

# HOUSE BILL No. 5522

February 20, 1990, Introduced by Reps. Jacobetti and O'Neill  
and referred to the Committee on Appropriations.

A bill to amend sections 11 and 21 of Act No. 94 of the  
Public Acts of 1979, entitled as amended

"The state school aid act of 1979,"

as amended by Act No. 197 of the Public Acts of 1989, being sec-  
tions 388.1611 and 388.1621 of the Michigan Compiled Laws.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 11 and 21 of Act No. 94 of the Public  
2 Acts of 1979, as amended by Act No. 197 of the Public Acts of  
3 1989, being sections 388.1611 and 388.1621 of the Michigan  
4 Compiled Laws, are amended to read as follows:

5 Sec. 11. There is appropriated from the school aid fund  
6 established by section 11 of article IX of the state constitution  
7 of 1963, for the fiscal year ending September 30, ~~1990~~ 1991,  
8 the sum necessary to fulfill the requirements of this act, and  
9 any deficiency is appropriated from the general fund by the

1 legislature. The appropriation shall be allocated as provided in  
 2 this act. The estimated appropriations and the estimated sources  
 3 of revenue provided for in this ~~+1989-~~ 1990 amendatory act are as  
 4 follows:

5 GROSS APPROPRIATION..... \$ ~~2,581,452,900-~~

6       Appropriated from:

7 Total federal..... ~~51,000,000-~~

8 School aid fund..... ~~1,930,452,900-~~

9 State general fund/general

10 purpose..... ~~600,000,000-~~

11       Sec. 21. (1) Except as otherwise provided in this act, from  
 12 the amount appropriated in section 11, there is allocated to each  
 13 district an amount per membership pupil sufficient to guarantee  
 14 the district for ~~+1989-90-~~ 1990-91 a combined state-local yield  
 15 or gross allowance of ~~-\$266.00-~~ \$\_\_\_\_\_ plus ~~-\$83.61-~~ \$\_\_\_\_\_ for  
 16 each mill of operating tax levied. For purposes of this section,  
 17 only taxes levied for purposes included in the operation cost of  
 18 the district as prescribed in section 7 shall be considered oper-  
 19 ating tax. The net allocation for each district shall be an  
 20 amount per membership pupil computed by subtracting, from the  
 21 gross allowance guaranteed the district, the product of the  
 22 district's state equalized valuation behind each membership pupil  
 23 and the millage utilized for computing the gross allowance.

24       An additional ~~-\$30.00-~~ \$\_\_\_\_\_ per pupil in gross allowance  
 25 shall be allocated to any district that satisfies the  
 26 requirements specified in subdivisions (a) and (b).

1 (a) The district requires pupils to have completed as a  
2 condition for graduation in 1991-92 all of the following:

3 (i) A total of 10 years of English or communication skills,  
4 mathematics, science, and social science, with not less than 2  
5 years of each subject specified in this subparagraph.

6 (ii) One year of health, or consumer home economics essen-  
7 tial health and living skills, or physical education, or any com-  
8 bination thereof.

9 (iii) One year of fine or performing arts, foreign language,  
10 or of vocational education or practical arts, or any combination  
11 thereof.

12 (iv) One semester of computer education or the equivalent,  
13 which may be demonstrated by the passage of an appropriate com-  
14 puter competency test, as approved by the department.

15 If a class taught in a district reasonably falls within more  
16 than 1 of the subject categories listed in subparagraphs (i) to  
17 (iv), the district may determine which subject category the class  
18 falls within as long as teacher certification requirements are  
19 not violated.

20 (b) The district provides for its pupils in grades 9 through  
21 12 six classes, each consisting of at least 50 minutes of class-  
22 room instruction or a total of not less than 300 minutes of  
23 classroom instruction. In either case, at least 30% of the  
24 pupils in grades 9 through 12 shall be enrolled in the sixth  
25 period, with the sixth period being a class of an academic nature  
26 that normally would be credited toward high school graduation.  
27 This subdivision does not apply to pupils in grade 9 who do not

1 attend classes in the same building as pupils in grades 10  
2 through 12.

3 The department may waive the requirements of subdivision (b)  
4 for a district with unusual circumstances that is making a good  
5 faith effort to comply with this subdivision and has a plan in  
6 place to meet the requirements during the following year.

7 In order to be eligible for the additional ~~\$30.00~~ \$  
8 per pupil permitted under this subsection, unless it has received  
9 a waiver under subdivision (b), a district shall submit to the  
10 department, not later than October 31, ~~+1989-~~ 1990, an official  
11 copy of the board minutes indicating compliance with the require-  
12 ments specified in subdivisions (a) and (b).

13 A primary or fourth class school district that sends its  
14 resident high school pupils to 1 or more districts shall receive  
15 the additional ~~\$30.00~~ \$ per pupil permitted under this  
16 subsection if at least 90% of its resident high school pupils  
17 attend schools in districts that satisfy the requirements of  
18 either subdivision (a) or (b). In this case, the primary or  
19 fourth class district shall submit to the department not later  
20 than October 31, ~~+1989-~~ 1990, a resolution adopted by its board  
21 indicating that it complies with this requirement.

