

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 174

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 6, 11, 12a, 12c, 20, 22*l*, 31a, 31ff, 41, 51a,
51c, 61*l*, 61s, 61u, 94a, 95b, 97e, 97g, 97k, 99d, 99m, 99n, 99ii,
99jj, 107a, 147a, 201, 236, 236m, and 248 (MCL 388.1606, 388.1611,
388.1612a, 388.1612c, 388.1620, 388.1622*l*, 388.1631a, 388.1631ff,
388.1641, 388.1651a, 388.1651c, 388.1661*l*, 388.1661s, 388.1661u,
388.1694a, 388.1695b, 388.1697e, 388.1697g, 388.1697k, 388.1699d,
388.1699m, 388.1699n, 388.1699ii, 388.1699jj, 388.1707a, 388.1747a,
388.1801, 388.1836, 388.1836m, and 388.1848), sections 6, 11, 20,
31a, 41, 51a, 51c, 94a, 95b, 97e, 147a, 201, 236, and 248 as
amended and sections 12a, 12c, 22*l*, 31ff, 61*l*, 61s, 61u, 97g, 97k,



99d, 99m, 99n, 99ii, 99jj, 107a, and 236m as added by 2023 PA 103, and by adding sections 216d and 236o; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

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

23 (3) "District and high school graduation report" means a
 24 report of the number of pupils, excluding adult education
 25 participants, in the district for the immediately preceding school



1 year, adjusted for those pupils who have transferred into or out of
 2 the district or high school, who leave high school with a diploma
 3 or other credential of equal status.

4 (4) "Membership", except as otherwise provided in this
 5 article, means for a district, a public school academy, or an
 6 intermediate district the sum of the product of .90 times the
 7 number of full-time equated pupils in grades K to 12 actually
 8 enrolled and in regular daily attendance in the district, public
 9 school academy, or intermediate district on the pupil membership
 10 count day for the current school year, plus the product of .10
 11 times the final audited count from the supplemental count day of
 12 full-time equated pupils in grades K to 12 actually enrolled and in
 13 regular daily attendance in the district, public school academy, or
 14 intermediate district for the immediately preceding school year. A
 15 district's, public school academy's, or intermediate district's
 16 membership is adjusted as provided under section 25e for pupils who
 17 enroll after the pupil membership count day in a strict discipline
 18 academy operating under sections 1311b to 1311m of the revised
 19 school code, MCL 380.1311b to 380.1311m. All pupil counts used in
 20 this subsection are as determined by the department and calculated
 21 by adding the number of pupils registered for attendance plus
 22 pupils received by transfer and minus pupils lost as defined by
 23 rules promulgated by the superintendent, and as corrected by a
 24 subsequent department audit. The amount of the foundation allowance
 25 for a pupil in membership is determined under section 20. In making
 26 the calculation of membership, all of the following, as applicable,
 27 apply to determining the membership of a district, a public school
 28 academy, or an intermediate district:

29 (a) Except as otherwise provided in this subsection, and



1 pursuant to subsection (6), a pupil is counted in membership in the
2 pupil's educating district or districts. Except as otherwise
3 provided in this subsection, an individual pupil must not be
4 counted for more than a total of 1.0 full-time equated membership.

5 (b) If a pupil is educated in a district other than the
6 pupil's district of residence, if the pupil is not being educated
7 as part of a cooperative education program, if the pupil's district
8 of residence does not give the educating district its approval to
9 count the pupil in membership in the educating district, and if the
10 pupil is not covered by an exception specified in subsection (6) to
11 the requirement that the educating district must have the approval
12 of the pupil's district of residence to count the pupil in
13 membership, the pupil is not counted in membership in any district.

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

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

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

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



1 of residence.

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

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

18 (i) Except as otherwise provided in this subdivision, the pupil
19 shall participate in each scheduled course on pupil membership
20 count day or supplemental count day, as applicable. If the pupil is
21 absent on pupil membership count day or supplemental count day, as
22 applicable, the pupil must attend and participate in class during
23 the next 10 consecutive school days if the absence was unexcused,
24 or during the next 30 calendar days if the absence was excused.

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

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



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

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

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

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

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

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

14 (A) Except as otherwise provided in this sub-subparagraph, the
15 pupil and the teacher of record or mentor complete a 2-way
16 interaction for 1 course during the week on which pupil membership
17 count day or supplemental count day, as applicable, occurs, and the
18 3 consecutive weeks following that week. However, if a school break
19 is scheduled during any of the weeks described in this sub-
20 subparagraph that is 4 or more days in length or instruction has
21 been canceled districtwide during any of the weeks described in
22 this sub-subparagraph for 3 or more school days, the district is
23 not required to ensure that the pupil and the teacher of record or
24 mentor completed a 2-way interaction for that week. As used in this
25 sub-subparagraph:

26 (I) "2-way interaction" means the communication that occurs
27 between the teacher of record or mentor and pupil, where 1 party
28 initiates communication and a response from the other party follows
29 that communication. Responses as described in this sub-sub-



1 subparagraph must be to the communication initiated by the teacher
2 of record or mentor, and not some other action taken. This
3 interaction may occur through, but is not limited to, means such as
4 email, telephone, instant messaging, or face-to-face conversation.
5 A parent- or legal-guardian-facilitated 2-way interaction is
6 considered a 2-way interaction if the pupil is in any of grades K
7 to 5 and does not yet possess the skills necessary to participate
8 in 2-way interactions unassisted. The interactions described in
9 this sub-sub-subparagraph must relate to a virtual course on the
10 pupil's schedule and pertain to course content or progress.

11 (II) "Mentor" means a professional employee of the district
12 who monitors the pupil's progress, ensures the pupil has access to
13 needed technology, is available for assistance, and ensures access
14 to the teacher of record. A mentor may also be the teacher of
15 record if the mentor meets the definition of a teacher of record
16 under this sub-subparagraph and the district is the provider for
17 the course.

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

20 (1) The teacher is responsible for providing instruction,
21 determining instructional methods for each pupil, diagnosing
22 learning needs, assessing pupil learning, prescribing intervention
23 strategies and modifying lessons, reporting outcomes, and
24 evaluating the effects of instruction and support strategies. The
25 teacher of record may coordinate the distribution and assignment of
26 the responsibilities described in this sub-sub-sub-subparagraph
27 with other teachers participating in the instructional process for
28 a course.

29 (2) The teacher is certified for the grade level or is working



1 under a valid substitute permit, authorization, or approval issued
2 by the department.

3 (3) The teacher has a personnel identification code provided
4 by the center.

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

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

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

12 (II) Documented completion of a course assignment.

13 (III) Documented completion of a course lesson or lesson
14 activity.

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

17 (V) Documented physical attendance on pupil membership count
18 day or supplemental count day, as applicable, in each scheduled
19 course, if the pupil will attend at least 50% of the instructional
20 time for each scheduled course on-site, face-to-face with the
21 teacher of record. As used in this sub-sub-subparagraph, "teacher
22 of record" means that term as defined in subparagraph (iii) (A).

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

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



1 (i) If operations begin before the pupil membership count day
2 for the fiscal year, membership is the average number of full-time
3 equated pupils in grades K to 12 actually enrolled and in regular
4 daily attendance on the pupil membership count day for the current
5 school year and on the supplemental count day for the current
6 school year, as determined by the department and calculated by
7 adding the number of pupils registered for attendance on the pupil
8 membership count day plus pupils received by transfer and minus
9 pupils lost as defined by rules promulgated by the superintendent,
10 and as corrected by a subsequent department audit, plus the final
11 audited count from the supplemental count day for the current
12 school year, and dividing that sum by 2.

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

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

28 (k) For an extended school year program approved by the
29 superintendent, a pupil enrolled, but not scheduled to be in



1 regular daily attendance, on a pupil membership count day, is
2 counted in membership.

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

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

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

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

18 (B) Had dropped out of school.

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

21 (iii) If a child does not meet the minimum age requirement to be
22 eligible to attend school for that school year under section 1147
23 of the revised school code, MCL 380.1147, but will be 5 years of
24 age not later than December 1 of that school year, the district may
25 count the child in membership for that school year if the parent or
26 legal guardian has notified the district in writing that the parent
27 or legal guardian intends to enroll the child in kindergarten for
28 that school year.

29 (m) An individual who has achieved a high school diploma is



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

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

22 (i) If the public school academy provides instruction for at
23 least 1/2 of the class hours required under section 101, the public
24 school academy receives as its prorated share of the full-time
25 equated membership for each of those pupils an amount equal to 1
26 times the product of the hours of instruction the public school
27 academy provides divided by the number of hours required under
28 section 101 for full-time equivalency, and the remainder of the
29 full-time membership for each of those pupils is allocated to the



1 district or intermediate district providing the remainder of the
2 hours of instruction.

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

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

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

20 (q) The number of class hours used to calculate full-time
21 equated memberships must be consistent with section 101. In
22 determining full-time equated memberships for pupils who are
23 enrolled in a postsecondary institution or for pupils engaged in an
24 internship or work experience under section 1279h of the revised
25 school code, MCL 380.1279h, a pupil is not considered to be less
26 than a full-time equated pupil solely because of the effect of the
27 pupil's postsecondary enrollment or engagement in the internship or
28 work experience, including necessary travel time, on the number of
29 class hours provided by the district to the pupil.



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

16 (s) For a district or a public school academy that has pupils
17 enrolled in a grade level that was not offered by the district or
18 public school academy in the immediately preceding school year, the
19 number of pupils enrolled in that grade level to be counted in
20 membership is the average of the number of those pupils enrolled
21 and in regular daily attendance on the pupil membership count day
22 and the supplemental count day of the current school year.
23 Membership is calculated by adding the number of pupils registered
24 for attendance in that grade level on the pupil membership count
25 day plus pupils received by transfer and minus pupils lost as
26 defined by rules promulgated by the superintendent, and as
27 corrected by subsequent department audit, plus the final audited
28 count from the supplemental count day for the current school year,
29 and dividing that sum by 2.



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

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

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

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

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

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



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

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

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



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

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

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

20 (y) Full-time equated memberships for special education pupils
21 who are not enrolled in kindergarten but are enrolled in a
22 classroom program under R 340.1754 of the Michigan Administrative
23 Code are determined by dividing the number of class hours scheduled
24 and provided per year by 450. Full-time equated memberships for
25 special education pupils who are not enrolled in kindergarten but
26 are receiving early childhood special education services under R
27 340.1755 or R 340.1862 of the Michigan Administrative Code are
28 determined by dividing the number of hours of service scheduled and
29 provided per year per pupil by 180.



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

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

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

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

23 (dd) For a pupil enrolled in a dropout recovery program that
24 meets the requirements of section 23a, the pupil is counted as 1/12
25 of a full-time equated membership for each month that the district
26 operating the program reports that the pupil was enrolled in the
27 program and was in full attendance. However, if the special
28 membership counting provisions under this subdivision and the
29 operation of the other membership counting provisions under this



1 subsection result in a pupil being counted as more than 1.0 FTE in
2 a fiscal year, the payment made for the pupil under sections 22a
3 and 22b must not be based on more than 1.0 FTE for that pupil, and
4 any portion of an FTE for that pupil that exceeds 1.0 is instead
5 paid under section 25g. The district operating the program shall
6 report to the center the number of pupils who were enrolled in the
7 program and were in full attendance for a month not later than 30
8 days after the end of the month. A district shall not report a
9 pupil as being in full attendance for a month unless both of the
10 following are met:

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

14 (ii) **Either of the following is met:**

15 (A) The pupil meets the district's definition under section
16 23a of satisfactory monthly progress for that month or, if the
17 pupil does not meet that definition of satisfactory monthly
18 progress for that month, the pupil did meet that definition of
19 satisfactory monthly progress in the immediately preceding month
20 and appropriate interventions, as defined by the district, are
21 implemented within 10 school days after it is determined that the
22 pupil does not meet that definition of satisfactory monthly
23 progress.

24 (B) **For the first 2 months that the pupil participates in the**
25 **program, the pupil earns 0.25 credit by the end of the second**
26 **month. A pupil described in this sub-subparagraph may be**
27 **retroactively reported as being in full attendance for the first**
28 **month that the pupil participated in the program.**

29 (ee) A pupil participating in a virtual course under section



1 21f is counted in membership in the district enrolling the pupil.

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

12 (gg) If a special education pupil is expelled under section
13 1311 or 1311a of the revised school code, MCL 380.1311 and
14 380.1311a, and is not in attendance on the pupil membership count
15 day because of the expulsion, and if the pupil remains enrolled in
16 the district and resumes regular daily attendance during that
17 school year, the district's membership is adjusted to count the
18 pupil in membership as if the pupil had been in attendance on the
19 pupil membership count day.

20 (hh) A pupil enrolled in a community district is counted in
21 membership in the community district.

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

25 (jj) A district that borders another state or a public school
26 academy that operates at least grades 9 to 12 and is located within
27 20 miles of a border with another state may count in membership a
28 pupil who is enrolled in a course at a college or university that
29 is located in the bordering state and within 20 miles of the border



1 with this state if all of the following are met:

2 (i) The pupil would meet the definition of an eligible student
3 under the postsecondary enrollment options act, 1996 PA 160, MCL
4 388.511 to 388.524, if the course were an eligible course under
5 that act.

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

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

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

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

27 (kk) A pupil enrolled in a middle college program may be
28 counted for more than a total of 1.0 full-time equated membership
29 for any of the school years in which the pupil is enrolled in the



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

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

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

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



1 academy's membership for pupils counted under section 166b must not
2 exceed the greater of the following:

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

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

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

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

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

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

22 (b) A pupil receiving 1/2 or less of the pupil's instruction
23 in a district other than the pupil's district of residence.

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

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

28 (e) A pupil who has made an official written complaint or
29 whose parent or legal guardian has made an official written



1 complaint to law enforcement officials and to school officials of
2 the pupil's district of residence that the pupil has been the
3 victim of a criminal sexual assault or other serious assault, if
4 the official complaint either indicates that the assault occurred
5 at school or that the assault was committed by 1 or more other
6 pupils enrolled in the school the pupil would otherwise attend in
7 the district of residence or by an employee of the district of
8 residence. A person who intentionally makes a false report of a
9 crime to law enforcement officials for the purposes of this
10 subdivision is subject to section 411a of the Michigan penal code,
11 1931 PA 328, MCL 750.411a, which provides criminal penalties for
12 that conduct. As used in this subdivision:

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

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

22 (f) A pupil whose district of residence changed after the
23 pupil membership count day and before the supplemental count day
24 and who continues to be enrolled on the supplemental count day as a
25 nonresident in the district in which the pupil was enrolled as a
26 resident on the pupil membership count day of the same school year.

27 (g) A pupil enrolled in an alternative education program
28 operated by a district other than the pupil's district of residence
29 who meets 1 or more of the following:



1 (i) The pupil has been suspended or expelled from the pupil's
2 district of residence for any reason, including, but not limited
3 to, a suspension or expulsion under section 1310, 1311, or 1311a of
4 the revised school code, MCL 380.1310, 380.1311, and 380.1311a.

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

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

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

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

10 (i) A pupil who is the child of a person who works at the
11 district or who is the child of a person who worked at the district
12 as of the time the pupil first enrolled in the district but who no
13 longer works at the district due to a workforce reduction. As used
14 in this subdivision, "child" includes an adopted child, stepchild,
15 or legal ward.

16 (j) An expelled pupil who has been denied reinstatement by the
17 expelling district and is reinstated by another school board under
18 section 1311 or 1311a of the revised school code, MCL 380.1311 and
19 380.1311a.

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

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

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



1 (n) A pupil who enrolls in a district other than the pupil's
 2 district of residence as a result of the pupil's school not making
 3 adequate yearly progress under the no child left behind act of
 4 2001, Public Law 107-110, or the every student succeeds act, Public
 5 Law 114-95.

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

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

14 (a) Except as provided in subdivision (b) or (c), either of
 15 the following:

16 (i) The first Wednesday in October each school year.

17 (ii) For a district or building in which school is not in
 18 session on the Wednesday described in subparagraph (i) due to
 19 conditions not within the control of school authorities, with the
 20 approval of the superintendent, the immediately following day on
 21 which school is in session in the district or building.

22 (b) Except as otherwise provided in subdivision (c), for a
 23 district or intermediate district maintaining school during the
 24 entire school year, the following days:

25 (i) Fourth Wednesday in July.

26 (ii) First Wednesday in October.

27 (iii) Second Wednesday in February.

28 (iv) Fourth Wednesday in April.

29 (c) If a date listed in subdivision (a) or (b) is on a day of



1 religious or cultural significance, as determined by the district
2 or intermediate district, the immediately following day on which
3 school is in session in the district or building.

4 (8) "Pupils in grades K to 12 actually enrolled and in regular
5 daily attendance" means, except as otherwise provided in this
6 section, pupils in grades K to 12 in attendance and receiving
7 instruction in all classes for which they are enrolled on the pupil
8 membership count day or the supplemental count day, as applicable.
9 Except as otherwise provided in this section and subsection, a
10 pupil who is absent from any of the classes in which the pupil is
11 enrolled on the pupil membership count day or supplemental count
12 day and who does not attend each of those classes during the 10
13 consecutive school days immediately following the pupil membership
14 count day or supplemental count day, except for a pupil who has
15 been excused by the district, is not counted as 1.0 full-time
16 equated membership. Except as otherwise provided in this section, a
17 pupil who is excused from attendance on the pupil membership count
18 day or supplemental count day and who fails to attend each of the
19 classes in which the pupil is enrolled within 30 calendar days
20 after the pupil membership count day or supplemental count day is
21 not counted as 1.0 full-time equated membership. Except as
22 otherwise provided in this section, in addition, a pupil who was
23 enrolled and in attendance in a district, intermediate district, or
24 public school academy before the pupil membership count day or
25 supplemental count day of a particular year but was expelled or
26 suspended on the pupil membership count day or supplemental count
27 day is only counted as 1.0 full-time equated membership if the
28 pupil resumed attendance in the district, intermediate district, or
29 public school academy within 45 days after the pupil membership



1 count day or supplemental count day of that particular year. Except
2 as otherwise provided in this section, a pupil not counted as 1.0
3 full-time equated membership due to an absence from a class is
4 counted as a prorated membership for the classes the pupil
5 attended. For purposes of this subsection:

6 (a) "Appropriately placed" means holding a valid Michigan
7 educator credential with the required grade range and discipline or
8 subject area for the assignment, as defined by the superintendent
9 of public instruction.

