

**HOUSE SUBSTITUTE FOR
SENATE BILL NO. 373**

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 11, 20, 31j, 32d, 35a, 35b, 95b, 99h, 99t,
99u, 99v, 152b, and 236 (MCL 388.1611, 388.1620, 388.1631j,
388.1632d, 388.1635a, 388.1635b, 388.1695b, 388.1699h, 388.1699t,
388.1699u, 388.1699v, 388.1752b, and 388.1836), sections 11, 20,
35a, and 236 as amended by 2019 PA 162, sections 31j, 35b, and 99u
as amended by 2018 PA 586, sections 32d and 99h as amended by 2019
PA 58, sections 95b, 99t, and 152b as amended and section 99v as
added by 2018 PA 265, and by adding sections 67a, 67b, and 270a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 11. (1) For the fiscal year ending September 30, 2020,
2 there is appropriated for the public schools of this state and



1 certain other state purposes relating to education the sum of
2 \$13,287,765,000.00 from the state school aid fund, the sum of
3 ~~\$62,620,000.00~~ **\$70,675,000.00** from the general fund, an amount not
4 to exceed \$75,400,000.00 from the community district education
5 trust fund created under section 12 of the Michigan trust fund act,
6 2000 PA 489, MCL 12.262, an amount not to exceed \$1,900,000.00 from
7 the MPSERS retirement obligation reform reserve fund, and an amount
8 not to exceed \$100.00 from the water emergency reserve fund. In
9 addition, all available federal funds are appropriated for the
10 fiscal year ending September 30, 2020.

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

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

19 Sec. 20. (1) For 2019-2020, both of the following apply:

20 (a) The target foundation allowance, formerly known as the
21 basic foundation allowance, is \$8,529.00.

22 (b) The minimum foundation allowance is \$8,111.00.

23 (2) The department shall calculate the amount of each
24 district's foundation allowance as provided in this section, using
25 a target foundation allowance in the amount specified in subsection
26 (1). For the purpose of these calculations, a reference to the
27 target foundation allowance for a preceding fiscal year is
28 equivalent to a reference to the "basic" foundation allowance for
29 that fiscal year.



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

6 (a) Except as otherwise provided in this subdivision, for a
7 district that had a foundation allowance for the immediately
8 preceding fiscal year that was at least equal to the minimum
9 foundation allowance for the immediately preceding fiscal year, but
10 less than the target foundation allowance for the immediately
11 preceding fiscal year, the district receives a foundation allowance
12 in an amount equal to the sum of the district's foundation
13 allowance for the immediately preceding fiscal year plus the
14 difference between twice the dollar amount of the adjustment from
15 the immediately preceding fiscal year to the current fiscal year
16 made in the target foundation allowance and [(the difference
17 between the target foundation allowance for the current fiscal year
18 and target foundation allowance for the immediately preceding
19 fiscal year minus \$40.00) times (the difference between the
20 district's foundation allowance for the immediately preceding
21 fiscal year and the minimum foundation allowance for the
22 immediately preceding fiscal year) divided by the difference
23 between the target foundation allowance for the current fiscal year
24 and the minimum foundation allowance for the immediately preceding
25 fiscal year.] However, the foundation allowance for a district that
26 had less than the target foundation allowance for the immediately
27 preceding fiscal year must not exceed the target foundation
28 allowance for the current fiscal year.

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



1 district that in the immediately preceding fiscal year had a
2 foundation allowance in an amount equal to the amount of the target
3 foundation allowance for the immediately preceding fiscal year, the
4 district receives a foundation allowance for 2019-2020 in an amount
5 equal to the target foundation allowance for 2019-2020.

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

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

23 (4) Except as otherwise provided in this subsection, beginning
24 in 2014-2015, the state portion of a district's foundation
25 allowance is an amount equal to the district's foundation allowance
26 or the target foundation allowance for the current fiscal year,
27 whichever is less, minus the local portion of the district's
28 foundation allowance. For a district described in subsection
29 (3)(c), beginning in 2014-2015, the state portion of the district's



1 foundation allowance is an amount equal to \$6,962.00 plus the
2 difference between the district's foundation allowance for the
3 current fiscal year and the district's foundation allowance for
4 1998-99, minus the local portion of the district's foundation
5 allowance. For a district that has a millage reduction required
6 under section 31 of article IX of the state constitution of 1963,
7 the department shall calculate the state portion of the district's
8 foundation allowance as if that reduction did not occur. For a
9 receiving district, if school operating taxes continue to be levied
10 on behalf of a dissolved district that has been attached in whole
11 or in part to the receiving district to satisfy debt obligations of
12 the dissolved district under section 12 of the revised school code,
13 MCL 380.12, the taxable value per membership pupil of property in
14 the receiving district used for the purposes of this subsection
15 does not include the taxable value of property within the
16 geographic area of the dissolved district. For a community
17 district, if school operating taxes continue to be levied by a
18 qualifying school district under section 12b of the revised school
19 code, MCL 380.12b, with the same geographic area as the community
20 district, the taxable value per membership pupil of property in the
21 community district to be used for the purposes of this subsection
22 does not include the taxable value of property within the
23 geographic area of the community district.

24 (5) The allocation calculated under this section for a pupil
25 is based on the foundation allowance of the pupil's district of
26 residence. For a pupil enrolled pursuant to section 105 or 105c in
27 a district other than the pupil's district of residence, the
28 allocation calculated under this section is based on the lesser of
29 the foundation allowance of the pupil's district of residence or



1 the foundation allowance of the educating district. For a pupil in
 2 membership in a K-5, K-6, or K-8 district who is enrolled in
 3 another district in a grade not offered by the pupil's district of
 4 residence, the allocation calculated under this section is based on
 5 the foundation allowance of the educating district if the educating
 6 district's foundation allowance is greater than the foundation
 7 allowance of the pupil's district of residence.

8 (6) Except as otherwise provided in this subsection, for
 9 pupils in membership, other than special education pupils, in a
 10 public school academy, the allocation calculated under this section
 11 is an amount per membership pupil other than special education
 12 pupils in the public school academy equal to the ~~foundation~~
 13 ~~allowance of the district in which the public school academy is~~
 14 ~~located or the state maximum public school academy allocation,~~
 15 ~~whichever is less. Except as otherwise provided in this subsection,~~
 16 ~~for pupils in membership, other than special education pupils, in a~~
 17 ~~public school academy that is a cyber school and is authorized by a~~
 18 ~~school district, the allocation calculated under this section is an~~
 19 ~~amount per membership pupil other than special education pupils in~~
 20 ~~the public school academy equal to the foundation allowance of the~~
 21 ~~district that authorized the public school academy or the state~~
 22 ~~maximum public school academy allocation, whichever is less.~~
 23 ~~However, for a public school academy that had an allocation under~~
 24 ~~this subsection before 2009-2010 that was equal to the sum of the~~
 25 ~~local school operating revenue per membership pupil other than~~
 26 ~~special education pupils for the district in which the public~~
 27 ~~school academy is located and the state portion of that district's~~
 28 ~~foundation allowance, that allocation is not reduced as a result of~~
 29 ~~the 2010 amendment to this subsection. **minimum foundation allowance**~~



1 **specified in subsection (1)**. Notwithstanding section 101, for a
2 public school academy that begins operations after the pupil
3 membership count day, the amount per membership pupil calculated
4 under this subsection must be adjusted by multiplying that amount
5 per membership pupil by the number of hours of pupil instruction
6 provided by the public school academy after it begins operations,
7 as determined by the department, divided by the minimum number of
8 hours of pupil instruction required under section 101(3). The
9 result of this calculation must not exceed the amount per
10 membership pupil otherwise calculated under this subsection.

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

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



1 subsection does not apply to a receiving district unless there is a
2 subsequent consolidation or annexation that affects the district.

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

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

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

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

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



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

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

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

26 (13) If an amendment to section 2 of article VIII of the state
27 constitution of 1963 allowing state aid to some or all nonpublic
28 schools is approved by the voters of this state, each foundation
29 allowance or per-pupil payment calculation under this section may



1 be reduced.

2 (14) For the purposes of section 1211 of the revised school
3 code, MCL 380.1211, the basic foundation allowance under this
4 section is considered to be the target foundation allowance under
5 this section.

6 (15) As used in this section:

7 (a) "Certified mills" means the lesser of 18 mills or the
8 number of mills of school operating taxes levied by the district in
9 1993-94.

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 this section 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) "Current fiscal year" means the fiscal year for which a
18 particular calculation is made.

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

23 (f) "Immediately preceding fiscal year" means the fiscal year
24 immediately preceding the current fiscal year.

25 (g) "Local portion of the district's foundation allowance"
26 means an amount that is equal to the difference between (the sum of
27 the product of the taxable value per membership pupil of all
28 property in the district that is nonexempt property times the
29 district's certified mills and, for a district with certified mills



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

7 (h) "Local school operating revenue" means school operating
 8 taxes levied under section 1211 of the revised school code, MCL
 9 380.1211. For a receiving district, if school operating taxes are
 10 to be levied on behalf of a dissolved district that has been
 11 attached in whole or in part to the receiving district to satisfy
 12 debt obligations of the dissolved district under section 12 of the
 13 revised school code, MCL 380.12, local school operating revenue
 14 does not include school operating taxes levied within the
 15 geographic area of the dissolved district.

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

19 ~~(j) "Maximum public school academy allocation", except as~~
 20 ~~otherwise provided in this subdivision, means the maximum per-pupil~~
 21 ~~allocation as calculated by adding the highest per-pupil allocation~~
 22 ~~among all public school academies for the immediately preceding~~
 23 ~~fiscal year plus the difference between twice the amount of the~~
 24 ~~difference between the target foundation allowance for the current~~
 25 ~~fiscal year and the target foundation allowance for the immediately~~
 26 ~~preceding fiscal year and [(the amount of the difference between~~
 27 ~~the target foundation allowance for the current fiscal year and the~~
 28 ~~target foundation allowance for the immediately preceding fiscal~~
 29 ~~year minus \$40.00) times (the difference between the highest per-~~



1 ~~pupil allocation among all public school academies for the~~
 2 ~~immediately preceding fiscal year and the minimum foundation~~
 3 ~~allowance for the immediately preceding fiscal year) divided by the~~
 4 ~~difference between the target foundation allowance for the current~~
 5 ~~fiscal year and the minimum foundation allowance for the~~
 6 ~~immediately preceding fiscal year.] For the purposes of this~~
 7 ~~subdivision, for 2019-2020, the maximum public school academy~~
 8 ~~allocation is \$8,111.00.~~

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

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

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

29 (o) ~~(p)~~—"School operating taxes" means local ad valorem



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

3 (p) ~~(q)~~—"Target foundation allowance for the immediately
4 preceding fiscal year" means, for 2019-2020 only, the basic
5 foundation allowance in effect for the 2018-2019 fiscal year.

