each  
 10 year as specified in section 217.

11 ~~(b) The college credit opportunity data set as specified in section 209.~~

12 (b) ~~(e)~~ The longitudinal data set for the preceding academic year to the center  
 13 as specified in section 219.

14 (c) ~~(d)~~ The annual independent audit as specified in section 222.

15 (d) ~~(e)~~ Tuition and mandatory fees information for the current academic year as  
 16 specified in section 225.

17 (e) ~~(f)~~ The number and type of associate degrees and other certificates awarded  
 18 during the previous academic year as specified in section 226.

19 ~~(4) The state budget director shall notify the chairs of the house and senate~~  
 20 ~~appropriations subcommittees on community colleges at least 10 days before withholding~~  
 21 ~~funds from any community college under subsection (3).~~

22 Sec. 207a. The following apply to the allocation of the fiscal year ~~2021-2022~~  
 23 ~~2022-2023~~ appropriations described in section 201(4):

24 (a) A community college that receives money under section 201(4) shall use that  
 25 money solely for the purpose of offsetting a portion of the retirement contributions  
 26 owed by the college for that fiscal year.

1 (b) The amount allocated to each participating community college under section  
2 201(4) (a) shall be based on each college's percentage of the total covered payroll for  
3 all community colleges that are participating colleges in the immediately preceding  
4 fiscal year.

5 (c) The amount allocated to each participating community college under section  
6 201(4) (b) shall be based on each college's reported quarterly payroll for members for  
7 the current fiscal year.

8 Sec. 207b. All of the following apply to the allocation of the fiscal year ~~2021-~~  
9 ~~2022-2022-2023~~ appropriations described in section 201(5) for payments to community  
10 colleges that are participating entities of the retirement system:

11 (a) The amount of a payment under section 201(5) shall be the difference between  
12 the unfunded actuarial accrued liability contribution rate as calculated under section  
13 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, as  
14 calculated without taking into account the maximum employer rate of 20.96% included in  
15 section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL  
16 38.1341, and the maximum employer rate of 20.96% under section 41 of the public school  
17 employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

18 (b) The amount allocated to each community college under section 201(5) shall be  
19 based on each community college's percentage of the total covered payroll for all  
20 community colleges that are participating colleges in the immediately preceding fiscal  
21 year. A community college that receives funds under this subdivision shall use the  
22 funds solely for the purpose of retirement contributions under section 201(5).

23 (c) Each participating college that receives funds under section 201(5) shall  
24 forward an amount equal to the amount allocated under subdivision (b) to the  
25 retirement system in a form and manner determined by the retirement system.

26 Sec. 207c. All of the following apply to the allocation of the appropriations

1 described in section 201(6) to community colleges described in section 12(3) of the  
2 Michigan renaissance zone act, 1996 PA 376, MCL 125.2692:

3 (a) The amount allocated to each community college under section 201(6) for  
4 fiscal year ~~2021-2022-2022-2023~~ shall be based on that community college's proportion  
5 of total revenue lost by community colleges as a result of the exemption of property  
6 taxes levied in ~~2021-2022~~ under the Michigan renaissance zone act, 1996 PA 376, MCL  
7 125.2681 to 125.2696.

8 (b) The appropriations described in section 201(6) shall be made to each  
9 eligible community college within 60 days after the department of treasury certifies  
10 to the state budget director that it has received all necessary information to  
11 properly determine the amounts payable to each eligible community college under  
12 section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692.

13 Sec. 209. (1) Within 30 days after the board of a community college adopts its  
14 annual operating budget for the following fiscal year, or after the board adopts a  
15 subsequent revision to that budget, the community college shall make all of the  
16 following information available through a link on its website homepage, ~~and shall also~~  
17 ~~submit this information, and the information described in subsections (4) and (5), to~~  
18 ~~the state budget director, who will compile the information it receives into a single~~  
19 ~~report for all community colleges and will submit the report to the house and senate~~  
20 ~~appropriations subcommittees on community colleges and the house and senate fiscal~~  
21 agencies:

22 (a) The annual operating budget and subsequent budget revisions.

23 (b) A link to the most recent "Michigan Community College Data Inventory  
24 Report".

25 (c) General fund revenue and expenditure projections for the current fiscal year  
26 and the next fiscal year.

1 (d) A listing of all debt service obligations, detailed by project, anticipated  
2 payment of each project, and total outstanding debt for the current fiscal year.

3 (e) Links to all of the following for the community college:

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

5 (ii) Each health care benefits plan, including, but not limited to, medical,  
6 dental, vision, disability, long-term care, or any other type of benefits that would  
7 constitute health care services, offered to any bargaining unit or employee of the  
8 community college.

9 (iii) Audits and financial reports for the most recent fiscal year for which they  
10 are available.

11 (iv) A copy of the board of trustees resolution regarding compliance with best  
12 practices for the local strategic value component described in section 230(2).

13 (f) A map that includes the boundaries of the community college district.

14 (2) For statewide consistency and public visibility, community colleges must use  
15 the icon badge provided by the department of technology, management, and budget  
16 consistent with the icon badge developed by the department of education for K-12  
17 school districts. It must appear on the front of each community college's homepage.  
18 The size of the icon may be reduced to 150 x 150 pixels.

19 ~~(3) The state budget director shall determine whether a community college has~~  
20 ~~complied with this section. The state budget director may withhold a community~~  
21 ~~college's monthly installments described in section 206 until the community college~~  
22 ~~complies with this section. The state budget director shall notify the chairs of the~~  
23 ~~house and senate appropriations subcommittee on community colleges at least 10 days~~  
24 ~~before withholding funds from any community college.~~

25 ~~(4) Each community college shall report the following information to the senate~~  
26 ~~and house appropriations subcommittees on community colleges, the senate and house~~



1 ~~fiscal agencies, and the state budget office by November 15 and post that information~~  
 2 ~~on its website as required under subsection (1):~~

3 ~~(a) Budgeted current fiscal year general fund revenue from tuition and fees.~~

4 ~~(b) Budgeted current fiscal year general fund revenue from state appropriations.~~

5 ~~(c) Budgeted current fiscal year general fund revenue from property taxes.~~

6 ~~(d) Budgeted current fiscal year total general fund revenue.~~

7 ~~(e) Budgeted current fiscal year total general fund expenditures.~~

8 ~~(5) By the first business day of November of each year, a community college~~  
 9 ~~shall post the following information on its website under the budget transparency icon~~  
 10 ~~badge:~~

11 ~~(a) Opportunities for earning college credit through the following programs:~~

12 ~~(i) State approved career and technical education or a tech prep articulated~~  
 13 ~~program of study.~~

14 ~~(ii) Direct college credit or concurrent enrollment.~~

15 ~~(iii) Dual enrollment.~~

16 ~~(iv) An early college/middle college program.~~

17 ~~(b) For each program described in subdivision (a) that the community college~~  
 18 ~~offers, all of the following information:~~

19 ~~(i) The number of high school students participating in the program.~~

20 ~~(ii) The number of school districts that participate in the program with the~~  
 21 ~~community college.~~

22 ~~(iii) Whether a college professor, qualified local school district employee, or~~  
 23 ~~other individual teaches the course or courses in the program.~~

24 ~~(iv) The total cost to the community college to operate the program.~~

25 ~~(v) The cost per credit hour for the course or courses in the program.~~

26 ~~(vi) The location where the course or courses in the program are held.~~

1 ~~(vi) Instructional resources offered to the program instructors.~~

2 ~~(viii) Resources offered to the student in the program.~~

3 ~~(ix) Transportation services provided to students in the program.~~

4 Sec. 209a. (1) A public community college shall develop, maintain, and update a  
5 "campus safety information and resources" link, prominently displayed on the homepage  
6 of its website, to a section of its website containing all of the information required  
7 under subsection (2).

8 (2) The "campus safety information and resources" section of a public community  
9 college's website shall include, but not be limited to, all of the following  
10 information:

11 (a) Emergency contact numbers for police, fire, health, and other services.

12 (b) Hours, locations, phone numbers, and electronic mail contacts for campus  
13 public safety offices and title IX offices.

14 (c) A list of safety and security services provided by the community college,  
15 including transportation, escort services, building surveillance, anonymous tip lines,  
16 and other available security services.

17 (d) A public community college's policies applicable to minors on community  
18 college property.

19 (e) A directory of resources available at the community college or surrounding  
20 community for students or employees who are survivors of sexual assault or sexual  
21 abuse.

22 (f) An electronic copy of "A Resource Handbook for Campus Sexual Assault  
23 Survivors, Friends and Family", published in 2018.

24 (g) Campus security policies and crime statistics pursuant to the student right-  
25 to-know and campus security act, Public Law 101-542, 104 Stat 2381. Information shall  
26 include all material prepared pursuant to the public information reporting

1 requirements under the crime awareness and campus security act of 1990, title II of  
 2 the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381.

3 ~~(3) A community college shall certify to the state budget director by October 1,~~  
 4 ~~2021 that it is in compliance with this section. The state budget director may~~  
 5 ~~withhold a public community college's monthly installments described in section 206~~  
 6 ~~until the public community college complies with this section.~~

7 **Sec. 226e. It is the goal of the governor to ensure that 60% of Michigan's**  
 8 **residents achieve a postsecondary credential, high-quality industry certification,**  
 9 **associate degree, or bachelor's degree by 2030.**

10 Sec. 229a. Included in the fiscal year ~~2021-2022~~**2022-2023** appropriations for  
 11 the department of technology, management, and budget are appropriations totaling  
 12 ~~\$32,681,600.00~~**\$32,981,600.00** to provide funding for the state share of costs for  
 13 previously constructed capital projects for community colleges. Those appropriations  
 14 for state building authority rent represent additional state general fund support for  
 15 community colleges, and the following is an estimate of the amount of that support to  
 16 each community college:

- 17 (a) Alpena Community College, ~~\$933,000.00~~**\$902,600.00**.  
 18 (b) Bay de Noc Community College, ~~\$538,000.00~~**\$520,600.00**.  
 19 (c) Delta College, ~~\$2,706,700.00~~**\$2,732,600.00**.  
 20 (d) Glen Oaks Community College, ~~\$128,500.00~~**\$194,600.00**.  
 21 (e) Gogebic Community College, ~~\$58,500.00~~**\$56,600.00**.  
 22 (f) Grand Rapids Community College, ~~\$1,210,000.00~~**\$1,097,700.00**.  
 23 (g) Henry Ford College, ~~\$1,073,900.00~~**\$1,174,500.00**.  
 24 (h) Jackson College, ~~\$2,260,600.00~~**\$2,187,400.00**.  
 25 (i) Kalamazoo Valley Community College, ~~\$2,028,700.00~~**\$1,963,000.00**.  
 26 (j) Kellogg Community College, ~~\$709,300.00~~**\$686,300.00**.