10 (b) "Class" means either of the following, as applicable:

11 (i) A period of time in 1 day when pupils and an individual who
12 is appropriately placed under a valid certificate, substitute
13 permit, authorization, or approval issued by the department, are
14 together and instruction is taking place. This subdivision does not
15 apply for the 2020-2021, 2021-2022, 2022-2023, and 2023-2024 school
16 years.

17 (ii) For the 2020-2021, 2021-2022, 2022-2023, and 2023-2024
18 school years only, a period of time in 1 day when pupils and a
19 certificated teacher, a teacher engaged to teach under section
20 1233b of the revised school code, MCL 380.1233b, or an individual
21 working under a valid substitute permit, authorization, or approval
22 issued by the department are together and instruction is taking
23 place.

24 (9) "Rule" means a rule promulgated pursuant to the
25 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
26 24.328.

27 (10) "The revised school code" means the revised school code,
28 1976 PA 451, MCL 380.1 to 380.1852.

29 (11) "School district of the first class", "first class school



1 district", and "district of the first class" mean, for the purposes
2 of this article only, a district that had at least 40,000 pupils in
3 membership for the immediately preceding fiscal year.

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

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

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

11 (15) "Supplemental count day" means the day on which the
12 supplemental pupil count is conducted under section 6a.

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

23 (17) "State school aid fund" means the state school aid fund
24 established in section 11 of article IX of the state constitution
25 of 1963.

26 (18) "Taxable value" means, except as otherwise provided in
27 this article, the taxable value of property as determined under
28 section 27a of the general property tax act, 1893 PA 206, MCL
29 211.27a.



1 (19) "Textbook" means a book, electronic book, or other
 2 instructional print or electronic resource that is selected and
 3 approved by the governing board of a district and that contains a
 4 presentation of principles of a subject, or that is a literary work
 5 relevant to the study of a subject required for the use of
 6 classroom pupils, or another type of course material that forms the
 7 basis of classroom instruction.

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

12 Sec. 11. (1) For the fiscal year ending September 30, 2023,
 13 there is appropriated for the public schools of this state and
 14 certain other state purposes relating to education the sum of
 15 ~~\$17,270,268,900.00~~ **\$17,290,268,900.00** from the state school aid
 16 fund, the sum of \$124,350,000.00 from the general fund, an amount
 17 not to exceed \$72,000,000.00 from the community district education
 18 trust fund created under section 12 of the Michigan trust fund act,
 19 2000 PA 489, MCL 12.262, an amount not to exceed \$200,000.00 from
 20 the school transportation fund created under section 22k, an amount
 21 not to exceed \$25,000,000.00 from the school meals reserve fund
 22 created under section 30e, and an amount not to exceed
 23 \$140,400,000.00 from the MPSEERS retirement obligation reform
 24 reserve fund created under section 147b. For the fiscal year ending
 25 September 30, 2024, there is appropriated for the public schools of
 26 this state and certain other state purposes relating to education
 27 the sum of \$18,364,157,800.00 from the state school aid fund, the
 28 sum of \$87,900,000.00 from the general fund, an amount not to
 29 exceed \$72,000,000.00 from the community district education trust



1 fund created under section 12 of the Michigan trust fund act, 2000
2 PA 489, MCL 12.262, an amount not to exceed \$245,000,000.00 from
3 the school consolidation and infrastructure fund created under
4 section 11x, an amount not to exceed \$125,000,000.00 from the
5 school transportation fund created under section 22k, an amount not
6 to exceed \$71,000,000.00 from the enrollment stabilization fund
7 created under section 29, an amount not to exceed \$60,000,000.00
8 from the school meals reserve fund created under section 30e, an
9 amount not to exceed \$18,000,000.00 from the great start readiness
10 program reserve fund created under section 32e, and an amount not
11 to exceed \$215,800,000.00 from the MPSERS retirement obligation
12 reform reserve fund created under section 147b. In addition, all
13 available federal funds are only appropriated as allocated in this
14 article for the fiscal years ending September 30, 2023 and
15 September 30, 2024.

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

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

24 Sec. 12a. (1) From the state school aid fund money
25 appropriated in section 11, there is allocated for 2022-2023 only
26 an amount not to exceed \$50,000,000.00 for competitive grants to
27 participating schools to lower energy costs and improve health
28 outcomes at school facilities through the healthy schools grant
29 program created under this section. The department shall create a



1 healthy schools grant program to disburse grant funding for the
2 purposes under this section.

3 (2) Except as otherwise provided in this subsection, to
4 receive a grant under this section, a participating school must
5 apply for the grant in a form and manner prescribed by the
6 department, in collaboration with the department of environment,
7 Great Lakes, and energy and the department of health and human
8 services. An application described in this subsection must be
9 evaluated using the following scoring criteria:

10 (a) Utilizing Justice40 parameters.

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

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

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

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

27 (a) Indoor air quality improvements, including HVAC and air-
28 conditioning needs.

29 (b) Energy enhancements, including energy efficiencies, on-



1 site renewable energy production, and facility electrification.

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

4 (d) Drinking water system upgrades, including the installation
5 of hydration stations. A participating school's matching funds
6 requirement to access healthy hydration funding is an eligible use
7 under this subsection.

8 (4) ~~Each~~ **Except as otherwise provided in this subsection, each**
9 participating school receiving a grant under this section shall
10 match at least 50% of the grant funding received with other sources
11 toward the completion of projects commenced for purposes of this
12 section. **The match requirement in this subsection does not apply to**
13 **funding used for the purposes described in subsection (3) (d).**

14 (5) The funds allocated under this section for 2022-2023 are a
15 work project appropriation, and any unexpended funds for 2022-2023
16 are carried forward into 2023-2024. The purpose of the work project
17 is to lower energy costs and improve health outcomes at school
18 facilities. The estimated completion date of the work project is
19 September 30, 2027.

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

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

25 Sec. 12c. (1) From the school consolidation and infrastructure
26 fund created under section 11x, there is allocated for 2023-2024
27 only an amount not to exceed \$245,000,000.00 for grants to
28 districts and intermediate districts to support the initial costs
29 related to the consolidation or the consolidation of services



1 identified in the feasibility study or analysis conducted under
2 section 11x.

3 (2) To be eligible for funding under this section, a district
4 or intermediate district must apply for the funding in a form and
5 manner prescribed by the department. An intermediate district may
6 apply for funding on behalf of a district if the intermediate
7 district is providing the consolidated services. An application
8 described in this subsection must include all of the following:

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

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

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

18 (d) An assurance that the district or intermediate district
19 will submit to the department an annual report documenting the
20 estimated savings produced as a result of the consolidation or the
21 consolidation of services.

22 (e) A budget of the estimated first-year costs associated with
23 the consolidation or the consolidation of services, in the form and
24 manner prescribed by the department.

25 (3) If funding under this section is not sufficient to fully
26 fund all applicants, the department shall do either of the
27 following:

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



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

3 (4) Each intermediate district that receives funding under
4 this section and also receives funding under section 11x(6) for
5 2022-2023 shall, in consultation with its constituent districts
6 that receive funds under this section, submit a report to the
7 department not later than June 30, 2025. **Each district that
8 receives funding under this section and also receives funding under
9 section 11x(6) that is separate from the funding received by its
10 intermediate district for 2022-2023 shall submit a report to the
11 department by not later than June 30, 2025.** The report must include
12 all of the following information regarding the consolidation or
13 consolidation of services supported by funding under this section,
14 in the form and manner prescribed by the department:

15 (a) The amount previously spent on each consolidation or
16 consolidation of service in the prior fiscal year.

17 (b) The number of students impacted by the consolidation or
18 the consolidation of service.

19 (c) The vendors, third-party entities, or other educational
20 entities used for consolidation or to consolidate the service or
21 services.

22 (d) The impact on student learning attributable to money
23 reallocated as a result of the consolidation or consolidated
24 service or services.

25 (e) A total of cost savings produced as a result of the
26 consolidation or the consolidation of services, in the form and
27 manner prescribed by the department.

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



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

2 (a) For 2022-2023, the target foundation allowance is
3 \$9,150.00.

4 (b) For 2023-2024, the target foundation allowance is
5 \$9,608.00.

6 (2) The department shall calculate the amount of each
7 district's foundation allowance as provided in this section, using
8 a target foundation allowance in the amount specified in subsection
9 (1).

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

15 (a) For a district that had a foundation allowance for the
16 immediately preceding fiscal year that was equal to the target
17 foundation allowance for the immediately preceding fiscal year, the
18 district receives a foundation allowance in an amount equal to the
19 target foundation allowance described in subsection (1) for the
20 current fiscal year.

21 (b) For a district that had a foundation allowance for the
22 immediately preceding fiscal year that was greater than the target
23 foundation allowance for the immediately preceding fiscal year, the
24 district's foundation allowance is an amount equal to the lesser of
25 (the sum of the district's foundation allowance for the immediately
26 preceding fiscal year plus any per pupil amount calculated under
27 section 20m(2) in the immediately preceding fiscal year plus the
28 increase in the target foundation allowance for the current fiscal
29 year, as compared to the immediately preceding fiscal year) or (the



1 product of the district's foundation allowance for the immediately
 2 preceding fiscal year times the percentage increase in the United
 3 States Consumer Price Index in the calendar year ending in the
 4 immediately preceding fiscal year as reported by the May revenue
 5 estimating conference conducted under section 367b of the
 6 management and budget act, 1984 PA 431, MCL 18.1367b).

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

22 **(c) For a district that had a foundation allowance in the**
 23 **immediately preceding fiscal year that was less than the target**
 24 **foundation allowance in effect for that fiscal year, the district's**
 25 **foundation allowance is an amount equal to the lesser of (the sum**
 26 **of district's foundation allowance for the immediately preceding**
 27 **fiscal year plus any per pupil amount calculated under section**
 28 **20m(2) in the immediately preceding fiscal year plus the increase**
 29 **in the target foundation allowance for the current fiscal year, as**



1 compared to the immediately preceding fiscal year) or (the product
2 of the district's foundation allowance for the immediately
3 preceding fiscal year times the percentage increase in the United
4 States Consumer Price Index in the calendar year ending in the
5 immediately preceding fiscal year as reported by the May revenue
6 estimating conference conducted under section 367b of the
7 management and budget act, 1984 PA 431, MCL 18.1367b).

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

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



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

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

27 (6) Except as otherwise provided in this subsection, for
28 pupils in membership, other than special education pupils, in a
29 public school academy, the allocation calculated under this section



1 is an amount per membership pupil other than special education
2 pupils in the public school academy equal to the target foundation
3 allowance specified in subsection (1), or, for a public school
4 academy that was issued a contract under section 552 of the revised
5 school code, MCL 380.552, to operate as a school of excellence that
6 is a cyber school, \$9,150.00. Notwithstanding section 101, for a
7 public school academy that begins operations after the pupil
8 membership count day, the amount per membership pupil calculated
9 under this subsection must be adjusted by multiplying that amount
10 per membership pupil by the number of hours of pupil instruction
11 provided by the public school academy after it begins operations,
12 as determined by the department, divided by the minimum number of
13 hours of pupil instruction required under section 101(3). The
14 result of this calculation must not exceed the amount per
15 membership pupil otherwise calculated under this subsection.

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

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



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

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

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

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

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

19 (11) For 2023-2024, state payments related to payment of the
 20 foundation allowance for a special education pupil are not
 21 calculated under this section but are instead calculated under
 22 section 51e.

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

29 (a) The pupil membership factor is computed by dividing the



1 estimated membership in the school year ending in the current
2 fiscal year, excluding intermediate district membership, by the
3 estimated membership for the school year ending in the subsequent
4 fiscal year, excluding intermediate district membership. If a
5 consensus membership factor is not determined at the revenue
6 estimating conference, the principals of the revenue estimating
7 conference shall report their estimates to the house and senate
8 subcommittees responsible for school aid appropriations not later
9 than 7 days after the conclusion of the revenue conference.

10 (b) The revenue adjustment factor is computed by dividing the
11 sum of the estimated total state school aid fund revenue for the
12 subsequent fiscal year plus the estimated total state school aid
13 fund revenue for the current fiscal year, adjusted for any change
14 in the rate or base of a tax the proceeds of which are deposited in
15 that fund and excluding money transferred into that fund from the
16 countercyclical budget and economic stabilization fund under the
17 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, by
18 the sum of the estimated total school aid fund revenue for the
19 current fiscal year plus the estimated total state school aid fund
20 revenue for the immediately preceding fiscal year, adjusted for any
21 change in the rate or base of a tax the proceeds of which are
22 deposited in that fund. If a consensus revenue factor is not
23 determined at the revenue estimating conference, the principals of
24 the revenue estimating conference shall report their estimates to
25 the house and senate subcommittees responsible for school aid
26 appropriations not later than 7 days after the conclusion of the
27 revenue conference.

28 (c) The index is calculated by multiplying the pupil
29 membership factor by the revenue adjustment factor. If a consensus



1 index is not determined at the revenue estimating conference, the
2 principals of the revenue estimating conference shall report their
3 estimates to the house and senate subcommittees responsible for
4 state school aid appropriations not later than 7 days after the
5 conclusion of the revenue conference.

6 (13) Payments to districts and public school academies are not
7 made under this section. Rather, the calculations under this
8 section are used to determine the amount of state payments under
9 section 22b.

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

15 (15) As used in this section:

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

19 (b) "Current fiscal year" means the fiscal year for which a
20 particular calculation is made.

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

25 (d) "Immediately preceding fiscal year" means the fiscal year
26 immediately preceding the current fiscal year.

27 (e) "Local portion of the district's foundation allowance"
28 means an amount that is equal to the difference between (the sum of
29 the product of the taxable value per membership pupil of all



1 property in the district that is nonexempt property times the
2 district's certified mills and, for a district with certified mills
3 exceeding 12, the product of the taxable value per membership pupil
4 of property in the district that is commercial personal property
5 times the certified mills minus 12 mills) and (the quotient of the
6 product of the captured assessed valuation under tax increment
7 financing acts times the district's certified mills divided by the
8 district's membership excluding special education pupils).

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

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

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

22 (i) "Receiving district" means a district to which all or part
23 of the territory of a dissolved district is attached under section
24 12 of the revised school code, MCL 380.12.

25 (j) "School operating purposes" means the purposes included in
26 the operation costs of the district as prescribed in sections 7 and
27 18 and purposes authorized under section 1211 of the revised school
28 code, MCL 380.1211.

29 (k) "School operating taxes" means local ad valorem property



1 taxes levied under section 1211 of the revised school code, MCL
2 380.1211, and retained for school operating purposes.

3 (l) "Tax increment financing acts" means parts 2, 3, 4, and 6
4 of the recodified tax increment financing act, 2018 PA 57, MCL
5 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield
6 redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

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

13 Sec. 22l. (1) From the school transportation fund money
14 appropriated under section 11, there is allocated for 2023-2024
15 only an amount not to exceed \$125,000,000.00 to districts **and**
16 **intermediate districts** for transportation costs. Funding for each
17 district **or intermediate district** is as follows:

18 (a) The department must assign each district **and intermediate**
19 **district** to a quartile based on the number of riders per **square**
20 mile and calculate the median cost per rider for each quartile.

21 (b) Funds must be distributed to each district **and**
22 **intermediate district** at the lesser of the quartile's median cost
23 per rider or the actual transportation cost per general education
24 student at the district **or intermediate district**.

25 (c) If funds are insufficient to fully fund payments under
26 this section, payments may be prorated on an equal percentage
27 basis.

28 (2) In addition to the funds allocated under subsection (1),
29 from the school transportation fund money appropriated under



1 section 11, there is allocated for 2022-2023 only an amount not to
 2 exceed \$200,000.00 to an intermediate district for a study on
 3 district transportation costs. The intermediate district receiving
 4 funds under this subsection must submit a report to the department,
 5 the state budget director, the house and senate appropriations
 6 subcommittees on school aid, and the house and senate fiscal
 7 agencies by February 29, 2024 on the outcomes of the study under
 8 this subsection.

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

12 Sec. 31a. (1) From the state school aid fund money
 13 appropriated in section 11, there is allocated for 2023-2024 an
 14 amount not to exceed ~~\$990,150,000.00~~, **\$1,035,150,000.00**, and from
 15 the general fund money appropriated in section 11 there is
 16 allocated for 2023-2024 an amount not to exceed \$1,500,000.00 for
 17 payments to eligible districts and eligible public school academies
 18 for the purposes of ensuring that pupils are proficient in English
 19 language arts by the end of grade 3, that pupils are proficient in
 20 mathematics by the end of grade 8, that pupils are attending school
 21 regularly, that high school graduates are career and college ready,
 22 and for the purposes under subsections (7), ~~and~~(8), **(19), and**
 23 **(20)**.

24 (2) For a district or public school academy to be eligible to
 25 receive funding under this section, other than funding under
 26 subsection (7), ~~or~~(8), **(19), or (20)**, the district or public
 27 school academy, for grades K to 12, must comply with the
 28 requirements under section 1280f of the revised school code, MCL
 29 380.1280f, and ~~shall~~**must** use resources to address early literacy



1 and numeracy, and for at least grades K to 12 or, if the district
 2 or public school academy does not operate all of grades K to 12,
 3 for all of the grades it operates, must implement a multi-tiered
 4 system of supports that is an evidence-based framework that uses
 5 data driven problem solving to integrate academic and behavioral
 6 instruction and that uses intervention delivered to all pupils in
 7 varying intensities based on pupil needs. The multi-tiered system
 8 of supports described in this subsection must provide at least all
 9 of the following essential components:

10 (a) Team-based leadership.

