

SENATE BILL No. 226

March 20, 1991, Introduced by Senator DE GROW and referred to the Committee on Appropriations.

EXECUTIVE BUDGET BILL

A bill to amend the title and sections 3, 6, 8, 11, 12, 15, 17, 18, 19, 21, 21a, 22, 24, 25, 27, 29, 31, 33, 34a, 35, 36, 37, 38, 39, 40, 41, 45, 46, 47, 48, 51, 53, 54, 56, 61, 62, 63, 71, 72, 81, 83, 90, 93, 96, 97, 98, 105, 107, 108, 143, 144, 145, 146, 164, and 166 of Act No. 94 of the Public Acts of 1979, entitled as amended

"The state school aid act of 1979,"

sections 3 and 107 as amended by Act No. 235 of the Public Acts of 1989, sections 6, 8, 11, 15, 17, 19, 21, 22, 24, 25, 27, 29, 31, 33, 34a, 35, 36, 37, 38, 39, 40, 41, 45, 46, 47, 48, 51, 53, 54, 56, 61, 62, 63, 71, 72, 81, 83, 90, 93, 96, 97, 98, 105, 143, 144, 145, 146, 164, and 166 as amended and sections 12 and 21a as added by Act No. 207 of the Public Acts of 1990, and sections 18 and 108 as amended by Act No. 197 of the Public Acts of 1989, being sections 388.1603, 388.1606, 388.1608, 388.1611, 388.1612,

388.1615, 388.1617, 388.1618, 388.1619, 388.1621, 388.1621a, 388.1622, 388.1624, 388.1625, 388.1627, 388.1629, 388.1631, 388.1633, 388.1634a, 388.1635, 388.1636, 388.1637, 388.1638, 388.1639, 388.1640, 388.1641, 388.1645, 388.1646, 388.1647, 388.1648, 388.1651, 388.1653, 388.1654, 388.1656, 388.1661, 388.1662, 388.1663, 388.1671, 388.1672, 388.1681, 388.1683, 388.1690, 388.1693, 388.1696, 388.1697, 388.1698, 388.1705, 388.1707, 388.1708, 388.1743, 388.1744, 388.1745, 388.1746, 388.1764, and 388.1766 of the Michigan Compiled Laws; to add sections 7a, 11a, 21b, 23a, 23b, 53a, 64, 99, 101a, 125, 126, 146a, 147, 148, 149, and 159; and to repeal certain acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. The title and sections 3, 6, 8, 11, 12, 15, 17,
2 18, 19, 21, 21a, 22, 24, 25, 27, 29, 31, 33, 34a, 35, 36, 37, 38,
3 39, 40, 41, 45, 46, 47, 48, 51, 53, 54, 56, 61, 62, 63, 71, 72,
4 81, 83, 90, 93, 96, 97, 98, 105, 107, 108, 143, 144, 145, 146,
5 164, and 166 of Act No. 94 of the Public Acts of 1979, sections 3
6 and 107 as amended by Act No. 235 of the Public Acts of 1989,
7 sections 6, 8, 11, 15, 17, 19, 21, 22, 24, 25, 27, 29, 31, 33,
8 34a, 35, 36, 37, 38, 39, 40, 41, 45, 46, 47, 48, 51, 53, 54, 56,
9 61, 62, 63, 71, 72, 81, 83, 90, 93, 96, 97, 98, 105, 143, 144,
10 145, 146, 164 and 166 as amended and sections 12 and 21a as added
11 by Act No. 207 of the Public Acts of 1990, and sections 18 and
12 108 as amended by Act No. 197 of the Public Acts of 1989, being
13 sections 388.1603, 388.1606, 388.1608, 388.1611, 388.1612,
14 388.1615, 388.1617, 388.1618, 388.1619, 388.1621, 388.1621a,

1 388.1622, 388.1624, 388.1625, 388.1627, 388.1629, 388.1631,
2 388.1633, 388.1634a, 388.1635, 388.1636, 388.1637, 388.1638,
3 388.1639, 388.1640, 388.1641, 388.1645, 388.1646, 388.1647,
4 388.1648, 388.1651, 388.1653, 388.1654, 388.1656, 388.1661,
5 388.1662, 388.1663, 388.1671, 388.1672, 388.1681, 388.1683,
6 388.1690, 388.1693, 388.1696, 388.1697, 388.1698, 388.1705,
7 388.1707, 388.1708, 388.1743, 388.1744, 388.1745, 388.1746,
8 388.1764, and 388.1766 of the Michigan Compiled Laws, are amended
9 and sections 7a, 11a, 21b, 23a, 23b, 53a, 64, 99, 101a, 125, 126,
10 146a, 147, 148, 149, and 159 are added to read as follows:

11 TITLE

12 An act to make appropriations to aid in the support of the
13 public schools and the intermediate school districts of the
14 state; TO MAKE APPROPRIATIONS TO THE STATE DEPARTMENTS OF CORREC-
15 TIONS, MENTAL HEALTH, SOCIAL SERVICES, AND STATE POLICE, AND FOR
16 CERTAIN OTHER PURPOSES RELATING TO EDUCATION; to provide for the
17 disbursement of the appropriations; to supplement the school aid
18 fund by the levy and collection of certain taxes; to prescribe
19 the powers and duties of certain state departments, the state
20 board of education, and certain other boards and officials; to
21 prescribe penalties; and to repeal certain acts and parts of
22 acts.

23 Sec. 3. (1) "AVERAGE DAILY ATTENDANCE" MEANS THE AGGREGATE
24 NUMBER OF PUPILS BOTH IN MEMBERSHIP AND INSTRUCTIONAL ATTENDANCE
25 OF A DISTRICT OR INTERMEDIATE DISTRICT, ON EACH DAY OF SCHEDULED
26 PUPIL INSTRUCTION FOR WHICH THE DISTRICT OR INTERMEDIATE DISTRICT
27 UNDER SECTION 101 IS CREDITED A MANDATORY DAY OF PUPIL

1 INSTRUCTION, DIVIDED BY THE AGGREGATE NUMBER OF PUPIL INSTRUCTION
2 DAYS IN A DEFINED REPORTING PERIOD.

3 (2) ~~(1)~~ "Average daily attendance", for the purposes of
4 complying with section 198 of part F of title I of Public Law
5 89-10, 20 U.S.C. 2854, means 92% of the membership as defined in
6 section 6(4).

7 (3) ~~(2)~~ "Board" means the governing body of a district.

8 (4) ~~(3)~~ "Department" means the department of education.

9 (5) ~~(4)~~ "District" means a local school district estab-
10 lished under part 2, 3, 4, 5, or 6 of the school code of 1976 or
11 a local act school district.

12 (6) ~~(5)~~ "District superintendent" means the superintendent
13 of a district.

14 Sec. 6. (1) "Center program" means a program operated by a
15 district or intermediate district for special education pupils
16 from several districts in programs for the autistically impaired,
17 trainable mentally impaired, severely mentally impaired, severely
18 multiply impaired, hearing impaired, physically and otherwise
19 health impaired, and visually impaired. Programs for emotionally
20 impaired pupils housed in buildings that do not serve regular
21 education pupils shall also qualify. Unless otherwise approved
22 by the department, a center program either shall serve all con-
23 stituent districts within an intermediate district or shall serve
24 several districts with less than 50% of the pupils residing in
25 the operating district. In addition, pupils approved by the
26 department, who formerly would have been placed in a center
27 program, placed in noncenter programs to comply with the least

1 restrictive environment provisions of section 612 of the
2 education of the handicapped act, 20 U.S.C. 1412, may be counted
3 under this section provided:

4 (a) The pupil is special education eligible and receiving
5 special education programs or services on the pupil count date;
6 and

7 (b) The pupil is eligible as autistically impaired, traina-
8 ble mentally impaired, severely mentally impaired, and severely
9 multiply impaired.

10 (2) "District pupil retention rate" means the proportion of
11 pupils who have not dropped out of school in the immediately pre-
12 ceding school year and is equal to 1 minus the quotient of the
13 number of pupils unaccounted for in the immediately preceding
14 school year, as determined pursuant to subsection (3), divided by
15 the pupils of the immediately preceding school year.

16 (3) "District pupil retention report" means a report of the
17 number of pupils, excluding migrant and adult, in the district
18 for the immediately preceding school year, adjusted for those
19 pupils who have transferred into the district, transferred out of
20 the district, transferred to alternative programs, and have grad-
21 uated, to determine the number of pupils who are unaccounted
22 for. The number of pupils unaccounted for shall be calculated as
23 determined by the department.

24 (4) "Membership", except as otherwise provided in sections
25 56 and 62, means the number of full-time equivalent pupils in
26 grades K to 12 actually enrolled and in regular daily attendance
27 on the pupil membership count day as determined by the number of

1 pupils registered for attendance plus pupils received by transfer
2 and minus pupils lost as defined by rules promulgated by the
3 state board. In a district operating an extended school year
4 program approved by the state board, a pupil enrolled, but not
5 scheduled to be in regular daily attendance on the pupil member-
6 ship count day, shall be counted. The department shall give a
7 uniform interpretation of full-time and part-time memberships.
8 The state board may provide a district with an adjustment of the
9 district's membership count upon the showing of a substantial
10 increase in membership due to the closing of a nonpublic school
11 after the pupil membership count day. In a district offering
12 classes that are scheduled for a full year in which different
13 pupils participate in different sessions, full-time equated mem-
14 berships shall be determined by dividing the number of class
15 hours scheduled and provided per year per pupil by 900 for ele-
16 mentary and secondary pupils and by 480 for adult pupils. THE
17 ACCUMULATION OF SESSIONS OF THE SAME TRAINING SHALL NOT BE PER-
18 MITTED IN EXCESS OF 1 FULL-TIME EQUATED MEMBERSHIP PER YEAR PER
19 TRAINING STATION AS DETERMINED DURING THE COUNT PERIOD.

20 (5) "Pupil" means a person in membership in a public
21 school. A district must have the approval of the pupil's dis-
22 trict of residence to count the pupil in membership, except
23 approval by the pupil's district of residence shall not be
24 required for adult or nonpublic part-time pupils, for pupils
25 receiving 1/2 or less of their instruction in a district other
26 than their district of residence, or for those pupils who were
27 enrolled and in regular daily attendance and remain enrolled and

1 in regular daily attendance in the district other than their
2 district of residence before April 1, 1981.

3 (6) "Pupil membership count day" of a district means:

4 (a) The fourth Friday following Labor day each school year.

5 (b) For a district maintaining school during the entire
6 school year, the following days:

7 (i) Fourth Friday in July.

8 (ii) Fourth Friday in October.

9 (iii) Fourth Friday in January.

10 (iv) Fourth Friday in April.

11 (c) A district receiving funds from the job training part-
12 nership act, Public Law 97-300, 96 Stat. 1322, or a district
13 operating a training program approved by the department may amend
14 the number of pupils counted on the pupil membership count day to
15 include pupils participating in the job training partnership act
16 program or a training program approved by the department. The
17 pupil membership count day for these pupils shall be the third
18 Friday after the first Monday after the start of instruction for
19 the program. Aid received under section 21(1) for these pupils
20 shall be reduced $1/480$ for each hour of classroom instruction the
21 pupils are scheduled to receive under 480 hours and further
22 reduced to ensure that the combined section 21(1) and the job
23 training partnership act or other approved training program aid
24 for the programs do not exceed the cost of the programs as veri-
25 fied by the intermediate school district of the district operat-
26 ing the programs.

1 (d) For the ~~1990-91~~ 1991-92 school year only, for a
2 district whose pupils are not in regular daily attendance on the
3 pupil membership count day or on any of the 15 regular school
4 days before the pupil membership count day, at the option of the
5 district, either the second or the third Friday following the
6 first Monday after either the start or resumption of pupil
7 instruction.

8 (7) "Rule" means a rule promulgated pursuant to the adminis-
9 trative procedures act of 1969, Act No. 306 of the Public Acts of
10 1969, as amended, being sections 24.201 to 24.328 of the Michigan
11 Compiled Laws.

12 (8) "The school code of 1976" means Act No. 451 of the
13 Public Acts of 1976, as amended, being sections 380.1 to 380.1852
14 of the Michigan Compiled Laws.

15 (9) "School fiscal year" means a fiscal year which commences
16 July 1 and continues through June 30.

17 (10) "State board" means the state board of education.

18 (11) "Tuition pupil" means a pupil of school age attending
19 school in a district other than the pupil's district of
20 residence. A pupil's district of residence shall not require a
21 high school tuition pupil, as provided under section 111, to
22 attend another school district after the pupil has been assigned
23 to a school district.

24 SEC. 7A. THE DEPARTMENT SHALL CONDUCT A COST-EFFICIENCY
25 STUDY AMONG DISTRICTS TO ASCERTAIN THE COMPARATIVE LEVELS OF
26 INSTRUCTIONAL AND NONINSTRUCTIONAL COMPONENT COSTS PER PUPIL
27 (BOTH MEMBERSHIP AND ADA), INCLUDING AN ANALYSIS ON A REGIONAL

1 BASIS. THE DEPARTMENT SHALL REPORT ITS FINDINGS AND
 2 RECOMMENDATIONS TO THE GOVERNOR AND TO THE LEGISLATURE BY JUNE 1,
 3 1992.

4 Sec. 8. ~~In 1991-92 and each year thereafter, on~~ ON the
 5 basis of a district's pupil retention report as defined in sec-
 6 tion 6(3), the department shall calculate an annual pupil dropout
 7 rate for each district. In addition, the department shall calcu-
 8 late an annual pupil dropout rate for the state in the same
 9 manner as that used to calculate the pupil dropout rate for a
 10 district. The department shall report all pupil dropout rates to
 11 the senate and house education committees and appropriations com-
 12 mittees not later than February 1, each year.