6 (q) ~~(r)~~—"Tax increment financing acts" means parts 2, 3, 4,
7 and 6 of the recodified tax increment financing act, 2018 PA 57,
8 MCL 125.4201 to 125.4420 and 125.4602 to 125.4629, or the
9 brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651
10 to 125.2670.

11 (r) ~~(s)~~—"Taxable value per membership pupil" means taxable
12 value, as certified by the county treasurer and reported to the
13 department, for the calendar year ending in the current state
14 fiscal year divided by the district's membership excluding special
15 education pupils for the school year ending in the current state
16 fiscal year.

17 Sec. 31j. (1) From the general fund money appropriated in
18 section 11, there is allocated an amount not to exceed ~~\$575,000.00~~
19 **\$2,000,000.00** for ~~2018-2019~~ **2019-2020** for a ~~pilot project~~ **program**
20 to support districts **and sponsors of child care centers** in the
21 purchase of locally grown fruits and vegetables as described in
22 this section.

23 ~~(2) The department shall provide funding in an amount equal to~~
24 ~~\$125,000.00 per region to districts in prosperity regions 2, 4, 6,~~
25 ~~and 9 for the pilot project described under this section. In~~
26 ~~addition, the department shall provide funding in an amount equal~~
27 ~~to \$75,000.00 to districts in prosperity region 8 for the pilot~~
28 ~~project described under this section. From the funding to districts~~
29 ~~in subsection (1), funding~~ **Funding** retained by ~~prosperity regions~~



1 **districts or the sponsors of child care centers** that administer the
 2 ~~project shall~~ **program must** not exceed 10%, and funding retained by
 3 the department for administration ~~shall~~ **must** not exceed 6%. A
 4 ~~prosperity region~~ **district or the sponsor of a child care center**
 5 may enter into a memorandum of understanding with the department or
 6 another ~~prosperity region,~~ **district or sponsor of a child care**
 7 **center,** or both, to administer the ~~project.~~ **program.** If the
 8 department administers the ~~project~~ **program** for a ~~prosperity region,~~
 9 **district or the sponsor of a child care center,** the department may
 10 retain up to 10% of that ~~prosperity region's~~ **district's or**
 11 **sponsor's** funding for administration **or may distribute some or all**
 12 **of that 10% to project partners as appropriate.**

13 (3) The department shall develop and implement a competitive
 14 grant program for districts ~~within the identified prosperity~~
 15 ~~regions~~ **and sponsors of child care centers** to assist in paying for
 16 the costs incurred by the district **or the sponsor of the child care**
 17 **center** to purchase or increase purchases of whole or minimally
 18 processed fruits, vegetables, and legumes grown in this state. The
 19 maximum amount that may be drawn down on a grant to a district
 20 ~~shall be~~ **or the sponsor of a child care center is** based on the
 21 number of meals served by the ~~school~~ district during the previous
 22 school year under the Richard B. Russell national school lunch act,
 23 42 USC 1751 to 1769j, **or meals served by the sponsor of the child**
 24 **care center in the previous school year.** The department shall
 25 collaborate with the Michigan department of agriculture and rural
 26 development to provide training to newly participating schools **and**
 27 **child care centers** and electronic information on Michigan
 28 agriculture.

29 (4) The goals of the ~~pilot project~~ **program under this section**



1 include improving daily nutrition and eating habits for children
 2 through the school **and child care** settings while investing in
 3 Michigan's agricultural and related food business economy.

4 (5) A district **or the sponsor of a child care center** that
 5 receives a grant under this section shall use those funds for the
 6 costs incurred by the ~~school~~-district **or the sponsor** to purchase
 7 whole or minimally processed fruits, vegetables, and legumes that
 8 meet all of the following:

9 (a) Are purchased on or after ~~the date the district received~~
 10 ~~notification from the department of the amount to be distributed to~~
 11 ~~the district under this subsection, including purchases made to~~
 12 ~~launch meals in September 2018-1, 2019~~ for the ~~2018-2019~~ **2019-2020**
 13 fiscal year.

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

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

18 (6) For Michigan-grown fruits, vegetables, and legumes that
 19 satisfy the requirements of subsection (5), **the department shall**
 20 **make** matching reimbursements ~~shall be made~~ in an amount not to
 21 exceed 10 cents for every school **or child care** meal that is served
 22 as part of the United States Department of Agriculture's child
 23 nutrition programs and that uses Michigan-grown fruits, vegetables,
 24 and legumes.

25 (7) A district **or the sponsor of a child care center** that
 26 receives a grant for reimbursement under this section shall use the
 27 grant to purchase whole or minimally processed fruits, vegetables,
 28 and legumes that are grown in this state and, if minimally
 29 processed, are also processed in this state.



1 (8) In awarding grants under this section, the department
 2 shall work in conjunction with ~~prosperity region offices, districts~~
 3 **and sponsors of child care centers**, in consultation with Michigan-
 4 based farm to school resource organizations, to develop scoring
 5 criteria that assess an applicant's ability to procure Michigan-
 6 grown products, prepare and menu Michigan-grown products, promote
 7 and market Michigan-grown products, and submit letters of intent
 8 from districts **or the sponsors of child care centers** on plans for
 9 educational activities that promote the goals of the program.

10 (9) The department shall give preference to districts **or**
 11 **sponsors of child care centers** that propose educational activities
 12 that meet 1 or more of the following: promote healthy food
 13 activities; have clear educational objectives; involve parents or
 14 the community; connect to a school's **or child care center's** farm-
 15 to-school **or farm-to-early-child-care** procurement activities; and
 16 market and promote the program, leading to increased pupil
 17 knowledge and consumption of Michigan-grown products. ~~Applications~~
 18 **The department shall give stronger weighting and consideration to**
 19 **applications** with robust marketing and promotional activities.
 20 ~~shall receive stronger weighting and consideration.~~

21 (10) In awarding grants, the department shall also consider
 22 all of the following: ~~the~~

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

26 (b) **The** variety of school **or child care center** sizes and
 27 geographic locations. ~~within the identified prosperity regions; and~~
 28 ~~existing~~

29 (c) **Existing** or future collaboration opportunities between



1 more than 1 district ~~in a prosperity region~~ **or child care center.**

2 (11) As a condition of receiving a grant under this section, a
 3 district **or the sponsor of a child care center** shall provide or
 4 direct its vendors to provide to ~~prosperity region offices~~ **the**
 5 **department** copies of monthly receipts that show the quantity of
 6 different Michigan-grown fruits, vegetables, and legumes purchased,
 7 the amount of money spent on each of these products, the name and
 8 Michigan location of the farm that grew the products, and the
 9 methods or plans to market and promote the program. The district
 10 ~~shall~~ **or the sponsor of a child care center** also **shall** provide to
 11 the ~~prosperity region~~ **department** monthly lunch numbers and lunch
 12 participation rates, and calendars or monthly menus noting when and
 13 how Michigan-grown products were used in meals. The district **or the**
 14 **sponsor of the child care center** and school **or child care center**
 15 food service director or directors also shall agree to respond to
 16 brief online surveys and to provide a report that shows the
 17 percentage relationship of Michigan spending compared to total food
 18 spending. Not later than ~~March 1, 2019~~, **August 1, 2020**, each
 19 ~~prosperity region office, either on its own or in conjunction with~~
 20 ~~another prosperity region~~, **district or each sponsor of a child care**
 21 **center** shall submit a report to the department on expected outcomes
 22 and related measurements for economic development and children's
 23 nutrition and readiness to learn based on progress so far. The
 24 report ~~shall~~ **must** include at least all of the following:

25 (a) The extent to which farmers and related businesses,
 26 including distributors and processors, see an increase in market
 27 opportunities and income generation through sales of Michigan or
 28 local products to districts **and sponsors of child care centers.** All
 29 of the following apply for purposes of this subdivision:



1 (i) The data used to determine the amount of this increase
 2 ~~shall be~~**are** the total dollar amount of Michigan or local fruits,
 3 vegetables, and legumes purchased by schools **and sponsors of child**
 4 **care centers**, along with the number of different types of products
 5 purchased; school **and child care center** food purchasing trends
 6 identified along with products that are of new and growing interest
 7 among food service directors; the number of businesses impacted;
 8 and the percentage of total food budget spent on Michigan-grown
 9 fruits, vegetables, and legumes.

10 (ii) The ~~prosperity region office~~**district or the sponsor of a**
 11 **child care center** shall use purchasing data collected for the
 12 ~~project~~**program** and surveys of school **and child care** food service
 13 directors on the impact and success of the ~~project~~**program** as the
 14 source for the data described in subparagraph (i).

15 (b) The ability to which pupils can access a variety of
 16 healthy Michigan-grown foods through schools **and child care centers**
 17 and increase their consumption of those foods. All of the following
 18 apply for purposes of this subdivision:

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

25 (ii) The ~~prosperity region office~~**district or the sponsor of a**
 26 **child care center** shall use purchasing data collected for the
 27 project, meal count and enrollment numbers, school menu calendars,
 28 and surveys of school **and child care** food service directors as the
 29 source for the data described in subparagraph (i).



1 (12) The department shall compile the reports provided by
2 ~~prosperity region offices~~ **districts and sponsors of child care**
3 **centers** under subsection (11) into 1 legislative report. The
4 department shall provide this report not later than ~~April 1, 2019~~
5 **September 1, 2020** to the house and senate subcommittees responsible
6 for **state** school aid, the house and senate fiscal agencies, and the
7 state budget director.