11 (b) A tiered delivery system.

12 (c) Selection and implementation of instruction,
 13 interventions, and supports.

14 (d) A comprehensive screening and assessment system.

15 (e) Continuous data-based decision making.

16 (3) From the state school aid fund money allocated under
 17 subsection (1), there is allocated for 2023-2024 an amount not to
 18 exceed \$952,000,000.00 to continue a weighted foundation per pupil
 19 payment for districts and public school academies enrolling
 20 economically disadvantaged pupils. The department shall pay under
 21 this subsection to each eligible district or eligible public school
 22 academy an amount per pupil equal to a percentage calculated under
 23 subsection (4) multiplied by the target foundation allowance for
 24 the following, as applicable:

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

27 (i) The number of membership pupils in the district or public
 28 school academy who are determined to be economically disadvantaged,
 29 as reported to the center in the form and manner prescribed by the



1 center not later than the fifth Wednesday after the pupil
2 membership count day of the immediately preceding fiscal year.

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

28 (b) If the district or public school academy began operations
29 as a district or public school academy after the pupil membership



1 count day of the immediately preceding school year, the number of
2 membership pupils in the district or public school academy who are
3 determined to be economically disadvantaged, as reported to the
4 center in the form and manner prescribed by the center not later
5 than the fifth Wednesday after the pupil membership count day of
6 the current fiscal year.

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

15 (d) If, for a particular fiscal year, the number of membership
16 pupils in a district or public school academy who are determined
17 under subdivision (a) to be economically disadvantaged or to be
18 eligible based on the identified student percentage varies by more
19 than 20 percentage points from the number of those pupils in the
20 district or public school academy as calculated under subdivision
21 (a) for the immediately preceding fiscal year caused by an
22 egregious reporting error by the district or public school academy,
23 the department may choose to have the calculations under
24 subdivision (a) instead be made using the number of membership
25 pupils in the district or public school academy who are determined
26 to be economically disadvantaged, as reported to the center in the
27 form and manner prescribed by the center not later than the fifth
28 Wednesday after the supplemental count day of the immediately
29 preceding fiscal year.



1 (4) Each district or public school academy must be assigned to
2 an opportunity index score each fiscal year, the value of which is
3 the quotient of the number of economically disadvantaged pupils as
4 determined under subsection (3) for the district or public school
5 academy and the total number of pupils in the district or public
6 school academy in the immediately preceding fiscal year, multiplied
7 by 100 and rounded up to the nearest whole number. Each district or
8 public school academy must be assigned an opportunity index band as
9 follows:

10 (a) A district or public school academy with an opportunity
11 index score greater than or equal to 0 but less than 20 must be
12 assigned to band 1 and shall receive reimbursement under subsection
13 (3) at a rate of at least 35.0% and less than 36.0%. The
14 reimbursement rate under this subdivision must be an amount equal
15 to the district's opportunity index score minus 1, multiplied by
16 the band adjustment factor applicable to this subdivision, plus
17 35.0%.

18 (b) A district or public school academy with an opportunity
19 index score greater than or equal to 20 but less than 44 must be
20 assigned to band 2 and shall receive reimbursement under subsection
21 (3) at a rate of at least 36.0% and less than 37.5%. The
22 reimbursement rate under this subdivision must be an amount equal
23 to the district's opportunity index score minus 20, multiplied by
24 the band adjustment factor applicable to this subdivision, plus
25 36.0%.

26 (c) A district or public school academy with an opportunity
27 index score greater than or equal to 44 but less than 59 must be
28 assigned to band 3 and shall receive reimbursement under subsection
29 (3) at a rate of at least 37.5% and less than 39.0%. The



1 reimbursement rate under this subdivision must be an amount equal
2 to the district's opportunity index score minus 44, multiplied by
3 the band adjustment factor applicable to this subdivision, plus
4 37.5%.

5 (d) A district or public school academy with an opportunity
6 index score greater than or equal to 59 but less than 73 must be
7 assigned to band 4 and shall receive reimbursement under subsection
8 (3) at a rate of at least 39.0% and less than 42.0%. The
9 reimbursement rate under this subdivision must be an amount equal
10 to the district's opportunity index score minus 59, multiplied by
11 the band adjustment factor applicable to this subdivision, plus
12 39.0%.

13 (e) A district or public school academy with an opportunity
14 index score greater than or equal to 73 but less than 85 must be
15 assigned to band 5 and shall receive reimbursement under subsection
16 (3) at a rate of at least 42.0% and less than 47.0%. The
17 reimbursement rate under this subdivision must be an amount equal
18 to the district's opportunity index score minus 73, multiplied by
19 the band adjustment factor applicable to this subdivision, plus
20 42.0%.

21 (f) A district or public school academy with an opportunity
22 index score greater than or equal to 85 must be assigned to band 6
23 and shall receive reimbursement under subsection (3) at a rate of
24 47.0%.

25 (g) As used in this subsection, "band adjustment factor" means
26 an amount equal to the difference between the lowest and highest
27 reimbursement bounds for each band, divided by the number of
28 possible opportunity index scores in that band.

29 (5) Except as otherwise provided in this section, a district



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

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



1 (7) From the state school aid fund money allocated under
2 subsection (1), there is allocated for 2023-2024 an amount not to
3 exceed \$33,000,000.00 to support primary health care services
4 provided to children and adolescents up to age 21. These funds must
5 be expended in a form and manner determined jointly by the
6 department and the department of health and human services. When
7 making funding decisions for new adolescent health centers under
8 this subsection, the department and department of health and human
9 services shall prioritize support for primary health care services
10 in unserved counties as of July 14, 2022. An amount not to exceed
11 4% of the funds allocated for 2023-2024 under this subsection must
12 be made available for technical support and coordination services
13 from a nonprofit organization exclusively dedicated to serving
14 adolescent health centers in this state and that has a membership
15 that includes federally qualified health centers, local public
16 health departments, hospital systems, and public school districts.
17 As a requirement of being awarded the funds under this subsection
18 as prescribed under this subsection, a nonprofit organization
19 described in this subsection shall make readily available technical
20 support and coordination services to all child and adolescent
21 health centers in this state. **Funds appropriated under this**
22 **subsection are a work project appropriation and any unexpended**
23 **funds for 2023-2024 are carried forward into 2024-2025. The purpose**
24 **of the work project is to continue to improve child and adolescent**
25 **health center program sites and improve delivery of patient care.**
26 **The estimated completion date of the work project is September 30,**
27 **2025.**

28 (8) From the state school aid fund money allocated under
29 subsection (1), there is allocated for 2023-2024 an amount not to



1 exceed \$5,150,000.00 for the state portion of the hearing and
2 vision screenings as described in part 93 of the public health
3 code, 1978 PA 368, MCL 333.9301 to 333.9329, and, from the general
4 fund money allocated under subsection (1), there is allocated for
5 2023-2024 an amount not to exceed \$1,500,000.00 for the state
6 portion of the dental screenings as described in part 93 of the
7 public health code, 1978 PA 368, MCL 333.9301 to 333.9329. A local
8 public health department shall pay at least 50% of the total cost
9 of the screenings. The frequency of the vision screenings must be
10 as required under R 325.13091 to R 325.13096 of the Michigan
11 Administrative Code and the frequency of the hearing screenings
12 must be as required under R 325.3271 to R 325.3276 of the Michigan
13 Administrative Code. Funds must be awarded in a form and manner
14 approved jointly by the department and the department of health and
15 human services. Notwithstanding section 17b, the department shall
16 make payments to eligible entities under this subsection on a
17 schedule determined by the department.

18 (9) Each district or public school academy receiving funds
19 under this section shall submit to the department by July 15 of
20 each fiscal year a report, in the form and manner prescribed by the
21 department, that includes a brief description of each program
22 conducted or services performed by the district or public school
23 academy using funds under this section, the amount of funds under
24 this section allocated to each of those programs or services, the
25 total number of at-risk pupils served by each of those programs or
26 services, and the data necessary for the department and the
27 department of health and human services to verify matching funds
28 for the temporary assistance for needy families program. In
29 prescribing the form and manner of the report, the department shall



1 ensure that districts are allowed to expend funds received under
 2 this section on any activities that are permissible under this
 3 section. If a district or public school academy does not comply
 4 with this subsection, the department shall withhold an amount equal
 5 to the August payment due under this section until the district or
 6 public school academy complies with this subsection. If the
 7 district or public school academy does not comply with this
 8 subsection by the end of the fiscal year, the withheld funds are
 9 forfeited to the school aid fund.

10 (10) ~~In order to~~ **To** receive funds under this section, a
 11 district or public school academy must allow access for the
 12 department or the department's designee to audit all records
 13 related to the program for which it receives those funds. The
 14 district or public school academy shall reimburse the state for all
 15 disallowances found in the audit.

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



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

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

12 (b) Implementing section 1280f of the revised school code, MCL
 13 380.1280f, as required under subsection (2), with fidelity.

14 (13) For 2023-2024 a district or public school academy that
 15 receives funds under subsection (3) may use funds received under
 16 subsection (3) for support staff providing services to at-risk
 17 pupils.

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

24 (15) Except as otherwise provided in this subsection, if
 25 necessary, the department shall prorate payments under this
 26 section, except payments under subsection (7), ~~or~~ (8), **(19)**, or
 27 **(20)**, by reducing the amount of the allocation as otherwise
 28 calculated under this section by an equal percentage per district.
 29 Subject to the availability of funds, if proration is necessary



1 under this subsection, the department must ensure that no district
 2 receives an amount less than 11.5% of the target foundation for
 3 each economically disadvantaged pupil enrolled in the district.

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

12 (17) A district or public school academy that receives funds
 13 under this section may use funds received under this section to
 14 provide an anti-bullying or crisis intervention program.

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

21 **(19) From the state school aid fund money allocated under**
 22 **subsection (1), there is allocated for 2023-2024 only an amount not**
 23 **to exceed \$35,000,000.00 to support primary health care services**
 24 **provided to children and adolescents up to age 21 and for the**
 25 **provision of space upgrades in child and adolescent health center**
 26 **programs. All of the following apply to this allocation:**

27 (a) The funds must be used for only the following purposes:

28 (i) Modernizing antiquated medical equipment.

29 (ii) Improving security and patient safety measures.



1 (iii) Investing in new patient-centered technologies.

2 (iv) Renovating physical spaces to improve patient privacy and
3 the care setting.

4 (b) The funds must be expended in a form and manner determined
5 jointly by the department and the department of health and human
6 services.

7 (c) To be eligible to receive funding under this subsection, a
8 child and adolescent health center program that serves students in
9 the current fiscal year must submit an application in a form and
10 manner determined by the department and the department of health
11 and human services.

12 (d) An amount not to exceed 4% of the funds allocated for
13 2023-2024 under this subsection must be made available for
14 technical support and coordination services from a nonprofit
15 organization exclusively dedicated to serving adolescent health
16 centers in this state and that has a membership that includes
17 federally qualified health centers, local public health
18 departments, hospital systems, and public school districts. As a
19 requirement of being awarded the funds under this subsection as
20 prescribed under this subsection, a nonprofit organization
21 described in this subsection shall make readily available technical
22 support and coordination services to all child and adolescent
23 health centers in this state.

24 (e) Funds appropriated under this subsection are a work
25 project appropriation and any unexpended funds for 2023-2024 are
26 carried forward into 2024-2025. The purpose of the work project is
27 to continue to improve child and adolescent health center program
28 sites and improve delivery of patient care. The estimated
29 completion date of the work project is September 30, 2025.



1 (20) From the state school aid fund money appropriated under
2 section 11, there is allocated for 2023-2024 only an amount not to
3 exceed \$10,000,000.00 for an electronic patient data and health
4 care analytic system to be made available to each child and
5 adolescent health center program. The department of health and
6 human services shall collaborate on system implementation with a
7 nonprofit organization exclusively dedicated to serving child and
8 adolescent health center programs in this state and that has a
9 membership that includes federally qualified health centers, local
10 public health departments, hospital systems, and public school
11 districts, including, but not limited to, technology assessment,
12 design, coordination, and system implementation with child and
13 adolescent health center programs.

14 (21) ~~(19)~~As used in this section:

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

18 (i) The pupil is economically disadvantaged.

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

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

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

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

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

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

28 (viii) The pupil did not complete high school in 4 years and is
29 still continuing in school as identified in the Michigan cohort



1 graduation and dropout report.

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

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

10 (b) "Combined state and local revenue" means the aggregate of
11 the district's state school aid received by or paid on behalf of
12 the district under section 20 and the district's local school
13 operating revenue.

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

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

24 (e) "English language learner" means limited English
25 proficient pupils who speak a language other than English as their
26 primary language and have difficulty speaking, reading, writing, or
27 understanding English as reported to the center.

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



1 Sec. 31ff. (1) From the state school aid fund money
 2 appropriated in section 11, there is allocated \$14,500,000.00 for
 3 2023-2024 only, and, from the general fund money appropriated in
 4 section 11, there is allocated \$500,000.00 for 2023-2024 only, for
 5 the implementation of requirements under 2022 PA 180, MCL ~~388.1851~~
 6 **388.1951** to ~~399.1957~~. **388.1957**. The money from the state school aid
 7 fund allocated under this section must be distributed to either
 8 districts, intermediate districts, or institutions of higher
 9 education for the purposes of this section.

10 (2) From the general fund money allocated under subsection
 11 (1), the department may use not more than \$500,000.00 to hire up to
 12 1.0 FTE to help administer the allocation of funds allocated under
 13 this section.

14 (3) The funds allocated under this section for 2023-2024 are a
 15 work project appropriation, and any unexpended funds for 2023-2024
 16 are carried forward into 2024-2025. The purpose of the work project
 17 is to continue the coverage of cost associated with the
 18 implementation of 2022 PA 180, MCL ~~388.1851~~ to ~~399.1957~~. **388.1951** to
 19 **388.1957**. The estimated completion date of the work project is
 20 September 30, 2027.

21 Sec. 41. (1) For a district to be eligible to receive funding
 22 under this section, the district must administer to English
 23 language learners the English language proficiency assessment known
 24 as the "WIDA ACCESS for English language learners" or the "WIDA
 25 Alternate ACCESS". From the state school aid fund money
 26 appropriated in section 11, there is allocated an amount not to
 27 exceed \$39,766,500.00 for 2023-2024 for payments to eligible
 28 districts for services for English language learners who have been
 29 administered the WIDA ACCESS for English language learners.



1 (2) The department shall distribute funding allocated under
2 subsection (1) to eligible districts based on the number of full-
3 time equivalent English language learners as follows:

4 (a) \$1,476.00 per full-time equivalent English language
5 learner who has been assessed under the WIDA ACCESS for English
6 language learners or the WIDA Alternate ACCESS with a WIDA ACCESS
7 or WIDA Alternate ACCESS composite score between 1.0 and 1.9, or
8 less, as applicable to each assessment. It is the intent of the
9 legislature to increase this amount until it reaches 75% of the
10 target foundation allowance.

11 (b) \$1,019.00 per full-time equivalent English language
12 learner who has been assessed under the WIDA ACCESS for English
13 language learners or the WIDA Alternate ACCESS with a WIDA ACCESS
14 or WIDA Alternate ACCESS composite score between 2.0 and 2.9, or
15 less, as applicable to each assessment. It is the intent of the
16 legislature to increase this amount until it reaches 50% of the
17 target foundation allowance.

18 (c) \$167.00 per full-time equivalent English language learner
19 who has been assessed under the WIDA ACCESS for English language
20 learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA
21 Alternate ACCESS composite score between 3.0 and 3.9, or less, as
22 applicable to each assessment. It is the intent of the legislature
23 to increase this amount until it reaches 35% of the target
24 foundation allowance.

25 (3) If funds allocated under subsection (1) are insufficient
26 to fully fund the payments as prescribed under subsection (2), the
27 department shall prorate payments on an equal percentage basis,
28 with the same percentage proration applied to all funding
29 categories.



1 (4) ~~Each~~ **By October 15 of the fiscal year following the**
 2 **receipt of funding under subsection (1), each** district receiving
 3 funds under subsection (1) shall submit to the department ~~by July~~
 4 ~~15 of each fiscal year~~ a report, not to exceed 10 pages, on the
 5 usage by the district of funds under subsection (1) in a form and
 6 manner determined by the department, including a brief description
 7 of each program conducted or services performed by the district
 8 using funds under subsection (1) and the amount of funds under
 9 subsection (1) allocated to each of those programs or services. If
 10 a district does not comply with this subsection, the department
 11 shall withhold an amount equal to the ~~August~~ **December** payment due
 12 under this section until the district complies with this
 13 subsection. If the district does not comply with this subsection by
 14 the end of the fiscal year, the withheld funds are forfeited to the
 15 state school aid fund.

16 (5) In order to receive funds under subsection (1), a district
 17 must allow access for the department or the department's designee
 18 to audit all records related to the program for which it receives
 19 those funds. The district shall reimburse this state for all
 20 disallowances found in the audit.

21 (6) Beginning July 1, 2020, and every 3 years thereafter, the
 22 department shall review the per-pupil distribution under subsection
 23 (2), to ensure that funding levels are appropriate and make
 24 recommendations for adjustments to the members of the senate and
 25 house subcommittees on K to 12 school aid appropriations.

