

GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
OFFICE OF THE GOVERNOR
LANSING

GARLIN GILCHRIST I
LT. GOVERNOR

July 13, 2021

Michigan House of Representatives
State Capitol Building
Lansing, MI 48909-7514

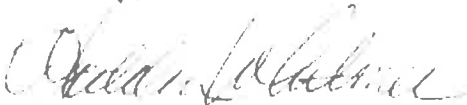
Representatives,

Today I signed Enrolled House Bill 4411, which updates the School Aid Act for the 2021-2022 fiscal year.

This legislation makes historic investments in Michigan's kids without raising taxes, and was only possible because Republicans and Democrats worked together. As a result of those efforts, we are closing the funding gap between schools, expanding early childhood education for low-income families, and providing resources for districts to hire more counselors, nurses, and social workers. These critical investments in our kids prime a generation of Michiganders for success, ensuring they have the skills they need to find a good-paying job, start a business, or pursue their passion.

I have, however, disapproved 2 items, which are detailed in the attached copy of the bill that has been filed with the Secretary of State. I look forward to continuing to work with this Legislature to invest in our kids and our future.

Sincerely,



Gretchen Whitmer
Governor

Act No. 48
Public Acts of 2021
Approved by the Governor*
July 13, 2021
Filed with the Secretary of State
July 13, 2021
EFFECTIVE DATE: July 13, 2021

* Item Vetoes
Sec. 34a.
Entire Section.

Sec. 78.
Entire Section.

**STATE OF MICHIGAN
101ST LEGISLATURE
REGULAR SESSION OF 2021**

Introduced by Reps. Paquette and Albert

ENROLLED HOUSE BILL No. 4411

AN ACT to amend 1979 PA 94, entitled "An act to make appropriations to aid in the support of the public schools, the intermediate school districts, community colleges, and public universities of the state; to make appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to authorize the issuance of certain bonds and provide for the security of those bonds; to prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to create certain funds and provide for their expenditure; to prescribe penalties; and to repeal acts and parts of acts," by amending sections 4, 6, 6a, 11, 11a, 11j, 11k, 11m, 11n, 11s, 15, 18, 19, 20, 20d, 20f, 21f, 21h, 22a, 22b, 22d, 22m, 22p, 24, 24a, 25f, 25g, 25i, 26a, 26b, 26c, 28, 29a, 31a, 31d, 31f, 31j, 31m, 31n, 32d, 32p, 35a, 35b, 35d, 35e, 35f, 39, 39a, 41, 51a, 51c, 51d, 51f, 53a, 54, 54b, 54d, 55, 56, 61a, 61b, 61c, 61d, 62, 65, 67, 67a, 74, 81, 94, 94a, 95b, 98, 98d, 99h, 99i, 99s, 99t, 99u, 99w, 99x, 101, 104, 104a, 104c, 104f, 104g, 105, 105c, 107, 147, 147a, 147b, 147c, 147e, 152a, and 152b (MCL 388.1604, 388.1606, 388.1606a, 388.1611, 388.1611a, 388.1611j, 388.1611k, 388.1611m, 388.1611n, 388.1611s, 388.1615, 388.1618, 388.1619, 388.1620, 388.1620d, 388.1620f, 388.1621f, 388.1621h, 388.1622a, 388.1622b, 388.1622d, 388.1622m, 388.1622p, 388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1625i, 388.1626a, 388.1626b, 388.1626c, 388.1628, 388.1629a, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631m, 388.1631n, 388.1632d, 388.1632p, 388.1635a, 388.1635b, 388.1635d, 388.1635e, 388.1635f, 388.1639, 388.1639a, 388.1641, 388.1651a, 388.1651c, 388.1651d, 388.1651f, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1655, 388.1656, 388.1661a, 388.1661b, 388.1661c, 388.1661d, 388.1662, 388.1665, 388.1667, 388.1667a, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1695b, 388.1698, 388.1698d, 388.1699h, 388.1699i, 388.1699s, 388.1699t, 388.1699u, 388.1699w, 388.1699x, 388.1701, 388.1704, 388.1704a, 388.1704c, 388.1704f, 388.1704g, 388.1705, 388.1705c, 388.1707, 388.1747, 388.1747a, 388.1747b, 388.1747c, 388.1747e, 388.1752a, and 388.1752b), sections 4 and 104c as amended by 2019 PA 58, sections 6, 11a, 11j, 11k, 11m, 11s, 15, 18, 20, 20d, 20f, 21h, 22a, 22b, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 28, 31a, 31d, 31f, 31j, 32d, 32p, 35a, 35b, 39, 39a, 41, 51a, 51c, 51d, 51f, 53a, 54, 54b, 54d, 55, 56, 61a, 61b, 61d, 62, 65, 67, 74, 81, 94, 94a, 95b, 98, 99h, 99s, 99t, 99u, 99w, 99x, 101, 104, 105, 105c, 107, 147, 147a, 147c, 147e, and 152a as amended and sections 25i, 29a, 35d, 35e, 35f, 67a, 98d, 99i, 104f, and 104g as added by 2020 PA 165, section 6a as amended by 2020 PA 149, sections 11, 21f, and 31n as amended and sections 11n and 104a as added by 2021 PA 3, and sections 19, 61c, 147b, and 152b as amended and section 31m as added by 2018 PA 265, and by adding sections 11t, 20m, 22c, 22g, 26d, 31o, 31p, 31y, 31z, 34a, 35g, 35h, 41a, 51g, 61g, 67b, 78, 94c, 94d, 97, 97a, 98b, 99aa, 99bb, and 104h; and to repeal acts and parts of acts.