8 (13) **The funds allocated under this section for 2019-2020 are**
9 **a work project appropriation, and any unexpended funds for 2019-**
10 **2020 are carried forward into 2020-2021. The purpose of the work**
11 **project is to continue to reimburse districts and the sponsors of**
12 **child care centers for the purchase, as described in this section,**
13 **of whole or minimally processed fruits, vegetables, and legumes**
14 **that are grown in this state and, if minimally processed, are also**
15 **processed in this state. The estimated completion of the work**
16 **project is September 30, 2021.**

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

20 Sec. 32d. (1) From the funds appropriated in section 11, there
21 is allocated to eligible intermediate districts and consortia of
22 intermediate districts for great start readiness programs an amount
23 not to exceed \$249,600,000.00 for 2019-2020. An intermediate
24 district or consortium shall use funds allocated under this section
25 for great start readiness programs to provide part-day, school-day,
26 or GSRP/Head Start blended comprehensive free compensatory
27 classroom programs designed to improve the readiness and subsequent
28 achievement of educationally disadvantaged children who meet the
29 participant eligibility and prioritization guidelines as defined by



1 the department. For a child to be eligible to participate in a
2 program under this section, the child must be at least 4, but less
3 than 5, years of age as of September 1 of the school year in which
4 the program is offered and must meet those eligibility and
5 prioritization guidelines. A child who is not 4 years of age as of
6 September 1, but who will be 4 years of age not later than December
7 1, is eligible to participate if the child's parent or legal
8 guardian seeks a waiver from the September 1 eligibility date by
9 submitting a request for enrollment in a program to the responsible
10 intermediate district, if the program has capacity on or after
11 September 1 of the school year, and if the child meets eligibility
12 and prioritization guidelines.

13 (2) From the funds allocated under subsection (1), an amount
14 not to exceed \$247,600,000.00 is allocated to intermediate
15 districts or consortia of intermediate districts based on the
16 formula in section 39. An intermediate district or consortium of
17 intermediate districts receiving funding under this section shall
18 act as the fiduciary for the great start readiness programs. In
19 order to be eligible to receive funds allocated under this
20 subsection from an intermediate district or consortium of
21 intermediate districts, a district, a consortium of districts, or a
22 public or private for-profit or nonprofit legal entity or agency
23 shall comply with this section and section 39.

24 (3) In addition to the allocation under subsection (1), from
25 the general fund money appropriated under section 11, there is
26 allocated an amount not to exceed \$350,000.00 for 2019-2020 for a
27 competitive grant to continue a longitudinal evaluation of children
28 who have participated in great start readiness programs. This
29 evaluation must include a comparative analysis of the relationship



1 between great start readiness programs and performance on the
2 kindergarten readiness assessment funded under section 104. The
3 evaluation must use children wait-listed under this section for
4 comparison, must include a determination of the specific great
5 start readiness program in which the kindergarten students were
6 enrolled and attended in the previous school year, and must analyze
7 Michigan kindergarten entry observation tool scores for students
8 taking the Michigan kindergarten entry observation tool each year
9 and produce a report as required under section 104. For 2019-2020,
10 the performance data on the kindergarten readiness assessment must
11 be submitted to the center at the same time as the spring Michigan
12 student data system collection. Beginning in 2020-2021, the
13 performance data on the kindergarten readiness assessment must be
14 submitted to the center at the same time as the fall Michigan
15 student data system collection. The responsibility for the analysis
16 required under this subsection may be added to the requirements
17 that the department currently has with its competitively designated
18 current grantee.

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

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

28 (b) An age-appropriate educational curriculum that is in
29 compliance with the early childhood standards of quality for



1 prekindergarten children adopted by the state board, including, at
2 least, the Connect4Learning curriculum.

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

5 (d) Physical and dental health and developmental screening
6 services for all program participants.

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

10 (f) Active and continuous involvement of the parents or
11 guardians of the program participants.

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

15 (h) Participation in a school readiness advisory committee
16 convened as a workgroup of the great start collaborative that
17 provides for the involvement of classroom teachers, parents or
18 guardians of program participants, and community, volunteer, and
19 social service agencies and organizations, as appropriate. The
20 advisory committee annually shall review and make recommendations
21 regarding the program components listed in this subsection. The
22 advisory committee also shall make recommendations to the great
23 start collaborative regarding other community services designed to
24 improve all children's school readiness.

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

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

29 (5) An application for funding under this section must provide



1 for the following, in a form and manner determined by the
2 department:

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

5 (b) Except as otherwise provided in this subdivision, ensure
6 that at least 90% of the children participating in an eligible
7 great start readiness program for whom the intermediate district is
8 receiving funds under this section are children who live with
9 families with a household income that is equal to or less than 250%
10 of the federal poverty guidelines. If the intermediate district
11 determines that all eligible children are being served and that
12 there are no children on the waiting list who live with families
13 with a household income that is equal to or less than 250% of the
14 federal poverty guidelines, the intermediate district may then
15 enroll children who live with families with a household income that
16 is equal to or less than 300% of the federal poverty guidelines.
17 The enrollment process must consider income and risk factors, such
18 that children determined with higher need are enrolled before
19 children with lesser need. For purposes of this subdivision, all
20 age-eligible children served in foster care or who are experiencing
21 homelessness or who have individualized education programs
22 recommending placement in an inclusive preschool setting are
23 considered to live with families with household income equal to or
24 less than 250% of the federal poverty guidelines regardless of
25 actual family income and are prioritized for enrollment within the
26 lowest quintile.

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

29 (i) Teachers possessing proper training. A lead teacher must



1 have a valid teaching certificate with an early childhood (ZA or
 2 ZS) endorsement or a bachelor's or higher degree in child
 3 development or early childhood education with specialization in
 4 preschool teaching. However, if an applicant demonstrates to the
 5 department that it is unable to fully comply with this subparagraph
 6 after making reasonable efforts to comply, teachers who have
 7 significant but incomplete training in early childhood education or
 8 child development may be used if the applicant provides to the
 9 department, and the department approves, a plan for each teacher to
 10 come into compliance with the standards in this subparagraph. A
 11 teacher's compliance plan must be completed within 2 years of the
 12 date of employment. Progress toward completion of the compliance
 13 plan consists of at least 2 courses per calendar year.

14 (ii) Paraprofessionals possessing proper training in early
 15 childhood education, including an associate's degree in early
 16 childhood education or child development or the equivalent, or a
 17 child development associate (CDA) credential. However, if an
 18 applicant demonstrates to the department that it is unable to fully
 19 comply with this subparagraph after making reasonable efforts to
 20 comply, the applicant may use paraprofessionals who have completed
 21 at least 1 course that earns college credit in early childhood
 22 education or child development if the applicant provides to the
 23 department, and the department approves, a plan for each
 24 paraprofessional to come into compliance with the standards in this
 25 subparagraph. A paraprofessional's compliance plan must be
 26 completed within 2 years of the date of employment. Progress toward
 27 completion of the compliance plan consists of at least 2 courses or
 28 60 clock hours of training per calendar year.

29 (d) Include a program budget that contains only those costs



1 that are not reimbursed or reimbursable by federal funding, that
2 are clearly and directly attributable to the great start readiness
3 program, and that would not be incurred if the program were not
4 being offered. Eligible costs include transportation costs. The
5 program budget must indicate the extent to which these funds will
6 supplement other federal, state, local, or private funds. An
7 applicant shall not use funds received under this section to
8 supplant any federal funds received by the applicant to serve
9 children eligible for a federally funded preschool program that has
10 the capacity to serve those children.

11 (6) For a grant recipient that enrolls pupils in a school-day
12 program funded under this section, each child enrolled in the
13 school-day program is counted as described in section 39 for
14 purposes of determining the amount of the grant award.

15 (7) For a grant recipient that enrolls pupils in a GSRP/Head
16 Start blended program, the grant recipient shall ensure that all
17 Head Start and GSRP policies and regulations are applied to the
18 blended slots, with adherence to the highest standard from either
19 program, to the extent allowable under federal law.

20 (8) An intermediate district or consortium of intermediate
21 districts receiving a grant under this section shall designate an
22 early childhood coordinator, and may provide services directly or
23 may contract with 1 or more districts or public or private for-
24 profit or nonprofit providers that meet all requirements of
25 subsections (4) and (5).

26 (9) An intermediate district or consortium of intermediate
27 districts may retain for administrative services provided by the
28 intermediate district or consortium of intermediate districts an
29 amount not to exceed 4% of the grant amount. Expenses incurred by



1 subrecipients engaged by the intermediate district or consortium of
2 intermediate districts for directly running portions of the program
3 are considered program costs or a contracted program fee for
4 service. **Subrecipients operating with a federally approved indirect
5 rate for other early childhood programs may include indirect costs,
6 not to exceed the federal 10% de minimis.**

7 (10) An intermediate district or consortium of intermediate
8 districts may expend not more than 2% of the total grant amount for
9 outreach, recruiting, and public awareness of the program.

10 (11) Each grant recipient shall enroll children identified
11 under subsection (5)(b) according to how far the child's household
12 income is below 250% of the federal poverty guidelines by ranking
13 each applicant child's household income from lowest to highest and
14 dividing the applicant children into quintiles based on how far the
15 child's household income is below 250% of the federal poverty
16 guidelines, and then enrolling children in the quintile with the
17 lowest household income before enrolling children in the quintile
18 with the next lowest household income until slots are completely
19 filled. If the grant recipient determines that all eligible
20 children are being served and that there are no children on the
21 waiting list who live with families with a household income that is
22 equal to or less than 250% of the federal poverty guidelines, the
23 grant recipient may then enroll children who live with families
24 with a household income that is equal to or less than 300% of the
25 federal poverty guidelines. The enrollment process must consider
26 income and risk factors, such that children determined with higher
27 need are enrolled before children with lesser need. For purposes of
28 this subsection, all age-eligible children served in foster care or
29 who are experiencing homelessness or who have individualized



1 education programs recommending placement in an inclusive preschool
2 setting are considered to live with families with household income
3 equal to or less than 250% of the federal poverty guidelines
4 regardless of actual family income and are prioritized for
5 enrollment within the lowest quintile.

6 (12) An intermediate district or consortium of intermediate
7 districts receiving a grant under this section shall allow parents
8 of eligible children who are residents of the intermediate district
9 or within the consortium to choose a program operated by or
10 contracted with another intermediate district or consortium of
11 intermediate districts and shall enter into a written agreement
12 regarding payment, in a manner prescribed by the department.