26 Sec. 51a. (1) From the state school aid fund money in section
 27 11, there is allocated an amount not to exceed ~~\$1,573,296,100.00~~
 28 **\$1,593,296,100.00** for 2022-2023 and there is allocated an amount
 29 not to exceed \$1,694,646,100.00 for 2023-2024 from state sources



1 and all available federal funding under sections 1411 to 1419 of
2 part B of the individuals with disabilities education act, 20 USC
3 1411 to 1419, estimated at \$390,000,000.00 for 2022-2023 and
4 \$390,000,000.00 for 2023-2024, plus any carryover federal funds
5 from previous year appropriations. In addition, from the state
6 school aid fund money in section 11, there is allocated an amount
7 not to exceed \$76,150,000.00 for 2023-2024 only to supplement the
8 allocations in this section. The allocations under this subsection
9 are for the purpose of reimbursing districts and intermediate
10 districts for special education programs, services, and special
11 education personnel as prescribed in article 3 of the revised
12 school code, MCL 380.1701 to 380.1761; net tuition payments made by
13 intermediate districts to the Michigan Schools for the Deaf and
14 Blind; and special education programs and services for pupils who
15 are eligible for special education programs and services according
16 to statute or rule. For meeting the costs of special education
17 programs and services not reimbursed under this article, a district
18 or intermediate district may use money in general funds or special
19 education funds, not otherwise restricted, or contributions from
20 districts to intermediate districts, tuition payments, gifts and
21 contributions from individuals or other entities, or federal funds
22 that may be available for this purpose, as determined by the
23 intermediate district plan prepared under article 3 of the revised
24 school code, MCL 380.1701 to 380.1761. Notwithstanding section 17b,
25 the department shall make payments of federal funds to districts,
26 intermediate districts, and other eligible entities under this
27 section on a schedule determined by the department.

28 (2) From the funds allocated under subsection (1), there is
29 allocated the amount necessary, estimated at ~~\$350,400,000.00~~



1 **\$357,400,000.00** for 2022-2023 and estimated at \$368,000,000.00 for
2 2023-2024, for payments toward reimbursing districts and
3 intermediate districts for 28.6138% of total approved costs of
4 special education, excluding costs reimbursed under section 53a,
5 and 70.4165% of total approved costs of special education
6 transportation. Allocations under this subsection are made as
7 follows:

8 (a) For 2022-2023, the department shall calculate the initial
9 amount allocated to a district under this subsection toward
10 fulfilling the specified percentages by multiplying the district's
11 special education pupil membership, excluding pupils described in
12 subsection (11), times 25% of the foundation allowance under
13 section 20 of the pupil's district of residence, plus 25% of the
14 amount of the district's per-pupil allocation under section 20m,
15 not to exceed 25% of the target foundation allowance for the
16 current fiscal year, or, for a special education pupil in
17 membership in a district that is a public school academy, times an
18 amount equal to 25% of the amount per membership pupil calculated
19 under section 20(6). For an intermediate district, the amount
20 allocated under this subdivision toward fulfilling the specified
21 percentages is an amount per special education membership pupil,
22 excluding pupils described in subsection (11), and is calculated in
23 the same manner as for a district, using 25% of the foundation
24 allowance under section 20 of the pupil's district of residence,
25 not to exceed 25% of the target foundation allowance for the
26 current fiscal year, and that district's per-pupil allocation under
27 section 20m.

28 (b) For 2022-2023, after the allocation under subdivision (a),
29 the department shall pay a district or intermediate district for



1 which the payments calculated under subdivision (a) do not fulfill
2 the specified percentages the amount necessary to achieve the
3 specified percentages for the district or intermediate district.

4 (c) Beginning in 2023-2024, subdivisions (a) and (b) no longer
5 apply.

6 (3) From the funds allocated under subsection (1), there is
7 allocated for 2022-2023 an amount not to exceed \$1,000,000.00 and
8 there is allocated for 2023-2024 an amount not to exceed
9 \$1,000,000.00 to make payments to districts and intermediate
10 districts under this subsection. If the amount allocated to a
11 district or intermediate district for the fiscal year under
12 subsection (2) is less than the sum of the amounts allocated to the
13 district or intermediate district for 1996-97 under sections 52 and
14 58, there is allocated to the district or intermediate district for
15 the fiscal year an amount equal to that difference, adjusted by
16 applying the same proration factor that was used in the
17 distribution of funds under section 52 in 1996-97 as adjusted to
18 the district's or intermediate district's necessary costs of
19 special education used in calculations for the fiscal year. This
20 adjustment is to reflect reductions in special education program
21 operations or services between 1996-97 and subsequent fiscal years.
22 The department shall make adjustments for reductions in special
23 education program operations or services in a manner determined by
24 the department and shall include adjustments for program or service
25 shifts.

26 (4) If the department determines that the sum of the amounts
27 allocated for a fiscal year to a district or intermediate district
28 under subsection (2) is not sufficient to fulfill the specified
29 percentages in subsection (2), ~~then~~ the department shall pay the



1 shortfall to the district or intermediate district during the
 2 fiscal year beginning on the October 1 following the determination
 3 and shall adjust payments under subsection (3) as necessary. If the
 4 department determines that the sum of the amounts allocated for a
 5 fiscal year to a district or intermediate district under subsection
 6 (2) exceeds the sum of the amount necessary to fulfill the
 7 specified percentages in subsection (2), ~~then~~ the department shall
 8 deduct the amount of the excess from the district's or intermediate
 9 district's payments under this article for the fiscal year
 10 beginning on the October 1 following the determination and shall
 11 adjust payments under subsection (3) as necessary. For 2022-2023,
 12 if the amount allocated under subsection (2)(a) in itself exceeds
 13 the amount necessary to fulfill the specified percentages in
 14 subsection (2), there is no deduction under this subsection.

15 (5) State funds are allocated on a total approved cost basis.
 16 Federal funds are allocated under applicable federal requirements.

17 (6) From the amount allocated in subsection (1), there is
 18 allocated an amount not to exceed \$2,200,000.00 for 2022-2023 and
 19 there is allocated an amount not to exceed \$2,200,000.00 for 2023-
 20 2024 to reimburse 100% of the net increase in necessary costs
 21 incurred by a district or intermediate district in implementing the
 22 revisions in the administrative rules for special education that
 23 became effective on July 1, 1987. As used in this subsection, "net
 24 increase in necessary costs" means the necessary additional costs
 25 incurred solely because of new or revised requirements in the
 26 administrative rules minus cost savings permitted in implementing
 27 the revised rules. The department shall determine net increase in
 28 necessary costs in a manner specified by the department.

29 (7) For purposes of this section and sections 51b to 58, all



1 of the following apply:

2 (a) "Total approved costs of special education" are determined
3 in a manner specified by the department and may include indirect
4 costs, but must not exceed 115% of approved direct costs for
5 section 52 and section 53a programs. The total approved costs
6 include salary and other compensation for all approved special
7 education personnel for the program, including payments for Social
8 Security and Medicare and public school employee retirement system
9 contributions. The total approved costs do not include salaries or
10 other compensation paid to administrative personnel who are not
11 special education personnel as that term is defined in section 6 of
12 the revised school code, MCL 380.6. Costs reimbursed by federal
13 funds, other than those federal funds included in the allocation
14 made under this article, are not included. Special education
15 approved personnel not utilized full time in the evaluation of
16 students or in the delivery of special education programs,
17 ancillary, and other related services are reimbursed under this
18 section only for that portion of time actually spent providing
19 these programs and services, with the exception of special
20 education programs and services provided to youth placed in child
21 caring institutions or juvenile detention programs approved by the
22 department to provide an on-grounds education program.

23 (b) A district or intermediate district that employed special
24 education support services staff to provide special education
25 support services in 2003-2004 or in a subsequent fiscal year and
26 that in a fiscal year after 2003-2004 receives the same type of
27 support services from another district or intermediate district
28 shall report the cost of those support services for special
29 education reimbursement purposes under this article. This



1 subdivision does not prohibit the transfer of special education
2 classroom teachers and special education classroom aides if the
3 pupils counted in membership associated with those special
4 education classroom teachers and special education classroom aides
5 are transferred and counted in membership in the other district or
6 intermediate district in conjunction with the transfer of those
7 teachers and aides.

8 (c) If the department determines before bookclosing for a
9 fiscal year that the amounts allocated for that fiscal year under
10 subsections (2), (3), (6), and (11) and sections 53a, 54, and 56
11 will exceed expenditures for that fiscal year under subsections
12 (2), (3), (6), and (11) and sections 53a, 54, and 56, then for a
13 district or intermediate district whose reimbursement for that
14 fiscal year would otherwise be affected by subdivision (b),
15 subdivision (b) does not apply to the calculation of the
16 reimbursement for that district or intermediate district and the
17 department shall calculate reimbursement for that district or
18 intermediate district in the same manner as it was for 2003-2004.
19 If the amount of the excess allocations under subsections (2), (3),
20 (6), and (11) and sections 53a, 54, and 56 is not sufficient to
21 fully fund the calculation of reimbursement to those districts and
22 intermediate districts under this subdivision, then the department
23 shall prorate calculations and resulting reimbursement under this
24 subdivision on an equal percentage basis. The amount of
25 reimbursement under this subdivision for a fiscal year must not
26 exceed \$2,000,000.00 for any district or intermediate district.

27 (d) Reimbursement for ancillary and other related services, as
28 that term is defined by R 340.1701c of the Michigan Administrative
29 Code, is not provided when those services are covered by and



1 available through private group health insurance carriers or
2 federal reimbursed program sources unless the department and
3 district or intermediate district agree otherwise and that
4 agreement is approved by the state budget director. Expenses, other
5 than the incidental expense of filing, must not be borne by the
6 parent. In addition, the filing of claims must not delay the
7 education of a pupil. A district or intermediate district is
8 responsible for payment of a deductible amount and for an advance
9 payment required until the time a claim is paid.

10 (e) If an intermediate district purchases a special education
11 pupil transportation service from a constituent district that was
12 previously purchased from a private entity; if the purchase from
13 the constituent district is at a lower cost, adjusted for changes
14 in fuel costs; and if the cost shift from the intermediate district
15 to the constituent does not result in any net change in the revenue
16 the constituent district receives from payments under sections 22b
17 and 51c, then upon application by the intermediate district, the
18 department shall direct the intermediate district to continue to
19 report the cost associated with the specific identified special
20 education pupil transportation service and shall adjust the costs
21 reported by the constituent district to remove the cost associated
22 with that specific service.

23 (8) A pupil who is enrolled in a full-time special education
24 program conducted or administered by an intermediate district or a
25 pupil who is enrolled in the Michigan Schools for the Deaf and
26 Blind is not included in the membership count of a district, but is
27 counted in membership in the intermediate district of residence.

28 (9) Special education personnel transferred from 1 district to
29 another to implement the revised school code are entitled to the



1 rights, benefits, and tenure to which the individual would
2 otherwise be entitled had that individual been employed by the
3 receiving district originally.

4 (10) If a district or intermediate district uses money
5 received under this section for a purpose other than the purpose or
6 purposes for which the money is allocated, the department may
7 require the district or intermediate district to refund the amount
8 of money received. The department shall deposit money that is
9 refunded in the state treasury to the credit of the state school
10 aid fund.

11 (11) From the funds allocated in subsection (1), there is
12 allocated the amount necessary, estimated at \$2,000,000.00 for
13 2022-2023 and estimated at \$2,000,000.00 for 2023-2024, to pay the
14 foundation allowances for pupils described in this subsection. The
15 department shall calculate the allocation to a district under this
16 subsection by multiplying the number of pupils described in this
17 subsection who are counted in membership in the district times the
18 sum of the foundation allowance under section 20 of the pupil's
19 district of residence, plus the amount of the district's per-pupil
20 allocation under section 20m, not to exceed the target foundation
21 allowance for the current fiscal year, or, for a pupil described in
22 this subsection who is counted in membership in a district that is
23 a public school academy, times an amount equal to the amount per
24 membership pupil under section 20(6). The department shall
25 calculate the allocation to an intermediate district under this
26 subsection in the same manner as for a district, using the
27 foundation allowance under section 20 of the pupil's district of
28 residence not to exceed the target foundation allowance for the
29 current fiscal year and that district's per-pupil allocation under



1 section 20m. This subsection applies to all of the following
2 pupils:

3 (a) Pupils described in section 53a.

4 (b) Pupils counted in membership in an intermediate district
5 who are not special education pupils and are served by the
6 intermediate district in a juvenile detention or child caring
7 facility.

8 (c) Pupils with an emotional impairment counted in membership
9 by an intermediate district and provided educational services by
10 the department of health and human services.

11 (12) If it is determined that funds allocated under subsection
12 (2) or (11) or under section 51c will not be expended, funds up to
13 the amount necessary and available may be used to supplement the
14 allocations under subsection (2) or (11) or under section 51c in
15 order to fully fund those allocations. After payments under
16 subsections (2) and (11) and section 51c, the department shall
17 expend the remaining funds from the allocation in subsection (1) in
18 the following order:

19 (a) One hundred percent of the reimbursement required under
20 section 53a.

21 (b) One hundred percent of the reimbursement required under
22 subsection (6).

23 (c) One hundred percent of the payment required under section
24 54.

25 (d) One hundred percent of the payment required under
26 subsection (3).

27 (e) One hundred percent of the payments under section 56.

28 (13) The allocations under subsections (2), (3), and (11) are
29 allocations to intermediate districts only and are not allocations



1 to districts, but instead are calculations used only to determine
2 the state payments under section 22b.

3 (14) If a public school academy that is not a cyber school, as
4 that term is defined in section 551 of the revised school code, MCL
5 380.551, enrolls under this section a pupil who resides outside of
6 the intermediate district in which the public school academy is
7 located and who is eligible for special education programs and
8 services according to statute or rule, or who is a child with a
9 disability, as that term is defined under the individuals with
10 disabilities education act, Public Law 108-446, the intermediate
11 district in which the public school academy is located and the
12 public school academy shall enter into a written agreement with the
13 intermediate district in which the pupil resides for the purpose of
14 providing the pupil with a free appropriate public education, and
15 the written agreement must include at least an agreement on the
16 responsibility for the payment of the added costs of special
17 education programs and services for the pupil. If the public school
18 academy that enrolls the pupil does not enter into an agreement
19 under this subsection, the public school academy shall not charge
20 the pupil's resident intermediate district or the intermediate
21 district in which the public school academy is located the added
22 costs of special education programs and services for the pupil, and
23 the public school academy is not eligible for any payouts based on
24 the funding formula outlined in the resident or nonresident
25 intermediate district's plan. If a pupil is not enrolled in a
26 public school academy under this subsection, the provision of
27 special education programs and services and the payment of the
28 added costs of special education programs and services for a pupil
29 described in this subsection are the responsibility of the district



1 and intermediate district in which the pupil resides.

2 (15) For the purpose of receiving its federal allocation under
3 part B of the individuals with disabilities education act, Public
4 Law 108-446, a public school academy that is a cyber school, as
5 that term is defined in section 551 of the revised school code, MCL
6 380.551, and is in compliance with section 553a of the revised
7 school code, MCL 380.553a, directly receives the federal allocation
8 under part B of the individuals with disabilities education act,
9 Public Law 108-446, from the intermediate district in which the
10 cyber school is located, as the subrecipient. If the intermediate
11 district does not distribute the funds described in this subsection
12 to the cyber school by the part B application due date of July 1,
13 the department may distribute the funds described in this
14 subsection directly to the cyber school according to the formula
15 prescribed in 34 CFR 300.705 and 34 CFR 300.816. Beginning July 1,
16 2021, this subsection is subject to section 8c. It is the intent of
17 the legislature that the immediately preceding sentence apply
18 retroactively and is effective July 1, 2021.

19 (16) For a public school academy that is a cyber school, as
20 that term is defined in section 551 of the revised school code, MCL
21 380.551, and is in compliance with section 553a of the revised
22 school code, MCL 380.553a, that enrolls a pupil under this section,
23 the intermediate district in which the cyber school is located
24 shall ensure that the cyber school complies with sections 1701a,
25 1703, 1704, 1751, 1752, 1756, and 1757 of the revised school code,
26 MCL 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756,
27 and 380.1757; applicable rules; and the individuals with
28 disabilities education act, Public Law 108-446. Beginning July 1,
29 2021, this subsection is subject to section 8c. It is the intent of



1 the legislature that the immediately preceding sentence apply
2 retroactively and is effective July 1, 2021.

3 (17) For the purposes of this section, the department or the
4 center shall only require a district or intermediate district to
5 report information that is not already available from the financial
6 information database maintained by the center.

7 Sec. 51c. As required by the court in the consolidated cases
8 known as *Durant v State of Michigan*, 456 Mich 175 (1997), from the
9 allocation under section 51a(1), there is allocated for 2022-2023
10 and for 2023-2024, the amount necessary, estimated at
11 ~~\$780,400,000.00~~ **\$793,400,000.00** for 2022-2023 and \$820,000,000.00
12 for 2023-2024, for payments to reimburse districts for 28.6138% of
13 total approved costs of special education excluding costs
14 reimbursed under section 53a, and 70.4165% of total approved costs
15 of special education transportation. Funds allocated under this
16 section that are not expended in the fiscal year for which they
17 were allocated, as determined by the department, may be used to
18 supplement the allocations under sections 22a and 22b to fully fund
19 those allocations for the same fiscal year.

20 Sec. 61l. (1) From the state school aid fund money appropriated
21 in section 11, \$1,200,000.00 is allocated for 2023-2024 only to
22 Schoolcraft College to expand its early middle college program ~~, SC~~
23 ~~Edge~~ **and support dual enrollment opportunities for select schools.**

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

27 Sec. 61s. (1) From the state school aid fund money
28 appropriated in section 11, there is allocated for 2023-2024 only
29 an amount not to exceed \$4,000,000.00 to Eaton RESA to support the



1 efforts of FFA. The money under this section may be used for
 2 capital improvements and equipment, the credentialing and updating
 3 of Perkins 5, and for general agriculture education and current
 4 structures of FFA. **Eaton RESA may retain for administrative
 5 services an amount not to exceed 5% of the grant amount.**

6 (2) The funds allocated under this section for 2023-2024 are a
 7 work project appropriation, and any unexpended funds for 2023-2024
 8 are carried forward into 2024-2025. The purpose of the work project
 9 is to support the purposes of this section. The estimated
 10 completion date of the work project is September 30, 2027.