- (c) Family supports and basic needs.
- (d) Parent education.
- (e) Early education, including the child's development of skills linked to success in foundational literacy, and care.

(4) From the funds allocated in subsection (1), at least \$2,500,000.00 must be used for the purpose of providing home visits to at-risk children and their families. The home visits must be conducted as part of a locally coordinated, family-centered, evidence-based, data-driven home visit strategic plan that is approved by the department. The goals of the home visits funded under this subsection are to improve school readiness using evidence-based methods, including a focus on developmentally appropriate outcomes for early literacy, to improve positive parenting practices, and to improve family economic self-sufficiency while reducing the impact of high-risk factors through community resources and referrals. The department shall coordinate the goals of the home visit strategic plans approved under this subsection with other state agency home visit programs in a way that strengthens Michigan's home visiting infrastructure and maximizes federal funds available for the purposes of at-risk family home visits. The coordination among departments and agencies is intended to avoid duplication of state services and spending, and should emphasize efficient service delivery of home visiting programs.

(5) Not later than December 1 of each year, each intermediate district shall provide a report to the department detailing the strategies actually implemented during the immediately preceding school year and the families and children actually served. At a minimum, the report must include an evaluation of the services provided with additional funding under subsection (4) for home visits, using the goals identified in subsection (4) as the basis for the evaluation, including the degree to which school readiness was improved, the degree to which positive parenting practices were improved, the degree to which there was improved family economic self-sufficiency, and the degree to which community resources and referrals were utilized. The department shall compile and summarize these reports and submit its summary to the house and senate appropriations subcommittees on school aid and to the house and senate fiscal agencies not later than February 15 of each year.

(6) An intermediate district or consortium of intermediate districts that receives funding under this section may carry over any unexpended funds received under this section into the next fiscal year and may expend those unused funds through June 30 of the next fiscal year. However, an intermediate district or consortium of intermediate districts that receives funding for the purposes described in subsection (2) in fiscal year 2021-2022 shall not carry over into the next fiscal year any amount exceeding 20% of the amount awarded to the intermediate district or consortium in the 2021-2022 fiscal year. It is intended that the amount carried over from funding awarded for the purposes described in subsection (2) in fiscal year 2022-2023 not exceed 15% of the amount awarded in that fiscal year. A recipient of a grant shall return any unexpended grant funds to the department in the manner prescribed by the department not later than September 30 of the next fiscal year after the fiscal year in which the funds are received.

OKW
~~Sec. 34a. (1) From the federal funds allocated under section 11a, there is allocated \$155,000,000.00 for 2021-2022 from the federal funding awarded to this state from the coronavirus state fiscal recovery fund under the American rescue plan act of 2021, title IV, subtitle M of Public Law 117-2, to Grand Valley State University for, subject to subsection (7), the purposes described in subsections (2) and (3) to address learning loss among students, including, but not limited to, low-income students, children with disabilities, English learners, migrant students, students experiencing homelessness, and children in foster care, by providing information and assistance to parents and families to effectively support students, including in a distance-learning environment.~~

OKW
~~(2) Subject to subsection (7), Grand Valley State University shall use the funding it receives under subsection (1) toward the establishment of a grant program as provided under this subsection. By not later than August 1, 2021, Grand Valley State University shall establish a grant program for reading scholarships to eligible children.~~