13 (13) An intermediate district or consortium of intermediate
14 districts receiving a grant under this section shall conduct a
15 local process to contract with interested and eligible public and
16 private for-profit and nonprofit community-based providers that
17 meet all requirements of subsection (4) for at least 30% of its
18 total allocation. For the purposes of this 30% allocation, an
19 intermediate district or consortium of intermediate districts may
20 count children served by a Head Start grantee or delegate in a
21 blended Head Start and great start readiness school-day program.
22 Children served in a program funded only through Head Start are not
23 counted toward this 30% allocation. The intermediate district or
24 consortium shall report to the department, in a manner prescribed
25 by the department, a detailed list of community-based providers by
26 provider type, including private for-profit, private nonprofit,
27 community college or university, Head Start grantee or delegate,
28 and district or intermediate district, and the number and
29 proportion of its total allocation allocated to each provider as



1 subrecipient. If the intermediate district or consortium is not
2 able to contract for at least 30% of its total allocation, the
3 grant recipient shall notify the department and, if the department
4 verifies that the intermediate district or consortium attempted to
5 contract for at least 30% of its total allocation and was not able
6 to do so, then the intermediate district or consortium may retain
7 and use all of its allocation as provided under this section. To be
8 able to use this exemption, the intermediate district or consortium
9 shall demonstrate to the department that the intermediate district
10 or consortium increased the percentage of its total allocation for
11 which it contracts with a community-based provider and the
12 intermediate district or consortium shall submit evidence
13 satisfactory to the department, and the department must be able to
14 verify this evidence, demonstrating that the intermediate district
15 or consortium took measures to contract for at least 30% of its
16 total allocation as required under this subsection, including, but
17 not limited to, at least all of the following measures:

18 (a) The intermediate district or consortium notified each
19 nonparticipating licensed child care center located in the service
20 area of the intermediate district or consortium regarding the
21 center's eligibility to participate, in a manner prescribed by the
22 department.

23 (b) The intermediate district or consortium provided to each
24 nonparticipating licensed child care center located in the service
25 area of the intermediate district or consortium information
26 regarding great start readiness program requirements and a
27 description of the application and selection process for community-
28 based providers.

29 (c) The intermediate district or consortium provided to the



1 public and to participating families a list of community-based
 2 great start readiness program subrecipients with a great start to
 3 quality rating of at least 3 stars.

4 (14) If an intermediate district or consortium of intermediate
 5 districts receiving a grant under this section fails to submit
 6 satisfactory evidence to demonstrate its effort to contract for at
 7 least 30% of its total allocation, as required under subsection
 8 (13), the department shall reduce the allocation to the
 9 intermediate district or consortium by a percentage equal to the
 10 difference between the percentage of an intermediate district's or
 11 consortium's total allocation awarded to community-based providers
 12 and 30% of its total allocation.

13 (15) In order to assist intermediate districts and consortia
 14 in complying with the requirement to contract with community-based
 15 providers for at least 30% of their total allocation, the
 16 department shall do all of the following:

17 (a) Ensure that a great start resource center or the
 18 department provides each intermediate district or consortium
 19 receiving a grant under this section with the contact information
 20 for each licensed child care center located in the service area of
 21 the intermediate district or consortium by March 1 of each year.

22 (b) Provide, or ensure that an organization with which the
 23 department contracts provides, a community-based provider with a
 24 validated great start to quality rating within 90 days of the
 25 provider's having submitted a request and self-assessment.

26 (c) Ensure that all intermediate district, district, community
 27 college or university, Head Start grantee or delegate, private for-
 28 profit, and private nonprofit providers are subject to a single
 29 great start to quality rating system. The rating system must ensure



1 that regulators process all prospective providers at the same pace
 2 on a first-come, first-served basis and must not allow 1 type of
 3 provider to receive a great start to quality rating ahead of any
 4 other type of provider.

5 (d) Not later than December 1 of each year, compile the
 6 results of the information reported by each intermediate district
 7 or consortium under subsection (13) and report to the legislature a
 8 list by intermediate district or consortium with the number and
 9 percentage of each intermediate district's or consortium's total
 10 allocation allocated to community-based providers by provider type,
 11 including private for-profit, private nonprofit, community college
 12 or university, Head Start grantee or delegate, and district or
 13 intermediate district.

14 (16) A recipient of funds under this section shall report to
 15 the center in a form and manner prescribed by the center the
 16 information necessary to derive the number of children
 17 participating in the program who meet the program eligibility
 18 criteria under subsection (5)(b), the number of eligible children
 19 not participating in the program and on a waitlist, and the total
 20 number of children participating in the program by various
 21 demographic groups and eligibility factors necessary to analyze
 22 equitable and priority access to services for the purposes of
 23 subsection (3).

24 (17) As used in this section:

25 (a) "GSRP/Head Start blended program" means a part-day program
 26 funded under this section and a Head Start program, which are
 27 combined for a school-day program.

28 (b) "Federal poverty guidelines" means the guidelines
 29 published annually in the Federal Register by the United States



1 Department of Health and Human Services under its authority to
2 revise the poverty line under 42 USC 9902.

3 (c) "Part-day program" means a program that operates at least
4 4 days per week, 30 weeks per year, for at least 3 hours of
5 teacher-child contact time per day but for fewer hours of teacher-
6 child contact time per day than a school-day program.

7 (d) "School-day program" means a program that operates for at
8 least the same length of day as a district's first grade program
9 for a minimum of 4 days per week, 30 weeks per year. A classroom
10 that offers a school-day program must enroll all children for the
11 school day to be considered a school-day program.

12 (18) An intermediate district or consortium of intermediate
13 districts receiving funds under this section shall establish and
14 charge tuition according to a sliding scale of tuition rates based
15 upon household income for children participating in an eligible
16 great start readiness program who live with families with a
17 household income that is more than 250% of the federal poverty
18 guidelines to be used by all of its providers, as approved by the
19 department.

20 (19) From the amount allocated in subsection (2), there is
21 allocated for 2019-2020 an amount not to exceed \$10,000,000.00 for
22 reimbursement of transportation costs for children attending great
23 start readiness programs funded under this section. To receive
24 reimbursement under this subsection, not later than November 1, of
25 each year, a program funded under this section that provides
26 transportation shall submit to the intermediate district that is
27 the fiscal agent for the program a projected transportation budget.
28 The amount of the reimbursement for transportation under this
29 subsection is no more than the projected transportation budget or



1 \$300.00 multiplied by the number of children funded for the program
 2 under this section. If the amount allocated under this subsection
 3 is insufficient to fully reimburse the transportation costs for all
 4 programs that provide transportation and submit the required
 5 information, the department shall prorate the reimbursement in an
 6 equal amount per child funded. The department shall make payments
 7 to the intermediate district that is the fiscal agent for each
 8 program, and the intermediate district shall then reimburse the
 9 program provider for transportation costs as prescribed under this
 10 subsection.

11 (20) Subject to, and from the funds allocated under,
 12 subsection (19), the department shall reimburse a program for
 13 transportation costs related to parent- or guardian-accompanied
 14 transportation provided by transportation service companies, buses,
 15 or other public transportation services. To be eligible for
 16 reimbursement under this subsection, a program must submit to the
 17 intermediate district or consortia of intermediate districts all of
 18 the following:

19 (a) The names of families provided with transportation support
 20 along with a documented reason for the need for transportation
 21 support and the type of transportation provided.

22 (b) Financial documentation of actual transportation costs
 23 incurred by the program, including, but not limited to, receipts
 24 and mileage reports, as determined by the department.

25 (c) Any other documentation or information determined
 26 necessary by the department.

27 (21) The department shall implement a process to review and
 28 approve age-appropriate comprehensive classroom level quality
 29 assessments for GSRP grantees that support the early childhood



1 standards of quality for prekindergarten children adopted by the
2 state board. The department shall make available to intermediate
3 districts at least 2 classroom level quality assessments that were
4 approved in 2018.

5 (22) An intermediate district that is a GSRP grantee may
6 approve the use of a supplemental curriculum that aligns with and
7 enhances the age-appropriate educational curriculum in the
8 classroom. If the department objects to the use of a supplemental
9 curriculum approved by an intermediate district, the superintendent
10 shall establish a review committee independent of the department.
11 The review committee shall meet within 60 days of the department
12 registering its objection in writing and provide a final
13 determination on the validity of the objection within 60 days of
14 the review committee's first meeting.

15 (23) The department shall implement a process to evaluate and
16 approve age-appropriate educational curricula that are in
17 compliance with the early childhood standards of quality for
18 prekindergarten children adopted by the state board.

19 (24) From the funds allocated under subsection (1), there is
20 allocated for 2019-2020 an amount not to exceed \$2,000,000.00 for
21 payments to intermediate districts or consortia of intermediate
22 districts for professional development and training materials for
23 educators in programs implementing new curricula.

24 (25) A great start readiness program or a GSRP/Head Start
25 blended program funded under this section is permitted to utilize
26 AmeriCorps Pre-K Reading Corps members in classrooms implementing
27 research-based early literacy intervention strategies.

28 Sec. 35a. (1) From the appropriations in section 11, there is
29 allocated for 2019-2020 for the purposes of this section an amount



1 not to exceed \$57,400,000.00 from the state school aid fund **and an**
2 **amount not to exceed \$2,000,000.00 from the general fund.** The
3 superintendent shall designate staff or contracted employees funded
4 under this section as critical shortage. Programs funded under this
5 section are intended to ensure that this state will be a top 10
6 state in grade 4 reading proficiency by 2025 according to the
7 National Assessment of Educational Progress (NAEP).

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

17 (3) A district that receives funds under subsection (5) may
18 use up to 5% of those funds to administer department-approved
19 screening and diagnostic tools to monitor the development of early
20 literacy and early reading skills of pupils in grades K to 3 and to
21 support research-based professional development for educators in
22 administering screening and diagnostic tools and in data
23 interpretation of the results obtained through the use of those
24 tools for the purpose of implementing a multi-tiered system of
25 support to improve reading proficiency among pupils in grades K to
26 3. A department-approved screening and diagnostic tool administered
27 by a district using funding under this section must include all of
28 the following components: phonemic awareness, phonics, fluency, and
29 comprehension. Further, all of the following sub-skills must be



1 assessed within each of these components:

2 (a) Phonemic awareness - segmentation, blending, and sound
3 manipulation (deletion and substitution).