- 1 (k) Kirtland Community College, ~~\$235,000.00~~—**\$227,400.00**.
- 2 (l) Lake Michigan College, ~~\$1,009,100.00~~—**\$976,400.00**.
- 3 (m) Lansing Community College, ~~\$1,191,900.00~~—**\$1,153,300.00**.
- 4 (n) Macomb Community College, ~~\$1,722,600.00~~—**\$1,966,900.00**.
- 5 (o) Mid Michigan Community College, ~~\$1,687,100.00~~—**\$1,632,400.00**.
- 6 (p) Monroe County Community College, ~~\$1,608,700.00~~—**\$1,556,600.00**.
- 7 (q) Montcalm Community College, ~~\$465,900.00~~—**\$450,800.00**.
- 8 (r) C.S. Mott Community College, ~~\$2,196,900.00~~—**\$2,125,700.00**.
- 9 (s) Muskegon Community College, ~~\$1,025,800.00~~—**\$992,600.00**.
- 10 (t) North Central Michigan College, ~~\$502,500.00~~—**\$692,400.00**.
- 11 (u) Northwestern Michigan College, ~~\$1,866,800.00~~—**\$1,806,300.00**.
- 12 (v) Oakland Community College, \$0.00.
- 13 (w) Schoolcraft College, ~~\$1,824,000.00~~—**\$2,371,300.00**.
- 14 (x) Southwestern Michigan College, ~~\$859,200.00~~—**\$831,400.00**.
- 15 (y) St. Clair County Community College, ~~\$750,100.00~~—**\$725,800.00**.
- 16 (z) Washtenaw Community College, ~~\$1,792,600.00~~—**\$1,734,600.00**.
- 17 (aa) Wayne County Community College, ~~\$1,527,300.00~~—**\$1,477,900.00**.
- 18 (bb) West Shore Community College, ~~\$768,900.00~~—**\$743,900.00**.

19 Sec. 230. (1) ~~With the exception of fiscal year 2020-2021, and subject~~ **Subject**  
 20 to subsection (4), money included in the appropriations for community college  
 21 operations under section 201(2) for performance funding **and section 201e for one-time**  
 22 **performance funding** is distributed based on the following formula:

23 (a) Allocated proportionate to fiscal year ~~2020-2021-2021-2022~~ base  
 24 appropriations, 30%.

25 (b) Based on a weighted student contact hour formula as provided for in the 2016  
 26 recommendations of the performance indicators task force, 30%.

1 (c) Based on the performance improvement as provided for in the 2016  
 2 recommendations of the performance indicators task force and based on data provided by  
 3 the center, 10%.

4 (d) Based on the performance completion number as provided for in the 2016  
 5 recommendations of the performance indicators task force, 10%.

6 (e) Based on the performance completion rate as provided for in the 2016  
 7 recommendations of the performance indicators task force and based on data provided by  
 8 the center, 10%.

9 (f) Based on administrative costs, 5%.

10 (g) Based on the local strategic value component, as developed in cooperation  
 11 with the Michigan Community College Association and described in subsection (2), 5%.

12 (2) Money included in the appropriations for community college operations under  
 13 section 201(2) **and section 201e** for local strategic value shall be allocated to each  
 14 community college that certifies to the state budget director, through a board of  
 15 trustees resolution on or before October 15, ~~2021~~, **2022**, that the college has met 4  
 16 out of 5 best practices listed in each category described in subsection (3). The  
 17 resolution shall provide specifics as to how the community college meets each best  
 18 practice measure within each category. One-third of funding available under the  
 19 strategic value component shall be allocated to each category described in subsection  
 20 (3). Amounts distributed under local strategic value shall be on a proportionate basis  
 21 to each college's fiscal year ~~2020-2021~~ **2021-2022** operations funding. Payments to  
 22 community colleges that qualify for local strategic value funding shall be distributed  
 23 with the November installment payment described in section 206.

24 (3) For purposes of subsection (2), the following categories of best practices  
 25 reflect functional activities of community colleges that have strategic value to the  
 26 local communities and regional economies:

1           (a) For Category A, economic development and business or industry partnerships,  
2 the following:

3           (i) The community college has active partnerships with local employers including  
4 hospitals and health care providers.

5           (ii) The community college provides customized on-site training for area  
6 companies, employees, or both.

7           (iii) The community college supports entrepreneurship through a small business  
8 assistance center or other training or consulting activities targeted toward small  
9 businesses.

10          (iv) The community college supports technological advancement through industry  
11 partnerships, incubation activities, or operation of a Michigan technical education  
12 center or other advanced technology center.

13          (v) The community college has active partnerships with local or regional  
14 workforce and economic development agencies.

15          (b) For Category B, educational partnerships, the following:

16          (i) The community college has active partnerships with regional high schools,  
17 intermediate school districts, and career-tech centers to provide instruction through  
18 dual enrollment, concurrent enrollment, direct credit, middle college, or academy  
19 programs.

20          (ii) The community college hosts, sponsors, or participates in enrichment  
21 programs for area K-12 students, such as college days, summer or after-school  
22 programming, or Science Olympiad.

23          (iii) The community college provides, supports, or participates in programming to  
24 promote successful transitions to college for traditional age students, including  
25 grant programs such as talent search, upward bound, or other activities to promote  
26 college readiness in area high schools and community centers.

1           (iv) The community college provides, supports, or participates in programming to  
2 promote successful transitions to college for new or reentering adult students, such  
3 as adult basic education, a high school equivalency test preparation program and  
4 testing, or recruiting, advising, or orientation activities specific to adults. As  
5 used in this subparagraph, "high school equivalency test preparation program" means  
6 that term as defined in section 4.

7           (v) The community college has active partnerships with regional 4-year colleges  
8 and universities to promote successful transfer, such as articulation, 2+2, or reverse  
9 transfer agreements or operation of a university center.

10           (c) For Category C, community services, the following:

11           (i) The community college provides continuing education programming for leisure,  
12 wellness, personal enrichment, or professional development.

13           (ii) The community college operates or sponsors opportunities for community  
14 members to engage in activities that promote leisure, wellness, cultural or personal  
15 enrichment such as community sports teams, theater or musical ensembles, or artist  
16 guilds.

17           (iii) The community college operates public facilities to promote cultural,  
18 educational, or personal enrichment for community members, such as libraries, computer  
19 labs, performing arts centers, museums, art galleries, or television or radio  
20 stations.

21           (iv) The community college operates public facilities to promote leisure or  
22 wellness activities for community members, including gymnasiums, athletic fields,  
23 tennis courts, fitness centers, hiking or biking trails, or natural areas.

24           (v) The community college promotes, sponsors, or hosts community service  
25 activities for students, staff, or community members.

26           (4) Payments for performance funding under section 201(2) **and for one-time**

1 **performance funding under section 201e** shall be made to a community college only if  
 2 that community college actively participates in the Michigan Transfer Network  
 3 sponsored by the Michigan Association of Collegiate Registrars and Admissions Officers  
 4 and submits timely updates, including updated course equivalencies at least every 6  
 5 months, to the Michigan transfer network. The state budget director shall determine if  
 6 a community college has not satisfied this requirement. The state budget director may  
 7 withhold payments for performance funding until a community college is in compliance  
 8 with this subsection.

9 ARTICLE III

10 STATE AID FOR UNIVERSITIES AND STUDENT FINANCIAL AID

11 Sec. 236. (1) Subject to the conditions set forth in this article, the amounts  
 12 listed in this section are appropriated for higher education for the fiscal year  
 13 ending September 30, ~~2022, 2023~~, from the funds indicated in this section. The  
 14 following is a summary of the appropriations in this section ~~and section 236h~~:

15 (a) The gross appropriation is ~~\$1,808,251,200.00.~~ **\$1,852,614,900.00.** After  
 16 deducting total interdepartmental grants and intradepartmental transfers in the amount  
 17 of \$0.00, the adjusted gross appropriation is ~~\$1,808,251,200.00.~~ **\$1,852,614,900.00.**

18 (b) The sources of the adjusted gross appropriation described in subdivision (a)  
 19 are as follows:

20 (i) Total federal revenues, ~~\$128,526,400.00.~~ **\$122,426,400.00.**

21 (ii) Total local revenues, \$0.00.

22 (iii) Total private revenues, \$0.00.

23 (iv) Total other state restricted revenues, ~~\$361,403,300.00.~~ **\$347,888,300.00.**

24 (v) State general fund/general purpose money, ~~\$1,318,321,500.00.~~

25 **\$1,382,300,200.00.**

26 (2) Amounts appropriated for public universities are as follows:



1 (a) The appropriation for Central Michigan University is ~~\$90,440,500.00,~~  
2 ~~\$87,600,000.00 for operations, \$876,000.00 for 1-time supplemental funding, and~~  
3 ~~\$1,964,500.00 for costs incurred under the North American Indian tuition waiver.~~  
4 **\$93,773,100.00, \$87,600,000.00 for operations, \$4,380,000.00 for operational support**  
5 **payments, and \$1,793,100.00 for costs incurred under the North American Indian tuition**  
6 **waiver.**

7 (b) The appropriation for Eastern Michigan University is ~~\$78,305,900.00,~~  
8 ~~\$77,253,700.00 for operations, \$772,500.00 for 1-time supplemental funding, and~~  
9 ~~\$279,700.00 for costs incurred under the North American Indian tuition waiver.~~  
10 **\$81,470,000.00, \$77,253,700.00 for operations, \$3,862,700.00 for operational support**  
11 **payments, and \$353,600.00 for costs incurred under the North American Indian tuition**  
12 **waiver.**

13 (c) The appropriation for Ferris State University is ~~\$56,541,600.00,~~  
14 ~~\$55,025,500.00 for operations, \$550,300.00 for 1-time supplemental funding, and~~  
15 ~~\$965,800.00 for costs incurred under the North American Indian tuition waiver.~~  
16 **\$58,603,700.00, \$55,025,500.00 for operations, \$2,751,300.00 for operational support**  
17 **payments, and \$826,900.00 for costs incurred under the North American Indian tuition**  
18 **waiver.**

19 (d) The appropriation for Grand Valley State University is ~~\$74,213,800.00,~~  
20 ~~\$72,313,500.00 for operations, \$723,100.00 for 1-time supplemental funding, and~~  
21 ~~\$1,177,200.00 for costs incurred under the North American Indian tuition waiver.~~  
22 **\$82,661,800.00, \$72,313,500.00 for operations, \$3,615,700.00 for operational support**  
23 **payments, \$5,453,300.00 for per-student floor funding, and \$1,279,300.00 for costs**  
24 **incurred under the North American Indian tuition waiver.**

25 (e) The appropriation for Lake Superior State University is ~~\$14,366,600.00,~~  
26 ~~\$13,307,000.00 for operations, \$133,100.00 for 1-time supplemental funding, and~~

1 ~~\$926,500.00 for costs incurred under the North American Indian tuition waiver.~~  
 2 **\$14,761,200.00, \$13,307,000.00 for operations, \$665,400.00 for operational support**  
 3 **payments, and \$788,800.00 for costs incurred under the North American Indian tuition**  
 4 **waiver.**

5 (f) The appropriation for Michigan State University is ~~\$357,862,000.00,~~  
 6 ~~\$287,331,700.00 for operations, \$2,873,300.00 for 1-time supplemental funding,~~  
 7 ~~\$1,932,800.00 for costs incurred under the North American Indian tuition waiver,~~  
 8 ~~\$35,286,700.00 for MSU AgBioResearch, and \$30,437,500.00 for MSU~~  
 9 ~~Extension.~~**\$372,071,900.00, \$287,331,700.00 for operations, \$14,366,600.00 for**  
 10 **operational support payments, \$2,046,400.00 for costs incurred under the North**  
 11 **American Indian tuition waiver, \$36,684,200.00 for MSU AgBioResearch, and**  
 12 **\$31,643,000.00 for MSU Extension.**

13 (g) The appropriation for Michigan Technological University is ~~\$51,371,900.00,~~  
 14 ~~\$50,101,600.00 for operations, \$501,000.00 for 1-time supplemental funding, and~~  
 15 ~~\$769,300.00 for costs incurred under the North American Indian tuition waiver.~~  
 16 **\$53,454,100.00, \$50,101,600.00 for operations, \$2,505,100.00 for operational support**  
 17 **payments, and \$847,400.00 for costs incurred under the North American Indian tuition**  
 18 **waiver.**