OKW
~~(3) Grand Valley State University shall directly apply funding it receives under subsection (1) for each eligible child as a reading scholarship described in subsection (2) toward the payment of eligible services selected by the eligible child's parent or legal guardian in the application described in subsection (5). Grand Valley State University may apply funding under subsection (1) only toward eligible services, as provided under this subsection, for eligible children. Grand Valley State University may apply, from the funding under subsection (1), only an amount not to exceed \$1,000.00 for each eligible child.~~

OKW
~~(4) Grand Valley State University shall develop a catalog of eligible services and shall provide this catalog to the parent or legal guardian of each eligible child. The catalog developed under this subsection must be provided to all districts and must be available to the general public through Grand Valley State University's website homepage. The catalog described in this subsection must include only services that provide any of the following that are designed to improve reading or literacy:~~

OKW
~~(a) Instructional materials or curricula.~~

- ~~(b) Part-time tutoring services.~~
- ~~(c) Expedited summer educational programming.~~
- ~~(d) After-school education programming.~~
- ~~(5) Grand Valley State University shall establish an application process for applicants to apply for reading scholarships through the grant program described in subsection (2). The application process must provide for both of the following:

 - ~~(a) The verification of the identity of the eligible child's parent or legal guardian.~~
 - ~~(b) Require the parent or legal guardian of the eligible child who is seeking the reading scholarship to select from the catalog developed under subsection (4), which conveys the parent or legal guardian would like his or her child to participate in through the reading scholarship.~~~~
- ~~(6) A child to whom all of the following apply is an eligible child under this section:

 - ~~(a) The child is enrolled in kindergarten or any of grades 1, 2, 3, 4, or 5 in a district.~~
 - ~~(b) The child is less than proficient in reading, based on available assessment data, including benchmark assessment data and state summative assessment data.~~
 - ~~(c) The child has applied for a reading scholarship through the grant program described in subsection (2) through the application process described in subsection (6).~~~~
- ~~(7) From the funding allocated under subsection (1), an amount not to exceed \$1,000,000.00 may be utilized by Grand Valley State University for administrative costs associated with the administration of the grant program described in subsection (2). Grand Valley State University may charge a fee not exceeding 3% of the total administrative costs associated with the administration of the grant program described in subsection (2) for each application submitted through the process described in subsection (5).~~
- ~~(8) Each district shall notify the parent and legal guardian of each eligible child enrolled in the district that his or her child meets the criteria of an eligible child under this section.~~
- ~~(9) If the funds allocated under this section are insufficient to provide for reading scholarships under this section in an amount equal to \$1,000.00 for each eligible child, Grand Valley State University shall prorate the reading scholarships awarded under this section on an equal dollar basis.~~

Sec. 35a. (1) From the appropriations in section 11, there is allocated for 2021-2022 for the purposes of this section an amount not to exceed \$61,400,000.00 from the state school aid fund and there is allocated for 2021-2022 for the purposes of subsection (8) an amount not to exceed \$3,600,000.00 from the general fund. Excluding staff or contracted employees funded under subsection (8), the superintendent shall designate staff or contracted employees funded under this section as critical shortage. Programs funded under this section are intended to ensure that this state will be a top 10 state in grade 4 reading proficiency by 2025 according to the National Assessment of Educational Progress (NAEP). By December 31, 2021, the superintendent of public instruction shall do both of the following:

- (a) Report in person to the house and senate appropriations subcommittees on school aid regarding progress on the goal described in this subsection and be available for questioning as prescribed through a process developed by the chairs of the house and senate appropriations subcommittees on school aid.
- (b) Submit a written report to the house and senate appropriations subcommittees on school aid regarding progress on the goal described in this subsection.

(2) A district that receives funds under subsection (5) may spend up to 5% of those funds for professional development for educators in a department-approved research based training program related to current state literacy standards for pupils in grades pre-K to 3. The professional development must also include training in the use of screening and diagnostic tools, progress monitoring, and intervention methods used to address barriers to learning and delays in learning that are diagnosed through the use of these tools.

(3) A district that receives funds under subsection (5) may use up to 5% of those funds to administer department-approved screening and diagnostic tools to monitor the development of early literacy and early reading skills, and risk factors for word-level reading difficulties of pupils in grades pre-K to 3 and to support evidence-based professional learning described in subsection (11) for educators in administering and using screening, progress monitoring, and diagnostic assessment data to inform instruction through prevention and intervention in a multi-tiered system of supports framework. A department-approved screening and diagnostic tool administered by a district using funding under this section must include all of the following components: phonemic awareness, phonics, fluency, rapid automatized naming (RAN), and comprehension. Further, all of the following sub-skills must be assessed within each of these components:

- (a) Phonemic awareness - segmentation, blending, and sound manipulation (deletion and substitution).
- (b) Phonics - decoding (reading) and encoding (spelling).