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

14 Sec. 61u. (1) From the state school aid fund money
 15 appropriated in section 11, there is allocated for 2023-2024 only
 16 an amount not to exceed ~~\$1,000,000.00~~ **\$1,600,000.00** to Romulus
 17 Community Schools to support the construction of a career technical
 18 education center.

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

22 Sec. 94a. (1) There is created within the state budget office
 23 in the department of technology, management, and budget the center
 24 for educational performance and information. The center shall do
 25 all of the following:

26 (a) Coordinate the collection of all data required by state
 27 and federal law from districts, intermediate districts, and
 28 postsecondary institutions.

29 (b) Create, maintain, and enhance this state's P-20



1 longitudinal data system and ensure that it meets the requirements
2 of subsection (4).

3 (c) Collect data in the most efficient manner possible ~~in~~
4 ~~order~~ to reduce the administrative burden on reporting entities,
5 including, but not limited to, electronic transcript services.

6 (d) Create, maintain, and enhance this state's web-based
7 educational portal to provide information to school leaders,
8 teachers, researchers, and the public in compliance with all
9 federal and state privacy laws. Data must include, but are not
10 limited to, all of the following:

11 (i) Data sets that link teachers to student information,
12 allowing districts to assess individual teacher impact on student
13 performance and consider student growth factors in teacher and
14 principal evaluation systems.

15 (ii) Data access or, if practical, data sets, provided for
16 regional data hubs that, in combination with local data, can
17 improve teaching and learning in the classroom.

18 (iii) Research-ready data sets for researchers to perform
19 research that advances this state's educational performance.

20 (e) Provide data in a useful manner to allow state and local
21 policymakers to make informed policy decisions.

22 (f) Provide public reports to the residents of this state to
23 allow them to assess allocation of resources and the return on
24 their investment in the education system of this state.

25 (g) Other functions as assigned by the state budget director.

26 (2) Each state department, officer, or agency that collects
27 information from districts, intermediate districts, or
28 postsecondary institutions as required under state or federal law
29 shall make arrangements with the center to ensure that the state



1 department, officer, or agency is in compliance with subsection
2 (1). This subsection does not apply to information collected by the
3 department of treasury under the uniform budgeting and accounting
4 act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal
5 finance act, 2001 PA 34, MCL 141.2101 to 141.2821; the school bond
6 qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to
7 388.1939; or section 1351a of the revised school code, MCL
8 380.1351a.

9 (3) The center may enter into any interlocal agreements
10 necessary to fulfill its functions.

11 (4) The center shall ensure that the P-20 longitudinal data
12 system required under subsection (1)(b) meets all of the following:

13 (a) Includes data at the individual student level from
14 preschool through postsecondary education and into the workforce.

15 (b) Supports interoperability by using standard data
16 structures, data formats, and data definitions to ensure linkage
17 and connectivity in a manner that facilitates the exchange of data
18 among agencies and institutions within the state and between
19 states.

20 (c) Enables the matching of individual teacher and student
21 records so that an individual student may be matched with those
22 teachers providing instruction to that student.

23 (d) Enables the matching of individual teachers with
24 information about their certification and the institutions that
25 prepared and recommended those teachers for state certification.

26 (e) Enables data to be easily generated for continuous
27 improvement and decision-making, including timely reporting to
28 parents, teachers, and school leaders on student achievement.

29 (f) Ensures the reasonable quality, validity, and reliability



1 of data contained in the system.

2 (g) Provides this state with the ability to meet federal and
3 state reporting requirements.

4 (h) For data elements related to preschool through grade 12
5 and postsecondary, meets all of the following:

6 (i) Contains a unique statewide student identifier that does
7 not permit a student to be individually identified by users of the
8 system, except as allowed by federal and state law.

9 (ii) Contains student-level enrollment, demographic, and
10 program participation information, including data associated with
11 students who have been identified as having an affiliation to 1 or
12 more federally recognized Indian tribes and student participation
13 in federal programs funded under 20 USC 7401 to 7546 and
14 participation in federal programs funded under the Johnson-O'Malley
15 Supplemental Indian Education Program Modernization Act, Public Law
16 115-404.

17 (iii) Contains student-level information about the points at
18 which students exit, transfer in, transfer out, drop out, or
19 complete education programs.

20 (iv) Has the capacity to communicate with higher education data
21 systems.

22 (i) For data elements related to preschool through grade 12
23 only, meets all of the following:

24 (i) Contains yearly test records of individual students for
25 assessments approved by DED-OESE for accountability purposes under
26 section 1111(b) of the elementary and secondary education act of
27 1965, 20 USC 6311, including information on individual students not
28 tested, by grade and subject.

29 (ii) Contains student-level transcript information, including



1 information on courses completed and grades earned.

2 (iii) Contains student-level college readiness test scores.

3 (j) For data elements related to postsecondary education only:

4 (i) Contains data that provide information regarding the extent
5 to which individual students transition successfully from secondary
6 school to postsecondary education, including, but not limited to,
7 all of the following:

8 (A) Enrollment in remedial coursework.

9 (B) Completion of 1 year's worth of college credit applicable
10 to a degree within 2 years of enrollment.

11 (ii) Contains data that provide other information determined
12 necessary to address alignment and adequate preparation for success
13 in postsecondary education.

14 (5) From the general fund money appropriated in section 11,
15 there is allocated an amount not to exceed \$18,988,600.00 for 2023-
16 2024 to the department of technology, management, and budget to
17 support the operations of the center. In addition, from the federal
18 funds appropriated in section 11, there is allocated for 2023-2024
19 the amount necessary, estimated at ~~\$193,500.00~~, **\$4,193,500.00**, to
20 support the operations of the center and to establish a P-20
21 longitudinal data system necessary for state and federal reporting
22 purposes. The center shall cooperate with the department to ensure
23 that this state is in compliance with federal law and is maximizing
24 opportunities for increased federal funding to improve education in
25 this state.

26 (6) From the funds allocated in subsection (5), the center may
27 use an amount determined by the center for competitive grants for
28 2023-2024 to support collaborative efforts on the P-20 longitudinal
29 data system. All of the following apply to grants awarded under



1 this subsection:

2 (a) The center shall award competitive grants to eligible
3 intermediate districts or a consortium of intermediate districts
4 based on criteria established by the center.

5 (b) Activities funded under the grant must support the P-20
6 longitudinal data system portal and may include portal hosting,
7 hardware and software acquisition, maintenance, enhancements, user
8 support and related materials, and professional learning tools and
9 activities aimed at improving the utility of the P-20 longitudinal
10 data system.

11 (c) An applicant that received a grant under this subsection
12 for the immediately preceding fiscal year has priority for funding
13 under this section. However, after 3 fiscal years of continuous
14 funding, an applicant is required to compete openly with new
15 applicants.

16 (7) Funds allocated under this section that are not expended
17 in the fiscal year in which they were allocated may be carried
18 forward to a subsequent fiscal year and are appropriated for the
19 purposes for which the funds were originally allocated.

20 (8) The center may bill departments as necessary in order to
21 fulfill reporting requirements of state and federal law. The center
22 may also enter into agreements to supply custom data, analysis, and
23 reporting to other principal executive departments, state agencies,
24 local units of government, and other individuals and organizations.
25 The center may receive and expend funds in addition to those
26 authorized in subsection (5) to cover the costs associated with
27 salaries, benefits, supplies, materials, and equipment necessary to
28 provide such data, analysis, and reporting services.

29 (9) As used in this section, "DED-OESE" means the United



1 States Department of Education Office of Elementary and Secondary
2 Education.

3 Sec. 95b. (1) From the general fund money appropriated under
4 section 11, there is allocated an amount not to exceed
5 \$2,000,000.00 for 2023-2024 only for the model value-added growth
6 and projection analytics system. The department shall continue the
7 model value-added growth and projection analytics system and
8 incorporate that model into its reporting requirements under the
9 every student succeeds act, Public Law 114-95. The model described
10 in this subsection must do at least all of the following:

11 (a) Utilize existing assessments and any future assessments
12 that are suitable for measuring student growth.

13 (b) Report student growth measures at the district, school,
14 teacher, and subgroup levels.

15 (c) Recognize the growth of tested students, including those
16 who may have missing assessment data.

17 (d) Include all available prior standardized assessment data
18 that meet inclusion criteria across grades, subjects, and state and
19 local assessments.

20 (e) Allow student growth results to be disaggregated.

21 (f) Provide individual student projections showing the
22 probability of a student reaching specific performance levels on
23 future assessments. Given school closures and extended
24 cancellations related to COVID-19, the data under this subdivision
25 may be used to inform decisions about student placement or students
26 that could benefit from additional supports or interventions.

27 (g) Demonstrate any prior success with this state's
28 assessments through the Michigan council of educator effectiveness
29 teacher evaluation pilot.



1 (h) Demonstrate prior statewide implementation in at least 2
2 other states for at least 10 years.

3 (i) Have a native roster verification system built into the
4 value-added reporting platform that has been implemented statewide
5 in at least 2 other states.

6 (j) Have a "help/contact us" ticketing system built into the
7 value-added reporting platform.

8 (k) Given school closures that have occurred pursuant to an
9 executive order issued by the governor, the value-added reporting
10 platform must provide continued hosting and delivery of reporting
11 and offer the department additional supports in the areas of
12 research, analysis, web reporting, and training.

13 (l) The department and the platform vendor shall provide
14 statewide training for educators to understand the reporting that
15 details the impact to student learning and growth.

16 (2) The department shall provide internet-based electronic
17 student growth and projection reporting based on the model under
18 subsection (1) to educators at the school, district, and state
19 levels. The model must include role-based permissions that allow
20 educators to access information about the performance of the
21 students within their immediate responsibility in accordance with
22 applicable privacy laws.

23 (3) The model under subsection (1) must not be a mandatory
24 part of teacher evaluation or educator pay-for-performance systems.

25 (4) The model under subsection (1) must be a model that
26 received funding under this section in 2018-2019.

27 (5) By March 31 of each fiscal year for which funding is
28 allocated under this section, the department shall work with the
29 center to make data publicly available on an external website that



1 provides student growth metrics provided by the value-added
2 reporting platform at the district and school level by grade and
3 subject.

4 ~~(6) Before funds allocated under subsection (1) are paid to~~
5 ~~the platform vendor, the~~ **The** platform vendor must complete a system
6 security plan, as determined by the department in collaboration
7 with the department of technology, management, and budget.

8 Sec. 97e. (1) From the state school aid fund money
9 appropriated in section 11, there is allocated for 2023-2024 only
10 an amount not to exceed \$2,000,000.00 to Wayne RESA for **the**
11 **operation of** the school safety and mental health commission.
12 ~~created under this section in 2022-2023.~~

13 (2) The commission must consist of all of the following
14 members who must be appointed by the governor as follows:

15 (a) One member from a list of 3 or more names submitted by the
16 minority leader of the house of representatives who has experience
17 in school mental health.

18 (b) One member from a list of 3 or more names submitted by the
19 speaker of the house of representatives who has a background in law
20 enforcement.

21 (c) One member from a list of 3 or more names submitted by the
22 speaker of the house of representatives who is a parent.

23 (d) One member from a list of 3 or more names submitted by the
24 senate minority leader who is a school psychologist or
25 psychiatrist.

26 (e) One member from a list of 3 or more names submitted by the
27 senate majority leader who is a prosecutor.

28 (f) One member from a list of 3 or more names submitted by the
29 senate majority leader who is a teacher.



1 (g) One member who has a background in school administration.

2 (h) One member who has experience in school-threat
3 assessments.

4 (i) One member who has experience in the provision of
5 inpatient treatment to children under age 18.

6 (3) The director of the department of health and human
7 services or the director's designee may be a member of the
8 commission. In addition, the following department heads or their
9 designees that are from within their respective departments or
10 agencies may be nonvoting, ex officio members of the commission:

11 (a) The director of the department of state police.

12 (b) The superintendent of public instruction.

13 (4) The governor shall appoint 5 of the first members to 2-
14 year terms and 4 of the first members to 4-year terms. After the
15 first appointments, the term of a member of the commission is 4
16 years or until a successor is appointed under subsection ~~(3)~~, **(2)**,
17 whichever is later.

18 (5) If a vacancy occurs on the commission, an individual must
19 be appointed in the same manner as prescribed under subsection ~~(3)~~
20 **(2)** to fill the vacancy for the balance of the term.

21 (6) The governor may remove a member of the commission for
22 incompetence, dereliction of duty, malfeasance, or nonfeasance in
23 office, or any other good cause.

24 (7) The commission shall meet at least quarterly.

25 (8) A majority of the members of the commission constitutes a
26 quorum for transacting business. A vote of the majority of the
27 members of the commission serving is required for any action of the
28 commission.

29 (9) The commission shall conduct its business in compliance



1 with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

2 (10) A writing that is prepared, owned, used, possessed, or
3 retained by the commission in performing an official function is
4 subject to the freedom of information act, 1976 PA 442, MCL 15.231
5 to 15.246.

6 (11) A member of the commission is not entitled to
7 compensation for service on the commission, but the commission may
8 reimburse a member for actual and necessary expenses incurred in
9 serving.

10 (12) The commission may do all of the following:

11 (a) Collaborate to provide recommendations to reduce youth
12 suicides and strengthen the mental health of school-aged children,
13 adolescents, and their families through a comprehensive, statewide
14 approach.

15 (b) Seek input from educational professionals, mental health
16 professionals, and organizations from across this state to suggest
17 approaches to identify and support students at risk of behavioral
18 health issues.

19 (c) Collaborate with the Michigan suicide prevention
20 commission on recommendations regarding youth suicide.

21 (d) Create and maintain an online community through which best
22 practices and resources can be shared, and convene symposiums with
23 other relevant commissions, organizations, and professionals.

24 (e) Convey recommendations to the department of licensing and
25 regulatory affairs and the bureau of construction codes within the
26 department of licensing and regulatory affairs concerning building
27 construction that is consistent with school safety needs.

28 (13) The commission may hire an executive director and staff.

29 (14) As used in this section, "commission" means the school



1 safety and mental health commission created in subsection (2).

2 Sec. 97g. (1) From the state school aid fund money
3 appropriated in section 11, there is allocated for 2023-2024 only,
4 \$9,000,000.00 to an intermediate district with K to 12 pupil
5 membership between 37,500 and 42,500, as reported in the 2021-2022
6 MI School Data Student Enrollment Counts Report school year final
7 student count, to establish and operate a statewide Security
8 Operations Center (SOC) in partnership with a statewide educational
9 organization. The SOC will provide a Managed Detection and Response
10 (MDR) solution, including SOC staff, to monitor and assist in
11 responding to threats and attacks on critical technology
12 infrastructure for districts and intermediate districts.

13 (2) The intermediate district receiving funds under this
14 section shall contract with a nonprofit educational organization
15 that maintains a statewide educational technology collaborative to
16 establish the statewide SOC. This statewide SOC will operate under
17 the guidance of an advisory board, comprising educational
18 technology leaders, with regional statewide representation. Other K
19 to 12 stakeholders may be invited to participate in the advisory.

20 (3) The nonprofit educational organization that the
21 intermediate district contracted with in subsection (2) shall use
22 the funds to do all of the following:

- 23 (a) Establish a statewide advisory.
24 (b) Establish a statewide SOC security team.
25 (c) Establish statewide MDR service.
26 (d) Train district technology staff in the deployment and use
27 of MDR software and services.
28 (e) Purchase and distribute MDR licensing to districts and
29 intermediate districts for installation on critical technology



1 infrastructure.

2 (f) Train, monitor, and track district utilization of a
3 toolkit to be identified by the SOC such as MISecure Quick Self-
4 Assessment.

5 (g) Not later than January 1, 2025 and each subsequent fiscal
6 year, prepare a summary report that includes measurable outcomes
7 including participation, detection, prevention, and response to
8 cybersecurity incidents in order to evaluate the effectiveness of
9 the project. The report must be submitted to the house and senate
10 appropriations subcommittees on school aid and to the house and
11 senate fiscal agencies.

12 (4) After the nonprofit educational organization that the
13 intermediate district contracted with in subsection (2) uses funds
14 as required under subsection (3), the nonprofit educational
15 organization may use any remaining funds to do any of the
16 following:

17 (a) Supply additional cybersecurity services as technologies
18 evolve and budget allows.

19 (b) Partner with K to 12 statewide connectivity partners to
20 install and monitor intrusion detection systems.

21 (5) Districts receiving software and service under this
22 project shall do both of the following:

23 (a) Complete the assessment identified in subsection (3)(f)
24 annually.

25 (b) Install and maintain statewide SOC MDR software on
26 critical infrastructure as described in this section, provide
27 access to the software to the statewide SOC, and coordinate
28 responses with the statewide SOC and the district's intermediate
29 district.



1 (6) For districts that have MDR solutions in place as of
2 October 1, 2023, a licensing cost allocation equal to the cost of
3 the statewide SOC provided license may be provided until the end of
4 the local contract or the end of the funding period, whichever
5 comes first. Funds allocated under this subsection must be used to
6 offset local MDR costs, cybersecurity assessment, or further
7 cybersecurity investment.

8 (7) The funds allocated under this section for 2023-2024 are a
9 work project appropriation, and any unexpended funds for 2023-2024
10 are carried forward and may be expended in subsequent years until
11 the end of the 2027-2028 state fiscal year. The purpose of the work
12 project is to increase stable and reliable cybersecurity in
13 districts and intermediate districts. The estimated completion date
14 of the work project is September 30, 2028.

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

18 Sec. 97k. (1) From the state school aid fund money
19 appropriated in section 11, there is allocated \$100,000.00 for
20 2023-2024 only to ~~a district~~ **Washtenaw Intermediate School District**
21 to utilize on the Student Advocacy Center of Michigan to support
22 its statewide helpline for families in educational crisis.

23 (2) Notwithstanding section 17b, the department shall make
24 payments under this section on a schedule determined by the
25 department.