4 (b) Phonics - decoding (reading) and encoding (spelling).

5 (c) Fluency - reading rate, accuracy, and expression.

6 (d) Comprehension - making meaning of text.

7 (4) From the ~~allocation~~ **state school aid fund money allocated**
8 under subsection (1), there is allocated an amount not to exceed
9 \$31,500,000.00 for 2019-2020 for the purpose of providing early
10 literacy coaches at intermediate districts to assist teachers in
11 developing and implementing instructional strategies for pupils in
12 grades K to 3 so that pupils are reading at grade level by the end
13 of grade 3. All of the following apply to funding under this
14 subsection:

15 (a) The department shall develop an application process
16 consistent with the provisions of this subsection. An application
17 must provide assurances that literacy coaches funded under this
18 subsection are knowledgeable about at least the following:

19 (i) Current state literacy standards for pupils in grades K to
20 3.

21 (ii) Implementing an instructional delivery model based on
22 frequent use of formative, screening, and diagnostic tools, known
23 as a multi-tiered system of support, to determine individual
24 progress for pupils in grades K to 3 so that pupils are reading at
25 grade level by the end of grade 3.

26 (iii) The use of data from diagnostic tools to determine the
27 necessary additional supports and interventions needed by
28 individual pupils in grades K to 3 in order to be reading at grade
29 level.



1 (b) From the allocation under this subsection, the department
 2 shall award grants to intermediate districts for the support of
 3 early literacy coaches. The department shall provide this funding
 4 in the following manner:

5 (i) The department shall award each intermediate district grant
 6 funding to support the cost of 1 early literacy coach in an equal
 7 amount per early literacy coach, not to exceed \$112,500.00.

8 (ii) After distribution of the grant funding under subparagraph
 9 (i), the department shall distribute the remainder of grant funding
 10 for additional early literacy coaches in an amount not to exceed
 11 \$112,500.00 per early literacy coach. The number of funded early
 12 literacy coaches for each intermediate district is based on the
 13 percentage of the total statewide number of pupils in grades K to 3
 14 who meet the income eligibility standards for the federal free and
 15 reduced-price lunch programs who are enrolled in districts in the
 16 intermediate district.

17 (c) If an intermediate district that receives funding under
 18 this subsection uses an assessment tool that screens for signs of
 19 dyslexia, the intermediate district shall use the assessment
 20 results from that assessment tool to identify pupils who
 21 demonstrate signs of dyslexia.

22 (5) From the ~~allocation~~ **state school aid fund money allocated**
 23 under subsection (1), there is allocated an amount not to exceed
 24 \$19,900,000.00 for 2019-2020 to districts that provide additional
 25 instructional time to those pupils in grades K to 3 who have been
 26 identified by using department-approved screening and diagnostic
 27 tools as needing additional supports and interventions in order to
 28 be reading at grade level by the end of grade 3. Additional
 29 instructional time may be provided before, during, and after



1 regular school hours or as part of a year-round balanced school
2 calendar. All of the following apply to funding under this
3 subsection:

4 (a) In order to be eligible to receive funding, a district
5 shall demonstrate to the satisfaction of the department that the
6 district has done all of the following:

7 (i) Implemented a multi-tiered system of support instructional
8 delivery model that is an evidence-based model that uses data-
9 driven problem solving to integrate academic and behavioral
10 instruction and that uses intervention delivered to all pupils in
11 varying intensities based on pupil needs. The multi-tiered system
12 of supports must provide at least all of the following essential
13 components:

14 (A) Team-based leadership.

15 (B) A tiered delivery system.

16 (C) Selection and implementation of instruction,
17 interventions, and supports.

18 (D) A comprehensive screening and assessment system.

19 (E) Continuous data-based decision making.

20 (ii) Used department-approved research-based diagnostic tools
21 to identify individual pupils in need of additional instructional
22 time.

23 (iii) Used a reading instruction method that focuses on the 5
24 fundamental building blocks of reading: phonics, phonemic
25 awareness, fluency, vocabulary, and comprehension and content
26 knowledge.

27 (iv) Provided teachers of pupils in grades K to 3 with
28 research-based professional development in diagnostic data
29 interpretation.



1 (v) Complied with the requirements under section 1280f of the
2 revised school code, MCL 380.1280f.

3 (b) The department shall distribute funding allocated under
4 this subsection to eligible districts on an equal per-first-grade-
5 pupil basis.

6 (c) If the funds allocated under this subsection are
7 insufficient to fully fund the payments under this subsection,
8 payments under this subsection are prorated on an equal per-pupil
9 basis based on grade 1 pupils.

10 (6) Not later than September 1 of each year, a district that
11 receives funding under subsection (4), (5), or (9), in conjunction
12 with the Michigan data hub network, if possible, shall provide to
13 the department a report that includes at least both of the
14 following, in a form and manner prescribed by the department:

15 (a) For pupils in grades K to 3, the pupils, schools, and
16 grades served with funds under this section and the categories of
17 services provided.

18 (b) For pupils in grades K to 3, pupil proficiency and growth
19 data that allows analysis both in the aggregate and by each of the
20 following subgroups, as applicable:

21 (i) School.

22 (ii) Grade level.

23 (iii) Gender.

24 (iv) Race.

25 (v) Ethnicity.

26 (vi) Economically disadvantaged status.

27 (vii) Disability.

28 (viii) Pupils identified as having reading deficiencies.



1 (7) From the ~~allocation~~ **state school aid fund money allocated**
2 under subsection (1), there is allocated an amount not to exceed
3 \$1,000,000.00 for 2019-2020 to an intermediate district in which
4 the combined total number of pupils in membership of all of its
5 constituent districts is the fewest among all intermediate
6 districts. All of the following apply to the funding under this
7 subsection:

8 (a) Funding under this subsection must be used by the
9 intermediate district, in partnership with an association that
10 represents intermediate district administrators in this state, to
11 implement both of the following:

12 (i) Literacy essentials teacher and principal training modules.

13 (ii) Face-to-face and online professional learning of literacy
14 essentials teacher and principal training modules for literacy
15 coaches, principals, and teachers.

16 (b) Not later than September 1 of each year, the intermediate
17 district described in this subsection, in consultation with grant
18 recipients, shall submit a report to the chairs of the senate and
19 house appropriations subcommittees on state school aid and the
20 chairs of the senate and house standing committees responsible for
21 education legislation. The report described under this subdivision
22 must include student achievement results in English language arts
23 and survey results with feedback from parents and teachers
24 regarding the initiatives implemented under this subsection.

25 (8) If a district or intermediate district expends any funding
26 received under subsection (4) or (5) for professional development
27 in research-based effective reading instruction, the district or
28 intermediate district shall select a professional development
29 program from the list described under subdivision (a). All of the



1 following apply to the requirement under this subsection:

2 (a) The department shall issue a request for proposals for
 3 professional development programs in research-based effective
 4 reading instruction to develop an initial approved list of
 5 professional development programs in research-based effective
 6 reading instruction. The department shall complete and make the
 7 initial approved list public not later than December 1, 2019. After
 8 December 1, 2019, the department shall determine if it will, on a
 9 rolling basis, approve any new proposals submitted for addition to
 10 its initial approved list.

11 (b) To be included as an approved professional development
 12 program in research-based effective reading instruction under
 13 subdivision (a), an applicant must demonstrate to the department in
 14 writing the program's competency in all of the following topics:

15 (i) Understanding of phonemic awareness, phonics, fluency,
 16 vocabulary, and comprehension.

17 (ii) Appropriate use of assessments and differentiated
 18 instruction.

19 (iii) Selection of appropriate instructional materials.

20 (iv) Application of research-based instructional practices.

21 (c) As used in this subsection, "effective reading
 22 instruction" means reading instruction scientifically proven to
 23 result in improvement in pupil reading skills.

24 (9) From the ~~allocation~~**state school aid fund money allocated**
 25 under subsection (1), there is allocated for 2019-2020 only an
 26 amount not to exceed \$5,000,000.00 for a summer school reading
 27 program for grade 3 pupils who did not score at least proficient on
 28 the English language arts portion of the Michigan student test of
 29 educational progress (M-STEP) and for pupils in grades K to 2 who



1 are not reading at grade level. All of the following apply to the
2 funding allocated under this subsection:

3 (a) To be eligible for funding under this subsection, a
4 district must apply in a form and manner prescribed by the
5 department by not later than January 15, 2020.

6 (b) The department shall award funding under this subsection
7 not later than March 15, 2020.

8 (c) The amount of funding to each eligible district is equal
9 to the product of the quotient of \$5,000,000.00 divided by the sum
10 of the number of pupils determined by the department to have scored
11 less than proficient on the English language arts portion of the
12 2019 grade 3 Michigan student test of educational progress (M-STEP)
13 among all of the districts that apply and are eligible for funding
14 for a summer school reading program under this subsection,
15 multiplied by the number of pupils in the eligible district
16 determined by the department to have scored less than proficient on
17 the English language arts portion of the 2019 grade 3 Michigan
18 student test of educational progress (M-STEP).

19 (d) A district that is awarded funding under this subsection
20 must prioritize its summer school reading program toward grade 3
21 pupils who scored less than proficient on the English language arts
22 portion of the Michigan student test of educational progress (M-
23 STEP), but may extend the program to any pupil in grades K to 2 who
24 is not reading at grade level if the program has capacity.

25 **(10) From the general fund money allocated in subsection (1),**
26 **the department shall allocate the amount of \$2,000,000.00 for 2019-**
27 **2020 only to the Michigan Education Corps for the PreK Reading**
28 **Corps and the K3 Reading Corps. All of the following apply to**
29 **funding under this subsection:**



1 (a) By September 1 of the current fiscal year, the Michigan
2 Education Corps shall provide a report concerning its use of the
3 funding to the senate and house appropriations subcommittees on
4 state school aid, the senate and house fiscal agencies, and the
5 senate and house caucus policy offices on outcomes and performance
6 measures of the Michigan Education Corps, including, but not
7 limited to, the degree to which the Michigan Education Corps'
8 replication of the Michigan PreK Reading Corps and the K3 Reading
9 Corps programs is demonstrating sufficient efficacy and impact. The
10 report must include data pertaining to at least all of the
11 following:

12 (i) The current impact of the programs on this state in terms
13 of numbers of children and schools receiving support. This portion
14 of the report must specify the number of children tutored,
15 including dosage and completion, and the demographics of those
16 children.