19 (h) The appropriation for Northern Michigan University is ~~\$49,338,700.00,~~  
 20 ~~\$47,809,100.00 for operations, \$478,100.00 for 1-time supplemental funding, and~~  
 21 ~~\$1,051,500.00 for costs incurred under the North American Indian tuition waiver.~~  
 22 **\$51,360,900.00, \$47,809,100.00 for operations, \$2,390,500.00 for operational support**  
 23 **payments, and \$1,161,300.00 for costs incurred under the North American Indian tuition**  
 24 **waiver.**

25 (i) The appropriation for Oakland University is ~~\$54,012,900.00, \$53,147,400.00~~  
 26 ~~for operations, \$531,500.00 for 1-time supplemental funding, and \$334,000.00 for costs~~

1 ~~incurred under the North American Indian tuition waiver. \$61,538,300.00,~~  
 2 ~~\$53,147,400.00 for operations, \$2,657,400.00 for operational support payments,~~  
 3 ~~\$5,378,200.00 for per-student floor funding, and \$355,300.00 for costs incurred under~~  
 4 ~~the North American Indian tuition waiver.~~

5 (j) The appropriation for Saginaw Valley State University is ~~\$31,043,500.00,~~  
 6 ~~\$30,583,800.00 for operations, \$305,800.00 for 1-time supplemental funding, and~~  
 7 ~~\$153,900.00 for costs incurred under the North American Indian tuition waiver.~~  
 8 ~~\$32,346,300.00, \$30,583,800.00 for operations, \$1,529,200.00 for operational support~~  
 9 ~~payments, \$45,000.00 for per-student floor funding, and \$188,300.00 for costs incurred~~  
 10 ~~under the North American Indian tuition waiver.~~

11 (k) The appropriation for University of Michigan - Ann Arbor is ~~\$326,265,400.00,~~  
 12 ~~\$321,970,100.00 for operations, \$3,219,700.00 for 1-time supplemental funding, and~~  
 13 ~~\$1,075,600.00 for costs incurred under the North American Indian tuition waiver.~~  
 14 ~~\$338,906,400.00, \$321,970,100.00 for operations, \$16,098,600.00 for operational~~  
 15 ~~support payments, and \$837,700.00 for costs incurred under the North American Indian~~  
 16 ~~tuition waiver.~~

17 (l) The appropriation for University of Michigan - Dearborn is ~~\$26,593,700.00,~~  
 18 ~~\$26,167,000.00 for operations, \$261,700.00 for 1-time supplemental funding, and~~  
 19 ~~\$165,000.00 for costs incurred under the North American Indian tuition waiver.~~  
 20 ~~\$28,957,000.00, \$26,167,000.00 for operations, \$1,308,400.00 for operational support~~  
 21 ~~payments, \$1,235,400.00 for per-student floor funding, and \$246,200.00 for costs~~  
 22 ~~incurred under the North American Indian tuition waiver.~~

23 (m) The appropriation for University of Michigan - Flint is ~~\$24,197,400.00,~~  
 24 ~~\$23,616,200.00 for operations, \$236,200.00 for 1-time supplemental funding, and~~  
 25 ~~\$345,000.00 for costs incurred under the North American Indian tuition waiver.~~  
 26 ~~\$25,809,600.00, \$23,616,200.00 for operations, \$1,180,900.00 for operational support~~

1 payments, \$628,100.00 for per-student floor funding, and \$384,400.00 for costs  
 2 incurred under the North American Indian tuition waiver.

3 (n) The appropriation for Wayne State University is ~~\$205,496,400.00,~~  
 4 ~~\$202,996,700.00 for operations, \$2,030,000.00 for 1-time supplemental funding, and~~  
 5 ~~\$469,700.00 for costs incurred under the North American Indian tuition waiver.~~  
 6 \$213,499,700.00, \$202,996,700.00 for operations, \$10,149,900.00 for operational  
 7 support payments, and \$353,100.00 for costs incurred under the North American Indian  
 8 tuition waiver.

9 (o) The appropriation for Western Michigan University is ~~\$113,432,700.00,~~  
 10 ~~\$111,522,200.00 for operations, \$1,115,200.00 for 1-time supplemental funding, and~~  
 11 ~~\$795,300.00 for costs incurred under the North American Indian tuition waiver.~~  
 12 \$117,697,700.00, \$111,522,200.00 for operations, \$5,576,200.00 for operational support  
 13 payments, and \$599,300.00 for costs incurred under the North American Indian tuition  
 14 waiver.

15 (3) The amount appropriated in subsection (2) for public universities is  
 16 ~~\$1,553,483,000.00, \$1,626,911,700.00~~, appropriated from the following:

17 (a) State school aid fund, \$343,168,300.00.

18 (b) State general fund/general purpose money, ~~\$1,210,314,700.00.~~  
 19 \$1,283,743,400.00.

20 (4) The amount appropriated for Michigan public school employees' retirement  
 21 system reimbursement is ~~\$13,495,000.00, \$70,000.00~~, appropriated from the state school  
 22 aid fund.

23 (5) The amount appropriated for state and regional programs is \$316,800.00,  
 24 appropriated from general fund/general purpose money and allocated as follows:

25 (a) Higher education database modernization and conversion, \$200,000.00.

26 (b) Midwestern Higher Education Compact, \$116,800.00.

1 (6) The amount appropriated for the Martin Luther King, Jr. - Cesar Chavez -  
 2 Rosa Parks program is \$2,691,500.00, appropriated from general fund/general purpose  
 3 money and allocated as follows:

4 (a) Select student support services, \$1,956,100.00.

5 (b) Michigan college/university partnership program, \$586,800.00.

6 (c) Morris Hood, Jr. educator development program, \$148,600.00.

7 (7) Subject to subsection (8), the amount appropriated for grants and financial  
 8 aid is ~~\$147,783,200.00~~, **\$141,683,200.00**, allocated as follows:

9 (a) State competitive scholarships, \$29,861,700.00.

10 (b) Tuition grants, \$42,021,500.00.

11 (c) Tuition incentive program, ~~\$71,300,000.00~~, **\$65,200,000.00**.

12 (d) Children of veterans and officer's survivor tuition grant programs,  
 13 \$1,400,000.00.

14 (e) Project GEAR-UP, \$3,200,000.00.

15 (8) The money appropriated in subsection (7) for grants and financial aid is  
 16 appropriated from the following:

17 (a) Federal revenues under the United States Department of Education, Office of  
 18 Elementary and Secondary Education, GEAR-UP program, \$3,200,000.00.

19 (b) Federal revenues under the social security act, temporary assistance for  
 20 needy families, ~~\$125,326,400.00~~, **\$119,226,400.00**.

21 (c) State general fund/general purpose money, \$19,256,800.00.

22 (9) For fiscal year ~~2021-2022 only~~, **2022-2023** in addition to the allocation  
 23 under subsection (4), from the appropriations described in subsection (1), there is  
 24 allocated an amount not to exceed ~~\$4,740,000.00~~, **\$4,650,000.00** for payments to  
 25 participating public universities, appropriated from the state school aid fund. A  
 26 university that receives money under this subsection shall use that money solely for

1 the purpose of offsetting the normal cost contribution rate. As used in this  
 2 subsection, "participating public universities" means public universities that are a  
 3 reporting unit of the Michigan public school employees' retirement system under the  
 4 public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437,  
 5 and that pay contributions to the Michigan public school employees' retirement system  
 6 for the state fiscal year.

7 ~~(11) The amount of one-time funding appropriated for the Japan Center for~~  
 8 ~~Michigan Universities is \$500,000.00, appropriated from the state general fund/general~~  
 9 ~~purpose money and allocated to support the operations of the Japan Center.~~

10 Sec. 236b. In addition to the funds appropriated in section 236, there is  
 11 appropriated for grants and financial aid in fiscal year ~~2021-2022-2022-~~  
 12 **2023** an amount not to exceed \$6,000,000.00 for federal contingency authorization. These funds are not  
 13 available for expenditure until they have been transferred under section 393(2) of the  
 14 management and budget act, 1984 PA 431, MCL 18.1393, for another purpose under this  
 15 article.

16 Sec. 236c. In addition to the funds appropriated for fiscal year ~~2021-2022-2022-~~  
 17 **2023** in section 236, appropriations to the department of technology, management, and  
 18 budget in the act providing general appropriations for fiscal year ~~2021-2022-2022-~~  
 19 **2023** for state building authority rent, totaling an estimated ~~\$130,595,300.00~~  
 20 **\$132,295,300.00** provide funding for the state share of costs for previously  
 21 constructed capital projects for state universities. These appropriations for state  
 22 building authority rent represent additional state general fund support provided to  
 23 public universities, and the following is an estimate of the amount of that support to  
 24 each university:

25 (a) Central Michigan University, ~~\$13,227,700.00-~~ **\$12,973,000.00.**

26 (b) Eastern Michigan University, ~~\$6,168,300.00-~~ **\$6,049,500.00.**

- 1 (c) Ferris State University, ~~\$8,104,200.00~~ **\$8,392,700.00**.
- 2 (d) Grand Valley State University, ~~\$7,380,000.00~~ **\$8,653,400.00**.
- 3 (e) Lake Superior State University, ~~\$1,842,700.00~~ **\$2,340,600.00**.
- 4 (f) Michigan State University, ~~\$17,351,100.00~~ **\$16,673,800.00**.
- 5 (g) Michigan Technological University, ~~\$3,488,700.00~~ **\$3,421,600.00**.
- 6 (h) Northern Michigan University, ~~\$7,486,500.00~~ **\$7,342,400.00**.
- 7 (i) Oakland University, ~~\$9,059,800.00~~ **\$9,488,200.00**.
- 8 (j) Saginaw Valley State University, ~~\$8,009,900.00~~ **\$7,855,700.00**.
- 9 (k) University of Michigan - Ann Arbor, ~~\$10,459,000.00~~ **\$12,065,900.00**.
- 10 (l) University of Michigan - Dearborn, ~~\$11,336,800.00~~ **\$10,774,000.00**.
- 11 (m) University of Michigan - Flint, ~~\$6,546,200.00~~ **\$6,084,700.00**.
- 12 (n) Wayne State University, ~~\$10,489,800.00~~ **\$10,118,000.00**.
- 13 (o) Western Michigan University, ~~\$9,644,600.00~~ **\$10,061,800.00**.

14 Sec. 236i. (1) In addition to the funds appropriated under section 236(2) for  
 15 university operations, for the fiscal year ending September 30, ~~2021~~ **2023** only, there  
 16 is appropriated an amount not to exceed ~~\$57,304,000.00 from the state general~~  
 17 ~~fund/general purpose money~~ **\$73,037,900.00** for **one-time** operational support payments,  
 18 **\$1,746,900.00 for one-time support for MSU AgBioResearch, and \$1,506,900.00 for one-**  
 19 **time support for MSU Extension**. These funds are intended to be used for the same  
 20 purposes as the funds appropriated under section 201(2) ~~for university operations~~ **and**  
 21 **are appropriated from state general fund/general purpose money.**

22 (2) From the amount appropriated in subsection (1), each university is allocated  
 23 the following:

- 24 (a) Central Michigan University, ~~\$3,437,300.00~~ **\$4,380,000.00**.
- 25 (b) Eastern Michigan University, ~~\$3,030,400.00~~ **\$3,862,700.00**.
- 26 (c) Ferris State University, ~~\$2,158,400.00~~ **\$2,751,300.00**.