26 Sec. 99d. **(1)** From the state school aid fund money
27 appropriated in section 11, there is allocated \$6,000,000.00 for
28 2023-2024 only to districts to do both of the following:

29 (a) Develop and implement plans for professional learning



1 concerning the teaching of the fullness of American history,
2 including, but not limited to, the teaching of the history of
3 communities of color and other marginalized communities, the
4 teaching of local history, and the teaching of cultural competency.

5 (b) Purchase books and other educational resources for
6 educators and students to support the goal of teaching every middle
7 school and high school student American history that reflects the
8 diversity of this state, including, but not limited to, the
9 teaching of the history of communities of color and other
10 marginalized communities.

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

14 (3) **The funds allocated under this section for 2023-2024 are a**
15 **work project appropriation, and any unexpended funds for 2023-2024**
16 **are carried forward into 2024-2025. The purpose of the work project**
17 **is to provide for teaching of diverse American history. The**
18 **estimated completion date of the work project is September 30,**
19 **2025.**

20 Sec. 99m. (1) From the state school aid fund money
21 appropriated in section 11, there is allocated for 2023-2024 only
22 an amount not to exceed \$450,000.00 to Shiawassee Regional ESD to
23 support the construction of a career technical education center **or**
24 **pupil transportation services** for students enrolled in the
25 constituent districts.

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

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



1 department.

2 Sec. 99n. (1) From the state school aid fund money
3 appropriated in section 11, there is allocated for 2023-2024 only
4 an amount not to exceed \$6,000,000.00 to ~~Ingham County Intermediate~~
5 **Lansing Public** School District to support the construction **or**
6 **facility improvements** of a career technical education center. ~~for~~
7 ~~students enrolled in the constituent districts.~~

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

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

13 Sec. 99ii. (1) From the state school aid fund money
14 appropriated in section 11, there is allocated for 2023-2024 only
15 \$250,000.00 to Wayne-Westland Community School District for the
16 purposes under this section.

17 (2) Wayne-Westland Community School District shall establish a
18 pilot grant program for K to 12 eligible students to attend
19 driver's training programs. The department shall establish and
20 provide to Wayne-Westland Community School District guidelines
21 concerning the pilot grant program described in this section.

22 (3) Wayne-Westland Community School District shall issue a
23 report to the department, on an annual basis, that provides the
24 number of students eligible for a grant under this section, how
25 many students have attended and successfully completed a driver's
26 training program described in this section, and the average cost,
27 per student, of participation in a driver's training program
28 described in this section.

29 (4) The department shall create a report that summarizes the



1 success of the program established under subsection (2) and publish
2 that report on its public website.

3 (5) The funds allocated under this section for 2023-2024 are a
4 work project appropriation, and any unexpended funds for 2023-2024
5 are carried forward into 2024-2025. The purpose of the work project
6 is to support the pilot program described in this section for the
7 provision of grants to students to attend driver's training
8 programs. The estimated completion date of the work project is
9 September 30, 2026.

10 (6) As used in this section, "eligible student" means a
11 student to whom both of the following apply:

12 (a) ~~Lives in a household that has an income at or below 180%~~
13 ~~of the federal poverty guidelines. As used in this subdivision,~~
14 ~~"federal poverty guidelines" means that term as used in section~~
15 ~~32d.~~ **The student qualifies for free and reduced lunch in the Wayne-**
16 **Westland Community School District or in a district contiguous to**
17 **the Wayne-Westland Community School District in alignment with**
18 **federal law and regulations and state law.**

19 (b) ~~Is~~ **The student is** enrolled in either of the following
20 districts:

21 (i) Wayne-Westland Community School District.

22 (ii) A district contiguous to Wayne-Westland Community School
23 District.

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

27 Sec. 99jj. (1) From the state school aid fund money
28 appropriated in section 11, there is allocated for 2023-2024 only
29 \$250,000.00 to Dearborn City School District in partnership with



1 the Amity Foundation for the purposes under this section.

2 (2) Dearborn City School District shall establish a pilot
3 grant program for K to 12 eligible students to attend driver's
4 training programs. ~~The department shall establish and provide to~~
5 ~~Dearborn City School District guidelines concerning the pilot grant~~
6 ~~program described in this section.~~

7 (3) Dearborn City School District shall issue a report to the
8 department, on an annual basis, that provides the number of
9 students eligible for a grant under this section, how many students
10 have attended and successfully completed a driver's training
11 program described in this section, and the average cost, per
12 student, of participation in a driver's training program described
13 in this section.

14 (4) The department shall create a report that summarizes the
15 success of the program established under subsection (2) and publish
16 that report on its public website.

17 (5) The funds allocated under this section for 2023-2024 are a
18 work project appropriation, and any unexpended funds for 2023-2024
19 are carried forward into 2024-2025. The purpose of the work project
20 is to support the pilot program described in this section for the
21 provision of grants to students to attend driver's training
22 programs. The estimated completion date of the work project is
23 September 30, 2026.

24 (6) As used in this section, "eligible student" means a
25 student to whom both of the following apply:

26 (a) ~~Lives in a household that has an income at or below 180%~~
27 ~~of the federal poverty guidelines. As used in this subdivision,~~
28 ~~"federal poverty guidelines" means that term as used in section~~
29 ~~32d.~~ **The student qualifies for free and reduced lunch in the**



1 Dearborn City School District or in a contiguous district to the
 2 Dearborn City School District in alignment with federal law and
 3 regulations and state law.

4 (b) ~~Is~~**The student is** enrolled in either of the following
 5 districts:

6 (i) Dearborn City School District.

7 (ii) A district contiguous to Dearborn City School District.

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

11 Sec. 107a. (1) From the state school aid fund money
 12 appropriated in section 11, there is allocated for 2023-2024 only
 13 an amount not to exceed \$15,000,000.00 to the department of labor
 14 and economic opportunity to create **authorized postsecondary** adult
 15 education innovation programs. **The programs must be administered by**
 16 **the department of labor and economic opportunity in partnership**
 17 **with a Michigan nonprofit organization that operates in a city with**
 18 **a population between 195,000 and 200,000 in a county that has a**
 19 **population between 650,000 and 660,000.** Programs funded under this
 20 section are intended to improve enrollment in and completion of
 21 adult basic education programs, including, but not limited to,
 22 synchronous and asynchronous program delivery methods, wraparound
 23 support, alignment between high school completion with
 24 postsecondary education, co-locating adult education with Michigan
 25 Works! or community colleges, and high-quality professional
 26 development.

27 (2) The department of labor and economic opportunity must
 28 award competitive funds under this section to eligible adult
 29 education providers, community colleges, and organizations with



1 experience serving adult learners for the purposes described in
2 subsection (1).

3 (3) Adult education providers must apply for funding in a form
4 and manner determined by the department of labor and economic
5 opportunity. Adult education providers that are not a district,
6 intermediate district, or community college must identify in their
7 application a partnership with a district, intermediate district,
8 or community college to serve as a fiscal agent for funds received
9 under this section.

10 (4) In a form and manner determined by the department of labor
11 and economic opportunity, for pilot programs funded under this
12 section, each adult education provider must perform a program
13 evaluation, facilitation of communities of practice, and
14 identification of best practices to scale pilot programs statewide.
15 Adult education providers may use up to 5% of the funds received
16 for these purposes.

17 (5) By not later than September 30 of each fiscal year **in**
18 **which** funds allocated under subsection (1) are spent by adult
19 education providers, the department of labor and economic
20 opportunity must provide a report to the chairs of the house and
21 senate appropriations subcommittees on school aid, to the house and
22 senate fiscal agencies, and to the state budget director indicating
23 how funds received under this section are being spent, and
24 detailing the amounts spent, the services being provided with the
25 funding, adult learners being reached with the funding, outcomes
26 metrics, and recommendations for how programs could be scaled
27 statewide.

28 (6) The funds allocated under this section for 2023-2024 are a
29 work project appropriation, and any unexpended funds for 2023-2024



1 are carried forward into 2024-2025. The purpose of the work project
2 is to improve enrollment in and completion of adult basic education
3 programs. The estimated completion date of the work project is
4 September 30, 2026.

5 Sec. 147a. (1) From the state school aid fund money
6 appropriated in section 11, there is allocated for 2022-2023 an
7 amount not to exceed \$100,000,000.00 and for 2023-2024 an amount
8 not to exceed \$100,000,000.00 for payments to participating
9 districts. A participating district that receives money under this
10 subsection shall use that money solely for the purpose of
11 offsetting a portion of the retirement contributions owed by the
12 district for the fiscal year in which it is received. The amount
13 allocated to each participating district under this subsection is
14 based on each participating district's percentage of the total
15 statewide payroll for all participating districts for the
16 immediately preceding fiscal year. As used in this subsection,
17 "participating district" means a district that is a reporting unit
18 of the Michigan public school employees' retirement system under
19 the public school employees retirement act of 1979, 1980 PA 300,
20 MCL 38.1301 to 38.1437, and that reports employees to the Michigan
21 public school employees' retirement system for the applicable
22 fiscal year.

23 (2) In addition to the allocation under subsection (1), from
24 the state school aid fund money appropriated under section 11,
25 there is allocated an amount not to exceed \$193,935,000.00 for
26 2022-2023 and an amount not to exceed \$359,950,000.00 for 2023-2024
27 for payments to participating districts and intermediate districts
28 and from the general fund money appropriated under section 11,
29 there is allocated an amount not to exceed \$65,000.00 for 2022-2023



1 and an amount not to exceed \$100,000.00 for 2023-2024 for payments
2 to participating district libraries. The amount allocated to each
3 participating entity under this subsection is based on each
4 participating entity's reported quarterly payroll for members that
5 became tier 1 prior to February 1, 2018 for the current fiscal
6 year. A participating entity that receives money under this
7 subsection shall use that money solely for the purpose of
8 offsetting a portion of the normal cost contribution rate. As used
9 in this subsection:

10 (a) "District library" means a district library established
11 under the district library establishment act, 1989 PA 24, MCL
12 397.171 to 397.196.

13 (b) "Participating entity" means a district, intermediate
14 district, or district library that is a reporting unit of the
15 Michigan public school employees' retirement system under the
16 public school employees retirement act of 1979, 1980 PA 300, MCL
17 38.1301 to 38.1437, and that reports employees to the Michigan
18 public school employees' retirement system for the applicable
19 fiscal year.

20 (3) In addition to the allocations under subsections (1) and
21 (2), from the state school aid fund money appropriated in section
22 11, there is allocated for 2023-2024 only an amount not to exceed
23 \$11,939,000.00 for payments to participating intermediate districts
24 and participating district libraries. A participating intermediate
25 district or participating district library shall use that money
26 solely for the purpose of offsetting a portion of the retirement
27 contributions owed by the participating intermediate district or
28 participating district library for the fiscal year in which it is
29 received. The amount allocated to each participating intermediate



1 district or participating district library under this subsection is
2 calculated as follows:

3 (a) For each participating intermediate district,
4 \$11,912,000.00 multiplied by each participating intermediate
5 district's percentage of the total statewide payroll for all
6 participating intermediate districts **for the immediately preceding**
7 **fiscal year.**

8 (b) For each participating district library, \$27,000.00
9 multiplied by each participating district library's percentage of
10 the total statewide payroll for all participating district
11 libraries **for the immediately preceding fiscal year.**

12 (c) As used in this subsection:

13 (i) "Participating district library" means a district library
14 that is a reporting unit of the Michigan public school employees'
15 retirement system under the public school employees retirement act
16 of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports
17 employees to the Michigan public school employees' retirement
18 system for the applicable fiscal year.

19 (ii) "Participating intermediate district" means an
20 intermediate district that is a reporting unit of the Michigan
21 public school employees' retirement system under the public school
22 employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to
23 38.1437, and that reports employees to the Michigan public school
24 employees' retirement system for the applicable fiscal year.

25 Sec. 201. (1) Subject to the conditions set forth in this
26 article, the amounts listed in this section are appropriated for
27 community colleges for the fiscal year ending September 30, 2024,
28 from the funds indicated in this section. The following is a
29 summary of the appropriations in this section:



1 (a) The gross appropriation is ~~\$544,517,500.00.~~
 2 **\$549,517,500.00.** After deducting total interdepartmental grants and
 3 intradepartmental transfers in the amount of \$0.00, the adjusted
 4 gross appropriation is ~~\$544,517,500.00.~~**\$549,517,500.00.**

5 (b) The sources of the adjusted gross appropriation described
 6 in subdivision (a) are as follows:

7 (i) Total federal revenues, \$0.00.

8 (ii) Total local revenues, \$0.00.

9 (iii) Total private revenues, \$0.00.

10 (iv) Total other state restricted revenues, ~~\$544,517,500.00.~~
 11 **\$549,517,500.00.**

12 (v) State general fund/general purpose money, \$0.00.

13 (2) Subject to subsection (3), the amount appropriated for
 14 community college operations is \$357,961,900.00, allocated as
 15 follows:

16 (a) The appropriation for Alpena Community College is
 17 \$6,327,100.00, \$6,026,800.00 for operations, \$273,800.00 for
 18 performance funding, and \$26,500.00 for costs incurred under the
 19 North American Indian tuition waiver.

20 (b) The appropriation for Bay de Noc Community College is
 21 \$6,299,200.00, \$5,877,000.00 for operations, \$308,300.00 for
 22 performance funding, and \$113,900.00 for costs incurred under the
 23 North American Indian tuition waiver.

24 (c) The appropriation for Delta College is \$16,690,500.00,
 25 \$15,888,200.00 for operations, \$754,100.00 for performance funding,
 26 and \$48,200.00 for costs incurred under the North American Indian
 27 tuition waiver.

28 (d) The appropriation for Glen Oaks Community College is
 29 \$2,939,000.00, \$2,802,100.00 for operations, \$136,900.00 for



1 performance funding, and \$0.00 for costs incurred under the North
2 American Indian tuition waiver.

3 (e) The appropriation for Gogebic Community College is
4 \$5,367,600.00, \$5,103,300.00 for operations, \$226,400.00 for
5 performance funding, and \$37,900.00 for costs incurred under the
6 North American Indian tuition waiver.

7 (f) The appropriation for Grand Rapids Community College is
8 \$20,966,400.00, \$19,766,200.00 for operations, \$1,078,200.00 for
9 performance funding, and \$122,000.00 for costs incurred under the
10 North American Indian tuition waiver.

11 (g) The appropriation for Henry Ford College is
12 \$24,943,900.00, \$23,700,100.00 for operations, \$1,229,700.00 for
13 performance funding, and \$14,100.00 for costs incurred under the
14 North American Indian tuition waiver.

15 (h) The appropriation for Jackson College is \$13,887,400.00,
16 \$13,295,100.00 for operations, \$559,000.00 for performance funding,
17 and \$33,300.00 for costs incurred under the North American Indian
18 tuition waiver.

19 (i) The appropriation for Kalamazoo Valley Community College
20 is \$14,539,400.00, \$13,776,100.00 for operations, \$705,800.00 for
21 performance funding, and \$57,500.00 for costs incurred under the
22 North American Indian tuition waiver.

23 (j) The appropriation for Kellogg Community College is
24 \$11,290,200.00, \$10,754,400.00 for operations, \$514,800.00 for
25 performance funding, and \$21,000.00 for costs incurred under the
26 North American Indian tuition waiver.

27 (k) The appropriation for Kirtland Community College is
28 \$3,792,900.00, \$3,577,900.00 for operations, \$195,200.00 for
29 performance funding, and \$19,800.00 for costs incurred under the



1 North American Indian tuition waiver.

2 (l) The appropriation for Lake Michigan College is
3 \$6,321,600.00, \$5,978,400.00 for operations, \$339,600.00 for
4 performance funding, and \$3,600.00 for costs incurred under the
5 North American Indian tuition waiver.

6 (m) The appropriation for Lansing Community College is
7 \$35,752,700.00, \$34,228,900.00 for operations, \$1,460,300.00 for
8 performance funding, and \$63,500.00 for costs incurred under the
9 North American Indian tuition waiver.

10 (n) The appropriation for Macomb Community College is
11 \$37,661,900.00, \$35,911,900.00 for operations, \$1,723,500.00 for
12 performance funding, and \$26,500.00 for costs incurred under the
13 North American Indian tuition waiver.

14 (o) The appropriation for Mid Michigan Community College is
15 \$5,798,500.00, \$5,458,100.00 for operations, \$284,800.00 for
16 performance funding, and \$55,600.00 for costs incurred under the
17 North American Indian tuition waiver.

18 (p) The appropriation for Monroe County Community College is
19 \$5,286,800.00, \$5,003,600.00 for operations, \$281,100.00 for
20 performance funding, and \$2,100.00 for costs incurred under the
21 North American Indian tuition waiver.

22 (q) The appropriation for Montcalm Community College is
23 \$3,966,700.00, \$3,758,900.00 for operations, \$198,300.00 for
24 performance funding, and \$9,500.00 for costs incurred under the
25 North American Indian tuition waiver.

26 (r) The appropriation for C.S. Mott Community College is
27 \$17,823,200.00, \$17,098,300.00 for operations, \$693,400.00 for
28 performance funding, and \$31,500.00 for costs incurred under the
29 North American Indian tuition waiver.



1 (s) The appropriation for Muskegon Community College is
2 \$10,223,600.00, \$9,733,400.00 for operations, \$477,500.00 for
3 performance funding, and \$12,700.00 for costs incurred under the
4 North American Indian tuition waiver.

5 (t) The appropriation for North Central Michigan College is
6 \$4,011,000.00, \$3,615,900.00 for operations, \$252,900.00 for
7 performance funding, and \$142,200.00 for costs incurred under the
8 North American Indian tuition waiver.

9 (u) The appropriation for Northwestern Michigan College is
10 \$10,650,300.00, \$10,006,800.00 for operations, \$466,500.00 for
11 performance funding, and \$177,000.00 for costs incurred under the
12 North American Indian tuition waiver.