13 Sec. 11. There is appropriated from the school aid fund
 14 established by section 11 of article IX of the state constitution
 15 of 1963, for the fiscal year ending September 30, ~~1991~~ 1992,
 16 the sum necessary to fulfill the requirements of this act, and
 17 any deficiency is appropriated from the general fund by the leg-
 18 islature SUBJECT TO LIMITS SPECIFIED IN SECTION 21(1). The
 19 appropriation shall be allocated as provided in this act. The
 20 estimated appropriations and the estimated sources of revenue
 21 provided for in this ~~1989~~ 1991 amendatory act are as follows:

22 GROSS APPROPRIATION.....	\$ 2,785,230,600	2,930,051,700.00
23 Appropriated from:		
24 Total federal.....	53,000,000	62,400,000.00
25 School aid fund.....	\$ 2,032,230,600	1,934,845,400.00

1 State general fund/general

2 purpose..... \$ ~~700,000,000~~ 932,806,300.00

3 SEC. 11A. THERE IS APPROPRIATED FROM THE STATE GENERAL FUND
4 FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1992, THE SUM SPECIFIC
5 AMOUNT OF \$593,517,800.00, AND THE APPROPRIATION SHALL BE ALLO-
6 CATED AS PROVIDED IN SECTIONS 125, 126, 147, 148, AND 149 OF THIS
7 ACT. THE APPROPRIATION AND THE SOURCE OF REVENUE PROVIDED FOR IN
8 THIS SECTION IS AS FOLLOWS:

9 GROSS APPROPRIATION..... \$ 593,517,800.00

10 APPROPRIATED FROM:

11 STATE GENERAL FUND/GENERAL

12 PURPOSE..... \$ 593,517,800.00

13 Sec. 12. The legislature shall allocate sufficient general
14 operating aid under this act so that aggregate unequalized reve-
15 nue among districts not receiving an allocation under
16 section 21(1) does not exceed the following percentages of the
17 sum of the aggregate statewide local operating revenue and gen-
18 eral operating aid received under this act: in the 1991-92 state
19 fiscal year, ~~9%~~ 11.5%; in the 1992-93 state fiscal year, ~~8%~~
20 11%; in the 1993-94 state fiscal year, ~~7%~~ 10.5%; and in the
21 1994-95 state fiscal year and each succeeding state fiscal year,
22 ~~5%~~ 10%. As used in this section, "unequalized revenue" means
23 that amount of general operating revenue available to a district
24 not receiving an allocation under section 21(1) that exceeds the
25 amount of general operating revenue that the district would
26 receive if it were eligible for an allocation under
27 section 21(1).

1 Sec. 15. (1) If a district or intermediate district fails
2 to receive its proper apportionment, the department, upon satis-
3 factory proof that the district or intermediate district was
4 entitled justly, shall apportion the deficiency in the next
5 apportionment. If a district or intermediate district has
6 received more than its proper apportionment, the department, upon
7 satisfactory proof, shall deduct the excess in the next appor-
8 tionment, except that a deduction due to an adjustment by the
9 state tax commission in the equalized valuation of a district or
10 intermediate district shall be made in the apportionment for the
11 fiscal year following the fiscal year in which the state tax com-
12 mission finalizes the valuation. NOTWITHSTANDING ANY OTHER PRO-
13 VISION IN THIS ACT, THE STATE AID OVERPAYMENTS TO A DISTRICT
14 BASED ON ADJUSTMENTS IN SECTION 17 (RELATED TO EXECUTIVE ORDERS
15 IN PRIOR YEARS) MAY BE EQUITABLY RECOVERED FROM THE ALLOCATIONS
16 TO DISTRICTS IN SECTION 146.

17 (2) A deduction, due to an adjustment as a result of an
18 audit conducted by the department, except as specified in subsec-
19 tion (3), shall be deducted from the district's apportionments
20 within a 3-year period beginning in the fiscal year in which the
21 adjustment is finalized. The department may grant an additional
22 2 years if the district would otherwise experience a hardship.

23 (3) A deduction, due to an adjustment as a result of an
24 audit conducted after September 30, 1987 by or for the department
25 with respect to adult education programs, shall be deducted from
26 the district's apportionments within a 1-year period beginning in
27 the fiscal year in which the adjustment is finalized. The

1 department may grant an additional 1 year if the district
2 provides satisfactory evidence of a hardship.

3 Sec. 17. (1) Not later than ~~October 1, December 1,~~
4 ~~February 1, April 1, June 1, and August 1~~ OCTOBER 15, NOVEMBER
5 15, DECEMBER 15, JANUARY 15, FEBRUARY 15, MARCH 15, APRIL 15, MAY
6 15, JUNE 15, AND SEPTEMBER 15, the department shall prepare a
7 statement of the amount to be distributed, ~~exclusive~~ INCLUSIVE
8 of federal social security payments, in the installment to the
9 districts and intermediate districts and deliver the statement to
10 the state treasurer, and the state treasurer shall pay the
11 installments on each of those dates or on the next business day
12 following each of those dates. Except for section 22(2), the
13 portion of the district's or intermediate district's state fiscal
14 year entitlement to be included in each installment shall be
15 ~~20%, 19%, 17%, 16%, 15%, and 13%~~ 10%, 10%, 10%, 9%, 10%, 9%,
16 10%, 9%, 10%, AND 13%, respectively. Section 22(2) allocations
17 shall be paid in full in the October payment. The state trea-
18 surer shall make payment under this section by drawing a warrant
19 in favor of the treasurer of each district or intermediate dis-
20 trict for the amount payable to the district or intermediate dis-
21 trict according to the statement and delivering the warrant to
22 the treasurer of each district or intermediate district or,
23 ~~beginning December 1, 1990,~~ if the state treasurer receives a
24 written request by the treasurer of the district or intermediate
25 district specifying an account, by electronic funds transfer to
26 that account of the amount payable to the district or
27 intermediate district according to the statement. The department

1 may make adjustments in payments made under this section through
2 additional payments when changes in law or errors in computation
3 cause the regularly scheduled payment to be less than the amount
4 to which the district or intermediate district is entitled pursu-
5 ant to this act. For the ~~1989-90~~ 1991-92 school fiscal year
6 only, a district or intermediate district may consider the amount
7 distributed ~~on August 1~~ IN THE SEPTEMBER SCHEDULED PAYMENT of
8 the next school fiscal year to be continuously allocated for
9 either the immediately preceding or current school fiscal year
10 for state accounting purposes. A district or intermediate dis-
11 trict that chooses to allocate the ~~August 1~~ SEPTEMBER payment
12 to the immediately preceding school fiscal year shall notify in
13 writing the department of its decision not later than October 16,
14 ~~1990~~ 1991. Any district or intermediate district that does not
15 so notify the department shall continue to allocate the
16 ~~August 1~~ SEPTEMBER payment for state accounting purposes to the
17 current school fiscal year in which the payments are received
18 under the payment schedule of this section. If a district
19 experiences an increase in membership over the prior year, the
20 ~~August 1~~ SEPTEMBER payment shall be recomputed so that the dis-
21 trict receives credit for the increased membership in the school
22 fiscal year, with the additional amount due the district to be
23 allocated in the February, ~~1~~, April, ~~1~~, or June ~~1~~ SCHEDULED
24 payments or any combination of these payments. However, this
25 additional amount shall then be deducted from the district's sub-
26 sequent ~~August 1~~ SEPTEMBER payment, so that the state pays the

1 district no more, in the state's fiscal year, than the district's
2 proper entitlement under this act.

3 (2) Payments made pursuant to subsection (1) shall be
4 adjusted so that districts and intermediate districts receive, in
5 addition, in their 1982-83 school fiscal year those amounts by
6 which their 1982-83 school fiscal year payments were reduced due
7 to executive order 1982-13. Payments in subsequent fiscal years
8 shall be adjusted so that districts and intermediate districts
9 receive not later than October 31 of their school fiscal year
10 those amounts by which the payments of that school fiscal year
11 were reduced due to this subsection.

12 (3) Payments made pursuant to subsection (1) shall be
13 adjusted so that districts and intermediate districts receive, in
14 addition, in their 1983-84 school fiscal year 60% of those
15 amounts by which their 1983-84 school fiscal year payments were
16 reduced due to Executive Order 1983-5. Payments in subsequent
17 fiscal years shall be adjusted so that districts and intermediate
18 districts receive not later than October 31 for each school
19 fiscal year those amounts by which the payments of that school
20 fiscal year were reduced due to this subsection.

21 (4) In order to ensure that all districts and intermediate
22 districts receive the adjustments provided for in subsections (2)
23 and (3), the department may make any necessary adjustments in
24 individual district and intermediate district payments.

25 (5) ~~Monthly payments~~ PAYMENTS to assist employer districts
26 or employer intermediate districts in meeting their federal
27 social security contribution obligations shall be disbursed by

1 the state treasurer pursuant to THIS section. ~~+46. The~~
 2 ~~department shall prepare a monthly statement of the amount to be~~
 3 ~~distributed to the districts or intermediate districts and~~
 4 ~~deliver the statement to the state treasurer. The state trea-~~
 5 ~~surer shall make payment under this section by drawing a warrant~~
 6 ~~in favor of the treasurer of each district or intermediate dis-~~
 7 ~~trict for the amount payable to the district or intermediate dis-~~
 8 ~~trict according to the statement and delivering the warrant to~~
 9 ~~the treasurer of each district or intermediate district or,~~
 10 ~~beginning December 1, 1990, if the state treasurer receives a~~
 11 ~~written request by the treasurer of the district or intermediate~~
 12 ~~district specifying an account, by electronic funds transfer to~~
 13 ~~that account of the amount payable to the district or intermedi-~~
 14 ~~ate district according to the statement.~~

15 (6) For the ~~+1990-91~~ 1991-92 state fiscal year, if a dis-
 16 trict files a statement with the state treasurer not later than
 17 August 15, ~~+1990~~ 1991 certifying that the district expects the
 18 amount of industrial facility tax levied under Act No. 198 of the
 19 Public Acts of 1974, being sections 207.551 to 207.571 of the
 20 Michigan Compiled Laws, to exceed state school aid payments under
 21 section 21(1) in the ~~+1990-91~~ 1991-92 state fiscal year and the
 22 district's industrial facility tax payment exceeded state school
 23 aid payments under section 21(1) in the ~~+1989-90~~ 1990-91 state
 24 fiscal year, the October ~~+~~ school aid payment shall be
 25 increased by the amount by which the state treasurer certifies
 26 that the industrial facility tax will exceed the payments under
 27 section 21(1). However, the amount of the increase shall not

1 exceed the amount by which the industrial facility tax exceeded
2 section 21(1) state school aid payments in the ~~1989-90~~ 1990-91
3 state fiscal year. If the state tax commission certifies that
4 industrial facility tax collections for a district subject to
5 this subsection are less than the total amount of the payments
6 the district received under section 21(1), the difference shall
7 be deducted from the ~~August~~ SEPTEMBER school aid payment.

8 Sec. 18. (1) Except as provided in SECTION 11A AND IN arti-
9 cles 3, 4, 6, and 14, each district OR OTHER ENTITY shall apply
10 the money received by the district under this act to salaries of
11 teachers and other employees, tuition, transportation, lighting,
12 heating, ventilation, water service, the purchase of textbooks
13 which are designated by the board to be used in the schools under
14 the board's charge, other supplies, and any other school operat-
15 ing expenditures defined in section 7. Except for a district
16 affected by section 22(2), an amount equal to not more than 5% of
17 the total amount received by a district under article 2 may be
18 transferred by the board to either the building and site fund or
19 to the debt retirement fund for debt service for debts contracted
20 after December 8, 1932. The money shall not be applied or taken
21 for a purpose other than as provided in this section. The
22 department shall determine the reasonableness of expenditures and
23 may withhold from a district the apportionment otherwise due for
24 the fiscal year following the discovery by the department of a
25 violation by the district.

26 (2) For the purpose of determining the reasonableness of
27 expenditures and whether a violation of this act has occurred,

1 the department shall require that each district have an audit of
2 the district's financial and pupil accounting records at least
3 annually at the expense of the district by a certified public
4 accountant or by the intermediate district superintendent, as may
5 be required by the department, or in the case of a district of
6 the first class by a certified public accountant, the intermedi-
7 ate superintendent, or the auditor general of the city. The
8 audits and management letters shall be subject to rules pre-
9 scribed by the state board, in consultation with the state audi-
10 tor general. A copy of the report of each audit shall be filed
11 as required by the state board and shall be available to the
12 public in compliance with the freedom of information act, Act
13 No. 442 of the Public Acts of 1976, as amended, being sections
14 15.231 to 15.246 of the Michigan Compiled Laws.

15 Sec. 19. ~~Beginning in 1990-91, in~~ IN order to receive all
16 of the funds for which a district qualifies under this act, a
17 district shall provide to the state board and the public the
18 annual education report described in section 1204a of the school
19 code of 1976, being section 380.1204a of the Michigan Compiled
20 Laws. A district that fails to meet the requirements of this
21 section shall forfeit in ~~1990-91~~ 1991-92 5% of the funds for
22 which the district qualifies under this act.

23 Sec. 21. (1) Except as otherwise provided in this act, from
24 the amount appropriated in section 11, there is AN ESTIMATED
25 TOTAL \$1,990,282,300.00 FROM WHICH IS allocated to each district
26 an amount per membership pupil sufficient to guarantee the
27 district for ~~1990-91~~ 1991-92 a combined state-local yield or

1 gross allowance of \$266.00 plus ~~-\$90.00-~~ \$94.38 for each mill of
2 operating tax levied. THERE IS IMPOSED ON THIS SECTION AN AUTO-
3 MATIC ENROLLMENT/EXPENDITURE LIMIT: IF CALCULATED MEMBERSHIP
4 FORMULA STATE AID EXCEEDS THE TOTAL ESTIMATED ALLOCATIONS IN THIS
5 SUBSECTION, THEN FOR EACH \$450,000.00 OF CALCULATED EXPENDITURES
6 IN EXCESS OF THE TOTAL ESTIMATED ALLOCATION OF THE GROSS ALLOW-
7 ANCE GUARANTEED THE DISTRICT IN THIS SUBSECTION WILL BE ADJUSTED
8 BY A 1-CENT REDUCTION PER MILL PER PUPIL OF OPERATING TAX
9 LEVIED. THERE ALSO IS IMPOSED ON THIS SECTION AN AUTOMATIC
10 REVENUE/EXPENDITURE LIMIT: IF THE NET LOTTERY FUND REVENUES
11 TRANSFERRED TO THE SCHOOL AID FUND FOR THE STATE FISCAL YEAR
12 1991-92 TOTAL \$450,000.00 OR MORE BELOW THE ACTUAL REVENUES
13 TRANSFERRED TO THE SCHOOL AID FUND FOR THE STATE FISCAL YEAR
14 1989-90, THEN FOR EACH \$450,000.00 OF LOTTERY REVENUE LOSS BELOW
15 THE STATE FISCAL YEAR 1989-90 TRANSFERRED REVENUES THE GROSS
16 ALLOWANCE GUARANTEED THE DISTRICT IN THIS SUBSECTION WILL BE
17 ADJUSTED BY A 1-CENT REDUCTION PER MILL PER PUPIL OF OPERATING
18 TAX LEVIED. For purposes of this section, only taxes levied for
19 purposes included in the operation cost of the district as pre-
20 scribed in section 7 shall be considered operating tax. The net
21 allocation for each district shall be an amount per membership
22 pupil computed by subtracting, from the gross allowance guaran-
23 teed the district, the product of the district's state equalized
24 valuation behind each membership pupil and the millage utilized
25 for computing the gross allowance. FROM THE ESTIMATED TOTAL
26 ALLOCATION OF \$1,990,282,300.00 IN THIS SUBSECTION, THE AMOUNT OF
27 \$365,000,000.00 SHALL BE RESERVED FOR PAYMENTS GENERATED BY ADULT

1 EDUCATION AND MISCELLANEOUS PART-TIME MEMBERSHIPS. IN THE EVENT
2 THAT THE TOTAL CALCULATED MEMBERSHIP AID FOR THESE MEMBERSHIPS
3 EXCEEDS \$365,000,000.00 DISTRICT ADULT EDUCATION AND MISCELLA-
4 NEOUS MEMBERSHIP ALLOCATIONS WILL BE PRORATED BY THE DEPARTMENT
5 BACK TO THE TOTAL ALLOCATION OF \$365,000,000.00.