17 (ii) Whether the assessments and interventions are implemented
18 with fidelity. This portion of the report must include details on
19 the total number of assessments and interventions completed and the
20 range, mean, and standard deviation.

21 (iii) Whether the literacy improvement of children participating
22 in the programs is consistent with expectations. This portion of
23 the report must detail at least all of the following:

24 (A) Growth rate by grade or age level, in comparison to
25 targeted growth rate.

26 (B) Average linear growth rates.

27 (C) Exit rates.

28 (D) Percentage of children who exit who also meet or exceed
29 spring benchmarks.



1 (iv) The impact of the programs on organizations and
 2 stakeholders, including, but not limited to, school administrators,
 3 internal coaches, and AmeriCorps members.

4 (b) If the department determines that the Michigan Education
 5 Corps has misused the funds allocated under this subsection, the
 6 Michigan Education Corps shall reimburse this state for the amount
 7 of state funding misused.

8 (c) The department may not reserve any portion of the
 9 allocation provided under this subsection for an evaluation of the
 10 Michigan Education Corps, the Michigan Education Corps' funding, or
 11 the Michigan Education Corps' programming unless agreed to in
 12 writing by the Michigan Education Corps. The department shall award
 13 the entire \$2,000,000.00 allocated under this subsection to the
 14 Michigan Education Corps and shall not condition the awarding of
 15 this funding on the implementation of an independent evaluation.

16 (11) ~~(10)~~ Notwithstanding section 17b, the department shall
 17 make payments made under subsections (7), ~~and (9)~~, and (10) on a
 18 schedule determined by the department.

19 Sec. 35b. (1) From the general fund money appropriated in
 20 section 11, there is allocated for ~~2018-2019~~ **2019-2020 only** an
 21 amount not to exceed \$250,000.00 for a grant to be distributed by
 22 the department to the Children's Choice Initiative to create a
 23 pilot program to use a multisensory structured language education
 24 method to improve reading proficiency rates and to comply with
 25 section 1280f of the revised school code, MCL 380.1280f.

26 (2) Grant funds awarded under this section must be expended
 27 for the following purposes:

28 (a) Professional development including training staff and
 29 tutors in a multisensory, sequential, systematic education



1 approach.

2 (b) Additional instructional time before, during, or after
3 school for pupils in grades K to 3 identified as having an early
4 literacy delay or reading deficiency using a multisensory,
5 sequential, systematic education approach.

6 (3) Not later than December 1, ~~2020~~, **2021**, an entity that
7 receives grant funds under this section shall report to the house
8 and senate appropriations subcommittees on school aid, the house
9 and senate fiscal agencies, and the state budget director on all of
10 the following for the grant funds awarded under this section:

11 (a) The number of staff and tutors trained.

12 (b) The number of pupils in grades K to 3 identified as having
13 an early literacy delay or reading deficiency served.

14 (c) The number of hours of added instructional time provided
15 to pupils served.

16 (d) Pupil reading proficiency and growth data of pupils served
17 **as** necessary to evaluate the effectiveness of the program.

18 **Sec. 67a. (1) From the general fund money appropriated under**
19 **section 11, there is allocated an amount not to exceed \$80,000.00**
20 **for 2019-2020 only for a grant to be distributed by the department**
21 **to a provider for a career exploration pilot program. The provider**
22 **selected by the department must provide a career exploration system**
23 **that provides pupils with at least all of the following:**

24 (a) **Integration with statewide accountability assessments and**
25 **associated skills so that career exploration begins with an**
26 **understanding of current student abilities.**

27 (b) **An opportunity to explore careers specific to a pupil's**
28 **interest and connected to the local job market, with information on**
29 **potential salaries and projections of future workforce needs.**



1 (c) Information on what the appropriate educational path is to
 2 reach each career, with specific steps that a pupil can take in
 3 high school to reach the chosen career or careers.

4 (d) Ability for pupils to share career exploration plans,
 5 skill-building activities, and course recommendations with
 6 teachers, parents or guardians, and other caring individuals.

7 (e) A career exploration tool that includes a video component
 8 to engage pupils.

9 (f) A mobile-friendly platform.

10 (g) If a career requires a college degree, recommendations for
 11 associated majors and integration with a college planning program.

12 (2) The department shall make the career exploration system
 13 under subsection (1) available to districts and intermediate
 14 districts for use during the 2020-2021 school year.

15 (3) The department shall ensure that the career exploration
 16 program under this section does not require additional testing
 17 beyond the statewide accountability assessments.

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

21 Sec. 67b. (1) From the general fund money appropriated under
 22 section 11, there is allocated an amount not to exceed \$50,000.00
 23 for 2019-2020 only for a grant to be distributed by the department
 24 to an organization to provide industrial and technological
 25 education and workforce preparation for students and professional
 26 development opportunities and support for teachers.

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



1 Sec. 95b. (1) From the general fund ~~appropriation money~~
2 **appropriated** under section 11, there is allocated to the department
3 an amount not to exceed ~~\$2,500,000.00 for 2018-2019~~ **\$1,500,000.00**
4 **for 2019-2020 only** for the department to ~~adopt~~ **continue to**
5 **incorporate** a model value-added growth and projection analytics
6 system ~~and to incorporate that model~~ into its reporting
7 requirements under the every student succeeds act, Public Law 114-
8 95. **It is the intent of the legislature to continue the funding**
9 **under this section for 2021-2022 only if at least 50% of districts**
10 **that are not public school academies opt in to student-teacher**
11 **linkages provided by the model value-added growth and projection**
12 **analytics system as determined based on the report under subsection**
13 **(5).** The adopted model ~~shall~~ **must** do at least all of the following:
14 (a) Utilize existing assessments and any future assessments
15 that are suitable for measuring student growth.
16 (b) Report student growth measures at the district, school,
17 teacher, and subgroup levels.
18 (c) Recognize the growth of tested students, including those
19 who may have missing assessment data.
20 (d) Include all available prior standardized assessment data
21 that meet inclusion criteria across grades, subjects, and state and
22 local assessments.
23 (e) Allow student growth results to be disaggregated.
24 (f) Provide individual student projections showing the
25 probability of a student reaching specific performance levels on
26 future assessments.
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 (2) The department shall provide internet-based electronic
9 student growth and projection reporting based on the model adopted
10 under subsection (1) to educators at the school, district, and
11 state levels. The model ~~shall~~**must** include role-based permissions
12 that allow educators to access information about the performance of
13 the students within their immediate responsibility in accordance
14 with applicable privacy laws.

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

18 (4) The model adopted under subsection (1) must be a model
19 that received funding under this section in ~~2017-2018~~**2018-2019**.

20 (5) **By March 31, 2021, the department shall work with the**
21 **center to provide a report to the senate and house appropriations**
22 **subcommittees on state school aid and the senate and house fiscal**
23 **agencies regarding the number of districts that are not public**
24 **school academies that opted in to student-teacher linkages in their**
25 **use of the model value-added growth and projection analytics system**
26 **under this section.**

27 Sec. 99h. (1) From the state school aid fund ~~appropriation~~
28 **money appropriated** in section 11, there is allocated an amount not
29 to exceed \$4,700,000.00 **and from the general fund money**



1 **appropriated in section 11, there is allocated an amount not to**
2 **exceed \$300,000.00** for 2019-2020 for competitive grants to
3 districts and intermediate districts, **and from the general fund**
4 **money appropriated in section 11, there is allocated \$300,000.00**
5 **for 2019-2020 for competitive grants to nonpublic schools** that
6 provide pupils in grades K to 12 with expanded opportunities to
7 improve mathematics, science, and technology skills by
8 participating in events hosted by a science and technology
9 development program known as FIRST (for inspiration and recognition
10 of science and technology) Robotics, including JR FIRST Lego
11 League, FIRST Lego League, FIRST Tech challenge, and FIRST Robotics
12 competition, or other competitive robotics programs, including VEX
13 and those hosted by the Robotics Education and Competition (REC)
14 Foundation. Programs funded under this section are intended to
15 increase the number of pupils demonstrating proficiency in science
16 and mathematics on the state assessments and to increase the number
17 of pupils who are college- and career-ready upon high school
18 graduation. Notwithstanding section 17b, the department shall make
19 grant payments to districts, **nonpublic schools**, and intermediate
20 districts under this section on a schedule determined by the
21 department. The department shall set maximum grant awards for each
22 different level of competition in a manner that both maximizes the
23 number of teams that will be able to receive funds and expands the
24 geographical distribution of teams.

25 (2) A district, **nonpublic school**, or intermediate district
26 applying for a grant under this section shall submit an application
27 in a form and manner ~~determined~~ **prescribed** by the department. To be
28 eligible for a grant, a district, **nonpublic school**, or intermediate
29 district shall demonstrate in its application that the district,



1 **nonpublic school**, or intermediate district has established a
2 partnership for the purposes of the robotics program with at least
3 1 sponsor, business entity, higher education institution, or
4 technical school, shall submit a spending plan, and shall pay at
5 least 25% of the cost of the robotics program.

6 (3) The department shall distribute the grant funding under
7 this section for the following purposes:

8 (a) Grants to districts, **nonpublic schools**, or intermediate
9 districts to pay for stipends not to exceed \$1,500.00 for 1 coach
10 per team.

11 (b) Grants to districts, **nonpublic schools**, or intermediate
12 districts for event registrations, materials, travel costs, and
13 other expenses associated with the preparation for and attendance
14 at robotics events and competitions. Each grant recipient shall
15 provide a local match from other private or local funds for the
16 funds received under this subdivision equal to at least 50% of the
17 costs of participating in an event.

18 (c) Grants to districts, **nonpublic schools**, or intermediate
19 districts for awards to teams that advance to the state and world
20 championship competitions. The department shall determine an equal
21 amount per team for those teams that advance to the state
22 championship and a second equal award amount to those teams that
23 advance to the world championship.