13 (v) The appropriation for Oakland Community College is
14 \$24,755,900.00, \$23,469,500.00 for operations, \$1,264,100.00 for
15 performance funding, and \$22,300.00 for costs incurred under the
16 North American Indian tuition waiver.

17 (w) The appropriation for Schoolcraft College is
18 \$14,742,500.00, \$13,939,500.00 for operations, \$772,300.00 for
19 performance funding, and \$30,700.00 for costs incurred under the
20 North American Indian tuition waiver.

21 (x) The appropriation for Southwestern Michigan College is
22 \$7,695,500.00, \$7,332,800.00 for operations, \$350,000.00 for
23 performance funding, and \$12,700.00 for costs incurred under the
24 North American Indian tuition waiver.

25 (y) The appropriation for St. Clair County Community College
26 is \$8,226,400.00, \$7,786,600.00 for operations, \$423,800.00 for
27 performance funding, and \$16,000.00 for costs incurred under the
28 North American Indian tuition waiver.

29 (z) The appropriation for Washtenaw Community College is



1 \$15,938,200.00, \$14,851,300.00 for operations, \$1,074,200.00 for
2 performance funding, and \$12,700.00 for costs incurred under the
3 North American Indian tuition waiver.

4 (aa) The appropriation for Wayne County Community College is
5 \$19,197,900.00, \$18,376,100.00 for operations, \$817,200.00 for
6 performance funding, and \$4,600.00 for costs incurred under the
7 North American Indian tuition waiver.

8 (bb) The appropriation for West Shore Community College is
9 \$2,865,600.00, \$2,721,000.00 for operations, \$130,200.00 for
10 performance funding, and \$14,400.00 for costs incurred under the
11 North American Indian tuition waiver.

12 (3) The amount appropriated in subsection (2) for community
13 college operations is \$357,961,900.00 and is appropriated from the
14 state school aid fund.

15 (4) From the appropriations described in subsection (1), both
16 of the following apply:

17 (a) Subject to section 207a, the amount appropriated for
18 fiscal year 2023-2024 to offset certain fiscal year 2023-2024
19 retirement contributions is \$7,189,000.00, appropriated from the
20 state school aid fund.

21 (b) For fiscal year 2023-2024, there is allocated an amount
22 not to exceed \$23,000,000.00 for payments to participating
23 community colleges, appropriated from the state school aid fund. A
24 community college that receives money under this subdivision shall
25 use that money solely for the purpose of offsetting the normal cost
26 contribution rate.

27 (5) From the appropriations described in subsection (1),
28 subject to section 207b, the amount appropriated for payments to
29 community colleges that are participating entities of the



1 retirement system is \$105,800,000.00, appropriated from the state
2 school aid fund.

3 (6) From the appropriations described in subsection (1),
4 subject to section 207c, the amount appropriated for renaissance
5 zone tax reimbursements is \$2,200,000.00, appropriated from the
6 state school aid fund. Each community college receiving funds in
7 this subsection shall accrue these payments to its institutional
8 fiscal year ending June 30, 2024.

9 (7) For fiscal year 2023-2024 only, from the appropriations
10 described in subsection (1), the amount appropriated for career and
11 education navigators for adult learners is \$5,000,000.00,
12 appropriated from the state school aid fund. Community colleges,
13 partnering with 1 or more county governments, where practicable,
14 may apply for grant funding through the Office of Sixty by 30 in
15 the department of labor and economic opportunity to supplement or
16 create navigation efforts of adult learners. The Office of Sixty by
17 30 shall issue a report including, but not limited to, the number
18 of grants awarded, a list of community colleges awarded grants and
19 the amounts, and the amount of unexpended funds remaining at the
20 end of the fiscal year. The report must be issued to the house and
21 senate appropriations subcommittees on community colleges, the
22 house and senate fiscal agencies, and the state budget director by
23 September 30, 2024.

24 (8) For fiscal year 2023-2024 only, from the appropriations
25 described in subsection (1), the amount appropriated for the
26 Michigan Reconnect Entry Point Program is \$5,000,000.00,
27 appropriated from the state school aid fund. Community colleges,
28 partnering with 1 or more county governments, where practicable,
29 may apply for grant funding through the Office of Sixty by 30 in



1 the department of labor and economic opportunity to engage Michigan
2 reconnect grant applicants who have been approved for funding but
3 have not enrolled in a postsecondary or eligible Michigan reconnect
4 program and work to identify and resolve barriers preventing
5 enrollment. The Office of Sixty by 30 shall issue a report
6 including, but not limited to, the number of grants awarded, a list
7 of community colleges awarded grants and the amounts, a list of any
8 counties that partnered with a community college for a grant under
9 this section, and the amount of unexpended funds remaining at the
10 end of the fiscal year. The report must be issued to the house and
11 senate appropriations subcommittees on community colleges, the
12 house and senate fiscal agencies, and the state budget director by
13 September 30, 2024.

14 (9) For fiscal year 2023-2024 only, from the appropriations
15 described in subsection (1), subject to ~~section~~**sections** 216c **and**
16 **216d**, the amount appropriated for infrastructure, technology,
17 equipment, maintenance, housing, and safety is \$32,836,600.00,
18 appropriated from the state school aid fund.

19 (10) For fiscal year 2023-2024 only, from the appropriations
20 described in subsection (1), \$5,000,000.00 is appropriated from the
21 state school aid fund for critical incident mapping. These funds
22 must be distributed to community colleges proportionately to the
23 amounts in subsection (2) for operations.

24 (11) From the appropriations described in subsection (1), the
25 amount appropriated for Michigan workforce development projects is
26 \$530,000.00, appropriated from the state school aid fund. These
27 funds must be awarded to Kalamazoo Valley Community College, and
28 must be used by that college in conjunction with the college's wind
29 turbine program for curriculum development for programs in 1 or



1 more of the following areas:

2 (a) Electric vehicle battery installation and repair.

3 (b) Electric vehicle charger installation for residential
4 applications, commercial applications, or both.

5 (c) Residential and community scale solar panel installation,
6 maintenance, and repair.

7 (12) For fiscal year 2023-2024 only, from the appropriations
8 described in subsection (1), \$5,000,000.00 is appropriated from the
9 state school aid fund to Washtenaw Community College for costs
10 related to the college's involvement with a semiconductor research
11 alliance.

12 Sec. 216d. (1) Each community college receiving an
13 appropriation in section 201 must certify to the state budget
14 director that it either did or did not receive a planning or
15 construction authorization for a capital outlay project between
16 January 1, 2023 and March 1, 2024. Each community college that
17 certifies that it did receive a planning or construction
18 authorization for a capital outlay project between January 1, 2023
19 and March 1, 2024 must do 1 of the following:

20 (a) Remit to the state treasurer an amount equal to the amount
21 of the grant that community college received under section 216c.

22 (b) Provide a written agreement to the state budget director
23 to have the sum total of monthly payments under section 206 for the
24 remainder of the fiscal year ending September 30, 2024 for that
25 community college reduced by an amount equal to the amount of the
26 grant the community college received under section 216c. The state
27 treasurer shall reduce each of the remaining payments for that
28 community college under section 206 by an amount equal to the
29 amount that community college received under section 216c divided



1 by the number of payments under section 206 remaining in the fiscal
2 year, beginning with the next payment following receipt of the
3 written agreement under this subdivision.

4 (2) For the purpose of determining whether a community college
5 must remit payment or agree to proration under subsection (1), an
6 adjustment in the cost or scope of a capital outlay project
7 originally authorized prior to January 1, 2023 is not considered to
8 be a planning or construction authorization.

9 (3) The state budget director shall withhold the monthly
10 payment under section 206 of each community college that does not
11 comply with subsection (1) until that community college is found to
12 be in compliance with subsection (1).

13 (4) Once the state budget director has determined that each
14 community college is in compliance with subsection (1), an amount
15 equal to the sum total of all payments received under subsection
16 (1)(a) and the amounts prorated under subsection (1)(b) must be
17 distributed to the community colleges that certified that they did
18 not receive a capital outlay appropriation under subsection (1).
19 The payment for each community college must be calculated based on
20 each community college's respective share of total fiscal year
21 equated students as reported to the Michigan community college data
22 inventory for the fiscal year ending September 30, 2022 for all
23 community colleges that receive a payment under this subsection.
24 Payments to community colleges under this subsection must be
25 distributed in 1 lump sum to each community college with the
26 payment described in section 206 that occurs in the month following
27 the date the state budget director determines that each community
28 college has complied with subsection (1).

29 (5) Payments under subsection (4) may be used only for the



1 purposes described in section 216c(1).

2 (6) This section does not apply if the amendatory act that
3 added this section takes effect prior to January 1, 2024.

4 Sec. 236. (1) Subject to the conditions set forth in this
5 article, the amounts listed in this section are appropriated for
6 higher education for the fiscal year ending September 30, 2024,
7 from the funds indicated in this section. The following is a
8 summary of the appropriations in this section and section 236j:

9 (a) The gross appropriation is \$2,291,048,800.00. After
10 deducting total interdepartmental grants and intradepartmental
11 transfers in the amount of \$0.00, the adjusted gross appropriation
12 is \$2,291,048,800.00.

13 (b) The sources of the adjusted gross appropriation described
14 in subdivision (a) are as follows:

15 (i) Total federal revenues, \$131,026,400.00.

16 (ii) Total local revenues, \$0.00.

17 (iii) Total private revenues, \$0.00.

18 (iv) Total other state restricted revenues, \$482,268,300.00.

19 (v) State general fund/general purpose money,
20 \$1,677,754,100.00.

21 (c) The totals and subtotals reflected in subdivisions (a) and
22 (b) do not include amounts appropriated under subsection (7)(f) or
23 (8)(c) to avoid duplicating totals of amounts appropriated in this
24 section and section 236j.

25 (2) Amounts appropriated for public universities are as
26 follows:

27 (a) The appropriation for Central Michigan University is
28 \$95,413,800.00, \$89,352,000.00 for operations, \$0.00 for per-
29 student floor funding, \$4,467,600.00 for operations increase, and



1 \$1,594,200.00 for costs incurred under the North American Indian
2 tuition waiver.

3 (b) The appropriation for Eastern Michigan University is
4 \$83,144,700.00, \$78,798,800.00 for operations, \$0.00 for per-
5 student floor funding, \$3,939,900.00 for operations increase, and
6 \$406,000.00 for costs incurred under the North American Indian
7 tuition waiver.

8 (c) The appropriation for Ferris State University is
9 \$59,646,500.00, \$56,126,000.00 for operations, \$0.00 for per-
10 student floor funding, \$2,806,300.00 for operations increase, and
11 \$714,200.00 for costs incurred under the North American Indian
12 tuition waiver.

13 (d) The appropriation for Grand Valley State University is
14 \$97,365,000.00, \$79,974,500.00 for operations, \$11,560,000.00 for
15 per-student floor funding, \$4,576,700.00 for operations increase,
16 and \$1,253,800.00 for costs incurred under the North American
17 Indian tuition waiver.

18 (e) The appropriation for Lake Superior State University is
19 \$15,190,300.00, \$13,573,100.00 for operations, \$0.00 for per-
20 student floor funding, \$678,700.00 for operations increase, and
21 \$938,500.00 for costs incurred under the North American Indian
22 tuition waiver.

23 (f) The appropriation for Michigan State University is
24 \$390,452,600.00, \$301,681,300.00 for operations, \$0.00 for per-
25 student floor funding, \$15,084,100.00 for operations increase,
26 \$1,943,800.00 for costs incurred under the North American Indian
27 tuition waiver, \$38,518,400.00 for MSU AgBioResearch, and
28 \$33,225,000.00 for MSU Extension.

29 (g) The appropriation for Michigan Technological University is



1 \$54,525,700.00, \$51,103,600.00 for operations, \$0.00 for per-
2 student floor funding, \$2,555,200.00 for operations increase, and
3 \$866,900.00 for costs incurred under the North American Indian
4 tuition waiver.

5 (h) The appropriation for Northern Michigan University is
6 \$53,320,000.00, \$49,589,800.00 for operations, \$0.00 for per-
7 student floor funding, \$2,479,500.00 for operations increase, and
8 \$1,250,700.00 for costs incurred under the North American Indian
9 tuition waiver.

10 (i) The appropriation for Oakland University is
11 \$72,288,800.00, \$60,406,600.00 for operations, \$8,123,900.00 for
12 per-student floor funding, \$3,426,500.00 for operations increase,
13 and \$331,800.00 for costs incurred under the North American Indian
14 tuition waiver.

15 (j) The appropriation for Saginaw Valley State University is
16 \$33,894,500.00, \$32,086,300.00 for operations, \$0.00 for per-
17 student floor funding, \$1,604,300.00 for operations increase, and
18 \$203,900.00 for costs incurred under the North American Indian
19 tuition waiver.

20 (k) The appropriation for University of Michigan - Ann Arbor
21 is \$356,568,800.00, \$338,360,300.00 for operations, \$0.00 for per-
22 student floor funding, \$16,918,000.00 for operations increase, and
23 \$1,290,500.00 for costs incurred under the North American Indian
24 tuition waiver.

25 (l) The appropriation for University of Michigan - Dearborn is
26 \$31,233,500.00, \$27,869,700.00 for operations, \$1,699,800.00 for
27 per-student floor funding, \$1,478,500.00 for operations increase,
28 and \$185,500.00 for costs incurred under the North American Indian
29 tuition waiver.



1 (m) The appropriation for University of Michigan - Flint is
 2 \$26,404,700.00, \$24,774,800.00 for operations, \$0.00 for per-
 3 student floor funding, \$1,238,700.00 for operations increase, and
 4 \$391,200.00 for costs incurred under the North American Indian
 5 tuition waiver.

6 (n) The appropriation for Wayne State University is
 7 \$224,354,500.00, \$213,286,600.00 for operations, \$0.00 for per-
 8 student floor funding, \$10,664,300.00 for operations increase, and
 9 \$403,600.00 for costs incurred under the North American Indian
 10 tuition waiver.

11 (o) The appropriation for Western Michigan University is
 12 \$119,983,900.00, \$113,752,600.00 for operations, \$0.00 for per-
 13 student floor funding, \$5,687,600.00 for operations increase, and
 14 \$543,700.00 for costs incurred under the North American Indian
 15 tuition waiver.

16 (3) The amount appropriated in subsection (2) for public
 17 universities is \$1,713,787,300.00, appropriated from the following:

18 (a) State school aid fund, \$443,168,300.00.

19 (b) State general fund/general purpose money,
 20 \$1,270,619,000.00.

21 (4) The amount appropriated for Michigan public school
 22 employees' retirement system reimbursement is \$0.00.

23 (5) The amount appropriated for state and regional programs is
 24 \$316,800.00, appropriated from general fund/general purpose money
 25 and allocated as follows:

26 (a) Higher education database modernization and conversion,
 27 \$200,000.00.

28 (b) Midwestern Higher Education Compact, \$116,800.00.

29 (6) The amount appropriated for the Martin Luther King, Jr. -



1 Cesar Chavez - Rosa Parks program is \$2,691,500.00, appropriated
2 from general fund/general purpose money and allocated as follows:

3 (a) Select student support services, \$1,956,100.00.

4 (b) Michigan college/university partnership program,
5 \$586,800.00.

6 (c) Morris Hood, Jr. educator development program,
7 \$148,600.00.

8 (7) Subject to subsection (8), the amount appropriated for
9 grants and financial aid is \$447,283,200.00, allocated as follows:

10 (a) State competitive scholarships, \$26,861,700.00.

11 (b) Tuition grants, \$42,021,500.00.

12 (c) Tuition incentive program, \$73,800,000.00.

13 (d) Children of veterans and officer's survivor tuition grant
14 programs, \$1,400,000.00.

15 (e) Project GEAR-UP, \$3,200,000.00.

16 (f) Michigan achievement scholarships, \$300,000,000.00. From
17 this amount, up to \$10,000,000.00 may be used to award skills
18 scholarships under section 248a.

19 (8) The money appropriated in subsection (7) for grants and
20 financial aid is appropriated from the following:

21 (a) Federal revenues under the United States Department of
22 Education, Office of Elementary and Secondary Education, GEAR-UP
23 program, \$3,200,000.00.

24 (b) Federal revenues under the social security act, temporary
25 assistance for needy families, \$127,826,400.00.

26 (c) Postsecondary scholarship fund, \$300,000,000.00.

27 (d) State general fund/general purpose money, \$16,256,800.00.

28 (9) For fiscal year 2023-2024 only, in addition to the
29 allocation under subsection (4), from the appropriations described



1 in subsection (1), there is allocated an amount not to exceed
 2 \$9,100,000.00 for payments to participating public universities,
 3 appropriated from the state school aid fund. A public university
 4 that receives money under this subsection shall use that money
 5 solely for the purpose of offsetting the normal cost contribution
 6 rate. As used in this subsection, "participating public
 7 universities" means public universities that are a reporting unit
 8 of the Michigan public school employees' retirement system under
 9 the public school employees retirement act of 1979, 1980 PA 300,
 10 MCL 38.1301 to 38.1437, and that pay contributions to the Michigan
 11 public school employees' retirement system for the state fiscal
 12 year.

13 (10) For fiscal year 2023-2024 only, from the appropriations
 14 described in subsection (1), the amount appropriated for Michigan
 15 Technological University for the creation of a bachelor of science
 16 degree in nursing program is \$870,000.00, appropriated from state
 17 general fund/general purpose money.

18 (11) For fiscal year 2023-2024 only, from the appropriations
 19 described in subsection (1), \$3,000,000.00 is appropriated from
 20 state general fund/general purpose money to the Michigan geological
 21 survey for costs related to the development, construction, and
 22 equipment purchases for a new facility.

23 (12) For fiscal year 2023-2024 only, from the appropriations
 24 described in subsection (1), \$5,000,000.00 is appropriated from
 25 state general fund/general purpose money for critical incident
 26 mapping. These funds must be distributed to universities
 27 proportionately to the amounts in subsection (2) for operations.