6 GRADUATION AND CLASS INCENTIVES

7 An additional \$30.00 per pupil in gross allowance ~~shall be~~
8 IS allocated to any district that satisfies the requirements
9 specified in subdivisions (a) and (b).

10 (a) The district requires pupils to have completed as a con-
11 dition for graduation in 1991-92 all of the following:

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

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

18 (iii) One year of fine or performing arts, foreign language,
19 or of vocational education or practical arts, or any combination
20 thereof.

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

24 If a class taught in a district reasonably falls within more
25 than 1 of the subject categories listed in subparagraphs (i) to
26 (iv), the district may determine which subject category the class

1 falls within as long as teacher certification requirements are
2 not violated.

3 (b) The district provides for its pupils in grades 9 through
4 12 at least six classes, each consisting of at least 50 minutes
5 of classroom instruction, or a total of not less than 300 minutes
6 of classroom instruction. In either case, at least 30% of the
7 pupils in grades 9 through 12 shall be enrolled in the last
8 period, with the last period being a class of an academic nature
9 that normally would be credited toward high school graduation.
10 This subdivision does not apply to pupils in grade 9 who do not
11 attend classes in the same building as pupils in grades 10
12 through 12.

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

17 In order to be eligible for the additional \$30.00 per pupil
18 permitted under this subsection, unless it has received a waiver
19 under subdivision (b), a district shall submit to the department,
20 not later than October 31, ~~1990~~ 1991, an official copy of the
21 board minutes indicating compliance with the requirements speci-
22 fied in subdivisions (a) and (b).

23 A primary or fourth class school district that sends its
24 resident high school pupils to 1 or more districts shall receive
25 the additional \$30.00 per pupil permitted under this subsection
26 if at least 90% of its resident high school pupils attend schools
27 in districts that satisfy the requirements of either subdivision

1 (a) or (b). In this case, the primary or fourth class district
 2 shall submit to the department not later than October 31, ~~1990~~
 3 1991, a resolution adopted by its board indicating that it com-
 4 plies with this requirement.

5 CLASS SIZE INCENTIVES

6 In ~~1990-91~~ 1991-92, an additional \$14.00 per pupil in
 7 gross allowance ~~shall be~~ IS allocated to any district that sat-
 8 isfies the requirements specified in either of the following
 9 subdivisions:

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

12 (b) The district reduces its average class size in grades K,
 13 1, 2, and 3, taken collectively, by at least 1% from the average
 14 class size in the immediately preceding school year.

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

17 (i) General subject classroom teachers, such as teachers of
 18 reading, language arts, mathematics, science or social studies,
 19 and kindergarten teachers.

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

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

1 (A) Special education teachers.

2 (B) Adult education teachers.

3 (C) Professional or nonprofessional support staff.

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

5 (E) Administrators or supervisors.

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

12 In order to be eligible for the additional \$14.00 per pupil
13 permitted under this subsection, unless it has received a waiver
14 for subdivision (a) or (b), a district shall submit to the
15 department not later than October 31, ~~1990~~ 1991, a resolution
16 adopted by its board indicating that the district complies with
17 the requirements of either subdivision (a) or (b).

18 QUALITY INCENTIVES

19 In ~~1990-91~~ 1991-92, an additional \$25.00 per pupil in
20 gross allowance is allocated to a district that satisfies the
21 requirements of subdivisions (a) through (e), AND AN ADDITIONAL
22 \$10.00 PER PUPIL IN GROSS ALLOWANCE IS ALLOCATED TO A DISTRICT
23 THAT SATISFIES THE REQUIREMENTS OF SUBDIVISION (F), as follows:

24 (a) The district makes available to the state board and the
25 public an annual educational report and ensures that each school
26 in the district distributes to the public an annual education

1 report as described in section 1204a of the school code of 1976,
2 being section 380.1204a of the Michigan Compiled Laws. To be
3 eligible for quality incentive funds under this subsection, a
4 district shall submit to the department not later than October
5 31, ~~1990~~ 1991 a board-adopted resolution indicating the board's
6 intent to comply with section 1204a of the school code of 1976,
7 and not later than July 31, 1991, a copy of the annual educa-
8 tional report prepared and made available pursuant to section
9 1204a of the school code of 1976. An applicant district that
10 fails to comply with the July 31, 1991 requirement of this subdi-
11 vision shall have an appropriate state aid adjustment in the
12 ~~next~~ 1991-92 STATE fiscal year.

13 (b) The district adopts and implements a 3- to 5-year school
14 improvement plan and continuing school improvement process for
15 each school within the district as described in section 1277 of
16 the school code of 1976, being section 380.1277 of the Michigan
17 Compiled Laws. To be eligible for quality incentive funds under
18 this subsection, a district shall submit to the department not
19 later than October 31, 1990 a board-adopted resolution indicating
20 that the district is developing a 3- to 5-year school improvement
21 plan and continuing school improvement process in compliance with
22 section 1277 of the school code of 1976, and not later than
23 July 31, 1991, a copy of the 3- to 5-year school improvement plan
24 and continuing school improvement process for each school within
25 the district. An applicant district that fails to comply with
26 the July 31, 1991 requirement of this subdivision shall have an

1 appropriate state aid adjustment in the ~~next~~ 1991-92 STATE
2 fiscal year.

3 (c) The district ~~submits to the department not later than~~
4 ~~October 31, 1990 a board adopted resolution indicating that by~~
5 ~~the start of the 1991-92 school year the district will make~~
6 MAKES available to all pupils attending public school in the dis-
7 trict a core curriculum as described in section 1278 of the
8 school code of 1976, being section 380.1278 of the Michigan
9 Compiled Laws.

10 (d) The district submits to the department not later than
11 October 31, ~~1990~~ 1991 a board-adopted resolution indicating
12 that ~~the board is taking steps to ensure that~~ by the start of
13 the 1992-93 school year each public school within the district
14 will be accredited as provided in section 1280 of the school code
15 of 1976, being section 380.1280 of the Michigan Compiled Laws.

16 (e) ~~If section 1282a of the school code of 1976 is enacted~~
17 ~~into law, the~~ THE district submits to the department not later
18 than January 31, ~~1991~~ 1992 a board-adopted resolution indicat-
19 ing that beginning in ~~1991-92~~ 1992-93 the district will annu-
20 ally administer a state board approved employability skills
21 assessment as described in ~~that section~~ THE SCHOOL CODE OF
22 1976.

23 (F) THE DISTRICT SUBMITS TO THE DEPARTMENT NOT LATER THAN
24 SEPTEMBER 16, 1991, AN APPLICATION ON A FORM AND IN A MANNER PRE-
25 SCRIBED BY THE DEPARTMENT TO ESTABLISH, EXPAND, OR PROMOTE THE
26 STUDY OF FOREIGN LANGUAGE(S) BY PUPILS IN THE ELEMENTARY GRADES,
27 MIDDLE SCHOOL GRADES, OR BOTH. THE APPLICATION SHALL INCLUDE,

1 BUT IS NOT LIMITED TO, A PLAN WHICH DESCRIBES (1) HOW THE
2 DISTRICT WILL ACHIEVE FOREIGN LANGUAGE OUTCOMES DEFINED IN THE
3 CORE CURRICULUM, (2) HOW THE PUPIL SELECTION PROCESS WILL ENSURE
4 PUPILS IN THE ELEMENTARY GRADES, MIDDLE SCHOOL GRADES, OR BOTH,
5 FAIR ACCESS TO THE INSTRUCTIONAL STUDY OF FOREIGN LANGUAGE, (3)
6 HOW THE DISTRICT WILL ENSURE SUBSTANTIAL CONTINUITY OR UNINTER-
7 RUPTED SEQUENCE OF FOREIGN LANGUAGE STUDIES FROM THE ELEMENTARY
8 GRADE LEVELS THROUGH THE HIGH SCHOOL GRADE LEVELS, AND (4) THE
9 BASIC COST ACCOUNTING PROCEDURE BY WHICH THE DISTRICT WILL ENSURE
10 THAT NOT LESS THAN \$10.00 PER PUPIL WILL BE UTILIZED FOR THE FOR-
11 EIGN LANGUAGE STUDIES PROGRAM IN THE ELEMENTARY SCHOOL, MIDDLE
12 SCHOOL, OR BOTH.

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

22 (3) State equalization allocations to a district shall be
23 adjusted by subtracting from the allocations money received under
24 section 3(c)(1) of title I of chapter 1124, 64 Stat. 1100, 20
25 U.S.C. 238, in the same proportion as the total local revenues
26 covered under the state equalization program are to total local
27 revenues for education in the district, except that not more than

1 the lesser of 50% of the money received under section 3(c)(1) of
2 title I of chapter 1124, 64 Stat. 1100, 20 U.S.C. 238 or \$160.00
3 per pupil shall be subtracted. The proportion shall be based on
4 prior year revenue and prior year impact aid. A deduction in any
5 year shall not exceed the amount of deductible impact aid for
6 which a district is eligible under section 3(c)(1) of title I of
7 chapter 1124, 64 Stat. 1100. Any deductions made under this act
8 shall be consistent with the requirements of section 5 of title I
9 of chapter 1124, 64 Stat. 1100, 20 U.S.C. 240 and its
10 regulations.

11 (4) As used in subsection (5):

12 (a) ~~"Adjusted gross income behind each membership pupil"~~
13 ~~or "AGIpp" means in 1990-91 the calculation obtained by divid-~~
14 ~~ing the district's 1987 adjusted gross income, as certified by~~
15 ~~the department of treasury, by the district's 1989-90 pupil~~
16 ~~membership. Beginning in 1991-92 and each year thereafter,~~
17 ~~AGIpp means the calculation~~ RESULT obtained by dividing the
18 district's latest calendar year adjusted gross income for which
19 data is available as of June 1 before the beginning of the fiscal
20 year, as certified by the department of treasury, by the
21 district's pupil membership for ~~the immediately preceding year~~
22 1991-92.

23 ~~(b) "State average adjusted gross income per membership~~
24 ~~pupil" means the sum of the adjusted gross income of all dis-~~
25 ~~tricts, as certified by the department of treasury, divided by~~
26 ~~the total state pupil membership.~~

1 ~~(c) "State average millage rate" means the sum of the local~~
 2 ~~operating revenue of all districts divided by the sum of the~~
 3 ~~state equalized valuation of all districts.~~

4 (B) ~~(d) "State average state equalized valuation behind~~
 5 ~~each membership pupil" or "SEVpp" means the sum of the state~~
 6 ~~equalized valuation of all districts divided by the total state~~
 7 ~~pupil membership as estimated by the department not later than~~
 8 ~~October 1 of each year~~ RESULT OBTAINED BY DIVIDING THE
 9 DISTRICT'S 1991-92 STATE EQUALIZED VALUATION BY THE DISTRICT'S
 10 1991-92 PUPIL MEMBERSHIP.

11 (5) If a district has more than 500 pupils and if the net
 12 allocation computed for a district pursuant to subsection (1) is
 13 a negative amount, ~~it~~ A PERCENTAGE shall be applied as a deduc-
 14 tion against any funds otherwise tentatively allocated to the
 15 district under all other sections of this act. However, the
 16 deduction made under this subsection shall not exceed a percen-
 17 tage of a district's total tentative state aid allocation under
 18 all other sections of this act, which percentage is determined by
 19 THE FOLLOWING FORMULA UTILIZING the district's state equalized
 20 valuation behind each membership pupil (SEVpp) ~~—~~ AND adjusted
 21 gross income behind each membership pupil (AGIpp). ~~—, and the~~
 22 ~~millage rate utilized for computing the gross allowance.~~

23 ~~THE MILLAGE RATE IS LESS THAN 80% OF THE STATE AVERAGE~~
 24 ~~If a district's millage rate utilized for computing the~~
 25 ~~gross allowance is less than 80% of the immediately preceding~~
 26 ~~year's state average millage rate and the district's AGIpp is~~

~~1 less than or equal to 150% of the state average AGIpp, then the~~
~~2 percentage is equal to 1/3 of the sum of the state average AGIpp~~
~~3 divided by the district's AGIpp, subtracted from 1, plus 2 times~~
~~4 the difference between 1 and the state average SEVpp divided by~~
~~5 the district's SEVpp. However, if the district's SEVpp is less~~
~~6 than or equal to 200% but greater than 150% of the state average~~
~~7 SEVpp, then the district's SEVpp is divided into 2/3 of the state~~
~~8 average SEVpp, or if the district's SEVpp is greater than 200% of~~
~~9 the state average SEVpp, then the district's SEVpp is divided~~
~~10 into 1/3 of the state average SEVpp.~~

~~11 If a district's millage rate utilized for computing the~~
~~12 gross allowance is less than 80% of the immediately preceding~~
~~13 year's state average millage rate and the district's AGIpp is~~
~~14 less than or equal to 200% but greater than 150% of the state~~
~~15 average AGIpp, then the percentage is equal to 1/3 of the sum of~~
~~16 2/3 of the state average AGIpp divided by the district's AGIpp,~~
~~17 subtracted from 1, plus 2 times the difference between 1 and the~~
~~18 state average SEVpp divided by the district's SEVpp. However, if~~
~~19 the district's SEVpp is less than or equal to 200% but greater~~
~~20 than 150% of the state average SEVpp, then the district's SEVpp~~
~~21 is divided into 2/3 of the state average SEVpp, or if the~~
~~22 district's SEVpp is greater than 200% of the state average SEVpp,~~
~~23 then the district's SEVpp is divided into 1/3 of the state aver-~~
~~24 age SEVpp.~~