24 (4) **A nonpublic school that receives a grant under this**
25 **section may use the funds for either robotics or Science Olympiad**
26 **programs.**

27 (5) **To be eligible to receive funds under this section, a**
28 **nonpublic school must be a nonpublic school registered with the**
29 **department and must meet all applicable state reporting**



1 **requirements for nonpublic schools.**

2 (6) The funds allocated under this section for 2018-2019 are a
 3 work project appropriation, and any unexpended funds for 2018-2019
 4 are carried forward into 2019-2020. The purpose of the work project
 5 is to continue support of FIRST Robotics and must not be used to
 6 support other robotics competitions. The estimated completion date
 7 of the work project is September 30, 2021.

8 Sec. 99t. (1) From the general fund ~~appropriation money~~
 9 **appropriated** under section 11, there is allocated an amount not to
 10 exceed ~~\$1,500,000.00~~ **\$300,000.00** for ~~2018-2019~~ **2019-2020 only** to
 11 purchase statewide access to an online algebra tool that meets all
 12 of the following:

13 (a) Provides students statewide with complete access to videos
 14 aligned with state standards including study guides and workbooks
 15 that are aligned with the videos.

16 (b) Provides students statewide with access to a personalized
 17 online algebra learning tool including adaptive diagnostics.

18 (c) Provides students statewide with dynamic algebra practice
 19 assessments that emulate the state assessment with immediate
 20 feedback and help solving problems.

21 (d) Provides students statewide with online access to algebra
 22 help 24 hours a day and 7 days a week from study experts, teachers,
 23 and peers on a moderated social networking platform.

24 (e) Provides an online algebra professional development
 25 network for teachers.

26 (f) Is already provided under a statewide contract in at least
 27 1 other state that has a population of at least 18,000,000 but not
 28 more than 19,000,000 according to the most recent decennial census
 29 and is offered in that state in partnership with a public



1 university.

2 (2) The department shall purchase the online algebra tool that
3 was chosen under this section in 2016-2017.

4 (3) A grantee receiving funding under this section shall
5 comply with the requirements of section 19b.

6 Sec. 99u. (1) From the general fund ~~appropriation money~~
7 **appropriated** under section 11, there is allocated for ~~2018-2019~~
8 **2019-2020 only** an amount not to exceed ~~\$1,500,000.00~~ **\$500,000.00** to
9 purchase statewide access to an online mathematics tool that meets
10 all of the following:

11 (a) Provides students statewide with complete access to
12 mathematics support aligned with state standards through a program
13 that has all of the following elements:

14 (i) Student motivation.

15 (ii) Valid and reliable assessments.

16 (iii) Personalized learning pathways.

17 (iv) Highly qualified, live teachers available all day and all
18 year.

19 (v) Twenty-four-hour reporting.

20 (vi) Content built for rigorous mathematics.

21 (b) Has a record of improving student mathematics scores in at
22 least 5 other states.

23 (c) Received funding under this section in 2017-2018.

24 (2) A grantee that receives funding under this section shall
25 comply with the requirements of section 19b.

26 ~~(3) In addition to the funds allocated under subsection (1),~~
27 ~~from the general fund appropriation in section 11, there is~~
28 ~~allocated for 2018-2019 an amount not to exceed \$500,000.00 for a~~
29 ~~software-based solution designed to teach Spanish language literacy~~



1 ~~to students in pre-kindergarten through first grade. A program~~
 2 ~~funded under this subsection shall be a grant to the eligible~~
 3 ~~provider that promotes bilingualism and biliteracy, and is based on~~
 4 ~~research that shows how students who become proficient readers in~~
 5 ~~their first language have an easier time making the transition to~~
 6 ~~reading proficiency in a second language. A provider of programming~~
 7 ~~under subsection (1) is the eligible provider of programming under~~
 8 ~~this subsection.~~

9 **(3)** ~~(4)~~—In addition to the funds allocated under subsection
 10 (1), from the general fund money appropriated in section 11, there
 11 is allocated for ~~2018-2019-2019-2020~~ **only** an amount not to exceed
 12 ~~\$1,000,000.00~~ **\$500,000.00** for a ~~pilot~~ program to provide explicit,
 13 targeted literacy instruction within an individualized learning
 14 path that continually adjusts to a pupil's needs. ~~A program funded~~
 15 ~~under this subsection shall be a grant to the~~ **The** eligible provider
 16 ~~that promotes~~ **shall promote** literacy by teaching critical language
 17 and literacy concepts such as reading and listening comprehension,
 18 basic vocabulary, academic language, grammar, phonological
 19 awareness, phonics, and fluency. ~~A pilot program funded under this~~
 20 ~~subsection shall cover both the remainder of 2018-2019 and also the~~
 21 ~~entire 2019-2020 school year.~~ A provider of programming under
 22 subsection (1) is the eligible provider of programming under this
 23 subsection.

24 **(4)** ~~(5)~~—Notwithstanding section 17b, **the department shall make**
 25 ~~payments made under this section shall be made not later than March~~
 26 ~~1, 2019.~~ **May 1, 2020.**

27 Sec. 99v. From the general fund ~~appropriation in~~ **money**
 28 **appropriated under** section 11, there is allocated an amount not to
 29 exceed \$25,000.00 for ~~2018-2019-2019-2020~~ **only** for a grant to be



1 distributed by the department to a provider that develops and
 2 scales effective innovations to support educators, administrators,
 3 and policymakers in creating seamless transitions throughout the K-
 4 14 system for all students, especially the underserved. A grantee
 5 must have expertise in K-12 services, online course programs,
 6 digital platform services, leadership networks, and higher
 7 education, and work to develop a mathematics pathways alignment. A
 8 grantee that receives a grant under this section shall facilitate a
 9 2-day math workshop with high school and college faculty focused on
 10 sharing information about high-impact practices, defining the
 11 problem or problems, and using data and planning strategies to
 12 address those problems. In addition, the grantee shall use funds to
 13 conduct 3 virtual check-ins during which the working groups will
 14 report on progress and identify challenges and questions, with the
 15 grantee providing guidance and resources as appropriate.

16 Sec. 152b. (1) From the general fund money appropriated under
 17 section 11, there is allocated ~~an amount not to exceed~~
 18 ~~\$2,500,000.00 for 2017-2018~~ and an amount not to exceed \$250,000.00
 19 for ~~2018-2019~~ **2019-2020** to reimburse actual costs incurred by
 20 nonpublic schools in complying with a health, safety, or welfare
 21 requirement mandated by a law or administrative rule of this state.

22 (2) By ~~January~~ **May** 1 of each applicable fiscal year, the
 23 department shall publish a form for reporting actual costs incurred
 24 by a nonpublic school in complying with a health, safety, or
 25 welfare requirement mandated under state law containing each
 26 health, safety, or welfare requirement mandated by a law or
 27 administrative rule of this state applicable to a nonpublic school
 28 and with a reference to each relevant provision of law or
 29 administrative rule for the requirement. The **department shall post**



1 ~~the~~ form ~~shall be posted~~ on the department's website in electronic
2 form.

3 (3) By June 30 of each applicable fiscal year, a nonpublic
4 school seeking reimbursement for actual costs incurred in complying
5 with a health, safety, or welfare requirement under a law or
6 administrative rule of this state during each applicable school
7 year shall submit a completed form described in subsection (2) to
8 the department. This section does not require a nonpublic school to
9 submit a form described in subsection (2). A nonpublic school is
10 not eligible for reimbursement under this section if the nonpublic
11 school does not submit the form described in subsection (2) in a
12 timely manner.

13 (4) By August 15 of each applicable fiscal year, the
14 department shall distribute funds to each nonpublic school that
15 submits a completed form described under subsection (2) in a timely
16 manner. The superintendent shall determine the amount of funds to
17 be paid to each nonpublic school in an amount that does not exceed
18 the nonpublic school's actual costs in complying with a health,
19 safety, or welfare requirement under a law or administrative rule
20 of this state. The superintendent shall calculate a nonpublic
21 school's actual cost in accordance with this section.

22 (5) If the funds allocated under this section are insufficient
23 to fully fund payments as otherwise calculated under this section,
24 the department shall distribute funds under this section on a
25 prorated or other equitable basis as determined by the
26 superintendent.

27 (6) The department may review the records of a nonpublic
28 school submitting a form described in subsection (2) only for the
29 limited purpose of verifying the nonpublic school's compliance with



1 this section. If a nonpublic school does not allow the department
2 to review records under this subsection, the nonpublic school is
3 not eligible for reimbursement under this section.

4 (7) The funds appropriated under this section are for purposes
5 related to education, are considered to be incidental to the
6 operation of a nonpublic school, are noninstructional in character,
7 and are intended for the public purpose of ensuring the health,
8 safety, and welfare of the children in nonpublic schools and to
9 reimburse nonpublic schools for costs described in this section.

10 (8) Funds allocated under this section are not intended to aid
11 or maintain any nonpublic school, support the attendance of any
12 student at a nonpublic school, employ any person at a nonpublic
13 school, support the attendance of any student at any location where
14 instruction is offered to a nonpublic school student, or support
15 the employment of any person at any location where instruction is
16 offered to a nonpublic school student.

17 (9) For purposes of this section, "actual cost" means the
18 hourly wage for the employee or employees performing a task or
19 tasks required to comply with a health, safety, or welfare
20 requirement under a law or administrative rule of this state
21 identified by the department under subsection (2) and is to be
22 calculated in accordance with the form published by the department
23 under subsection (2), which ~~shall~~**must** include a detailed
24 itemization of costs. The nonpublic school shall not charge more
25 than the hourly wage of its lowest-paid employee capable of
26 performing a specific task regardless of whether that individual is
27 available and regardless of who actually performs a specific task.
28 Labor costs under this subsection ~~shall~~**must** be estimated and
29 charged in increments of 15 minutes or more, with all partial time



1 increments rounded down. When calculating costs under subsection
 2 (4), fee components ~~shall~~**must** be itemized in a manner that
 3 expresses both the hourly wage and the number of hours charged. The
 4 nonpublic school may not charge any applicable labor charge amount
 5 to cover or partially cover the cost of health or fringe benefits.
 6 A nonpublic school shall not charge any overtime wages in the
 7 calculation of labor costs.