22 In ~~+1989-90-~~ 1990-91, an additional ~~\$14.00~~ \$ per  
23 pupil in gross allowance shall be allocated to any district that  
24 satisfies the requirements specified in either of the following  
25 subdivisions:

26 (a) The district attains an average class size of not more  
27 than 25 pupils for grades K, 1, 2, and 3, taken collectively.

1 (b) The district reduces its average class size in grades K,  
2 1, 2, and 3, taken collectively, by at least 1% from the average  
3 class size in the immediately preceding school year.

4 For purposes of computing average class size, only the fol-  
5 lowing staff shall be counted:

6 (i) General subject classroom teachers, such as teachers of  
7 reading, language arts, mathematics, science or social studies,  
8 and kindergarten teachers.

9 (ii) Special subject teachers, such as teachers of art,  
10 music, or physical education, to the extent that they provide  
11 instruction to eligible pupils.

12 (iii) Special needs teachers, in areas such as compensatory  
13 education, bilingual education, migrant education, or gifted and  
14 talented education, to the extent that they provide instruction  
15 to eligible pupils. The following staff shall not be counted:

16 (A) Special education teachers.

17 (B) Adult education teachers.

18 (C) Professional or nonprofessional support staff.

19 (D) Teacher aides, paraprofessionals, or volunteers.

20 (E) Administrators or supervisors.

21 The department may waive the requirements of subdivision (a)  
22 or (b) for a district with unusual circumstances that is making a  
23 good faith effort to comply with either of these subdivisions and  
24 has a plan in place to meet the requirements for the following  
25 year. However, the department shall not grant waivers to a dis-  
26 trict in more than 2 consecutive school years.

1 In order to be eligible for the additional ~~-\$14.00-~~ \$  
2 per pupil permitted under this subsection, unless it has received  
3 a waiver for subdivision (a) or (b), a district shall submit to  
4 the department not later than October 31, ~~1989-~~ 1990, a resolu-  
5 tion adopted by its board indicating that the district complies  
6 with the requirements of either subdivision (a) or (b).

7 (2) A district that supported a district library in 1979-80  
8 and continues to provide support for the district library through  
9 a millage levied pursuant to former Act No. 164 of the Public  
10 Acts of 1955, as amended, being sections 397.271 to 397.276 of  
11 the Michigan Compiled Laws, shall be credited, for all computa-  
12 tions made under this section, with the amount of millage levied  
13 for library purposes, but not to exceed 0.7 mills, if the dis-  
14 trict levies not more than 0.7 mills less than its authorized  
15 operating millage rate.

16 (3) State equalization allocations to a district shall be  
17 adjusted by subtracting from the allocations money received under  
18 section 3(c)(1) of title I of chapter 1124, 64 Stat. 1100, 20  
19 U.S.C. 238, in the same proportion as the total local revenues  
20 covered under the state equalization program are to total local  
21 revenues for education in the district, except that not more than  
22 ~~-\$160.00-~~ \$ per pupil shall be subtracted. The proportion  
23 shall be based on prior year revenue and prior year impact aid.  
24 A deduction in any year shall not exceed the amount of deductible  
25 impact aid for which a district is eligible under section 3(c)(1)  
26 of title I of chapter 1124, 64 Stat. 1100. Any deductions made  
27 under this act shall be consistent with the requirements of

1 section 5 of title I of chapter 1124, 64 Stat. 1100, 20  
2 U.S.C. 240 and its regulations.

3 (4) If a district has more than 500 pupils and if the net  
4 allocation computed for a district pursuant to subsection (1) is  
5 a negative amount, it shall be applied as a deduction against any  
6 funds otherwise due the district under all other sections of this  
7 act. However, the deduction made under this subsection shall not  
8 exceed a percentage of a district's total state aid entitlement  
9 under all other sections of this act, which percentage is deter-  
10 mined by dividing the gross allowance computed for the district  
11 under subsection (1) by the product of the district's state  
12 equalized valuation behind each membership pupil and the millage  
13 utilized for computing the gross allowance and then subtracting  
14 the result from 100%, except that the percentage shall not exceed  
15 99%, and shall be applied after the following adjustments which  
16 shall be based upon per pupil or per professional staff member  
17 cost in each program:

18 (a) The categorical allocations for sections 52 and 61 shall  
19 be reduced a proportionate amount for nonresident pupils, and the  
20 categorical allocation for section 97 shall be reduced a propor-  
21 tionate amount for each professional staff member not an employee  
22 of the district.

23 (b) The categorical allocations for section 52 shall be  
24 increased a proportionate amount for pupils enrolled in a program  
25 operated by another district or the intermediate district, and  
26 the categorical allocation for section 97 shall be increased a  
27 proportionate amount for each professional staff member

1 participating in a consortium of districts, or of districts and  
2 intermediate districts, where the legal fiscal agency is another  
3 district or intermediate district.

4 (5) Funds due under sections 27, 53, 75, 143, and 144 shall  
5 not be counted for purposes of subsection (4).

6 (6) The statewide deductions made under subsection (4) shall  
7 not exceed ~~\$22,625,000.00~~ \$\_\_\_\_\_ in ~~1989-90~~ 1990-91.

8 (7) A tax levied pursuant to section 1356(4) of the school  
9 code of 1976, Act No. 451 of the Public Acts of 1976, being sec-  
10 tion 380.1356 of the Michigan Compiled Laws, for the retirement  
11 of an operating deficit shall be considered levied for operating  
12 purposes in making computations under this section.