~~25 If a district's millage rate utilized for computing the~~
~~26 gross allowance is less than 80% of the immediately preceding~~
~~27 year's state average millage rate and the district's AGIpp is~~

~~1 greater than 200% of the state average AGipp, then the percentage~~
~~2 is equal to 1/3 of the sum of 1/3 of the state average AGipp~~
~~3 divided by the district's AGipp, subtracted from 1, plus 2 times~~
~~4 the difference between 1 and the state average SEVpp divided by~~
~~5 the district's SEVpp. However, if the district's SEVpp is less~~
~~6 than or equal to 200% but greater than 150% of the state average~~
~~7 SEVpp, then the district's SEVpp is divided into 2/3 of the state~~
~~8 average SEVpp, or if the district's SEVpp is greater than 200% of~~
~~9 the state average SEVpp, then the district's SEVpp is divided~~
~~10 into 1/3 of the state average SEVpp.~~

~~11 THE MILLAGE RATE IS LESS THAN THE STATE AVERAGE BUT~~
~~12 GREATER THAN OR EQUAL TO 80% OF THE STATE AVERAGE~~
~~13 If a district's millage rate utilized for computing the~~
~~14 gross allowance is less than the immediately preceding year's~~
~~15 state average millage rate but greater than or equal to 80% of~~
~~16 the immediately preceding year's state average millage rate and~~
~~17 the district's AGipp is less than or equal to 150% of the state~~
~~18 average AGipp, then the percentage is equal to 1/2 of the sum of~~
~~19 the state average AGipp divided by the district's AGipp, sub-~~
~~20 tracted from 1, plus the difference between 1 and the state~~
~~21 average SEVpp divided by the district's SEVpp. However, if the~~
~~22 district's SEVpp is less than or equal to 200% but greater than~~
~~23 150% of the state average SEVpp, then the district's SEVpp is~~
~~24 divided into 2/3 of the state average SEVpp, or if the district's~~
~~25 SEVpp is greater than 200% of the state average SEVpp, then the~~
~~26 district's SEVpp is divided into 1/3 of the state average SEVpp.~~

1 ~~If a district's millage rate utilized for computing the~~
 2 ~~gross allowance is less than the immediately preceding year's~~
 3 ~~state average millage rate but greater than or equal to 80% of~~
 4 ~~the immediately preceding year's state average millage rate and~~
 5 ~~the district's AGIpp is less than or equal to 200% but greater~~
 6 ~~than 150% of the state average AGIpp, then the percentage is~~
 7 ~~equal to 1/2 of the sum of 2/3 of the state average AGIpp divided~~
 8 ~~by the district's AGIpp, subtracted from 1, plus the difference~~
 9 ~~between 1 and the state average SEVpp divided by the district's~~
 10 ~~SEVpp. However, if the district's SEVpp is less than or equal to~~
 11 ~~200% but greater than 150% of the state average SEVpp, then the~~
 12 ~~district's SEVpp is divided into 2/3 of the state average SEVpp,~~
 13 ~~or if the district's SEVpp is greater than 200% of the state~~
 14 ~~average SEVpp, then the district's SEVpp is divided into 1/3 of~~
 15 ~~the state average SEVpp.~~

16 ~~If a district's millage rate utilized for computing the~~
 17 ~~gross allowance is less than the immediately preceding year's~~
 18 ~~state average millage rate but greater than or equal to 80% of~~
 19 ~~the immediately preceding year's state average millage rate and~~
 20 ~~the district's AGIpp is greater than 200% of the state average~~
 21 ~~AGIpp, then the percentage is equal to 1/2 of the sum of 1/3 of~~
 22 ~~the state average AGIpp divided by the district's AGIpp, sub-~~
 23 ~~tracted from 1, plus the difference between 1 and the state~~
 24 ~~average SEVpp divided by the district's SEVpp. However, if the~~
 25 ~~district's SEVpp is less than or equal to 200% but greater than~~
 26 ~~150% of the state average SEVpp, then the district's SEVpp is~~
 27 ~~divided into 2/3 of the state average SEVpp, or if the district's~~

~~1 SEVpp is greater than 200% of the state average SEVpp, then the
2 district's SEVpp is divided into 1/3 of the state average SEVpp.~~

~~3 THE MILLAGE RATE IS GREATER THAN OR EQUAL TO THE STATE AVERAGE~~

~~4 If a district's millage rate utilized for computing the
5 gross allowance is greater than or equal to the immediately pre-
6 ceding year's state average millage rate and the district's AGIpp
7 is less than or equal to 150% of the state average AGIpp, then
8 the percentage is equal to 1/4 of the sum of the state average
9 AGIpp divided by the district's AGIpp, subtracted from 1, plus
10 the difference between 1 and the state average SEVpp divided by
11 the district's SEVpp, plus 2 times the difference between 1 and
12 the district millage rate utilized for computing the gross allow-
13 ance divided by the immediately preceding year's state average
14 millage rate. However, if the district's SEVpp is less than or
15 equal to 200% but greater than 150% of the state average SEVpp,
16 then the district's SEVpp is divided into 2/3 of the state aver-
17 age SEVpp, or if the district's SEVpp is greater than 200% of the
18 state average SEVpp, then the district's SEVpp is divided into
19 1/3 of the state average SEVpp.~~

~~20 If a district's millage rate utilized for computing the
21 gross allowance is greater than or equal to the immediately pre-
22 ceding year's state average millage rate and the district's AGIpp
23 is less than or equal to 200% but greater than 150% of the state
24 average AGIpp, then the percentage is equal to 1/4 of the sum of
25 2/3 of the state average AGIpp divided by the district's AGIpp,
26 subtracted from 1, plus the difference between 1 and the state~~

1 ~~average SEVpp divided by the district's SEVpp, plus 2 times the~~
 2 ~~difference between 1 and the district millage rate utilized for~~
 3 ~~computing the gross allowance divided by the immediately preced-~~
 4 ~~ing year's state average millage rate. However, if the~~
 5 ~~district's SEVpp is less than or equal to 200% but greater than~~
 6 ~~150% of the state average SEVpp, then the district's SEVpp is~~
 7 ~~divided into 2/3 of the state average SEVpp, or if the district's~~
 8 ~~SEVpp is greater than 200% of the state average SEVpp, then the~~
 9 ~~district's SEVpp is divided into 1/3 of the state average SEVpp.~~

10 ~~If a district's millage rate utilized for computing the~~
 11 ~~gross allowance is greater than or equal to the immediately pre-~~
 12 ~~ceding year's state average millage rate and the district's AGIpp~~
 13 ~~is greater than 200% of the state average AGIpp, then the percen-~~
 14 ~~tage is equal to 1/4 of the sum of 1/3 of the state average AGIpp~~
 15 ~~divided by the district's AGIpp, subtracted from 1, plus the~~
 16 ~~difference between 1 and the state average SEVpp divided by the~~
 17 ~~district's SEVpp, plus 2 times the difference between 1 and the~~
 18 ~~district millage rate utilized for computing the gross allowance~~
 19 ~~divided by the immediately preceding year's state average millage~~
 20 ~~rate. However, if the district's SEVpp is less than or equal to~~
 21 ~~200% but greater than 150% of the state average SEVpp, then the~~
 22 ~~district's SEVpp is divided into 2/3 of the state average SEVpp,~~
 23 ~~or if the district's SEVpp is greater than 200% of the state~~
 24 ~~average SEVpp, then the district's SEVpp is divided into 1/3 of~~
 25 ~~the state average SEVpp.~~

26 DEDUCTION PERCENTAGE = $67 + .000002 \text{ SEVPP} + .00078 \text{ AGIPP} - 3.21$

27 MILLS

1 (6) The percentage obtained under subsection (5) shall not
2 exceed ~~99%~~ 92%, and shall be applied after the following
3 adjustments which shall be based upon per pupil or per profes-
4 sional staff member cost in each program:

5 (a) The categorical allocations for sections 52 and 61 shall
6 be reduced a proportionate amount for nonresident pupils, and the
7 categorical allocation for section 97 shall be reduced a propor-
8 tionate amount for each professional staff member not an employee
9 of the district.

10 (b) The categorical allocations for section 52 shall be
11 increased a proportionate amount for pupils enrolled in a program
12 operated by another district or the intermediate district, and
13 the categorical allocation for section 97 shall be increased a
14 proportionate amount for each professional staff member partici-
15 pating in a consortium of districts, or of districts and interme-
16 diate districts, where the legal fiscal agency is another dis-
17 trict or intermediate district.

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

20 (8) The statewide deductions made under subsection (5) shall
21 not exceed \$72,093,600.00 in ~~1990-91~~ 1991-92.

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

1 Sec. 21a. (1) From the amount appropriated in section 11,
2 there is allocated an amount not to exceed \$1,600,000.00 for
3 ~~+1990-91+~~ 1991-92 to applicant districts, intermediate districts,
4 and consortia of districts to provide support services for devel-
5 oping and adopting long-range school improvement plans, to pre-
6 pare and distribute an annual education report, to prepare for
7 accreditation, and to adopt a core curriculum as a means of rais-
8 ing academic standards and improving school accountability. Each
9 district and intermediate district is eligible to receive a mini-
10 mum of \$640.00 per classroom building. If funds remain after
11 allocation to all applicant districts and intermediate districts,
12 these funds shall be distributed proportionately among buildings
13 that have more than 30 classroom teachers. An intermediate dis-
14 trict may act as the fiscal agent for a consortium of districts.

15 (2) In order to be eligible for funding under this section,
16 an applicant district or intermediate district shall submit to
17 the department for approval a ~~proposal for developing and~~
18 ~~adopting~~ 3- to 5-year school improvement plans, an annual educa-
19 tion report, AND A PROPOSAL FOR DEVELOPING AND ADOPTING an
20 accreditation plan ~~—~~ and a core curriculum. The proposal shall
21 be developed in accordance with criteria established by the
22 department.

23 (3) From the amount appropriated in section 11, there is
24 allocated an amount not to exceed \$800,000.00 for ~~+1990-91+~~
25 1991-92 to applicant intermediate districts and consortia of
26 intermediate districts to provide support services and technical
27 assistance for school improvement planning, core curriculum

1 development, accreditation, development of annual education
2 reports, and the development of state board-approved employabi-
3 lity skills assessment programs for districts. In order to
4 receive funds under this subsection, an intermediate district or
5 consortia of intermediate districts, as applicable, shall submit
6 an application in accordance with criteria established by the
7 department.

8 SEC. 21B. (1) FUNDS ALLOCATED UNDER SECTION 21(1) MAY BE
9 USED TO PAY THE TUITION AND FEES OF A DISTRICT STUDENT ATTENDING
10 A PUBLIC POSTSECONDARY INSTITUTION UNDER THE FOLLOWING
11 CONDITIONS:

12 (A) THE STUDENT HAS EARNED SUFFICIENT CREDITS AND NEEDS 5 OR
13 FEWER CREDITS TO ACHIEVE THE TOTAL REQUIRED FOR GRADUATION FROM
14 THE DISTRICT HIGH SCHOOL.

15 (B) THE STUDENT IS ENROLLED IN THE DISTRICT HIGH SCHOOL FOR
16 THE NUMBER OF CREDITS HE OR SHE NEEDS TO FULFILL THE GRADUATION
17 REQUIREMENTS OF THE DISTRICT.

18 (C) THE STUDENT IS ALSO ENROLLED IN A PUBLIC POSTSECONDARY
19 INSTITUTION FOR 1 OR MORE COURSES.

20 (D) THE DISTRICT RECEIVES SECTION 21(1) FUNDS UNDER THE
21 SCHOOL AID ACT.

22 (2) PAYMENTS UNDER THIS SECTION SHALL ONLY BE MADE FOR
23 COURSES NOT OFFERED AT THE DISTRICT HIGH SCHOOL.

24 (3) THE DISTRICT SHALL PROVIDE TO THE DUALY-ENROLLED STU-
25 DENT A LETTER INDICATING HIS OR HER ELIGIBILITY FOR TUITION/FEE
26 SUPPORT UNDER THE CRITERIA STIPULATED IN THIS SECTION.

1 (4) THE PUBLIC POSTSECONDARY INSTITUTION SHALL TRANSMIT TO
2 THE SCHOOL DISTRICT A BILL FOR THE TUITION/FEE OF THE
3 DUALY-ENROLLED HIGH SCHOOL STUDENT, AND THE DISTRICT SHALL REMIT
4 TO THE POSTSECONDARY INSTITUTION FUNDS FOR THE PAYMENT OF THOSE
5 TUITION AND FEES.

6 (5) UPON COMPLETION OF THE HIGH SCHOOL GRADUATION REQUIRE-
7 MENTS, THE STUDENT IS NO LONGER ELIGIBLE FOR TUITION/FEE SUPPORT
8 UNDER THIS SECTION.

9 Sec. 22. (1) A district formed after January 1, ~~+1990-~~ 1991
10 by the consolidation or annexation of 2 or more districts or the
11 attachment of a total district to another district is entitled to
12 receive in ~~+1990-91-~~ 1991-92 the same total allocation under sec-
13 tion 21(1) that the individual districts that make up the new
14 district would have been entitled to receive in ~~+1990-91-~~ 1991-92
15 as separate districts.

16 (2) From the money appropriated in section 11, there is
17 allocated an amount not to exceed ~~-\$350,000.00-~~ \$100,000.00 for
18 ~~+1990-91-~~ 1991-92 for districts formed by the consolidation or
19 annexation of 2 or more districts or the attachment of a total
20 district to another district after November 1, 1982. In order to
21 be eligible to receive reorganization payments, districts shall
22 have been formed by the consolidation or annexation of 2 or more
23 districts or the attachment of a total district to another dis-
24 trict not later than the second Monday in June immediately pre-
25 ceding the fiscal year in which the payments are to be received.
26 Payments to eligible reorganized districts shall be, in the first
27 year of the reorganization, the sum of \$850.00 per pupil for each

1 transferred pupil in membership on the pupil membership count day
2 or tuition pupil as provided for in section 111 in the school
3 fiscal year immediately preceding the reorganization in the dis-
4 trict contributing the least number of pupils to the reorganized
5 district, \$600.00 per each such pupil in the second year of the
6 reorganization, and \$350.00 per each such pupil in the third year
7 of the reorganization. As an alternative an eligible reorganized
8 district resulting from the merger of 3 or more total districts
9 may elect a payment that shall be \$850.00 per pupil in the first
10 year of the reorganization for each transferred pupil in member-
11 ship on the pupil membership count date or tuition pupil as pro-
12 vided for in section 111 in the school fiscal year immediately
13 preceding the reorganization in the districts other than the dis-
14 trict contributing the largest number of pupils to the reorga-
15 nized district, \$600.00 per each such pupil in the second year of
16 the reorganization, and \$350.00 per each such pupil in the third
17 year of the reorganization, except that payment shall not be made
18 for more than 1,000 pupils to any 1 reorganized district under
19 this alternative provision. Payments made to reorganized dis-
20 tricts under this subsection shall not exceed 3 years.