- 1 (d) Grand Valley State University, ~~\$2,836,600.00~~ \$3,615,700.00.
- 2 (e) Lake Superior State University, ~~\$525,900.00~~ \$665,400.00.
- 3 (f) Michigan State University, ~~\$11,270,800.00~~ \$14,366,600.00.
- 4 (g) Michigan Technological University, ~~\$1,965,300.00~~ \$2,505,100.00.
- 5 (h) Northern Michigan University, ~~\$1,875,400.00~~ \$2,390,500.00.
- 6 (i) Oakland University, ~~\$2,084,800.00~~ \$2,657,400.00.
- 7 (j) Saginaw Valley State University, ~~\$1,199,700.00~~ \$1,529,200.00.
- 8 (k) University of Michigan - Ann Arbor, ~~\$12,629,500.00~~ \$16,098,600.00.
- 9 (l) University of Michigan - Dearborn, ~~\$1,026,400.00~~ \$1,308,400.00.
- 10 (m) University of Michigan - Flint, ~~\$926,400.00~~ \$1,180,900.00.
- 11 (n) Wayne State University, ~~\$7,962,600.00~~ \$10,149,900.00.
- 12 (o) Western Michigan University, ~~\$4,374,500.00~~ \$5,576,200.00.

13 Sec. 236k. (1) The amounts appropriated in section 236 for per-student floor  
 14 funding are distributed to those public universities whose annual state appropriations  
 15 per fiscal year equated student is less than \$4,500.00 and are to be allocated each  
 16 year over four years until a funding floor of \$4,500.00 is met.

17 (2) The per-student floor funding allocation for fiscal year 2022-2023 is an  
 18 amount equal to (the difference between \$4,500.00 and the amount calculated by  
 19 dividing the annual state appropriations for fiscal year 2020-2021 by fiscal year  
 20 equated student for fiscal year 2020-2021) divided by 4. The amount paid to an  
 21 eligible public university is the amount calculated in the immediately preceding  
 22 sentence multiplied by fiscal year equated student for fiscal year 2020-2021. If a  
 23 calculation under this section results in an amount less than \$0, the payment under  
 24 this section is equal to \$0. It is the intent that each university will reach a  
 25 minimum funding level of at least \$4,500.00 over 4 years.

26 (3) As used in this section:



1           (a) "Annual state appropriations" are those total amounts allocated in section  
2 236(2) with the exception of MSU AgBioResearch and MSU Extension for the fiscal year  
3 ending September 30, 2021.

4           (b) "Fiscal year equated student" is the total fiscal year equated student as  
5 defined and reported in the higher education institutional data inventory for fiscal  
6 year ending September 30, 2021.

7           Sec. 241. (1) Subject to sections 244 and 265a, the funds appropriated in  
8 section 236 and section 236i to public universities shall be paid out of the state  
9 treasury and distributed by the state treasurer to the respective institutions in 11  
10 equal monthly installments on the sixteenth of each month, or the next succeeding  
11 business day, beginning with October 16, ~~2021~~ **2022**. Except for Wayne State  
12 University, each institution shall accrue its July and August ~~2022~~ **2023** payments to  
13 its institutional fiscal year ending June 30, ~~2022~~ **2023**.

14           (2) All public universities shall submit higher education institutional data  
15 inventory (HEIDI) data and associated financial and program information requested by  
16 and in a manner prescribed by the state budget director. For public universities with  
17 fiscal years ending June 30, these data shall be submitted to the state budget  
18 director by October 15 of each fiscal year. Public universities with a fiscal year  
19 ending September 30, ~~2021~~ **2022** shall submit preliminary HEIDI data by November 15,  
20 ~~2021~~ **2022** and final data by December 15, ~~2021~~ **2022**. If a public university fails to  
21 submit HEIDI data and associated financial aid program information in accordance with  
22 this reporting schedule, the state treasurer may withhold the monthly installments  
23 under subsection (1) to the public university until those data are submitted.

24           Sec. 245. (1) A public university shall maintain a public transparency website  
25 available through a link on its website homepage. The public university shall update  
26 this website within 30 days after the university's governing board adopts its annual

1 operating budget for the next academic year, or after the governing board adopts a  
 2 subsequent revision to that budget. ~~In addition, each public university shall submit~~  
 3 ~~the information described in subsections (2), (3), (6), and (7) to the state budget~~  
 4 ~~director, who will compile the information into a single report for all public~~  
 5 ~~universities and will submit the report to the house and senate appropriations~~  
 6 ~~subcommittees on higher education and the house and senate fiscal agencies.~~

7 (2) The website required under subsection (1) shall include all of the following  
 8 concerning the public university:

9 (a) The annual operating budget and subsequent budget revisions.

10 (b) A summary of current expenditures for the most recent fiscal year for which  
 11 they are available, expressed as pie charts in the following 2 categories:

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

13 (A) Earnings and wages.

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

16 (C) Retirement benefit costs.

17 (D) All other personnel costs.

18 (ii) A chart of all current expenditures the public university reported as part  
 19 of its higher education institutional data inventory data under section 241(2), broken  
 20 into the same subcategories in which it reported those data.

21 (c) Links to all of the following for the public university:

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

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

1           (iii) Audits and financial reports for the most recent fiscal year for which they  
2 are available.

3           ~~(d) A list of all positions funded partially or wholly through institutional  
4 general fund revenue that includes the position title and annual salary or wage amount  
5 for each position.~~

6           (d) ~~(e)~~ General fund revenue and expenditure projections for the current fiscal  
7 year and the next fiscal year.

8           (e) ~~(f)~~ A listing of all debt service obligations, detailed by project,  
9 anticipated fiscal year payment for each project, and total outstanding debt for the  
10 current fiscal year.

11           (f) ~~(g)~~ The institution's policy regarding the transferability of core college  
12 courses between community colleges and the university.

13           (g) ~~(h)~~ A listing of all community colleges that have entered into reverse  
14 transfer agreements with the university.

15           (3) On the website required under subsection (1), a public university shall  
16 provide a dashboard or report card demonstrating the university's performance in  
17 several "best practice" measures. The dashboard or report card shall include at least  
18 all of the following for the 3 most recent academic years for which the data are  
19 available:

20           (a) Enrollment.

21           (b) Student retention rate.

22           (c) Six-year graduation rates.

23           (d) Number of Pell grant recipients and graduating Pell grant recipients.

24           (e) Geographic origination of students, categorized as in-state, out-of-state,  
25 and international.

26           (f) Faculty to student ratios and total university employee to student ratios.

1 (g) Teaching load by faculty classification.

2 (h) Graduation outcome rates, including employment and continuing education.

3 (4) For statewide consistency and public visibility, public universities must  
 4 use the icon badge provided by the department of technology, management, and budget  
 5 consistent with the icon badge developed by the department of education for K-12  
 6 school districts. It must appear on the front of each public university's homepage.  
 7 The size of the icon may be reduced to 150 x 150 pixels. The font size and style for  
 8 this reporting must be consistent with other documents on each university's website.

9 ~~(5) The state budget director shall determine whether a public university has  
 10 complied with this section. The state budget director may withhold a public  
 11 university's monthly installments described in section 241 until the public university  
 12 complies with this section.~~

13 ~~(6) By the first business day of November of each year, a public university  
 14 shall post the following information on its website under the budget transparency icon  
 15 badge:~~

16 ~~(a) Opportunities for earning college credit through the following programs:~~

17 ~~(i) State approved career and technical education or a tech prep articulated  
 18 program of study.~~

19 ~~(ii) Direct college credit or concurrent enrollment.~~

20 ~~(iii) Dual enrollment.~~

21 ~~(iv) An early college/middle college program.~~

22 ~~(b) For each program described in subdivision (a) that the public university  
 23 offers, all of the following information:~~

24 ~~(i) The number of high school students participating in the program.~~

25 ~~(ii) The number of school districts that participate in the program with the  
 26 public university.~~

1           ~~(iii) Whether a university professor, qualified local school district employee,~~  
2 ~~or other individual teaches the course or courses in the program.~~

3           ~~(iv) The total cost to the public university to operate the program.~~

4           ~~(v) The cost per credit hour for the course or courses in the program.~~

5           ~~(vi) The location where the course or courses in the program are held.~~

6           ~~(vii) Instructional resources offered to the program instructors.~~

7           ~~(viii) Resources offered to the student in the program.~~

8           ~~(ix) Transportation services provided to students in the program.~~

9           (5) ~~(7)~~A public university shall collect and report the number and percentage  
10 of all enrolled students who complete the Free Application for Federal Student Aid,  
11 broken out by undergraduate and graduate/professional classifications, to the center  
12 and post the information on its website under the budget transparency icon badge.

13           Sec. 245a. (1) A public university shall develop, maintain, and update a "campus  
14 safety information and resources" link, prominently displayed on the homepage of its  
15 website, to a section of its website containing all of the information required under  
16 subsection (2).

17           (2) The "campus safety information and resources" section of a public  
18 university's website shall include, but not be limited to, all of the following  
19 information:

20           (a) Emergency contact numbers for police, fire, health, and other services.

21           (b) Hours, locations, phone numbers, and email contacts for campus public safety  
22 offices and title IX offices.

23           (c) A listing of safety and security services provided by the university,  
24 including transportation, escort services, building surveillance, anonymous tip lines,  
25 and other available security services.

26           (d) A public university's policies applicable to minors on university property.

1 (e) A directory of resources available at the university or surrounding  
2 community for students or employees who are survivors of sexual assault or sexual  
3 abuse.

4 (f) An electronic copy of "A Resource Handbook for Campus Sexual Assault  
5 Survivors, Friends and Family", published in 2018.

6 (g) Campus security policies and crime statistics pursuant to the student right-  
7 to-know and campus security act, Public Law 101-542, 104 Stat 2381. Information shall  
8 include all material prepared pursuant to the public information reporting  
9 requirements under the crime awareness and campus security act of 1990, title II of  
10 the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381.

11 ~~(3) A public university shall certify to the state budget director by October 1,~~  
12 ~~2021 that it is in compliance with this section. The state budget director may~~  
13 ~~withhold a public university's monthly installments described in section 241 until the~~  
14 ~~public university complies with this section.~~

15 Sec. 251. (1) Payments of the amounts included in section 236 for the state  
16 competitive scholarship program shall be distributed pursuant to 1964 PA 208, MCL  
17 390.971 to 390.981.

18 (2) Pursuant to section 6 of 1964 PA 208, MCL 390.976, the department of  
19 treasury shall determine an actual state competitive scholarship award per student,  
20 which shall be ~~\$1,000.00~~, **\$1,200.00**, that ensures that the aggregate payments for the  
21 state competitive scholarship program do not exceed the appropriation contained in  
22 section 236 for the state competitive scholarship program. If the department  
23 determines that insufficient funds are available to establish an award amount equal to  
24 ~~\$1,000.00~~, **\$1,200.00**, the department shall immediately report to the house and senate  
25 appropriations subcommittees on higher education, the house and senate fiscal  
26 agencies, and the state budget director regarding the estimated amount of additional

1 funds necessary to establish a ~~\$1,000.00~~ **\$1,200.00** award amount.

2 (3) The department of treasury shall implement a proportional competitive  
3 scholarship award level for recipients enrolled less than full-time in a given  
4 semester or term.

5 (4) If a student who receives an award under this section has his or her tuition  
6 and fees paid under the Michigan educational trust program, pursuant to the Michigan  
7 education trust act, 1986 PA 316, MCL 390.1421 to 390.1442, and still has financial  
8 need, the funds awarded under this section may be used for educational expenses other  
9 than tuition and fees.

10 (5) If the department of treasury increases the award per eligible student from  
11 that provided in the previous fiscal year, it shall not have the effect of reducing  
12 the number of eligible students receiving awards in relation to the total number of  
13 eligible applicants. Any increase in the grant shall be proportional for all eligible  
14 students receiving awards.