28 (13) For fiscal year 2023-2024 only, from the appropriations
 29 described in subsection (1), subject to ~~section~~**sections** 236m **and**



1 **236o**, \$79,000,000.00 is appropriated from general fund/general
 2 purpose money for infrastructure, technology, equipment,
 3 maintenance, and safety.

4 (14) For fiscal year 2023-2024 only, from the appropriations
 5 described in subsection (1), \$30,000,000.00 is appropriated from
 6 the state school aid fund to Michigan State University for the
 7 Engineering and Digital Innovation Center.

8 Sec. 236m. (1) ~~Funds~~ **Subject to subsection (2), funds**
 9 appropriated in section 236(13) for infrastructure, technology,
 10 equipment, maintenance, and safety are intended to be used for
 11 necessary improvements and deferred maintenance of public
 12 university buildings, facilities, and other physical
 13 infrastructure; necessary improvements and deferred maintenance of
 14 information technology, other technology infrastructure, and other
 15 equipment; and other purposes related to infrastructure,
 16 technology, equipment, and maintenance. A public university may
 17 also use these funds for debt or to upgrade safety and security
 18 infrastructure. These funds are not intended to be used for any
 19 other purpose than what is specified in this section.

20 **(2) If the University of Michigan - Ann Arbor receives funds**
 21 **subject to the allowable uses under this section, the university**
 22 **must, as a condition on receiving those funds, agree to allocate**
 23 **not less than \$5,000,000.00 of those funds for costs related to the**
 24 **university's involvement with a semiconductor research alliance.**

25 **(3) ~~(2)~~**—To receive funds under this section, a public
 26 university must certify to the state budget director by January 1,
 27 2024 that it did not receive an appropriation for a planning or
 28 construction authorization for a capital outlay project between
 29 January 1, 2023 and December 15, 2023.



1 **(4)** ~~(3)~~—Funds appropriated in section 236(13) are distributed
 2 to each public university that certified it did not receive a
 3 capital outlay appropriation under subsection ~~(2)~~.—**(3)**. The payment
 4 for each public university must be calculated based on each public
 5 university's respective share of total fiscal year equated students
 6 as reported to the higher education institutional data inventory
 7 for the fiscal year ending September 30, 2022 for all public
 8 universities that receive a payment under this section. Payments to
 9 public universities under this section must be distributed in 1
 10 lump sum to each institution with the January 16, 2024 payment
 11 described in section 241.

12 **Sec. 236o. (1) Each public university receiving an**
 13 **appropriation in section 236 must certify to the state budget**
 14 **director that it either did or did not receive a planning or**
 15 **construction authorization for a capital outlay project between**
 16 **January 1, 2023 and March 1, 2024. Each public university that**
 17 **certifies that it did receive a planning or construction**
 18 **authorization for a capital outlay project between January 1, 2023**
 19 **and March 1, 2024 must do 1 of the following:**

20 **(a) Remit to the state treasurer an amount equal to the amount**
 21 **of the grant that university received under section 236m.**

22 **(b) Provide a written agreement to the state budget director**
 23 **to have the sum total of monthly payments under section 241 for the**
 24 **remainder of the fiscal year ending September 30, 2024 for that**
 25 **university reduced by an amount equal to the amount of the grant**
 26 **the university received under section 236m. The state treasurer**
 27 **shall reduce each of the remaining payments for that university**
 28 **under section 241 by an amount equal to the amount that university**
 29 **received under section 236m divided by the number of payments under**



1 section 241 remaining in the fiscal year, beginning with the next
2 payment following receipt of the written agreement under this
3 subdivision.

4 (2) For the purpose of determining whether a university must
5 remit payment or agree to proration under subsection (1), an
6 adjustment in the cost or scope of a capital outlay project
7 originally authorized prior to January 1, 2023 is not considered to
8 be a planning or construction authorization.

9 (3) The state budget director shall withhold the monthly
10 payment under section 241 of each university that does not comply
11 with subsection (1) until that university is found to be in
12 compliance with subsection (1).

13 (4) Once the state budget director has determined that each
14 university is in compliance with subsection (1), an amount equal to
15 the sum total of all payments received under subsection (1)(a) and
16 the amounts prorated under subsection (1)(b) must be distributed to
17 the universities that certified that they did not receive a capital
18 outlay appropriation under subsection (1). The payment for each
19 public university must be calculated based on each public
20 university's respective share of total fiscal year equated students
21 as reported to the higher education institutional data inventory
22 for the fiscal year ending September 30, 2022 for all public
23 universities that receive a payment under this subsection. Payments
24 to public universities under this subsection must be distributed in
25 1 lump sum to each university with the payment described in section
26 241 that occurs in the month following the date the state budget
27 director determines that each university has complied with
28 subsection (1).

29 (5) Payments under subsection (4) may be used only for the



1 purposes described under section 236m.

2 (6) This section does not apply if the amendatory act that
3 added this section takes effect prior to January 1, 2024.

4 Sec. 248. (1) The funds appropriated in section 236 for
5 Michigan achievement scholarships must be distributed as provided
6 in this section and section 248a, pursuant to the administrative
7 procedures for Michigan achievement scholarships of the department.

8 (2) As used in this section:

9 (a) "Department" means the department of treasury.

10 (b) "Eligible institution" means a public university that
11 receives an appropriation in section 236, a community college that
12 receives an appropriation in section 201, a federally recognized
13 tribal college in this state, or an independent nonprofit college
14 or university in this state as described in section 1 of 1966 PA
15 313, MCL 390.991.

16 (c) "Gift aid" includes federal Pell grants under 20 USC
17 1070a, tuition incentive program benefits under section 256, state
18 tuition grants under section 252, awards received for minimum
19 payments awarded in subsection (4), higher education expenses paid
20 under the Michigan promise zone authority act, 2008 PA 549, MCL
21 390.1661 to 390.1679, and all other federal, state, local, or
22 institutional aid in the form of grants, scholarships, or discounts
23 applied toward tuition and mandatory fees. Gift aid does not
24 include student loans, work-study awards, qualified withdrawals
25 made from education savings accounts to pay higher education
26 expenses pursuant to the Michigan education savings program act,
27 2000 PA 161, MCL 390.1471 to 390.1486, or higher education expenses
28 paid under the Michigan education trust program pursuant to the
29 Michigan education trust act, 1986 PA 316, MCL 390.1421 to



1 390.1442.

2 (d) "High school equivalency certificate" means that term as
3 defined in section 4.

4 (3) An individual must meet all of the following criteria and
5 financial thresholds each year to be eligible for a Michigan
6 achievement scholarship awarded under this section:

7 (a) Be a resident of this state for at least the immediately
8 preceding year.

9 (b) Have graduated from high school in this state with a
10 diploma or certificate of completion or achieved a high school
11 equivalency certificate in 2023 or after.

12 (c) Be a full-time undergraduate student at an eligible
13 institution, as defined by that eligible institution, and be a
14 first-time enrollee in an eligible institution during the 2023-2024
15 academic year, or a subsequent academic year, within 15 months
16 after high school graduation or attainment of a high school
17 equivalency certificate or have received a Michigan achievement
18 scholarship in a previous academic year. For the purposes of this
19 subdivision, participation in a dual enrollment, early college, or
20 other similar program while attending high school does not
21 disqualify a student from being considered a first-time enrollee.

22 (d) Maintain satisfactory academic progress, as defined by the
23 eligible institution in which the student is enrolled.

24 (e) Not be incarcerated in a corrections institution.

25 (f) Not be in default on a federal student loan.

26 (g) ~~Complete~~ **For awards made during academic year 2023-2024,**
27 **complete** the Free Application for Federal Student Aid and have an
28 expected family contribution of \$25,000.00 or less. **For awards made**
29 **during academic year 2024-2025 or a subsequent academic year,**



1 except as otherwise provided in this subdivision and subdivision
2 (h), complete the Free Application for Federal Student Aid and have
3 a student aid index number of 1 of the following, as applicable:

4 (i) For a student indicating on the student's Free Application
5 for Federal Student Aid that the student is the only member of the
6 student's household or the student's parents' household attending a
7 postsecondary institution during that academic year, \$30,000.00 or
8 less.

9 (ii) For a student indicating on the student's Free Application
10 for Federal Student Aid that the student is not the only member of
11 the student's household or the student's parents' household
12 attending a postsecondary institution during that academic year,
13 the greater of the number described in subparagraph (i) or a number
14 determined by the department of treasury. For the purposes of this
15 subparagraph, the department of treasury, in collaboration with the
16 state budget office and the house and senate fiscal agencies, may
17 calculate a student aid index number or may issue administrative
18 guidance for the student aid index eligibility of students with
19 more than 1 member of the student's household or the student's
20 parents' household attending a postsecondary institution during
21 that academic year. It is the intent of the legislature that the
22 utilization of a student aid index instead of expected family
23 contribution does not adversely impact the eligibility of students
24 with multiple members of the student's household or the student's
25 parents' household in college.

26 (h) For the purpose of determining eligibility under
27 subdivision (g), an individual is considered to have met the
28 requirements of subdivision (g) if the individual received the
29 Michigan achievement scholarship in academic year 2023-2024, was



1 determined to have an expected family contribution of \$25,000.00 or
2 less in academic year 2023-2024, and has completed the Free
3 Application for Federal Student Aid for the subsequent award
4 cycles.

5 (i) The legislature finds and declares that the student aid
6 index thresholds in subdivision (g) are temporary and intended to
7 apply only for academic year 2024-2025. It is the intent of the
8 legislature that the legislature and executive branch work
9 collaboratively to use Michigan achievement scholarship uptake and
10 other relevant data to establish a more permanent measure of
11 financial need for the Michigan achievement scholarship for
12 subsequent academic years.

13 (j) ~~(h)~~ Apply for all available gift aid for each academic
14 year in which the individual applies for a Michigan achievement
15 scholarship.

16 (4) Michigan achievement scholarships are subject to all of
17 the following:

18 (a) Subject to section 248a(3)(f)(i), an eligible student may
19 receive an award under this section or section 248a for a maximum
20 of 5 academic years, not more than 3 of which may be for attending
21 eligible institutions that are community colleges or federally
22 recognized tribal colleges unless the student is enrolled in a
23 baccalaureate degree program described in section 121 of the
24 community college act of 1966, 1966 PA 331, MCL 389.121. A student
25 may not receive an award under this subsection and section
26 248a(3)(f)(i) during the same academic year.

27 (b) The amount awarded to an eligible student at an eligible
28 institution that is a community college or federally recognized
29 tribal college must equal the sum of following:



1 (i) A minimum payment of \$1,750.00, which is comprised of a
2 base payment of \$1,000.00 plus an additional payment of \$750.00.

3 (ii) The lesser of \$1,000.00 or the student's last-dollar
4 payment amount.

5 (c) The amount awarded to an eligible student at an eligible
6 institution that is a public university or enrolled in a
7 baccalaureate degree program described in section 121 of the
8 community college act of 1966, 1966 PA 331, MCL 389.121, must equal
9 the sum of following:

10 (i) A minimum payment of \$2,500.00, which is comprised of a
11 base payment of \$1,000.00 plus an additional payment of \$1,500.00.

12 (ii) The lesser of \$3,000.00 or the student's last-dollar
13 payment amount.

14 (d) The amount awarded to an eligible student at an eligible
15 institution that is an independent nonprofit college or university
16 must equal the sum of the following:

17 (i) A minimum payment of \$1,000.00.

18 (ii) The lesser of \$3,000.00 or the student's last-dollar
19 payment amount.

20 (e) Money awarded under this subsection for a Michigan
21 achievement scholarship must be paid to the eligible institution
22 for credit to the student's account.

23 (f) As used in this subsection:

24 (i) "Last-dollar payment amount" means an amount equal to the
25 tuition, mandatory fees, and contact hours for each student's
26 actual program of study, minus all gift aid received by the
27 student.

28 (ii) "Minimum payment" means a payment eligible for any cost
29 within the student's individual cost of attendance. The minimum



1 payment must be awarded as a separate payment not included in the
2 student's need-based financial aid. The minimum payment must not be
3 reduced.

4 (5) The department shall work closely with participating
5 institutions to provide the highest level of participation and
6 ensure that all requirements of the program are met.

7 (6) From the funds appropriated in section ~~236(6)~~**236(7)** for
8 the Michigan achievement scholarships, the department may not use
9 more than \$10,000,000.00 for the purposes of outreach programs to
10 raise awareness of the Michigan achievement scholarship described
11 in this section and section 248a and shall ensure that Michigan
12 achievement scholarships are well publicized and that high school
13 students are provided information on the program. The department
14 may receive and expend funds received from outside sources for
15 scholarships, marketing, or other purposes related to the Michigan
16 achievement scholarship. The department shall provide the necessary
17 funding and staff to fully operate the program.

18 (7) The department shall convene a workgroup during the fiscal
19 year ending September 30, 2024 to consider and advise the
20 department on implementing policies for administering the Michigan
21 achievement scholarship. The workgroup shall include participation
22 from the Michigan Association of State Universities and its
23 institutional members, the Michigan College Access Network, the
24 Michigan Community College Association and its institutional
25 members, the Michigan Independent Colleges and Universities and its
26 institutional members, and any other interested stakeholders and
27 offices as determined by the department. The workgroup shall make
28 recommendations on packaging order, packaging structure,
29 definitions of terms not otherwise defined in statute, and other



1 administrative regulatory requirements as necessary to implement
2 the Michigan achievement scholarship.

3 (8) The following reporting obligations apply to the Michigan
4 achievement scholarship program:

5 (a) By May 1 and December 1 of each year, the department shall
6 provide a written report, organized by eligible institution, to the
7 house and senate appropriations subcommittees on higher education,
8 the house and senate fiscal agencies, and the state budget director
9 that includes the following information for the previous academic
10 year:

11 (i) The number of students who qualified for a Michigan
12 achievement scholarship.

13 (ii) The number of students who received a Michigan achievement
14 scholarship.

15 (iii) The average number of credits earned by students who
16 received a Michigan achievement scholarship.

17 (iv) The number of Michigan achievement scholarships that were
18 canceled due to failure to maintain satisfactory academic progress
19 under subsection (3) (d).

20 (v) The number of Michigan achievement scholarships that were
21 canceled due to a student ceasing attendance at an eligible
22 institution. The number must not include any known transfers to
23 another eligible institution.

24 (vi) The number of Michigan achievement scholarships that were
25 canceled due to a student's failure to maintain full-time status.

26 (vii) The average Michigan achievement scholarship award per
27 student, delineated by sector, including community colleges, tribal
28 colleges, public universities, independent colleges and
29 universities, and training institutions. As used in this



1 subparagraph, "training institutions" means training institutions
2 accepted to participate in the Michigan achievement scholarship
3 program under section 248a.

4 (b) Each eligible institution whose students receive awards
5 under this section shall cooperate with the department in a timely
6 manner to facilitate the creation of the report under subdivision
7 (a).

8 (9) Beginning April 1, 2024, by April 1 of each year, each
9 eligible institution shall submit a report to the department, the
10 state budget office, and the house and senate fiscal agencies
11 providing information as to the total institutional grant aid per
12 full-year equated undergraduate student for the current institution
13 fiscal year and for the immediately preceding 3 institution fiscal
14 years. If the institution does not maintain total institutional
15 grant aid per full-year equated undergraduate student at the
16 average amount provided over the immediately preceding 3
17 institution fiscal years, the institution must include in the
18 report a description of changes to institutional finances or the
19 student population that prevented the institution from maintaining
20 support for institutional aid. An institution's report of total
21 institutional grant aid per full-year equated undergraduate student
22 pursuant to this subdivision must be consistent with data most
23 recently reported to the Integrated Postsecondary Education Data
24 System.

25 (10) For each fiscal year, an eligible institution becomes
26 ineligible for funding under this section if, in the immediately
27 preceding fiscal year, the institution exceeds 1 of the following
28 tuition restraint requirements, as applicable:

29 (a) For an eligible institution that is a community college,



1 the tuition restraint described in section 217b.

2 (b) For an eligible institution that is a public university or
3 independent nonprofit college or university, the tuition restraint
4 described in section 241c.

5 (11) It is the intent of the legislature that an eligible
6 institution will not make reductive changes to scholarship or
7 financial aid programs offered by that eligible institution that
8 have the goal or net effect of shifting the cost burden of those
9 programs to the program described in this section.

10 Enacting section 1. (1) In accordance with section 30 of
11 article IX of the state constitution of 1963, total state spending
12 on school aid under article I of the state school aid act of 1979,
13 1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2022 PA 144,
14 2022 PA 212, 2023 PA 3, 2023 PA 103, and this amendatory act, from
15 state sources for fiscal year 2022-2023 is estimated at
16 \$17,652,218,900.00 and state appropriations for school aid to be
17 paid to local units of government for fiscal year 2022-2023 are
18 estimated at \$16,056,571,400.00. In accordance with section 30 of
19 article IX of the state constitution of 1963, total state spending
20 on school aid under article I of the state school aid act of 1979,
21 1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2023 PA 103 and
22 this amendatory act, from state sources for fiscal year 2023-2024
23 is estimated at \$19,258,857,800.00 and state appropriations for
24 school aid to be paid to local units of government for fiscal year
25 2023-2024 are estimated at \$17,605,138,000.00.

26 (2) In accordance with section 30 of article IX of the state
27 constitution of 1963, total state spending from state sources for
28 community colleges for fiscal year 2023-2024 under article II of
29 the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to



1 388.1830, as amended by 2023 PA 103 and this amendatory act, is
2 estimated at \$549,517,500.00 and the amount of that state spending
3 from state sources to be paid to local units of government for
4 fiscal year 2023-2024 is estimated at \$549,517,500.00.

5 Enacting section 2. Section 12b of the state school aid act of
6 1979, 1979 PA 94, MCL 388.1612b, is repealed.