21 SEC. 23A. (1) FROM THE AMOUNT APPROPRIATED IN SECTION 11,
22 THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED \$1,000,000.00 FOR
23 1991-92 TO APPLICANT INTERMEDIATE DISTRICTS FOR PLANNING, TECHNICAL
24 ASSISTANCE, AND IMPLEMENTATION OF AN IN-DISTRICT AND
25 CROSS-DISTRICT SCHOOLS OF CHOICE ENROLLMENT PROGRAM. THE AMOUNT
26 GRANTED TO AN INTERMEDIATE DISTRICT SHALL BE NOT LESS THAN
27 \$5,000.00 NOR MORE THAN \$50,000.00.

1 (2) DISTRICTS SHALL ESTABLISH A SCHOOLS OF CHOICE PLANNING
2 COMMITTEE COMPRISED OF PARENTS, TEACHERS, PRINCIPALS, AND OTHER
3 SCHOOL ADMINISTRATORS.

4 (3) THE SCHOOLS OF CHOICE PLANNING COMMITTEE SHALL DEVELOP
5 AND SUBMIT FOR APPROVAL TO THE DEPARTMENT AN "IN-DISTRICT"
6 SCHOOLS OF CHOICE PROGRAM TO BE IMPLEMENTED DURING 1992-93.

7 (4) THE "IN-DISTRICT" SCHOOLS OF CHOICE PROGRAM SHALL
8 INCLUDE, BUT NOT BE LIMITED TO, ALL OF THE FOLLOWING:

9 (A) A PLAN TO ENSURE THAT ALL PARENTS, LEGAL GUARDIANS, AND
10 PERSONS IN LOCO PARENTIS OF A SCHOOL-AGED CHILD RESIDING WITHIN
11 THE LOCAL DISTRICT ARE PROVIDED WITH BOTH OF THE FOLLOWING:

12 (i) ADEQUATE INFORMATION ABOUT THE SCHOOLS OF CHOICE PROGRAM
13 SO THAT THEY MAY MAKE INFORMED DECISIONS ABOUT WHICH SCHOOL THEIR
14 CHILD WILL ATTEND.

15 (ii) ACCESS TO COUNSELING ABOUT THE SCHOOLS OF CHOICE
16 PROGRAM.

17 (B) A PLAN TO ENSURE THAT TRANSPORTATION TO THE SCHOOL OF
18 CHOICE SHALL BE PROVIDED TO A CHILD IF THE CHILD IS FROM A LOW
19 INCOME FAMILY, AS DETERMINED BY THE DEPARTMENT, OR FROM A
20 SINGLE-PARENT OR TWO-CAREER FAMILY THAT FALLS BELOW AN INCOME
21 LEVEL DETERMINED BY THE DEPARTMENT, AND THAT CANNOT PROVIDE
22 TRANSPORTATION FOR THE CHILD DUE TO A JOB-RELATED SCHEDULE
23 CONFLICT.

24 (C) NOTWITHSTANDING THE REQUIREMENT DESCRIBED IN
25 _____.

26 (D) A PLAN TO ENSURE THAT EACH CHILD HAS AN EQUAL
27 OPPORTUNITY FOR ENROLLMENT WITHIN THE OPEN ENROLLMENT SPACE

1 PROVIDED IN THE SCHOOL THAT HIS OR HER PARENT, LEGAL GUARDIAN, OR
2 PERSON IN LOCO PARENTIS CHOOSES FOR HIM OR HER. IF THE NUMBER OF
3 PUPIL APPLICANTS EXCEEDS THE AVAILABLE ENROLLMENT POSITIONS
4 ASCRIBED TO EACH SCHOOL, THEN PUPILS WILL BE SELECTED THROUGH A
5 RANDOM SELECTION PROCESS. EXCEPTIONS COULD BE MADE FOR A PUPIL
6 WITH A FAMILY OR FOSTER FAMILY MEMBER ALREADY ATTENDING THE
7 PUPIL'S SCHOOL OF CHOICE.

8 (E) A PROVISION THAT IF THE SCHOOL BOARD HAS JOINED AN ATH-
9 LETIC ASSOCIATION, THE PUPILS AND SCHOOLS OF THE DISTRICT WILL
10 REMAIN SUBJECT TO THE RULES OF THAT ASSOCIATION, AND A PROVISION
11 THAT A PUPIL WHO TRANSFERS TO A DIFFERENT SCHOOL IN THE DISTRICT
12 PURSUANT TO THIS SECTION SHALL BE INELIGIBLE TO PARTICIPATE IN
13 INTERSCHOLASTIC ATHLETICS FOR A PERIOD OF 1 SCHOOL YEAR FROM THE
14 DATE HE OR SHE TRANSFERS.

15 (5) THE DEPARTMENT SHALL DO ALL OF THE FOLLOWING:

16 (A) PROVIDE GUIDELINES FOR DISTRICTS TO USE IN DETERMINING
17 ELIGIBILITY FOR TRANSPORTATION ASSISTANCE.

18 (B) PROVIDE TECHNICAL ASSISTANCE AND ADMINISTRATIVE SUPPORT,
19 AS REQUESTED.

20 (C) DISSEMINATE INFORMATION TO DISTRICTS, THE PUBLIC, AND
21 THE LEGISLATURE ON THE CHARACTERISTICS AND SUCCESS OF IN-DISTRICT
22 CHOICE PROGRAMS IMPLEMENTED UNDER THIS SECTION.

23 (D) MONITOR ALL SCHOOLS OF CHOICE PROGRAMS TO DETERMINE IF
24 THE PROGRAMS ARE IN COMPLIANCE WITH GUIDELINES LISTED IN SUBSEC-
25 TION 4(A).

1 (E) DEVELOP GUIDELINES FOR THE POSSIBLE TRANSITION TO
2 SCHOOLS OF CHOICE WITHIN THE BOUNDARIES OF THE INTERMEDIATE
3 DISTRICT IN WHICH A PUPIL RESIDES.

4 (F) IDENTIFY NECESSARY FUNDING INCREASES FOR THE TRANSPORTA-
5 TION ALLOCATION IN THE SCHOOL AID ACT TO COVER THE COST OF
6 SCHOOLS OF CHOICE TRANSPORTATION.

7 (6) THE INTERMEDIATE DISTRICT BOARD SHALL ESTABLISH A
8 SCHOOLS OF CHOICE PLANNING COMMITTEE COMPRISED OF PARENTS, TEACH-
9 ERS, PRINCIPALS, OTHER SCHOOL ADMINISTRATORS, AND REPRESENTATIVES
10 OF EXISTING IN-DISTRICT SCHOOLS OF CHOICE COMMITTEES WITHIN THE
11 BOUNDARIES OF THE INTERMEDIATE DISTRICT.

12 (7) THE INTERMEDIATE DISTRICT PLANNING COMMITTEE SHALL WORK
13 WITH THE DEPARTMENT AND DISTRICT SCHOOLS OF CHOICE COMMITTEES TO
14 DEVELOP AND SUBMIT FOR APPROVAL A SCHOOLS OF CHOICE PROGRAM WHICH
15 THE INTERMEDIATE DISTRICT COULD IMPLEMENT IN THE NEXT SUCCEEDING
16 SCHOOL YEAR.

17 (8) THE PLAN DEVELOPED BY THE INTERMEDIATE DISTRICT COMMIT-
18 TEE SHALL REQUIRE THAT EVERY DISTRICT WITHIN THE INTERMEDIATE
19 DISTRICT SHALL ALLOW AN OPEN ENROLLMENT OF A MINIMUM OF 1% OF THE
20 DISTRICT'S ENROLLMENT.

21 (9) THE PLAN WILL INCLUDE AN EXPLANATION OF HOW PUPIL
22 ASSIGNMENT AND TRANSFER POLICIES SHALL ADHERE TO EXISTING COURT
23 ORDERS, IF ANY, OR OTHERWISE MAINTAIN DISTRICT STANDARDS OF
24 RACIAL AND ETHNIC INTEGRATION.

25 SEC. 23B. (1) FROM THE AMOUNT APPROPRIATED IN SECTION 11,
26 THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED \$750,000.00 FOR
27 1991-92 FOR GRANTS TO APPLICANT PUBLIC UNIVERSITIES TO PLAN FOR

1 OPERATING AN INSTRUCTIONAL PROGRAM FOR 1992-93 FOR PUPILS IN
2 GRADES K-6, 6-8, OR 9-12 OR ANY COMBINATION THEREOF. THE MAXIMUM
3 PLANNING GRANT FOR ANY UNIVERSITY SHALL BE \$100,000.00.

4 (2) IN ORDER TO RECEIVE FUNDS UNDER THIS SECTION, A PUBLIC
5 UNIVERSITY SHALL SUBMIT BY OCTOBER 31, 1991, TO THE DEPARTMENT AN
6 APPLICATION ON A FORM AND IN A MANNER PRESCRIBED BY THE
7 DEPARTMENT. THE APPLICATION SHALL INCLUDE, BUT IS NOT LIMITED
8 TO, ALL OF THE FOLLOWING:

9 (A) IDENTIFICATION OF THE PROPOSED GRADE LEVELS FOR WHICH
10 THE UNIVERSITY PLANS TO OPERATE AN INSTRUCTIONAL PROGRAM.

11 (B) DESCRIPTION OF THE PROPOSED STAFFING PATTERN FOR THE
12 SCHOOL.

13 (C) IDENTIFICATION OF THE SCHOOL DISTRICTS FROM WHICH STU-
14 DENTS WOULD BE ELIGIBLE TO ATTEND THE UNIVERSITY SCHOOL.

15 (D) A DESCRIPTION OF THE PROCESS WHEREBY STUDENTS WOULD BE
16 SELECTED FOR ENROLLMENT.

17 (E) A DESCRIPTION OF THE PROPOSED CURRICULUM FEATURES TO
18 WHICH THE UNIVERSITY SCHOOL SHALL GIVE HIGHEST PRIORITY.

19 (3) THE DEPARTMENT SHALL REVIEW AND APPROVE APPLICATIONS FOR
20 FUNDING, IF ANY, BY NOVEMBER 30, 1991, AND SHALL RESPOND TO EACH
21 UNIVERSITY GRANTEE WITH A DETAILED SUMMARY REPORT OF THE
22 DEPARTMENT'S COMMENTS AND SUGGESTIONS.

23 (4) EACH RECIPIENT UNIVERSITY SHALL PROVIDE, NOT LATER THAN
24 MARCH 31, 1992, TO THE DEPARTMENT OF EDUCATION, THE DEPARTMENT OF
25 MANAGEMENT AND BUDGET, AND THE RESPECTIVE K-12 APPROPRIATIONS
26 SUBCOMMITTEES OF THE HOUSE OF REPRESENTATIVES AND SENATE, A

1 PRELIMINARY VERSION OF ITS IMPLEMENTATION PLAN FOR THE OFFERING
2 OF CLASSES IN A UNIVERSITY SCHOOL IN 1992-93.

3 (5) THE DEPARTMENT SHALL REVIEW THE PRELIMINARY IMPLEMENTA-
4 TION PLANS AND MAKE FINAL RECOMMENDATIONS TO THE GOVERNOR BY
5 APRIL 30, 1991 FOR FUNDING UNIVERSITY SCHOOLS IN 1992-93. THE
6 STATE BUDGET DIRECTOR WILL SUBMIT TO THE LEGISLATURE BY MAY 31,
7 1991, THE GOVERNOR'S REVISED EXECUTIVE BUDGET RECOMMENDATION FOR
8 FUNDING UNIVERSITY SCHOOLS FOR 1992-93.

9 Sec. 24. (1) A pupil under court jurisdiction who is placed
10 in a private home or in a private or public institution located
11 outside the district in which the pupil's parents or legal guard-
12 ians reside may be counted as a resident of the district of
13 attendance if other than the district of the pupil's parents or
14 legal guardian. The pupil shall be counted by the district of
15 attendance as 1-1/2 memberships. The total membership of these
16 pupils shall be computed by adding the membership days attended
17 by the pupils before April 1 of the current school year and
18 dividing the total by the number of days in the school year of
19 the district before April 1 of the current school year. Except
20 as provided in subsection (2), the membership thus obtained shall
21 be certified by the district to the department, which shall
22 adjust the total membership of the district accordingly in deter-
23 mining the school aid to be paid during the current fiscal year.

24 (2) In districts not receiving aid under section 21(1), the
25 membership for these students shall be counted in membership in
26 the intermediate district. For each pupil, the intermediate
27 district shall receive under section 21(1) a membership aid gross

1 allowance computed by averaging the actual membership aid gross
2 allowances of the intermediate district's constituent districts
3 weighted as to membership. The resulting membership aid shall be
4 paid by the intermediate district to the district.

5 (3) Intermediate districts operating programs for children
6 in homes operated by the juvenile division of the probate court
7 under section 628 of the school code of 1976, being
8 section 380.628 of the Michigan Compiled Laws, are allowed 1-1/2
9 memberships using the formula described in subsection (1) and
10 shall receive membership aid as computed under subsection (2).
11 Funds received under this section may be used to employ regular
12 education personnel employed to meet the educational needs of
13 these pupils.

14 (4) Special education pupils funded under section 53 shall
15 not be counted under this section.

16 (5) FROM THE AMOUNT APPROPRIATED IN SECTION 11, THERE IS
17 ALLOCATED AN AMOUNT NOT TO EXCEED \$13,200,000.00 FOR PAYMENTS
18 UNDER THIS SECTION FOR COURT-PLACED CHILDREN.