15 (6) Veterans Administration benefits shall not be considered in determining  
16 eligibility for the award of scholarships under 1964 PA 208, MCL 390.971 to 390.981.

17 Sec. 252. (1) The amounts appropriated in section 236 for the state tuition  
18 grant program shall be distributed pursuant to 1966 PA 313, MCL 390.991 to 390.997a.

19 (2) Tuition grant awards shall be made to all eligible Michigan residents  
20 enrolled in undergraduate degree programs who are qualified and who apply by March 1  
21 of each year for the next academic year.

22 (3) Pursuant to section 5 of 1966 PA 313, MCL 390.995, and subject to  
23 subsections (6) and (7), the department of treasury shall determine an actual tuition  
24 grant award per student, which shall be ~~\$2,800.00~~, **\$2,900.00**, that ensures that the  
25 aggregate payments for the tuition grant program do not exceed the appropriation  
26 contained in section 236 for the state tuition grant program. If the department

1 determines that insufficient funds are available to establish an award amount equal to  
2 ~~\$2,800.00~~, **\$2,900.00**, the department shall immediately report to the house and senate  
3 appropriations subcommittees on higher education, the house and senate fiscal  
4 agencies, and the state budget director regarding the estimated amount of additional  
5 funds necessary to establish a ~~\$2,800.00~~ **\$2,900.00** award amount. If the department  
6 determines that sufficient funds are available to establish an award amount equal to  
7 ~~\$2,800.00~~, **\$2,900.00** the department shall immediately report to the house and senate  
8 appropriations subcommittees on higher education, the house and senate fiscal  
9 agencies, and the state budget director regarding the award amount established and the  
10 projected amount of any projected year-end appropriation balance based on that award  
11 amount. By February 18 of each fiscal year, the department shall analyze the status of  
12 award commitments, shall make any necessary adjustments, and shall confirm that those  
13 award commitments will not exceed the appropriation contained in section 236 for the  
14 tuition grant program. The determination and actions shall be reported to the state  
15 budget director and the house and senate fiscal agencies no later than the final day  
16 of February of each year. If award adjustments are necessary, the students shall be  
17 notified of the adjustment by March 4 of each year.

18 (4) The department of treasury shall continue a proportional tuition grant award  
19 level for recipients enrolled less than full-time in a given semester or term.

20 (5) If the department of treasury increases the award per eligible student from  
21 that provided in the previous fiscal year, it shall not have the effect of reducing  
22 the number of eligible students receiving awards in relation to the total number of  
23 eligible applicants. Any increase in the grant shall be proportional for all eligible  
24 students receiving awards for that fiscal year.

25 (6) The department of treasury shall not award more than \$4,800,000.00 in  
26 tuition grants to eligible students enrolled in the same independent nonprofit college



1 or university in this state. Any decrease in the grant shall be proportional for all  
2 eligible students enrolled in that college or university, as determined by the  
3 department. ~~The limit described in this subsection does not apply to any other student~~  
4 ~~financial aid program or in combination with any other student financial aid program.~~

5 (7) The department of treasury shall not award tuition grants to otherwise  
6 eligible students enrolled in an independent college or university that does not  
7 report, in a form and manner directed by and satisfactory to the department of  
8 treasury, by October 31 of each year, all of the following:

9 (a) The number of students in the most recently completed academic year who in  
10 any academic year received a state tuition grant at the reporting institution and  
11 successfully completed a program or graduated.

12 (b) The number of students in the most recently completed academic year who in  
13 any academic year received a state tuition grant at the reporting institution and took  
14 a remedial education class.

15 (c) The number of students in the most recently completed academic year who in  
16 any academic year received a Pell grant at the reporting institution and successfully  
17 completed a program or graduated.

18 (8) By February 1 of each year, each independent college and university  
19 participating in the tuition grant program shall report to the senate and house  
20 appropriations subcommittees on higher education, the senate and house fiscal  
21 agencies, and the state budget director on its efforts to develop and implement sexual  
22 assault response training for the institution's title IX coordinator, campus law  
23 enforcement personnel, campus public safety personnel, and any other campus personnel  
24 charged with responding to on-campus incidents, including information on sexual  
25 assault response training materials and the status of implementing sexual assault  
26 response training for institutional personnel.

1           Sec. 256. (1) The funds appropriated in section 236 for the tuition incentive  
2 program must be distributed as provided in this section and pursuant to the  
3 administrative procedures for the tuition incentive program of the department of  
4 treasury.

5           (2) As used in this section:

6           (a) "Phase I" means the first part of the tuition incentive program defined as  
7 the academic period of 80 semester or 120 term credits, or less, leading to an  
8 associate degree or certificate. Students must be enrolled in a certificate or  
9 associate degree program and taking classes within the program of study for a  
10 certificate or associate degree. Tuition will not be covered for courses outside of a  
11 certificate or associate degree program.

12           (b) "Phase II" means the second part of the tuition incentive program that  
13 provides assistance in the third and fourth year of 4-year degree programs.

14           (c) "Department" means the department of treasury.

15           (d) "High school equivalency certificate" means that term as defined in section  
16 4.

17           (3) An individual must meet the following basic criteria and financial  
18 thresholds to be eligible for tuition incentive program benefits:

19           (a) To be eligible for phase I, an individual must meet all of the following  
20 criteria:

21           (i) Be less than 20 years of age at the time he or she graduates from high  
22 school with a diploma or certificate of completion or achieves a high school  
23 equivalency certificate or, for students attending a 5-year middle college approved by  
24 the Michigan department of education, be less than 21 years of age when he or she  
25 graduates from high school.

26           (ii) Be a United States citizen and a resident of this state according to

1 institutional criteria.

2 (iii) Be at least a half-time student, earning less than 80 semester or 120 term  
3 credits at a participating educational institution within 4 years of high school  
4 graduation or achievement of a high school equivalency certificate. All program  
5 eligibility expires 10 years after initial enrollment at a participating educational  
6 institution.

7 (iv) Meet the satisfactory academic progress policy of the educational  
8 institution he or she attends.

9 (b) To be eligible for phase II, an individual must meet either of the following  
10 criteria in addition to the criteria in subdivision (a):

11 (i) Complete at least 56 transferable semester or 84 transferable term credits.

12 (ii) Obtain an associate degree or certificate at a participating institution.

13 (c) To be eligible for phase I or phase II, an individual must be financially  
14 eligible as determined by the department. An individual is financially eligible for  
15 the tuition incentive program if he or she was eligible for Medicaid from this state  
16 for 24 months within ~~the~~ 36 months **prior to high school completion.** ~~before~~  
17 ~~application.~~ The department shall accept certification of Medicaid eligibility only  
18 from the department of health and human services for the purposes of verifying if a  
19 person is Medicaid eligible for 24 months within ~~the~~ 36 months **prior to high school**  
20 **completion.** ~~before application.~~ Certification of eligibility may begin in the sixth  
21 grade.

22 (4) For phase I, the department shall provide payment on behalf of a person  
23 eligible under subsection (3). The department shall only accept standard per-credit  
24 hour tuition billings and shall reject billings that are excessive or outside the  
25 guidelines for the type of educational institution.

26 (5) For phase I, all of the following apply:

1 (a) Payments for associate degree or certificate programs must not be made for  
2 more than 80 semester or 120 term credits for any individual student at any  
3 participating institution.

4 (b) For persons enrolled at a Michigan community college, the department shall  
5 pay the current in-district tuition and mandatory fees. For persons residing in an  
6 area that is not included in any community college district, the out-of-district  
7 tuition rate may be authorized.

8 (c) For persons enrolled at a Michigan public university, the department shall  
9 pay lower division resident tuition and mandatory fees for the current year **and a per-**  
10 **credit payment that does not exceed 2.5 times the average community college in-**  
11 **district per-credit tuition rate as reported by the last business day of August, for**  
12 **the immediately preceding academic year.**

13 (d) For persons enrolled at a Michigan independent, nonprofit degree-granting  
14 college or university, a Michigan federal tribally controlled community college, or  
15 Focus: HOPE, the department shall pay mandatory fees for the current year and a per-  
16 credit payment that does not exceed the average community college in-district per-  
17 credit tuition rate as reported by the last business day of August for the immediately  
18 preceding academic year.

19 (6) A person participating in phase II may be eligible for additional funds not  
20 to exceed \$500.00 per semester or \$400.00 per term up to a maximum of \$2,000.00  
21 subject to the following conditions:

22 (a) Credits are earned in a 4-year program at a Michigan degree-granting 4-year  
23 college or university.

24 (b) The tuition reimbursement is for coursework completed within 30 months of  
25 completion of the phase I requirements.

26 (7) The department shall work closely with participating institutions to provide

1 the highest level of participation and ensure that all requirements of the program are  
2 met.

3 (8) The department shall notify students of their financial eligibility for the  
4 program any time after the student begins sixth grade.

5 (9) Except as otherwise provided in section 3(d) of the Michigan reconnect grant  
6 act, 2020 PA 84, MCL 390.1703, and section 17 of the Michigan reconnect grant  
7 recipient act, 2020 PA 68, MCL 390.1717, each institution shall ensure that all known  
8 available restricted grants for tuition and fees are used before billing the tuition  
9 incentive program for any portion of a student's tuition and fees.

10 (10) The department shall ensure that the tuition incentive program is well  
11 publicized and that eligible Medicaid clients are provided information on the program.  
12 The department shall provide the necessary funding and staff to fully operate the  
13 program.

14 (11) The department of treasury shall collaborate with the center to use the P-  
15 20 longitudinal data system to report the following information for each qualified  
16 postsecondary institution:

17 (a) The number of phase I students in the most recently completed academic year  
18 who in any academic year received a tuition incentive program award and who  
19 successfully completed a degree or certificate program. Cohort graduation rates for  
20 phase I students shall be calculated using the established success rate methodology  
21 developed by the center in collaboration with the postsecondary institutions.

22 (b) The number of students in the most recently completed academic year who in  
23 any academic year received a Pell grant at the reporting institution and who  
24 successfully completed a degree or certificate program. Cohort graduation rates for  
25 students who received Pell grants must be calculated using the established success  
26 rate methodology developed by the center in collaboration with the postsecondary

1 institutions.

2 (12) If a qualified postsecondary institution does not report the data necessary  
 3 to complete the reporting in subsection (11) to the P-20 longitudinal data system by  
 4 October 15 for the prior academic year, the department of treasury shall not award  
 5 phase I tuition incentive program funding to otherwise eligible students enrolled in  
 6 that institution until the data are submitted.

7 Sec. 259. ~~It is the intent of the legislature that the~~**The** department of treasury  
 8 **is encouraged to** continue an aggressive campaign to inform high school students about  
 9 the financial aid programs offered by this state and the eligibility requirements for  
 10 participation in those financial aid programs, including free or reduced tuition  
 11 programs provided by community colleges and universities in this state.

12 Sec. 260. (1) The department of treasury shall work with student and  
 13 postsecondary education groups, including the Michigan College Access Network, the  
 14 Michigan Association of School Counselors, the Michigan Association of State  
 15 Universities, the Michigan Community College Association, and the Michigan Independent  
 16 Colleges and Universities, to provide an online informational resource for students in  
 17 grades 9 through 12 and prospective and current student loan borrowers. The online  
 18 informational resource must be a website or a portion of an existing website designed  
 19 and maintained by the department of treasury that, to the extent practicable, contains  
 20 information including, but not limited to, all of the following:

21 (a) A list of public and private community support centers, student debt  
 22 clinics, and other organizations and their contact information submitted by Michigan  
 23 College Access Network that provides free information and services for student loan  
 24 borrowers to help educate them about repayment options and to help them access student  
 25 loan programs or benefits for which they may be eligible.