8 (10) For the purposes of this section, the actual cost
 9 incurred by a nonpublic school for taking daily student attendance
 10 ~~shall be~~**is** considered an actual cost in complying with a health,
 11 safety, or welfare requirement under a law or administrative rule
 12 of this state. Training fees, inspection fees, and criminal
 13 background check fees are considered actual costs in complying with
 14 a health, safety, or welfare requirement under a law or
 15 administrative rule of this state.

16 (11) The funds allocated under this section for 2017-2018 are
 17 a work project appropriation, and any unexpended funds for 2017-
 18 2018 are carried forward into 2018-2019. The purpose of the work
 19 project is to continue to reimburse nonpublic schools for actual
 20 costs incurred in complying with a health, safety, or welfare
 21 requirement mandated by a law or administrative rule of this state.
 22 The estimated completion date of the work project is September 30,
 23 ~~2020~~**2021**.

24 (12) The funds allocated under this section for 2018-2019 are
 25 a work project appropriation, and any unexpended funds for 2018-
 26 2019 are carried forward into 2019-2020. The purpose of the work
 27 project is to continue to reimburse nonpublic schools for actual
 28 costs incurred in complying with a health, safety, or welfare
 29 requirement mandated by a law or administrative rule of this state.



1 The estimated completion date of the work project is September 30,
2 ~~2020-2021.~~

3 (13) The funds allocated under this section for 2019-2020 are
4 a work project appropriation, and any unexpended funds for 2019-
5 2020 are carried forward into 2020-2021. The purpose of the work
6 project is to continue to reimburse nonpublic schools for actual
7 costs incurred in complying with a health, safety, or welfare
8 requirement mandated by a law or administrative rule of this state.
9 The estimated completion date of the work project is September 30,
10 2021.

11 Sec. 236. (1) Subject to the conditions set forth in this
12 article, the amounts listed in this section are appropriated for
13 higher education for the fiscal year ending September 30, 2020,
14 from the funds indicated in this section. The following is a
15 summary of the appropriations in this section:

16 (a) The gross appropriation is ~~\$1,691,395,000.00.~~
17 **\$1,692,395,000.00.** After deducting total interdepartmental grants
18 and intradepartmental transfers in the amount of \$0.00, the
19 adjusted gross appropriation is
20 ~~\$1,691,395,000.00.~~ **\$1,692,395,000.00.**

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

23 (i) Total federal revenues, \$134,026,400.00.

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

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

26 (iv) Total other state restricted revenues, \$349,419,300.00.

27 (v) State general fund/general purpose money,

28 ~~\$1,207,949,300.00.~~ **\$1,208,949,300.00.**

29 (2) Amounts appropriated for public universities are as



1 follows:

2 (a) The appropriation for Central Michigan University is
 3 \$89,227,800.00, \$87,096,900.00 for operations, \$532,800.00 for
 4 performance funding, and \$1,598,100.00 for costs incurred under the
 5 North American Indian tuition waiver.

6 (b) The appropriation for Eastern Michigan University is
 7 \$77,556,000.00, \$76,816,500.00 for operations, \$437,200.00 for
 8 performance funding, and \$302,300.00 for costs incurred under the
 9 North American Indian tuition waiver.

10 (c) The appropriation for Ferris State University is
 11 \$56,032,800.00, \$54,732,400.00 for operations, \$293,100.00 for
 12 performance funding, and \$1,007,300.00 for costs incurred under the
 13 North American Indian tuition waiver.

14 (d) The appropriation for Grand Valley State University is
 15 \$73,388,500.00, \$71,780,400.00 for operations, \$533,100.00 for
 16 performance funding, and \$1,075,000.00 for costs incurred under the
 17 North American Indian tuition waiver.

18 (e) The appropriation for Lake Superior State University is
 19 ~~\$14,361,000.00, \$13,349,300.00~~ **\$15,361,000.00, \$14,349,300.00** for
 20 operations, \$57,700.00 for performance funding, and \$954,000.00 for
 21 costs incurred under the North American Indian tuition waiver.

22 (f) The appropriation for Michigan State University is
 23 \$353,872,800.00, \$285,805,100.00 for operations, \$1,526,600.00 for
 24 performance funding, \$1,467,700.00 for costs incurred under the
 25 North American Indian tuition waiver, \$34,937,300.00 for MSU
 26 AgBioResearch, and \$30,136,100.00 for MSU Extension.

27 (g) The appropriation for Michigan Technological University is
 28 \$50,568,100.00, \$49,835,300.00 for operations, \$266,300.00 for
 29 performance funding, and \$466,500.00 for costs incurred under the



1 North American Indian tuition waiver.

2 (h) The appropriation for Northern Michigan University is
3 \$48,909,100.00, \$47,576,200.00 for operations, \$232,900.00 for
4 performance funding, and \$1,100,000.00 for costs incurred under the
5 North American Indian tuition waiver.

6 (i) The appropriation for Oakland University is
7 \$53,432,500.00, \$52,719,900.00 for operations, \$427,500.00 for
8 performance funding, and \$285,100.00 for costs incurred under the
9 North American Indian tuition waiver.

10 (j) The appropriation for Saginaw Valley State University is
11 \$30,807,700.00, \$30,456,500.00 for operations, \$127,300.00 for
12 performance funding, and \$223,900.00 for costs incurred under the
13 North American Indian tuition waiver.

14 (k) The appropriation for University of Michigan - Ann Arbor
15 is \$322,773,600.00, \$320,255,800.00 for operations, \$1,714,300.00
16 for performance funding, and \$803,500.00 for costs incurred under
17 the North American Indian tuition waiver.

18 (l) The appropriation for University of Michigan - Dearborn is
19 \$26,327,200.00, \$25,986,400.00 for operations, \$180,600.00 for
20 performance funding, and \$160,200.00 for costs incurred under the
21 North American Indian tuition waiver.

22 (m) The appropriation for University of Michigan - Flint is
23 \$23,893,200.00, \$23,493,800.00 for operations, \$122,400.00 for
24 performance funding, and \$277,000.00 for costs incurred under the
25 North American Indian tuition waiver.

26 (n) The appropriation for Wayne State University is
27 \$203,413,900.00, \$202,112,700.00 for operations, \$884,000.00 for
28 performance funding, and \$417,200.00 for costs incurred under the
29 North American Indian tuition waiver.



1 (o) The appropriation for Western Michigan University is
 2 \$112,290,100.00, \$110,976,000.00 for operations, \$546,200.00 for
 3 performance funding, and \$767,900.00 for costs incurred under the
 4 North American Indian tuition waiver.

5 (3) The amount appropriated in subsection (2) for public
 6 universities is ~~\$1,536,854,300.00~~, **\$1,537,854,300.00**, appropriated
 7 from the following:

8 (a) State school aid fund, \$343,168,300.00.

9 (b) State general fund/general purpose money,
 10 ~~\$1,193,686,000.00~~. **\$1,194,686,000.00**.

11 (4) The amount appropriated for Michigan public school
 12 employees' retirement system reimbursement is \$5,017,000.00,
 13 appropriated from the state school aid fund.

14 (5) The amount appropriated for state and regional programs is
 15 \$315,000.00, appropriated from general fund/general purpose money
 16 and allocated as follows:

17 (a) Higher education database modernization and conversion,
 18 \$200,000.00.

19 (b) Midwestern Higher Education Compact, \$115,000.00.

20 (6) The amount appropriated for the Martin Luther King, Jr. -
 21 Cesar Chavez - Rosa Parks program is \$2,691,500.00, appropriated
 22 from general fund/general purpose money and allocated as follows:

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

24 (b) Michigan college/university partnership program,
 25 \$586,800.00.

26 (c) Morris Hood, Jr. educator development program,
 27 \$148,600.00.

28 (7) Subject to subsection (8), the amount appropriated for
 29 grants and financial aid is \$145,283,200.00, allocated as follows:



1 (a) State competitive scholarships, \$38,361,700.00.
 2 (b) Tuition grants, \$38,021,500.00.
 3 (c) Tuition incentive program, \$64,300,000.00.
 4 (d) Children of veterans and officer's survivor tuition grant
 5 programs, \$1,400,000.00.

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

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

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

12 (b) Federal revenues under the social security act, temporary
 13 assistance for needy families, \$130,826,400.00.

14 (c) State general fund/general purpose money, \$11,256,800.00.

15 (9) For fiscal year 2019-2020 only, in addition to the
 16 allocation under subsection (4), from the appropriations described
 17 in subsection (1), there is allocated an amount not to exceed
 18 \$1,234,000.00 for payments to participating public universities,
 19 appropriated from the state school aid fund. A university that
 20 receives money under this subsection shall use that money solely
 21 for the purpose of offsetting the normal cost contribution rate. As
 22 used in this subsection, "participating public universities" means
 23 public universities that are a reporting unit of the Michigan
 24 public school employees' retirement system under the public school
 25 employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to
 26 38.1437, and that pay contributions to the Michigan public school
 27 employees' retirement system for the state fiscal year.

28 **Sec. 270a. For fiscal year 2019-2020, from the amount**
 29 **appropriated in section 236 to Lake Superior State University for**



1 **operations, \$1,000,000.00 shall be paid to Bay Mills Community**
2 **College for the costs of educating non-Native American students.**

3 Enacting section 1. (1) In accordance with section 30 of
4 article IX of the state constitution of 1963, total state spending
5 on school aid under article I of the state school aid act of 1979,
6 1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2019 PA 58,
7 2019 PA 162, and this amendatory act, from state sources for fiscal
8 year 2019-2020 is estimated at \$13,435,740,100.00 and state
9 appropriations for school aid to be paid to local units of
10 government for fiscal year 2019-2020 are estimated at
11 \$13,221,915,300.00.

12 (2) In accordance with section 30 of article IX of the state
13 constitution of 1963, total state spending from state sources for
14 higher education for fiscal year 2019-2020 under article III of the
15 state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891,
16 is estimated at \$1,558,368,600.00 and the amount of that state
17 spending from state sources to be paid to local units of government
18 for fiscal year 2019-2020 is estimated at \$0.00.