19 Sec. 25. From the amount appropriated in section 11, there
20 is allocated an amount not to exceed \$20,000,000.00 in ~~1990-91~~
21 1991-92 to applicant districts with nonschool operating property
22 taxes. An applicant district's entitlement shall be determined
23 through a process of gross allowance increase as follows:

24 (a) An application may be filed by the district in form and
25 content as prescribed by the department showing the total taxes
26 levied on property located within the district by the taxing

1 agencies, including the district, but excluding taxes levied for
2 school operating purposes.

3 (b) Using the total property taxes for the immediately pre-
4 ceding year as last reported by the state tax commission for the
5 entire state, but excluding the taxes levied for school operating
6 purposes, the department shall determine the tax rate for the
7 entire state. The applicant district's tax rate shall be deter-
8 mined by dividing the figure obtained in subdivision (a) by the
9 district's prior year state equalized valuation.

10 (c) If the resulting tax rate for the applicant district is
11 125% or more of the resulting tax rate for the districts of the
12 state, the gross allowance of the applicant district computed
13 pursuant to section 21(1) shall be increased by the percentage by
14 which the resulting tax rate in the applicant district exceeds
15 125% of the resulting tax rates in all districts of the state.

16 (d) Each applicant district's entitlement under this subsec-
17 tion shall be the difference between the allocation received by
18 the district under section 21(1) and the allocation the district
19 would have received under section 21(1) as recomputed using the
20 gross allowance as increased in subdivision (c).

21 (e) A district receiving funds under section 27 shall not
22 receive funds under this section.

23 Sec. 27. (1) From the amount appropriated in section 11,
24 there is allocated an amount not to exceed \$20,000,000.00 for
25 ~~1990-91~~ 1991-92 to districts that meet all of the following
26 criteria:

1 (a) The district levied not less than 20 mills and levied
2 not less than the district's authorized millage rate for school
3 operating purposes after any reduction required by section 31 of
4 article IX of the state constitution of 1963 in 1989-90, ~~and~~
5 1990-91, AND 1991-92.

6 (b) The district's authorized operating millage rate before
7 a reduction required by section 31 of article IX of the state
8 constitution of 1963 is not less than the immediately preceding
9 year's authorized rate before a reduction required by section 31
10 of article IX of the state constitution of 1963. However, upon
11 application to and approval by the department, those mills autho-
12 rized and levied in the immediately preceding year for specific
13 limited term purposes as determined by the department shall not
14 be considered when determining eligibility under this
15 subdivision.

16 (c) The district may receive an allocation under section 25
17 or section 27, whichever is greater. However, a district shall
18 not receive funds from both sections 25 and 27.

19 (d) The district has an average adjusted gross income per
20 membership pupil less than 75% of the state average adjusted
21 gross income per membership pupil. ~~Beginning in 1990-91 and~~
22 ~~each year thereafter, the~~ THE adjusted gross income per member-
23 ship pupil shall be calculated by dividing the district's latest
24 calendar year adjusted gross income for which data is available
25 as of June 1 before the beginning of the fiscal year, as certi-
26 fied by the department of treasury, by the district's membership
27 for the immediately preceding year.

1 (2) Each district is entitled under this section to \$1.00
2 per pupil for each \$1.00 that the district's average adjusted
3 gross income per pupil is below 75% of the state average adjusted
4 gross income per pupil. However, the allocation per pupil pro-
5 vided under this section, when combined with the sum of the per
6 pupil allocation under section 21(1) calculated using the millage
7 utilized for computing the gross allowance in ~~1989-90~~ 1990-91
8 and the product of the district's state equalized valuation
9 behind each membership pupil utilized for computing the gross
10 allowance in ~~1990-91~~ 1991-92 and the millage utilized for com-
11 puting the gross allowance in ~~1989-90~~ 1990-91, shall not exceed
12 in ~~1990-91~~ 1991-92 either ~~\$3,200.00~~ \$3,359.00 per pupil or
13 117% of the sum of the product of the district's state equalized
14 valuation behind each membership pupil utilized for computing the
15 gross allowance in ~~1989-90~~ 1990-91 and the district's ~~1989-90~~
16 1990-91 levied millage for school operations and the district's
17 ~~1989-90~~ 1990-91 membership aid per pupil under section 21(1),
18 whichever is less.

19 ~~(3) If a district in 1989-90 met all of the criteria neces-~~
20 ~~sary to receive funds under this section that were set forth in~~
21 ~~Act No. 235 of the Public Acts of 1989 and did not receive the~~
22 ~~funds due to the expiration of specific limited term mills, the~~
23 ~~district, if eligible, shall receive in 1990-91 the funds other-~~
24 ~~wise due the district in 1989-90. To be eligible to receive~~
25 ~~funds under this subsection, the district shall submit to the~~
26 ~~department not later than October 15, 1990 an application for~~
27 ~~approval by the department.~~

1 (3) ~~(4)~~ As used in this section, "state average adjusted
2 gross income per membership pupil" means the sum of the adjusted
3 gross income of all districts, as certified by the department of
4 treasury, divided by the total state pupil membership.

5 ~~(5) A district that received funds under this section in
6 1989-90 but is not eligible in 1990-91 shall receive in 1990-91
7 50% of the funds the district received in 1989-90. This subsec-
8 tion does not apply if a district receives an allocation under
9 section 25 in 1990-91 that is greater than the allocation for
10 which the district is otherwise eligible under this subsection.~~

11 Sec. 29. From the amount appropriated in section 11 for
12 ~~1990-91~~ 1991-92, there is allocated an amount not to exceed
13 \$100,000.00 for the following:

14 In districts not receiving aid under section 21(1), the mem-
15 bership for foreign born pupils who live in tax-exempt housing
16 owned by a 4-year college or university and whose native language
17 is other than English or for whom the primary language of the
18 home environment is other than English shall be counted in mem-
19 bership in the intermediate district. For each pupil, the inter-
20 mediate district shall receive under this section 25% of a mem-
21 bership aid gross allowance computed by averaging the actual mem-
22 bership aid gross allowances of the intermediate district's con-
23 stituent districts weighted as to membership. The resulting mem-
24 bership aid shall be paid, without deduction, by the intermediate
25 district to the district.

26 Sec. 31. From the amount appropriated in section 11, there
27 is allocated \$23,520,000.00 for ~~1990-91~~ 1991-92, but not to

1 exceed \$300.00 per eligible pupil, to enable eligible districts
2 to establish or to continue, in conjunction with whatever federal
3 funds may be available under chapter 1 of the education consoli-
4 dation and improvement act of 1981, Public Law 97-35,
5 Stat. 463-482, comprehensive compensatory education programs
6 designed to improve the achievement in basic cognitive skills of
7 pupils enrolled in grades K to 10 who have extraordinary need for
8 special assistance to improve competency in those basic skills
9 and for whom the districts are not already receiving additional
10 funds by virtue of the pupils being physically, mentally, or emo-
11 tionally handicapped.

12 Sec. 33. The number of pupils in grades K to 10 determined
13 to be in need of substantial improvement in the basic cognitive
14 skills for ~~+1990-91+~~ 1991-92 shall be calculated for each dis-
15 trict following procedural steps:

16 (a) Using the reading and mathematics test scores of the
17 statewide assessment battery given in the fall of the 4 immedi-
18 ately preceding years, the percentage of the district's pupils in
19 grade 4 who attained 50% or fewer of the items on the reading
20 indicator test for ~~+1989-90+~~ 1990-91 and 60% or fewer of the
21 reading objectives on the reading basic skills test for ~~+1986-87,~~
22 ~~+1987-88, and +1988-89+~~ 1987-88, 1988-89, AND 1989-90, and the per-
23 centage of the district's pupils in grade 4 who attained 60% or
24 fewer of the mathematics objectives shall be averaged. The aver-
25 age aggregate enrollment of the district in grades K to 4 on the
26 pupil membership count day of the 4 prior school years shall be

1 multiplied by this average percentage to determine the estimated
2 number of pupils in grades K to 4.

3 (b) Using the reading and mathematics test scores of the
4 statewide assessment battery given in the fall of the 4 immedi-
5 ately preceding years, the percentage of the district's pupils in
6 grade 7 who attained 50% or fewer of the items on the reading
7 indicator test for ~~1989-90~~ 1990-91 and 60% or fewer of the
8 reading objectives on the reading basic skills test for ~~1986-87,~~
9 ~~1987-88, and 1988-89~~ 1987-88, 1988-89, AND 1989-90 and the per-
10 centage of the district's pupils in grade 7 who attained 60% or
11 fewer of the mathematics objectives shall be averaged. The aver-
12 age aggregate enrollment of the district in grades 5, 6, and 7 on
13 the pupil membership count day of the 4 prior school years shall
14 be multiplied by this average percentage to determine the esti-
15 mated number of pupils in grades 5, 6, and 7.

16 (c) Using the reading and mathematics test scores of the
17 statewide assessment battery given in the fall of the 4 preceding
18 years, the percentage of the district's pupils in grade 10 who
19 attained 50% or fewer of the items on the reading indicator test
20 for ~~1989-90~~ 1990-91 and 60% or fewer of the reading objectives
21 on the reading basic skills test for ~~1986-87, 1987-88, and~~
22 ~~1988-89~~ 1987-88, 1988-89, AND 1989-90 and the percentage of the
23 district's pupils in grade 10 who attained 60% or fewer of the
24 mathematics objectives shall be averaged. The average aggregate
25 enrollment of the district in grades 8, 9, and 10 on the pupil
26 membership count day of the 4 preceding school years shall be

1 multiplied by this average percentage to determine the estimated
2 number of pupils in grades 8, 9, and 10.

3 (d) The number of pupils determined in subdivision (a) shall
4 be added to the number of pupils determined in subdivisions (b)
5 and (c). This resultant sum shall be construed to be the number
6 of pupils of the district enrolled in grades K to 10 who have
7 extraordinary need of substantial improvement in basic cognitive
8 skills at the beginning of the school year.

9 Sec. 34a. (1) From the amount appropriated in section 11,
10 there is allocated an amount not to exceed \$5,000,000.00 for
11 ~~1990-91~~ 1991-92 to eligible districts for achievement incentive
12 grants to reward improvement in pupil academic performance.

13 (2) Except as provided in subsection (8), the following cal-
14 culations shall be made using the reading test scores of the
15 Michigan education assessment program:

16 (a) The number of test items passed by the pupils in grades
17 4, 7, and 10 on the basic skills indicator test shall first be
18 equated to the number of objectives passed on the entire reading
19 test, using the data gathered from pupils in grades 4, 7, and 10
20 that took the test in ~~1988-89~~ 1990-91, by adding 2 items to
21 each pupil's basic skill reading indicator score in grade 4, 2
22 items to each pupil's basic skill reading indicator score in
23 grade 7, and 1 item to each pupil's basic skill reading indicator
24 score in grade 10.

25 (b) The sum of the average number of objectives attained by
26 the pupils in grades 4, 7, and 10 in ~~1986-87~~ 1987-88 shall be
27 subtracted from the sum of the average number of test items

1 passed by the pupils in grades 4, 7, and 10 on the basic skills
2 reading indicator test in ~~1989-90~~ 1990-91.

3 (c) A reading need factor for each district shall be deter-
4 mined by assigning a weight to the sum of the average number of
5 objectives attained by the pupils in grades 4, 7, and 10 in
6 ~~1986-87~~ 1987-88. If this sum is 63, a weight of 1.0 shall be
7 assigned. For each point by which this sum exceeds 63, the
8 weight shall be reduced by 0.33. A weight of zero shall be
9 assigned to a sum greater than or equal to 66. For each point by
10 which this sum is less than 63, the weight shall be increased by
11 0.11.

12 (3) Except as provided in subsection (8), the following cal-
13 culations shall be made using the mathematics test scores of the
14 Michigan education assessment program:

15 (a) The sum of the average number of objectives attained by
16 the pupils in grades 4, 7, and 10 in ~~1986-87~~ 1987-88 shall be
17 subtracted from the sum of the average number of objectives
18 attained by the pupils in grades 4, 7, and 10 in ~~1989-90~~
19 1990-91.

20 (b) A mathematics need factor for each district shall be
21 determined by assigning a weight to the sum of the average number
22 of objectives attained by the pupils in grades 4, 7, and 10 in
23 ~~1986-87~~ 1987-88. If this sum is 71, a weight of 1.0 shall be
24 assigned. For each point by which this sum exceeds 71, the
25 weight shall be reduced by 0.33. A weight of zero shall be
26 assigned to a sum greater than or equal to 74. For each point by

1 which this sum is less than 71, the weight shall be increased by
2 0.11.

3 (4) A district's tentative allocation for improvements in
4 basic reading skills is the product of the improvement in reading
5 skills as determined under subsection (2)(a), the reading need
6 factor as determined under subsection (2)(b), and the total
7 number of pupils tested in reading in grades 4, 7, and 10 in
8 ~~1989-90~~ 1990-91. However, the tentative allocation under this
9 subsection shall be zero for any district with an improvement in
10 reading skills of less than 0.30.

11 (5) A district's tentative allocation for improvement in
12 basic mathematics skills is the product of the improvement in
13 mathematics skills as determined under subsection (3)(a), the
14 mathematics need factor as determined under subsection (3)(b),
15 and the total number of pupils tested in mathematics in grades 4,
16 7, and 10 in ~~1989-90~~ 1990-91. However, the tentative alloca-
17 tion under this subsection shall be zero for any district with an
18 improvement in mathematics skills of less than 0.30.

19 (6) A district's total tentative allocation under this sec-
20 tion is the sum of the amounts calculated under subsections (4)
21 and (5).

22 (7) A district's final allocation under this section shall
23 be equal to the product of the district's total tentative alloca-
24 tion as determined under subsection (6) and the quotient of
25 \$5,000,000.00 divided by the sum of the tentative allocations of
26 all eligible districts as determined under subsection (6).
27 However, a district shall not receive an allocation under this

1 section if the district's final allocation as calculated under
2 this subsection is less than \$2,500.00.

3 (8) In order for a K to 8 district to receive funds under
4 this section, calculations shall be made using only the test
5 results of grades 4 and 7.

6 Sec. 35. (1) The tentative allocations as determined in
7 section 34 shall be distributed among districts in decreasing
8 order of concentration of eligible pupils as determined by sec-
9 tion 33 until the money allocated in section 31 is distributed
10 if:

11 (a) The district has applied for the money on a form pro-
12 vided by the department.

13 (b) The program proposed by the district is of sufficient
14 size, scope, and quality to give reasonable promise of meeting
15 the needs of the district's educationally deprived pupils.

16 (c) The district has shown evidence of having established
17 comparability among schools within the district pursuant to stan-
18 dards established by the state board.