26 (b) Links to state and federal financial aid programs, including FAFSA and

1 College Scorecard.

2 (c) Links to each promise zone website and the financial aid website to each  
3 community college, public university, and independent college and university in this  
4 state.

5 (d) Benefits of federal student loans that may no longer be available if a  
6 borrower refinances a loan.

7 (e) Links to net price calculators for community colleges receiving an  
8 appropriation in section 201 and universities receiving an appropriation in section  
9 236, if available.

10 (f) Information on the fundamentals of borrowing and repayment, including, but  
11 not limited to, all of the following:

12 (i) A link to the federal Public Service Loan Forgiveness Program.

13 (ii) Deciding how much to borrow.

14 (iii) Creating a plan for borrowing and repayment.

15 (iv) Estimating how much borrowing is needed for a given school year.

16 ~~(v) Evaluating financial aid offers.~~

17 ~~(v)-(vi)~~ Factors that affect total student loan costs.

18 ~~(vi)-(vii)~~ Tips for graduating with less student loan debt.

19 ~~(vii)-(viii)~~ A loan payment calculator or a link to a loan payment calculator that  
20 can be used for different types of loans.

21 ~~(viii)-(ix)~~ Links to federal student loan entrance and exit counseling services and  
22 the FACT tool.

23 ~~(ix)-(x)~~ Student loan debt relief scams.

24 ~~(g) A list of student loan providers in this state.~~

25 (2) A university receiving an appropriation in section 236 shall place a  
26 prominent link to the website created under this section on its website homepage.

1           (3) Independent colleges and universities in this state are encouraged to place  
2 a link to the website created under this section on their website homepages.

3           (4) By November 1 of each year, the department of treasury shall inform each  
4 high school in this state about the website described in this section and encourage  
5 them to distribute the information to all students in grades 9 through 12.

6           Sec. 263. (1) Included in the appropriation in section 236 for fiscal year ~~2021-~~  
7 ~~2022-2022-2023~~ for MSU AgBioResearch is \$2,982,900.00 and included in the  
8 appropriation in section 236 for MSU Extension is \$2,645,200.00 for Project GREEN.  
9 Project GREEN is intended to address critical regulatory, food safety, economic, and  
10 environmental problems faced by this state's plant-based agriculture, forestry, and  
11 processing industries. "GREEN" is an acronym for Generating Research and Extension to  
12 Meet Environmental and Economic Needs.

13           (2) The department of agriculture and rural development and Michigan State  
14 University, in consultation with agricultural commodity groups and other interested  
15 parties, shall develop Project GREEN and its program priorities.

16           Sec. 263a. (1) Not later than September 30 of each year, Michigan State  
17 University shall submit a report on MSU AgBioResearch and MSU Extension to the house  
18 and senate appropriations subcommittees on agriculture and on higher education, the  
19 house and senate standing committees on agriculture, the house and senate fiscal  
20 agencies, and the state budget director for the preceding academic fiscal year.

21           (2) The report required under subsection (1) shall include all of the following:

22           (a) Total funds expended by MSU AgBioResearch and by MSU Extension identified by  
23 state, local, private, federal, and university fund sources.

24           (b) A review of major programs within both MSU AgBioResearch and MSU Extension  
25 with specific reference to accomplishments, impacts, and a specific accounting of  
26 Project GREEN expenditures and the impact of those expenditures. The program review



1 for MSU AgBioResearch and MSU Extension should include the following:

2 (i) The number of agriculture and food-related firms collaborating with and  
3 using services of research and extension faculty and staff.

4 (ii) The number of individuals utilizing MSU Extension's educational services.

5 (iii) External funds generated in support of research and extension.

6 (iv) Efforts to improve access to healthy foods for Michigan consumers.

7 Sec. 264. Included in the appropriation in section 236 for fiscal year ~~2021-2022~~  
8 **2022-2023** for Michigan State University is \$80,000.00 for the Michigan Future Farmers  
9 of America Association. This \$80,000.00 allocation shall not supplant any existing  
10 support that Michigan State University provides to the Michigan Future Farmers of  
11 America Association.

12 Sec. 265. (1) Payments under ~~section 236 for 1-time supplemental funding for~~  
13 ~~fiscal year 2021-2022, and payments under section 265a for performance funding~~  
14 **operational support payments and operational support payments** and under section 236i  
15 for one-time operational support payments for fiscal ~~years 2022-2023 and 2023-2024,~~  
16 **year 2022-2023** shall only be made to a public university that certifies to the state  
17 budget director by October 1, ~~2021-2022~~ that its board did not adopt an increase in  
18 tuition and fee rates for resident undergraduate students after September 1, ~~2020-2021~~  
19 for the ~~2020-2021-2021-2022~~ academic year and that its board will not adopt an  
20 increase in tuition and fee rates for resident undergraduate students for the ~~2021-~~  
21 ~~2022-2022-2023~~ academic year that is greater than ~~4.2%-5.0%~~ or ~~\$590.00, \$722.00,~~  
22 whichever is greater. As used in this subsection:

23 (a) "Fee" means any board-authorized fee that will be paid by more than 1/2 of  
24 all resident undergraduate students at least once during their enrollment at a public  
25 university, as described in the higher education institutional data inventory (HEIDI)  
26 user manual. A university increasing a fee that applies to a specific subset of

1 students or courses shall provide sufficient information to prove that the increase  
 2 applied to that subset will not cause the increase in the average amount of board-  
 3 authorized total tuition and fees paid by resident undergraduate students in the ~~2021-~~  
 4 ~~2022-2022-2023~~ academic year to exceed the limit established in this subsection.

5 (b) "Tuition and fee rate" means the average of full-time rates paid by a  
 6 majority of students in each undergraduate class, based on an unweighted average of  
 7 the rates authorized by the university board and actually charged to students,  
 8 deducting any uniformly rebated or refunded amounts, for the 2 semesters with the  
 9 highest levels of full-time equated resident undergraduate enrollment during the  
 10 academic year, as described in the higher education institutional data inventory  
 11 (HEIDI) user manual.

12 (2) The state budget director shall implement uniform reporting requirements to  
 13 ensure that a public university receiving a payment under ~~section 236 for 1-time~~  
 14 ~~supplemental funding or a payment under section 265a for performance funding~~  
 15 **operational support payments and operational support payments** and under section 236i  
 16 for one-time operational support payments has satisfied the tuition restraint  
 17 requirements of this section. The state budget director shall have the sole authority  
 18 to determine if a public university has met the requirements of this section.  
 19 Information reported by a public university to the state budget director under this  
 20 subsection shall also be reported to the house and senate appropriations subcommittees  
 21 on higher education and the house and senate fiscal agencies.

22 ~~(3) Universities that exceed the tuition and fee rate cap described in~~  
 23 ~~subsection (1) shall not receive a planning or construction authorization for a state-~~  
 24 ~~funded capital outlay project in fiscal year 2022-2023 or 2023-2024.~~

25 ~~(4) Notwithstanding any other provision of this act, the legislature may at any~~  
 26 ~~time adjust appropriations for a university that adopts an increase in tuition and fee~~

1 ~~rates for resident undergraduate students that exceeds the rate cap established in~~  
2 ~~subsection (1).~~

3       Sec. 265a. (1) Appropriations to public universities in section 236 for fiscal  
4 ~~years 2019-2020, 2020-2021, and 2021-2022~~ **year 2022-2023** for ~~performance funding~~  
5 **operational support payments and section 236i for one-time operational support**  
6 **payments** shall be paid only to a public university that complies with section 265 and  
7 certifies to the state budget director, the house and senate appropriations  
8 subcommittees on higher education, and the house and senate fiscal agencies by ~~October~~  
9 ~~1, 2019~~ **the last business day of August** that it complies with all of the following  
10 requirements:

11       (a) The university participates in reverse transfer agreements described in  
12 section 286 with at least 3 Michigan community colleges.

13       (b) The university does not and will not consider whether dual enrollment  
14 credits earned by an incoming student were utilized towards his or her high school  
15 graduation requirements when making a determination as to whether those credits may be  
16 used by the student toward completion of a university degree or certificate program.

17       (c) The university actively participates in and submits timely updates to the  
18 Michigan Transfer Network created as part of the Michigan Association of Collegiate  
19 Registrars and Admissions Officers transfer agreement.

20       (2) Any ~~performance funding~~ **operational support payment and one-time operational**  
21 **support payments** amounts under section 236 **and section 236i** that are not paid to a  
22 public university because it did not comply with 1 or more requirements under  
23 subsection (1) are unappropriated and reappropriated for ~~performance funding~~  
24 **operational support payment and one-time operational support payments** to those public  
25 universities that meet the requirements under subsection (1), distributed in  
26 proportion to their ~~performance funding~~ **operational support payment and one-time**

1 **operational support payments** appropriation amounts under section 236- and section  
2 **236i.**

3 (3) The state budget director shall report to the house and senate  
4 appropriations subcommittees on higher education and the house and senate fiscal  
5 agencies ~~by October 15, 2019,~~ **September 15, 2022** regarding any ~~performance funding~~  
6 **operational support payment and one-time operational support payments** amounts that are  
7 not paid to a public university because it did not comply with 1 or more requirements  
8 under subsection (1) and any reappropriation of funds under subsection (2).

9 (4) ~~performance funding~~ **Operational support payment and one-time operational**  
10 **support payments** amounts described in section 236 and section 236i are distributed  
11 **across-the-board proportional to each university's share of total operations funding**  
12 **appropriated in fiscal year 2021-2022. based on the following formula:**

13 ~~(a) Proportional to each university's share of total operations funding~~  
14 ~~appropriated in fiscal year 2010-2011, 50%.~~

15 ~~(b) Based on weighted undergraduate completions in critical skills areas, 11.1%.~~

16 ~~(c) Based on research and development expenditures, for universities classified~~  
17 ~~in Carnegie classifications as doctoral universities: moderate research activity,~~  
18 ~~doctoral universities: higher research activity, or doctoral universities: highest~~  
19 ~~research activity only, 5.6%.~~

20 ~~(d) Based on 6-year graduation rate, total degree completions, and institutional~~  
21 ~~support as a percentage of core expenditures, and the percentage of students receiving~~  
22 ~~Pell grants, scored against national Carnegie classification peers and weighted by~~  
23 ~~total undergraduate fiscal year equated students, 33.3%.~~

24 ~~(5) For purposes of determining the score of a university under subsection~~  
25 ~~(4)(d), each university is assigned 1 of the following scores:~~

26 ~~(a) A university classified as in the top 20%, a score of 3.~~

1           ~~(b) A university classified as above national median, a score of 2.~~

2           ~~(c) A university classified as improving, a score of 2. It is the intent of the~~  
3 ~~legislature that, beginning in the 2020-2021 state fiscal year, a university~~  
4 ~~classified as improving is assigned a score of 1.~~

5           ~~(d) A university that is not included in subdivision (a), (b), or (c), a score~~  
6 ~~of 0.~~

7           ~~(6) As used in this section, "Carnegie classification" means the basic~~  
8 ~~classification of the university according to the most recent version of the Carnegie~~  
9 ~~classification of institutions of higher education, published by the Carnegie~~  
10 ~~Foundation for the Advancement of Teaching.~~

11           ~~(7) It is the intent of the legislature to allocate more funding based on an~~  
12 ~~updated set of performance metrics in future years. Updated metrics will be based on~~  
13 ~~the outcome of joint hearings between the house and senate appropriations~~  
14 ~~subcommittees on higher education and community colleges intended to be held in the~~  
15 ~~fall of 2019.~~

16           Sec. 265b. (1) Appropriations to public universities in section 236 for the  
17 fiscal year ending September 30, ~~2022~~**2023** for operations funding shall be reduced by  
18 10% pursuant to the procedures described in subdivision (a) for a public university  
19 that fails to submit certification to the state budget director, the house and senate  
20 appropriations subcommittees on higher education, and the house and senate fiscal  
21 agencies by October 1, ~~2021~~**2022** that the university complies with sections 274c and  
22 274d and that it complies with all of the requirements described in subdivisions (b)  
23 to (i), as follows:

24           (a) If a university fails to submit certification, the state budget director  
25 shall withhold 10% of that university's annual operations funding until the university  
26 submits certification. If a university fails to submit certification by the end of the

1 fiscal year, the 10% of its annual operations funding that is withheld shall lapse to  
2 the general fund.