(3) From the allocation in subsection (1), there is allocated for 2021-2022 the amount necessary to pay the reasonable costs of nonspecial education auxiliary services transportation provided under section 1323 of the revised school code, MCL 380.1323. Districts funded under this subsection do not receive funding under any other section of this article for nonspecial education auxiliary services transportation.

(4) From the funds allocated in subsection (1), there is allocated an amount not to exceed \$1,780,800.00 for 2021-2022 for reimbursement to districts and intermediate districts for costs associated with the inspection of school buses and pupil transportation vehicles by the department of state police as required under section 715a of the Michigan vehicle code, 1949 PA 300, MCL 257.715a, and section 39 of the pupil transportation act, 1990 PA 187, MCL 257.1839. The department of state police shall prepare a statement of costs attributable to each district for which bus inspections are provided and submit it to the department and to an intermediate district serving as fiduciary in a time and manner determined jointly by the department and the department of state police. Upon review and approval of the statement of cost, the department shall forward to the designated intermediate district serving as fiduciary the amount of the reimbursement on behalf of each district and intermediate district for costs detailed on the statement within 45 days after receipt of the statement. The designated intermediate district shall make payment in the amount specified on the statement to the department of state police within 45 days after receipt of the statement. The total reimbursement of costs under this subsection must not exceed the amount allocated under this subsection. Notwithstanding section 17b, the department shall make payments to eligible entities under this subsection on a schedule prescribed by the department.

Ed
~~Sec. 78. (1) From the state school aid fund money appropriated under section 11, there is allocated for 2021-2022 an amount not to exceed \$1,000,000.00 for payments to eligible districts for transportation costs as provided under this section. To be eligible for funding under this section, a district must meet all of the following:~~

Ed
~~(a) Receive the minimum foundation allowance as calculated under section 20.~~

Ed
~~(b) Have at least 7,500 pupils in membership but not more than 20,000 pupils in membership.~~

Ed
~~(c) Have at least 0.8 square miles in the district's boundaries.~~

Ed
~~(d) Provide busing to general education and special education students.~~

Ed
~~(e) Use buses to distribute school meals.~~

Ed
~~(f) Be not eligible for funding under section 22d.~~

Ed
~~(g) A district that is eligible for funding under this section shall receive an equal amount per pupil from the funds appropriated under this section.~~

Sec. 81. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2020-2021 to the intermediate districts the sum necessary, but not to exceed \$69,138,000.00, and there is allocated for 2021-2022 to the intermediate districts the sum necessary, but not to exceed \$71,909,600.00 to provide state aid to intermediate districts under this section.

(2) The amount allocated under this section for 2020-2021 to each intermediate district is an amount equal to 100% of the amount allocated to the intermediate district under this section for 2019-2020. The amount allocated under this section for 2021-2022 to each intermediate district is an amount equal to 104% of the amount allocated to the intermediate district under this section for 2020-2021. An intermediate district shall use funding provided under this section to comply with requirements of this article and the revised school code that are applicable to intermediate districts, and for which funding is not provided elsewhere in this article, and to provide technical assistance to districts as authorized by the intermediate school board.

(3) Intermediate districts receiving funds under this section shall collaborate with the department to develop expanded professional development opportunities for teachers to update and expand their knowledge and skills needed to support the Michigan merit curriculum.

(4) From the allocation in subsection (1), there is allocated to an intermediate district, formed by the consolidation or annexation of 2 or more intermediate districts or the attachment of a total intermediate district to another intermediate district or the annexation of all of the constituent K-12 districts of a previously existing intermediate district which has disorganized, an additional allotment of \$3,600.00 each fiscal year for each intermediate district included in the new intermediate district for 3 years following consolidation, annexation, or attachment.

(5) In order to receive funding under this section, an intermediate district shall do all of the following:

(a) Demonstrate to the satisfaction of the department that the intermediate district employs at least 1 person who is trained in pupil accounting and auditing procedures, rules, and regulations.

(b) Demonstrate to the satisfaction of the department that the intermediate district employs at least 1 person who is trained in rules, regulations, and district reporting procedures for the individual-level student data that serves as the basis for the calculation of the district and high school graduation and dropout rates.