19 (d) The district is committed to the involvement of parents,
20 teachers, and administrators in the planning and continuous eval-
21 uation of compensatory education programs as conducted under this
22 article.

23 (e) Each pupil participating in a program funded under this
24 article is educationally deprived and was selected from among the
25 lowest achievers.

26 (f) Each program funded under this article is based on
27 performance objectives related to educational achievement and is

1 evaluated in a manner consistent with those performance
2 objectives.

3 (g) Each program funded under this article provides supple-
4 mentary services designed to meet the unique educational needs of
5 the children who are participating.

6 (h) The district keeps those records and affords access to
7 the records as is necessary to verify compliance with the
8 requirements of this section.

9 (2) A district shall use the state funds for specifically
10 identified pupils to supplement, and not supplant, the use of
11 federal or local money.

12 (3) A participating school building having 50% or more of
13 its pupils in grade 4 achieving less than 75% of Michigan educa-
14 tion assessment program objectives in reading or math, or both,
15 shall be designated a high-need building. The department shall
16 determine the achievement gain of the high-need building's pupils
17 funded under section 31 as measured by the approved evaluation
18 criteria. If the average rate of achievement gain in reading or
19 mathematics, or both, for the group is not greater than the pre-
20 vious year's compensatory education average rate of achievement
21 gain for that building, the district shall request consultant
22 service from the department and determine whether the building's
23 delivery system should be modified. A description of the deliv-
24 ery system and rationale for a program under this article for a
25 high-need building with pupils funded under section 31, whose
26 average rate of achievement gain does not exceed the previous
27 year's compensatory education average rate of achievement gain

1 for a period of 3 consecutive years after 1976-77; shall be
2 submitted by the district to the department for approval.

3 (4) The department shall monitor each program funded under
4 this article to ensure that the requirements of this section are
5 met. A district subjected to a deduction under section 21(4)
6 shall not be required to allocate more, to a program funded under
7 this article, than an amount per eligible pupil that bears the
8 same relation to the amount specified in section 31 as the amount
9 actually received by the district under all sections of this act,
10 other than sections 53 and 143, bears to the amount that would
11 have been due the district under all sections of this act other
12 than sections 53 and 143 before the section 21(4) deduction.

13 Sec. 36. From the amount appropriated in section 11, there
14 is allocated an amount not to exceed \$24,800,000.00 for ~~1990-91~~
15 1991-92 to enable eligible districts to develop or expand, in
16 conjunction with whatever federal funds may be available under
17 title I of the elementary and secondary education act, Public Law
18 89-750, 80 Stat. 1196 and the head start act, 42
19 U.S.C. 9831-9852, comprehensive compensatory education programs
20 designed to improve the readiness and subsequent achievement of
21 educationally disadvantaged children as defined by the department
22 who will be at least 4, but less than 5 years of age, as of
23 December 1 of the school year in which the programs are offered,
24 who have extraordinary need of special assistance, and for whom
25 the districts are not already receiving additional funds by
26 virtue of the children receiving special education programs and

1 services as defined in section 6 of the school code of 1976,
2 being section 380.6 of the Michigan Compiled Laws.

3 Sec. 37. A district is eligible for an allocation under
4 section 36 if, in a manner and on forms prescribed by the depart-
5 ment, all of the following apply:

6 (a) The district complies with the state board approved
7 standards of quality and curriculum guidelines for early child-
8 hood programs for 4-year-olds.

9 (b) The district provides for the active and continuous par-
10 ticipation of parents or guardians of the children in the pro-
11 gram, and describes the district's participation plan as part of
12 the application.

13 (c) The district only employs for this program either of the
14 following:

15 (i) Teachers possessing proper training, including, but not
16 limited to, a valid teaching certificate and an early childhood
17 (ZA) endorsement. This provision does not apply to a district
18 that subcontracts with an eligible child development program. In
19 that situation a teacher must have a valid teaching certificate
20 and may have a child development associate credential (CDA)
21 instead of an early childhood (ZA) endorsement.

22 (ii) Paraprofessionals possessing proper training in early
23 childhood development, including, but not limited to, a child
24 development associate credential (CDA) or associate degree in
25 child development or other similar program, as approved by the
26 department.

1 (d) The district identifies in its application all early
2 childhood development programs operating in the community and all
3 collaborative activities between the district and other operators
4 of early childhood development programs.

5 (e) The district has submitted for approval a program budget
6 that includes only those costs not reimbursed or reimbursable by
7 federal funding, that are clearly and directly attributable to
8 the early childhood readiness program, and that would not be
9 incurred if the program were not being offered. If children
10 other than those determined to be educationally disadvantaged
11 participate in the program, state reimbursement under section 36
12 shall be limited to the portion of approved costs attributable to
13 educationally disadvantaged children.

14 (f) The district has established a committee on early child-
15 hood education curriculum consisting of, at a minimum, classroom
16 teachers for prekindergarten, kindergarten, and first grade, a
17 parent of a prekindergarten child, the district curriculum direc-
18 tor or equivalent administrator, and, if feasible, a school psy-
19 chologist, school social worker, or school counselor. The com-
20 mittee shall do both of the following:

21 (i) Ensure the ongoing articulation of the early childhood,
22 kindergarten, and first grade programs offered by the district.

23 (ii) Review all referrals for participation in the early
24 childhood program and recommend children for placement.

25 (g) The district has submitted for departmental approval a
26 plan to conduct and report annual early childhood program
27 evaluations using criteria approved by the department. At a

1 minimum, the evaluations shall include assessment of the gains in
2 educational readiness and progress through first grade of chil-
3 dren participating in the early childhood program.

4 (h) The district has established a community advisory com-
5 mittee that shall be involved in the planning and evaluation of
6 the program and has provided for collaboration with and the
7 involvement of appropriate community, volunteer, social service
8 agencies and organizations, and parents in addressing all aspects
9 of educational disadvantage.

10 (i) The district reviews and, if necessary, restructures all
11 programs funded under section 31 for the purpose of ensuring that
12 gains achieved in programs funded under section 36 are maintained
13 and reinforced.

14 (j) At least 18 of the district's resident children of the
15 age group specified in section 36, as described in section 36 and
16 calculated under section 38, are construed to be in need of spe-
17 cial readiness assistance. A district that receives an alloca-
18 tion under section 21(1) shall also be eligible for an allocation
19 under section 36 if at least 50 children, as described in
20 section 36 and calculated under section 38, are construed to be
21 in need of special readiness assistance, regardless of the per-
22 centage they comprise of the district's resident children of the
23 age group specified in section 36. In addition, a consortium of
24 2 or more districts shall be eligible for an allocation under
25 section 36 if each of those districts has less than 18 but more
26 than 5 of its resident children of the age group specified in
27 section 36, as described in section 36 and calculated under

1 section 38, and in combination the districts' number of children
2 who are construed to be in need of special readiness assistance
3 equals or exceeds 18. A district or intermediate district may
4 administer a consortium described in this subdivision.

5 Sec. 38. The number of prekindergarten children construed
6 to be in need of special readiness assistance under section 36
7 shall be calculated for each district in the following manner:
8 one half of the percentage of the district's pupils who are eli-
9 gible for free lunch, as determined by the district's ~~1989-90~~
10 1990-91 October count under the national school lunch act,
11 42 U.S.C. 1751 to 1753, 1755 to 1763, and 1765 to 1769c shall be
12 multiplied by the average kindergarten enrollments of the dis-
13 trict on the pupil membership count day of the 2 immediately pre-
14 ceding years.

15 Sec. 39. (1) The tentative allocation to each eligible dis-
16 trict under section 36 shall be determined by multiplying the
17 number of children determined in section 38 by \$2,500.00 in
18 ~~1990-91~~ 1991-92 and shall be distributed among districts in
19 decreasing order of concentration of eligible children as deter-
20 mined by section 38 until the money allocated in section 36 is
21 distributed. Not later than ~~October 1, 1990 and~~ October 1 ~~of~~
22 ~~each year thereafter,~~ each eligible district shall submit to the
23 department a resolution adopted by its board certifying the
24 number of 4-year-old children who will receive comprehensive com-
25 pensatory education funded under this section. Any tentative
26 allocation subsequently shall be adjusted based in part on the
27 number of children certified in the board resolution. Any funds

1 unallocated shall be redistributed to eligible districts pursuant
2 to this section.

3 (2) A district that receives an allocation under
4 section 21(1) and that has not less than 50 eligible children
5 shall receive priority over other eligible districts other than
6 those districts funded under subsection (3).

7 (3) A district that received funds under this section in
8 ~~1989-90~~ 1990-91 shall receive funds in ~~1990-91~~ and 1991-92
9 AND 1992-93 for not less than the number of children for which
10 the district received funds in ~~1989-90~~ 1990-91 and shall
11 receive priority in funding over other eligible districts.
12 However, the department shall discontinue funding to a district
13 that does not continue to fulfill the program requirements set
14 forth in section 37.

15 (4) A district that receives funds under this section in
16 ~~1990-91~~ 1991-92 and did not receive funds in ~~1989-90~~ 1990-91
17 shall receive funds in ~~1991-92~~ and 1992-93 AND 1993-94 for not
18 less than the number of children for which the district received
19 funds in ~~1990-91~~ 1991-92 and shall receive priority in funding
20 over other eligible districts. However, the department shall
21 discontinue funding to a district that does not continue to ful-
22 fill the program requirements set forth in section 37.

23 (5) For any district with 315 or more eligible pupils, the
24 number of eligible pupils shall be ~~50%~~ 55% of the number calcu-
25 lated under section 38. However, none of these districts may
26 have less than 315 pupils for purposes of calculating the
27 tentative allocation under section 36.

1 Sec. 40. The department ANNUALLY shall review alternative
2 methods to determine the number of children construed to be in
3 need of special readiness assistance and shall report not later
4 than ~~March 15, 1991~~ NOVEMBER 15 EACH YEAR its findings and rec-
5 ommendations to the senate and house appropriations subcommittees
6 responsible for district funding and the senate and house commit-
7 tees responsible for education legislation AND THE DEPARTMENT OF
8 MANAGEMENT AND BUDGET.

9 Sec. 41. From the amount appropriated in section 11, there
10 is allocated an amount not to exceed \$4,212,000.00 for ~~1990-91~~
11 1991-92 to applicant districts and intermediate districts offer-
12 ing programs of bilingual instruction for pupils of limited
13 English-speaking ability as required in section 1153 of the
14 school code of 1976. Reimbursement shall be on a per pupil basis
15 and shall be based on the number of pupils of limited
16 English-speaking ability in membership on the pupil membership
17 count day. Funds allocated under this section shall be used
18 solely for the bilingual instruction in speaking, reading, writ-
19 ing, or comprehension of pupils of limited English-speaking
20 ability. As required by section 1155 of the school code of 1976,
21 a child of limited English-speaking ability residing in a school
22 district operating or participating in a bilingual instruction
23 program pursuant to section 1153 of the school code of 1976 shall
24 be enrolled in the bilingual instruction program for 3 years or
25 until the child achieves a level of proficiency in English lan-
26 guage skills sufficient to receive an equal educational

1 opportunity in the regular school program, whichever occurs
2 first.

3 Sec. 45. (1) From the amount appropriated in section 11,
4 there is allocated an amount not to exceed ~~-\$1,888,000.00 in~~
5 ~~+990-91-~~ \$2,000,000.00 IN 1991-92 to provide grants to or con-
6 tract with certain districts and intermediate districts for the
7 provision of a school health education curriculum. Provision of
8 the curriculum shall be in accordance with the plan established
9 by the Michigan model for comprehensive school health education
10 state steering committee. The state steering committee shall be
11 comprised of a representative from each of the following offices
12 and departments:

13 (a) The department of education.

14 ~~(b) The office of health and medical affairs in the depart-~~
15 ~~ment of management and budget.~~

16 (B) ~~(c)~~ The department of mental health.

17 (C) ~~(d)~~ The department of public health.

18 (D) ~~(e)~~ The offices of substance abuse services in the
19 department of public health.

20 (E) ~~(f)~~ The department of social services.

21 (F) ~~(g)~~ The department of state police.

22 (2) Upon written or oral request, a pupil not less than 18
23 years of age or a parent or legal guardian of a pupil less than
24 18 years of age, within a reasonable period of time after the
25 request is made, shall be informed of the content of a course in
26 the health education curriculum and may examine textbooks and
27 other classroom materials that are provided to the pupil or

1 materials that are presented to the pupil in the classroom. This
2 subsection does not require a school board to permit pupil or
3 parental examination of test questions and answers, scoring keys,
4 or other examination instruments or data used to administer an
5 academic examination.

6 Sec. 46. (1) From the amount appropriated in section 11,
7 there is allocated an amount not to exceed \$5,000,000.00 for
8 ~~1990-91~~ 1991-92 to provide grants to districts and intermediate
9 districts for school dropout prevention ~~pilot~~ programs approved
10 by the department. Each district and intermediate district that
11 received funds under this section in ~~1989-90~~ 1990-91 shall
12 receive funds under this section in ~~1990-91~~ 1991-92 to continue
13 the district's program.

14 (2) THE DEPARTMENT SHALL EVALUATE THE PROJECT-SPECIFIC
15 OBJECTIVES AND OUTCOMES OF THE PROGRAMS FUNDED IN THIS SECTION,
16 AND SHALL SUBMIT TO THE GOVERNOR AND THE LEGISLATURE BY JUNE 30,
17 1992 A REPORT DETAILING RECOMMENDATIONS TO ENHANCE THESE PRO-
18 GRAMS, AND SPECIFICALLY SCHOOL-AGE FEMALE DROPOUT PREVENTION
19 EFFORTS.

20 Sec. 47. (1) From the amount appropriated in section 11,
21 there is allocated an amount not to exceed \$1,425,000.00 for
22 ~~1990-91~~ 1991-92 to applicant intermediate districts that pro-
23 vide support services for the education of gifted and talented
24 pupils. An intermediate district is entitled to 75% of the
25 actual salary, but not to exceed \$25,000.00 reimbursement for an
26 individual salary, of a support services teacher approved by the
27 department, and not to exceed \$4,000.00 reimbursement for

1 expenditures to support program costs, excluding in-county travel
2 and salary, as approved by the department.

3 (2) From the amount appropriated in section 11, there is
4 allocated an amount not to exceed \$400,000.00 for ~~1990-91~~
5 1991-92 to support part of the cost of summer institutes for
6 gifted and talented students. This amount shall be contracted to
7 applicant intermediate districts in cooperation with a local
8 institution of higher education and shall be coordinated by the
9 department.