3 (b) For title IX investigations of alleged sexual misconduct, the university  
4 prohibits the use of medical experts that have an actual or apparent conflict of  
5 interest.

6 (c) For title IX investigations of alleged sexual misconduct, the university  
7 prohibits the issuance of divergent reports to complainants, respondents, and  
8 administration and instead requires that identical reports be issued to them.

9 (d) Consistent with the university's obligations under 20 USC 1092(f), the  
10 university notifies each individual who reports having experienced sexual assault by a  
11 student, faculty member, or staff member of the university that the individual has the  
12 option to report the matter to law enforcement, to the university, to both, or to  
13 neither, as the individual may choose.

14 (e) The university provides both of the following:

15 (i) For all freshmen and incoming transfer students enrolled, an in-person  
16 sexual misconduct prevention presentation or course, which must include contact  
17 information for the title IX office of the university.

18 (ii) For all students not considered freshmen or incoming transfer students, an  
19 online or electronic sexual misconduct prevention presentation or course.

20 (f) The university prohibits seeking compensation from the recipient of any  
21 medical procedure, treatment, or care provided by a medical professional who has been  
22 convicted of a felony arising out of the medical procedure, treatment, or care.

23 (g) The university had a third party review its title IX compliance office and  
24 related policies and procedures by the end of the 2018-2019 academic year. A copy of  
25 the third-party review shall be transmitted to the state budget director, the house  
26 and senate appropriations subcommittees on higher education, and the house and senate

1 fiscal agencies. Each university shall have a third-party review once every three  
2 years and a copy of the third-party review shall be transmitted to the state budget  
3 director, the house and senate appropriations subcommittees on higher education, and  
4 the house and senate fiscal agencies.

5 (h) The university requires that the governing board and the president or  
6 chancellor of the university receive not less than quarterly reports from their title  
7 IX coordinator or title IX office. The report shall contain aggregated data of the  
8 number of sexual misconduct reports that the office received for the academic year,  
9 the types of reports received, including reports received against employees, and a  
10 summary of the general outcomes of the reports and investigations. A member of the  
11 governing board may request to review a title IX investigation report involving a  
12 complaint against an employee, and the university shall provide the report in a manner  
13 it considers appropriate. The university shall protect the complainant's anonymity,  
14 and the report shall not contain specific identifying information.

15 (i) If allegations against an employee are made in more than 1 title IX  
16 complaint that resulted in the university finding that no misconduct occurred, the  
17 university requires that the title IX officer promptly notify the president or  
18 chancellor and a member of the university's governing board in writing and take all  
19 appropriate steps to ensure that the matter is being investigated thoroughly,  
20 including hiring an outside investigator for future cases involving that employee. A  
21 third-party title IX investigation under this subdivision does not prohibit the  
22 university from simultaneously conducting its own title IX investigation through its  
23 own title IX coordinator.

24 (2) Each public university that receives an appropriation in section 236 shall  
25 also certify that its president or chancellor and a member of its governing board has  
26 reviewed all title IX reports involving the alleged sexual misconduct of an employee

1 of the university, and shall send the certification to the house and senate  
 2 appropriations subcommittees on higher education, the house and senate fiscal  
 3 agencies, and the state budget director by October 1, ~~2021.~~ **2022.**

4 (3) For purposes of this section, "sexual misconduct" includes, but is not  
 5 limited to, any of the following:

- 6 (a) Intimate partner violence.
- 7 (b) Nonconsensual sexual conduct.
- 8 (c) Sexual assault.
- 9 (d) Sexual exploitation.
- 10 (e) Sexual harassment.
- 11 (f) Stalking.

12 Sec. 267. All public universities shall submit the amount of tuition and fees  
 13 actually charged to a full-time resident undergraduate student for academic year ~~2021-~~  
 14 ~~2022-2022-2023~~ as part of their higher education institutional data inventory (HEIDI)  
 15 data by ~~October 1, 2021, and by the last business day of August each year. thereafter.~~  
 16 A public university shall report any revisions for any semester of the reported  
 17 academic year ~~2021-2022-~~ **2022-2023** tuition and fee charges to HEIDI within 15 days of  
 18 being adopted.

19 Sec. 268. ~~(1) For the fiscal year ending September 30, 2022, it is the intent of~~  
 20 ~~the legislature that funds be allocated for unfunded North American Indian tuition~~  
 21 ~~waiver costs incurred by public universities under 1976 PA 174, MCL 390.1251 to~~  
 22 ~~390.1253, from the general fund.~~

23 **(1)** ~~(2)~~ By January 15 of each year, the department of civil rights shall  
 24 annually submit to the state budget director, the house and senate appropriations  
 25 subcommittees on higher education, and the house and senate fiscal agencies a report  
 26 on North American Indian tuition waivers for the preceding academic year that



1 includes, but is not limited to, all of the following information:

2 (a) The number of waiver applications received and the number of waiver  
3 applications approved.

4 (b) For each university submitting information under subsection (3), all of the  
5 following:

6 (i) The number of graduate and undergraduate North American Indian students  
7 enrolled each term for the previous academic year.

8 (ii) The number of North American Indian waivers granted each term, including to  
9 continuing education students, and the monetary value of the waivers for the previous  
10 academic year.

11 (iii) The number of graduate and undergraduate students attending under a North  
12 American Indian tuition waiver who withdrew from the university each term during the  
13 previous academic year. For purposes of this subparagraph, a withdrawal occurs when a  
14 student who has been awarded the waiver withdraws from the institution at any point  
15 during the term, regardless of enrollment in subsequent terms.

16 (iv) The number of graduate and undergraduate students attending under a North  
17 American Indian tuition waiver who successfully complete a degree or certificate  
18 program, separated by degree or certificate level, and the graduation rate for  
19 graduate and undergraduate students attending under a North American Indian tuition  
20 waiver who complete a degree or certificate within 150% of the normal time to  
21 complete, separated by the level of the degree or certificate.

22 (2) ~~(3)~~ By January 1 of each year, a public university that receives funds under  
23 section 236, or a tribal college receiving pass-through funds under section 269 or  
24 270c, shall provide to the department of civil rights any information necessary for  
25 preparing the report detailed in subsection ~~(2)~~, **(1)**, using guidelines and procedures  
26 developed by the department of civil rights.

1           (3) ~~(4)~~The department of civil rights may consolidate the report required under  
2 this section with the report required under section 223, but a consolidated report  
3 must separately identify data for universities and data for community colleges.

4           Sec. 269. For fiscal year ~~2021-2022,~~**2022-2023**, from the amount appropriated in  
5 section 236 to Central Michigan University for costs incurred under the North American  
6 Indian tuition waiver, ~~\$82,400.00~~**\$31,000.00** shall be paid to Saginaw Chippewa Tribal  
7 College for the costs of waiving tuition for North American Indians under 1976 PA 174,  
8 MCL 390.1251 to 390.1253. ~~It is the intent of the legislature that~~**The** Saginaw  
9 Chippewa Tribal College **is encouraged to** provide the department of civil rights the  
10 necessary information for the college to be included in the report required under  
11 section 268.

12           Sec. 270c. For fiscal year ~~2021-2022,~~**2022-2023** from the amount appropriated in  
13 section 236 to Northern Michigan University for costs incurred under the North  
14 American Indian tuition waiver, ~~\$50,000.00~~**\$87,800.00** is to be paid to Keweenaw Bay  
15 Ojibwa Community College for the costs of waiving tuition for North American Indians  
16 under 1976 PA 174, MCL 390.1251 to 390.1253. ~~It is the intent of the legislature that~~  
17 **The** Keweenaw Bay Ojibwa Community College **is encouraged to** provide the department of  
18 civil rights the necessary information for the community college to be included in the  
19 report required under section 268.

20           Sec. 275h. **It is the goal of the governor to ensure that 60% of Michigan's**  
21 **residents achieve a postsecondary credential, high-quality industry certification,**  
22 **associate degree, or bachelor's degree by 2030.** ~~(1) It is the intent of the~~  
23 ~~legislature that each public university adopt an advocacy policy applicable to~~  
24 ~~faculty, staff, students, student employees, visitors, and contractors by January 1,~~  
25 ~~2022 and comply with all other requirements of this section.~~

26           ~~(2) An advocacy policy established under subsection (1) should include, but is~~

1 ~~not limited to, policies for distribution and self-distribution of printed political~~  
 2 ~~or advocacy materials, related First Amendment activities, and political~~  
 3 ~~demonstrating. The policy should include a process for filing a complaint or reporting~~  
 4 ~~a violation of the advocacy policy and identify the public university staff~~  
 5 ~~responsible for investigating complaints and violations. The advocacy policy should~~  
 6 ~~include the effective date and be posted on the university's website.~~

7       Sec. 276. (1) Included in the appropriation for fiscal year ~~2021-2022~~ **2022-2023**  
 8 for each public university in section 236 is funding for the Martin Luther King, Jr. -  
 9 Cesar Chavez - Rosa Parks future faculty program that is intended to increase the pool  
 10 of academically or economically disadvantaged candidates pursuing faculty teaching  
 11 careers in postsecondary education in this state. Preference may not be given to  
 12 applicants on the basis of race, color, ethnicity, gender, or national origin.  
 13 Institutions should encourage applications from applicants who would otherwise not  
 14 adequately be represented in the graduate student and faculty populations. Each public  
 15 university shall apply the percentage change applicable to every public university in  
 16 the calculation of appropriations in section 236 to the amount of funds allocated to  
 17 the future faculty program.

18       (2) The program shall be administered by each public university in a manner  
 19 prescribed by the department of labor and economic opportunity. The department of  
 20 labor and economic opportunity shall use a good faith effort standard to evaluate  
 21 whether a fellowship is in default. All of the following apply to the program:

22       (a) By April 15 of each year, public universities shall report any anticipated  
 23 unexpended or unencumbered program funds to the department of labor and economic  
 24 opportunity. Encumbered funds are those funds that were committed by a fellowship  
 25 agreement that is signed during the current fiscal year or administrative expenses  
 26 that have been approved by the department of labor and economic opportunity.

1 (b) Before August 1, ~~2022~~, **of each year**, unexpended or unencumbered funds may be  
 2 transferred, under the direction of the department of labor and economic opportunity,  
 3 to a future faculty program at another university to be awarded to an eligible  
 4 candidate at that university.

5 (c) Program allocations not expended or encumbered by September 30, ~~2022~~ **2024**  
 6 must be returned to the department of labor and economic opportunity so that those  
 7 funds may lapse to the state general fund.

8 (d) Not more than 5% of each public university's allocation for the program may  
 9 be used for administration of the program.

