

## FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning

Senate Bill No. 174, entitled

A bill to amend 1979 PA 94, entitled

"The state school aid act of 1979,"

by amending sections 11, 17b, 201, 206, 236, and 241 (MCL 388.1611, 388.1617b, 388.1801, 388.1806, 388.1836, and 388.1841), sections 11 and 236 as amended by 2022 PA 212, section 17b as amended by 2007 PA 137, and sections 201, 206, and 241 as amended by 2022 PA 144.

Recommends:

First: That the House and Senate agree to the Substitute of the House as passed by the House, amended to read as follows:

(attached)

Second: That the House and Senate agree to the title of the bill to read as follows:

A bill to amend 1979 PA 94, entitled "AN ACT to make appropriations to aid in the support of the public schools, the intermediate school districts, community colleges, and public universities of the state; to make appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to authorize the issuance of certain bonds and provide for the security of those bonds; to prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to create certain funds and provide for their expenditure; to prescribe penalties; and to repeal acts and parts of acts," by amending sections 6, 11, 12a, 12c, 20, 22l, 31a, 31ff, 41, 51a, 51c, 61l, 61s, 61u, 94a, 95b, 97e, 97g, 97k, 99d, 99m, 99n, 99ii, 99jj, 107a, 147a, 201, 236, 236m, and 248 (MCL 388.1606, 388.1611, 388.1612a, 388.1612c, 388.1620, 388.1622l, 388.1631a, 388.1631ff, 388.1641, 388.1651a, 388.1651c, 388.1661l, 388.1661s, 388.1661u, 388.1694a, 388.1695b, 388.1697e, 388.1697g, 388.1697k,



388.1699d, 388.1699m, 388.1699n, 388.1699ii, 388.1699jj, 388.1707a, 388.1747a, 388.1801, 388.1836, 388.1836m, and 388.1848), sections 6, 11, 20, 31a, 41, 51a, 51c, 94a, 95b, 97e, 147a, 201, 236, and 248 as amended and sections 12a, 12c, 22l, 31ff, 61l, 61s, 61u, 97g, 97k, 99d, 99m, 99n, 99ii, 99jj, 107a, and 236m as added by 2023 PA 103, and by adding sections 216d and 236o; and to repeal acts and parts of acts.

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Sarah E. Anthony

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Regina Weiss

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Conferees for the Senate

Conferees for the House



**HOUSE SUBSTITUTE FOR  
SENATE BILL NO. 174**

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



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

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

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

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

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



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

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

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



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

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

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

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

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

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



1 of residence.

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

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

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

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

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



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

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

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

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

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

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

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

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



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

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

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

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

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



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

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

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

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

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

12 (II) Documented completion of a course assignment.

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

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

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

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

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



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

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

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

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



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

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

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

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

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

18 (B) Had dropped out of school.

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

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

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



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

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

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



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

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

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

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

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



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

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



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

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

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

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

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

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



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

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

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



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

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

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

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



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

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

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

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

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



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

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

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

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

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

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



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

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

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

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

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

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



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

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

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

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

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

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

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



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

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

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

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



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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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



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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

25 (i) Fourth Wednesday in July.

26 (ii) First Wednesday in October.

27 (iii) Second Wednesday in February.

28 (iv) Fourth Wednesday in April.

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



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

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



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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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



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

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

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



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

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

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

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



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

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

10 (a) Utilizing Justice40 parameters.

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

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

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

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

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

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



1 site renewable energy production, and facility electrification.

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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



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

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

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

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

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

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

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



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

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

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



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

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

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



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

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

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



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

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

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



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

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

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

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

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

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

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

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



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

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

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



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

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

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

15 (15) As used in this section:

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

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

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

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

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



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

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

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

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

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

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

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



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

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

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

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

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

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

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

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



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

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

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

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



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

10 (a) Team-based leadership.

11 (b) A tiered delivery system.

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

14 (d) A comprehensive screening and assessment system.

15 (e) Continuous data-based decision making.

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

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

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



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

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

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



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

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

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



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

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

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

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



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

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

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

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

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

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



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

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



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

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



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

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



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

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

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



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

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

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

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

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

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



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

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

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

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

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

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

28 (i) Modernizing antiquated medical equipment.

29 (ii) Improving security and patient safety measures.



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

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

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

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

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

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



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

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

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

18           (i) The pupil is economically disadvantaged.

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

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

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

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

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

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

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



1 graduation and dropout report.

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

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

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

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

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

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

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



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

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

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

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



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

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

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

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

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



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

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

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

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



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

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



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

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

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



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

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

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

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



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

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

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

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



1 of the following apply:

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

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



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

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

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



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

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

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

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



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

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

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



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

3 (a) Pupils described in section 53a.

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

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

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

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

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

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

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

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

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



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

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



1 and intermediate district in which the pupil resides.

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

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



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

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

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

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

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

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



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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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



1 of data contained in the system.

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

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

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

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

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

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

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

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

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



1 information on courses completed and grades earned.

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

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

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

8 (A) Enrollment in remedial coursework.

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

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

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

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



1 this subsection:

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

12 (b) The superintendent of public instruction.

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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



1 infrastructure.

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

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

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

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

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

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

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

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



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

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

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

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

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

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

29 (a) Develop and implement plans for professional learning



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

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

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

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

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

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

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



1 department.

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

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

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

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

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

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

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



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

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

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

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

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

21 (i) Wayne-Westland Community School District.

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

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

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



1 the Amity Foundation for the purposes under this section.

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

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

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

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

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

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



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

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

6 (i) Dearborn City School District.

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

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

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

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



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

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

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

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

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



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

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

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



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

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

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

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



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

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

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

12 (c) As used in this subsection:

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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



1 North American Indian tuition waiver.

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

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

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

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

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

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

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



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

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

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

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

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

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

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

29 (z) The appropriation for Washtenaw Community College is



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

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

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

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

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

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

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

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



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

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

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

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



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

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

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

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



1 more of the following areas:

2 (a) Electric vehicle battery installation and repair.

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

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

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

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

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

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



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

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

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

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

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



1 purposes described in section 216c(1).

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

29 (g) The appropriation for Michigan Technological University is



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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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



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

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

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

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

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



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

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

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

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



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

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

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

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

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



1 purposes described under section 236m.

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

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

8 (2) As used in this section:

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

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

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



1 390.1442.

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

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

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

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

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

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

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

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

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



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

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

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

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



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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

23 (f) As used in this subsection:

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

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



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

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

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

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



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

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

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

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

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

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

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

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

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

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



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

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

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

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

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



1 the tuition restraint described in section 217b.

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

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

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

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



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

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