10 (e) **In addition to the appropriation for fiscal year 2022-2023, any revenue**  
 11 **received during prior fiscal years by the department of labor and economic opportunity**  
 12 **from defaulted fellowship agreements are appropriated for the purposes originally**  
 13 **intended.**

14 Sec. 277. (1) Included in the appropriation for fiscal year ~~2021-2022-2022-2023~~  
 15 for each public university in section 236 is funding for the Martin Luther King, Jr. -  
 16 Cesar Chavez - Rosa Parks college day program that is intended to introduce  
 17 academically or economically disadvantaged schoolchildren to the potential of a  
 18 college education in this state. Preference may not be given to participants on the  
 19 basis of race, color, ethnicity, gender, or national origin. Public universities  
 20 should encourage participation from those who would otherwise not adequately be  
 21 represented in the student population.

22 (2) Individual program plans of each public university shall include a budget of  
 23 equal contributions from this program, the participating public university, the  
 24 participating school district, and the participating independent degree-granting  
 25 college. College day funds shall not be expended to cover indirect costs. Not more  
 26 than 20% of the university match shall be attributable to indirect costs. Each public

1 university shall apply the percentage change applicable to every public university in  
 2 the calculation of appropriations in section 236 to the amount of funds allocated to  
 3 the college day program.

4 (3) The program described in this section shall be administered by each public  
 5 university in a manner prescribed by the department of labor and economic opportunity.

6 Sec. 278. (1) Included in section 236 for fiscal year ~~2021-2022-2022-2023~~ is  
 7 funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks select student  
 8 support services program for developing academically or economically disadvantaged  
 9 student retention programs for 4-year public and independent educational institutions  
 10 in this state. Preference may not be given to participants on the basis of race,  
 11 color, ethnicity, gender, or national origin. Institutions should encourage  
 12 participation from those who would otherwise not adequately be represented in the  
 13 student population.

14 (2) An award made under this program to any 1 institution shall not be greater  
 15 than \$150,000.00, **have an award period of no more than two years**, and the amount  
 16 awarded shall be matched on a 70% state, 30% college or university basis.

17 (3) The program described in this section shall be administered by the  
 18 department of labor and economic opportunity.

19 Sec. 279. (1) Included in section 236 for fiscal year ~~2021-2022-2022-2023~~ is  
 20 funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college/university  
 21 partnership program between 4-year public and independent colleges and universities  
 22 and public community colleges, which is intended to increase the number of  
 23 academically or economically disadvantaged students who transfer from community  
 24 colleges into baccalaureate programs in this state. Preference may not be given to  
 25 participants on the basis of race, color, ethnicity, gender, or national origin.  
 26 Institutions should encourage participation from those who would otherwise not

1 adequately be represented in the transfer student population.

2 (2) The grants shall be made under the program described in this section to  
 3 Michigan public and independent colleges and universities. An award to any 1  
 4 institution shall not be greater than \$150,000.00, **have an award period of no more**  
 5 **than two years**, and the amount awarded shall be matched on a 70% state, 30% college or  
 6 university basis.

7 (3) The program described in this section shall be administered by the  
 8 department of labor and economic opportunity.

9 Sec. 280. (1) Included in the appropriation for fiscal year ~~2021-2022~~**2022-2023**  
 10 for each public university in section 236 is funding for the Martin Luther King, Jr. -  
 11 Cesar Chavez - Rosa Parks visiting professors program which is intended to increase  
 12 the number of instructors in the classroom to provide role models for academically or  
 13 economically disadvantaged students. Preference may not be given to participants on  
 14 the basis of race, color, ethnicity, gender, or national origin. Public universities  
 15 should encourage participation from those who would otherwise not adequately be  
 16 represented in the student population.

17 (2) The program described in this section shall be administered by the  
 18 department of labor and economic opportunity.

19 (3) The amount allocated to each university is \$9,994.00 **and have an award**  
 20 **period of no more than two years**. Each university receiving funds for fiscal year  
 21 ~~2021-2022~~ **2022-2023** under this section shall report to the department of labor and  
 22 economic opportunity by April 15, ~~2022~~ **2023** the amount of its unobligated and  
 23 unexpended funds as of March 31, ~~2022~~ **2023** and a plan to expend the remaining funds by  
 24 the end of the fiscal year. The amount of funding reported as not being expended may  
 25 be transferred, under the direction of the department, to another university for use  
 26 under this section.

1           Sec. 281. (1) Included in the appropriation for fiscal year ~~2021-2022-2022-2023~~  
2 in section 236 is funding under the Martin Luther King, Jr. - Cesar Chavez - Rosa  
3 Parks initiative for the Morris Hood, Jr. educator development program, which is  
4 intended to increase the number of academically or economically disadvantaged students  
5 who enroll in and complete K-12 teacher education programs at the baccalaureate level  
6 and teach in this state. Preference may not be given to participants on the basis of  
7 race, color, ethnicity, gender, or national origin. Institutions should encourage  
8 participation from those who would otherwise not adequately be represented in the  
9 teacher education student population.

10           (2) The program described in this section shall be administered by each state-  
11 approved teacher education institution in a manner prescribed by the department of  
12 labor and economic opportunity.

13           (3) Approved teacher education institutions may and are encouraged to use select  
14 student support services funding in coordination with the Morris Hood, Jr. funding to  
15 achieve the goals of the program described in this section.

16           Sec. 282. (1) Each institution receiving funds for fiscal year ~~2021-2022-2022-~~  
17 **2023** under section 278, 279, or 281 shall provide to the department of labor and  
18 economic opportunity by April 15, ~~2022-2023~~ the unobligated and unexpended funds as of  
19 March 31, ~~2022-2023~~ and a plan to expend the remaining funds by the end of the fiscal  
20 year. Notwithstanding the award limitations in sections 278 and 279, the amount of  
21 funding reported as not being expended will be reallocated to the institutions that  
22 intend to expend all funding received under section 278, 279, or 281.

23           (2) Funds received for the purpose of administering programs under sections  
24 275j, 278, 279, and 281 shall not be used for direct financial aid or indirect  
25 financial aid. However, a university may provide academic incentives to motivate  
26 participating students as approved by the department. As used in this subsection:

1 (a) "Direct financial aid" includes, but is not limited to, scholarships,  
2 payment of tuition, stipends, and work-studies.

3 (b) "Indirect financial aid" includes, but is not limited to, transportation,  
4 textbook allowances, child care support, and assistance with medical premiums or  
5 expenses.

6 ARTICLE IV

7 SUMMARY OF ANTICIPATED APPROPRIATIONS

8 Sec. 298. (1) Subject to the conditions set forth in this act, the amounts  
9 appropriated in this act for the fiscal year ending September 30, 2023 for the public  
10 schools, intermediate school districts, community colleges and public universities of  
11 this state, and certain other state purposes relating to education are anticipated to  
12 be the same amounts appropriated for the fiscal year ending September 30, 2024, with  
13 the following exceptions:

14 (2) Appropriations for School Aid (Article I)

15 Drinking Water Declaration of Emergency Early

16	Childhood Collaborative.....	1,000,000	0
17	School Infrastructure.....	171,000,000	170,000,000
18	Proposal A Obligation Payment.....	4,421,000,000	4,290,000,000
19	Discretionary Payment.....	5,744,000,000	5,729,000,000
20	Mental Health Screening Tools.....	25,000,000	0
21	Wraparound Support Services - Staffing.....	120,000,000	0
22	TRAILS.....	120,000,000	0
23	Great Start Readiness Program.....	451,470,000	469,470,000
24	Before and After School Partnerships .....	50,000,000	25,000,000
25	Great Start Readiness Program - Home-Based Pilot .....	5,000,000	0
26	Michigan Reading Corps .....	3,500,000	0



1	Professional Learning - Early Literacy .....	4,000,000	0
2	Special Education Foundations .....	323,300,000	335,300,000
3	Special Education Headlee Obligations .....	710,000,000	735,500,000
4	CTE Equipment Upgrades .....	10,000,000	0
5	School Safety Grants .....	51,000,000	0
6	Cross-Sector School Safety Model .....	15,000,000	0
7	Benchmark Assessments .....	11,500,000	0
8	Michigan Public School Employees Retirement System ....	1,823,021,000	1,955,321,000
9	(3) Appropriations for Community Colleges (Article II)		
10	Michigan Public School Employees Retirement System.....	\$ 110,420,000	\$ 117,920,000
11	One-Time Operations Support.....	\$ 16,184,000	\$ 0
12	(4) Appropriations for Universities and Student Financial Aid (Article III)		
13	Michigan Public School Employees Retirement System.....	\$ 4,720,000	\$ 4,450,000
14	One-Time Operations Support.....	\$ 76,291,700	\$ 0

15 Enacting section 1. (1) In accordance with section 30 of article I of the state  
16 constitution of 1963, total state spending on school aid under article I as amended by  
17 this amendatory act from state sources for fiscal year 2022-2023 is estimated at  
18 \$16,164,795,700.00 and state appropriations for school aid to be paid to local units  
19 of government for fiscal year 2022-2023 are estimated at \$15,788,938,300.00.

20 (2) In accordance with section 30 of article IX of the state constitution of  
21 1963, total state spending from state sources for community colleges for fiscal year  
22 2022-2023 under article II as amended by this amendatory act is estimated at  
23 \$470,028,400.00 and the amount of that state spending from state sources to be paid to  
24 local units of government for fiscal year 2022-2023 is estimated at \$470,028,400.00.

25 (3) In accordance with section 30 of article IX of the state constitution of  
26 1963, total state spending from state sources for higher education for fiscal year

1 2022-2023 under article III as amended by this amendatory act is estimated at  
 2 \$1,730,188,500.00 and the amount of that state spending from state sources to be paid  
 3 to local units of government for fiscal year 2022-2023 is estimated at \$0.

4 Enacting section 2. Sections 11n, 11o, 11r, 11t, 22g, 25i, 31m, 31y, 31z, 35b,  
 5 35d, 35e, 35f, 35g, 35h, 41a, 55, 61g, 67a, 67b, 94c, 94d, 95b, 97a, 98a, 98b, 98d,  
 6 99i, 99t, 99u, 99w, 99x, 99z, 99aa, 99bb, 104a, 104f, 104g, 152b, 164g, 164h, 166,  
 7 208, 210g, 210h, 212, 220, 226b, 226d, 226g, 228, 236h, 261, 265e, 271a, 274, 275a,  
 8 275d, 275f, 275g, 275i, 281a, 286b, and 291 of the state school aid act of 1979, 1979  
 9 PA 94, MCL 388.1611n, 388.1611o, 388.1611r, 388.1611t, 388.1622g, 388.1625i,  
 10 388.1631m, 388.1631y, 388.1631z, 388.1635b, 388.1635d, 388.1635e, 388.1635f,  
 11 388.1635g, 388.1635h, 388.1641a, 388.1655, 388.1661g, 388.1667a, 388.1667b, 388.1694c,  
 12 388.1694d, 388.1695b, 388.1697a, 388.1698a, 388.1698b, 388.1698d, 388.1699i,  
 13 388.1699t, 388.1699u, 388.1699w, 388.1699x, 388.1699z, 388.1699aa, 388.1699bb,  
 14 388.1704a, 388.1704f, 388.1704g, 388.1752b, 388.1764g, 388.1764h, 388.1766, 388.1808,  
 15 388.1810g, 388.1810h, 388.1812, 388.1820, 388.1826b, 388.1826d, 388.1826g, 388.1828,  
 16 388.1836h, 388.1861, 388.1865e, 388.1871a, 388.1874, 388.1875a, 388.1875d, 388.1875f,  
 17 388.1875g, 388.1875i, 388.1881a, 388.1886b, and 388.1891 are repealed effective  
 18 October 1, 2022.

19 Enacting section 3. This amendatory act takes effect October 1, 2022.