10 (3) From the amount appropriated in section 11, there is
11 allocated an amount not to exceed \$7,303,100.00 for ~~1990-91~~
12 1991-92 for the development and operation of comprehensive pro-
13 grams for gifted and talented pupils. A district or consortium
14 of districts may be eligible to receive an amount not to exceed
15 \$100.00 per K-12 pupil for up to 5% of the district's or
16 consortium's K-12 membership with a minimum grant of \$6,000.00.
17 Funding shall be provided in the following order: the per pupil
18 allotment, and then the minimum grant of \$6,000.00 to individual
19 districts. An intermediate district may act as the fiscal agent
20 for a consortium of districts. In order to be eligible for fund-
21 ing under this subsection, the district or consortium of dis-
22 tricts shall submit each year a current 3-year plan for operating
23 a comprehensive program for gifted and talented pupils. The plan
24 or revised plan shall be developed in accordance with criteria
25 established by the department and shall be submitted to the
26 department for approval. Within the criteria, the department

1 shall encourage the development of consortia among districts of
2 less than 5,000 memberships.

3 Sec. 48. (1) From the amount appropriated in section 11,
4 there is allocated an amount not to exceed \$3,150,000.00 for
5 ~~1990-91~~ 1991-92 to applicant districts or intermediate dis-
6 tricts for nonresidential alternative juvenile rehabilitation
7 programs, which are programs for children and youth who have been
8 found to need remedial academic or social rehabilitative serv-
9 ices, or both. To be eligible for funding of salaries from leg-
10 islative appropriations, the county board of commissioners of the
11 county in which the program is conducted or the supervising dis-
12 trict or intermediate district, by resolution, shall agree to
13 fund the balance of the cost of the program. The district or
14 intermediate district in which the program is conducted, in coop-
15 eration with the juvenile division of the probate court for the
16 county, shall supervise the program. The district or intermedi-
17 ate district may apply for state money for reimbursement of
18 \$7,500.00 for the salary of each professional program person
19 required by this section.

20 (2) The department may use federal funds that may become
21 available for the purpose of strengthening nonresidential alter-
22 native juvenile rehabilitation programs.

23 Sec. 51. (1) There is allocated ~~\$174,355,000.00 for~~
24 ~~1990-91~~ \$184,755,000.00 FOR 1991-92 to consist of an amount not
25 to exceed ~~\$121,355,000.00~~ \$122,355,000.00 from the amount
26 appropriated in section 11 and ~~\$53,000,000.00~~ \$62,400,000.00 in
27 federal funding under sections 611 to 620 of the education of the

1 handicapped act, 20 U.S.C. 1411 to 1420 plus any carryover
2 federal funds from previous year appropriations, for the purpose
3 of reimbursing districts and intermediate districts for special
4 education programs, services, and special education personnel as
5 prescribed in article 3 of the school code of 1976; net tuition
6 payments made by intermediate districts to the Michigan school
7 for the blind and the Michigan school for the deaf; and programs
8 for pupils handicapped by learning disabilities as defined by the
9 department. For meeting the costs of special education programs
10 and services not reimbursed under this article, a district or
11 intermediate district may use money in general funds or special
12 education funds, not otherwise restricted, or contributions from
13 districts to intermediate districts, tuition payments, gifts and
14 contributions from individuals, or federal funds that may be
15 available for this purpose, as determined by the intermediate
16 district plan prepared pursuant to article 3 of the school code
17 of 1976.

18 (2) State funds shall be allocated on an added cost basis.
19 Federal funds shall be allocated under applicable federal
20 requirements, except that an amount not to exceed \$4,000,000.00
21 may be allocated by the department to districts or intermediate
22 districts on a grant basis for programs, equipment, and services
23 designed to benefit or improve special education on a statewide
24 scale.

25 (3) From the amount allocated in section 51(1), there is
26 allocated an amount not to exceed \$3,100,000.00 for ~~1990-91~~
27 1991-92 to reimburse 100% of the net increase in necessary costs

1 incurred by a district or intermediate district in implementing
2 the revisions in the administrative rules for special education
3 that became effective on July 1, 1987. As used in this subsec-
4 tion, "net increase in necessary costs" means the necessary addi-
5 tional costs incurred solely because of new or revised require-
6 ments in the administrative rules minus cost savings permitted in
7 implementing the revised rules. Net increase in necessary costs
8 shall be determined in a manner specified by the department.

9 (4) For purposes of this article:

10 (a) "Added costs" shall be computed by deducting, from the
11 total approved costs of special education programs and services,
12 a gross allowance for each full-time equated special education
13 pupil counted in membership in the district or intermediate dis-
14 trict whose primary educational or training program, as deter-
15 mined by the department, is a special education program and serv-
16 ice as defined in section 6(7) of the school code of 1976.

17 (b) "Total approved costs of special education programs and
18 services" shall be determined in a manner specified by the
19 department and may include indirect costs, but shall not exceed
20 115% of approved direct costs for section 52 and section 53
21 programs. They shall not include salaries or other compensation
22 paid to administrative personnel who are not special education
23 personnel as defined in section 6(6) of the school code of 1976.
24 Costs reimbursed by federal funds, other than those federal funds
25 included in the allocation made under this article, shall not be
26 included. Special education approved personnel not utilized full
27 time in the evaluation of students or in the delivery of special

1 education programs, ancillary, and other related services shall
2 be reimbursed under this section only for that portion of time
3 actually spent providing these programs and services, with the
4 exception of special education programs and services provided to
5 youth placed in juvenile detention facilities as defined in
6 R 340.1757 of the Michigan administrative code. Only salaries
7 and other compensation paid teacher aides required in rules
8 promulgated by the department or as otherwise approved by the
9 department shall be included.

10 (c) Reimbursement for ancillary and other related services,
11 as defined by R 340.1701 of the Michigan administrative code,
12 shall not be provided when those services are covered and avail-
13 able by private group health insurance carriers or federally
14 reimbursed program sources. Expenses, other than the incidental
15 expense of filing, shall not be borne by the parent. In addi-
16 tion, the filing of claims shall not delay the education of a
17 pupil. A school district shall be responsible for payment of a
18 deductible amount and for an advance payment required until the
19 time a claim is paid.

20 (d) A "membership aid gross allowance" shall be computed
21 pursuant to section 21(1).

22 A pupil who is enrolled in a full-time special education
23 program conducted or administered by an intermediate district or
24 a pupil who is enrolled in the Michigan school for the blind or
25 the Michigan school for the deaf shall not be included in the
26 membership count of a district, but shall be counted in
27 membership in the intermediate district of residence. A district

1 operating a center program for pupils from several districts,
2 pursuant to an approved intermediate district plan, may elect to
3 have the pupils counted in membership in the intermediate
4 district. For each pupil, the intermediate district shall
5 receive under section 21(1) a membership aid gross allowance com-
6 puted by averaging the actual membership aid gross allowances of
7 the intermediate district's constituent districts weighted as to
8 membership. However, membership aid shall not be paid to inter-
9 mediate districts for pupils who are residents of districts not
10 receiving a membership allocation under section 21(1) and who are
11 enrolled in programs funded under section 52, unless they are
12 enrolled in a center program or are eligible as court placed
13 pupils under section 24(2).

14 (e) The contribution of the resident district, if a pupil's
15 special education program is operated by another district or by
16 an intermediate district, shall be determined as follows:

17 (i) If the district receives an allocation under section
18 21(1) and the pupil is educated in a district not receiving an
19 allocation under section 21(1), by subtracting categorical aid
20 and the intermediate district reimbursement for each pupil from
21 the total cost of the education program.

22 (ii) If the district receives an allocation under section
23 21(1) and the pupil is educated in a district receiving an allo-
24 cation under section 21(1), by subtracting the gross state aid
25 membership allowance, categorical aid, and the intermediate dis-
26 trict reimbursement for each pupil from the total cost of the
27 education program.

1 (iii) If the district does not receive an allocation under
2 section 21(1), by subtracting categorical aid and the intermedi-
3 ate district reimbursement for each pupil from the total cost of
4 the education program.

5 (5) Special education personnel transferred from 1 district
6 to another to implement the school code of 1976 shall be entitled
7 to the rights, benefits, and tenure to which the person would
8 otherwise be entitled had that person been employed by the
9 receiving district originally.

10 (6) If a district or intermediate district uses money
11 received under this section for a purpose other than the purpose
12 or purposes for which the money is allocated, the department may
13 require the district or intermediate district to refund the
14 amount of money received. Money which is refunded shall be
15 deposited in the state treasury to the credit of the school aid
16 fund.

17 Sec. 53. (1) Reimbursement shall be 100% of the added costs
18 of operating special education programs and services approved by
19 the department and included in the intermediate district plan
20 adopted pursuant to article 3 of the school code of 1976 for the
21 following special education pupils:

22 (a) Pupils assigned to a district or intermediate district
23 through the community placement program of the courts or a state
24 agency, if the pupil was a resident of another intermediate dis-
25 trict at the time the pupil came under the jurisdiction of the
26 court or a state agency.

1 (b) Pupils who are residents of institutions operated by the
2 department of mental health.

3 (c) Pupils who are former residents of department of mental
4 health institutions for the developmentally disabled who are
5 placed in community settings other than the pupil's home.

6 (d) Pupils placed in a district by a parent for the purpose
7 of seeking a suitable home, and the parent does not reside in the
8 same intermediate district as the pupil's placement.

9 (e) Pupils who are residents of nursing homes whose educa-
10 tional programs are approved by the department.

11 (f) Pupils who are residents of special placement homes
12 approved by the department.

13 Only those costs that are clearly and directly attributable
14 to educational programs for pupils described in this subsection,
15 and that would not have been incurred if the pupils were not
16 being educated in a district or intermediate district, are reim-
17 bursable under this section.

18 (2) The costs of transportation shall be funded under this
19 section but shall not be reimbursed under article 7.

20 (3) Not more than ~~\$24,000,000.00~~ \$25,000,000.00 for
21 ~~1990-91~~ 1991-92 of the allocation in section 51(1) shall be
22 allocated under this section.

23 SEC. 53A. THE DEPARTMENT SHALL SUBMIT A REPORT WITH RECOM-
24 MENDATIONS BY DECEMBER 1, 1991 TO THE GOVERNOR AND TO THE LEGIS-
25 LATURE REGARDING THE FEASIBILITY OF USING THE COMPETITIVE CON-
26 TRACT BIDDING PROCESS TO PROVIDE MORE EFFICIENT AND EFFECTIVE
27 EDUCATION SERVICES AND SERVICE OPTIONS FOR EMOTIONALLY IMPAIRED

1 STUDENTS CURRENTLY SERVED IN FACILITIES OF THE DEPARTMENT OF
2 MENTAL HEALTH. THE REPORT SHALL INCLUDE AN ANALYSIS OF CURRENT
3 PAYMENT ARRANGEMENTS AMONG THE STATE, DISTRICTS, INTERMEDIATE
4 DISTRICTS, AND PRIVATE PARTIES.

5 Sec. 54. In addition to the aid received under section 52,
6 each intermediate district shall receive an amount per pupil for
7 each pupil in attendance at the Michigan school for the blind or
8 the Michigan school for the deaf. The amount shall be propor-
9 tionate to the total instructional cost at each school. Not more
10 than \$1,688,000.00 for ~~1990-91~~ 1991-92 of the allocation in
11 section 51(1) shall be allocated under this section.

12 Sec. 56. (1) For the purposes of this section:

13 (a) "Membership" means the total membership of the interme-
14 diate school and the districts constituent to the intermediate
15 district.

16 (b) "Millage levied" means the millage levied for special
17 education pursuant to part 30 of the school code of 1976, includ-
18 ing a levy for debt service obligations.

19 (c) "State equalized valuation" means the total state equal-
20 ized valuation of the districts constituent to an intermediate
21 district, except that if a district has elected not to come under
22 part 30 of the school code of 1976, membership and state equal-
23 ized valuation of the district shall not be included in the mem-
24 bership and state equalized valuation of the intermediate
25 district.

26 (2) From the amount appropriated in section 11, there is
27 allocated an amount not to exceed ~~\$29,241,000.00~~ \$30,835,000.00

1 for ~~1990-91~~ 1991-92 to reimburse intermediate districts levying
2 millages for special education pursuant to part 30 of the school
3 code of 1976. The purpose, use, and expenditure of the reim-
4 bursement shall be limited as if the funds were generated by
5 these millages and governed by the intermediate district plan
6 adopted pursuant to article 3 of the school code of 1976. As a
7 condition of receiving funds under this section, an intermediate
8 district distributing any portion of special education millage
9 funds to its constituent districts shall submit for departmental
10 approval and implement a distribution plan that utilizes at least
11 a membership aid gross allowance, as defined in section 51(4)(d),
12 as a required local contribution.

13 (3) Reimbursement for those millages levied in ~~1989-90~~
14 1990-91 shall be made in ~~1990-91~~ 1991-92 at an amount per
15 ~~1989-90~~ 1990-91 membership pupil computed by subtracting from
16 ~~\$72,300.00~~ \$75,200.00 the ~~1989-90~~ 1990-91 state equalized
17 valuation behind each membership pupil, and multiplying the
18 resulting difference by the ~~1989-90~~ 1990-91 millage levied.

19 Sec. 61. (1) From the amount appropriated in section 11,
20 there is allocated an amount not to exceed \$28,560,000.00 for
21 ~~1990-91~~ 1991-92 to reimburse districts and secondary area
22 vocational-technical centers for secondary-level
23 vocational-technical education programs, including parenthood
24 education programs, on an added cost basis. The definition of
25 what constitutes those programs and reimbursement shall be pursu-
26 ant to rules promulgated by the state board. Applications for
27 participation in the programs shall be filed in the form

1 prescribed by the department. The department shall determine the
2 added cost for each vocational-technical program area. The allo-
3 cation of added cost funds shall be based on the type of
4 vocational-technical programs provided, the number of pupils
5 enrolled, and the length of the training period provided, and
6 shall not exceed 75% of the added cost of any program. The board
7 of a district maintaining a secondary vocational-technical educa-
8 tion program, with the approval of the department, may offer the
9 program for the period from the close of the school year until
10 September 1. The program shall use existing facilities and shall
11 be operated as prescribed by rules promulgated by the state
12 board.

13 (2) Districts and intermediate districts shall be reimbursed
14 for local vocational administration, shared time vocational
15 administration, and career education planning district
16 vocational-technical administration. The definition of what con-
17 stitutes administration and reimbursement shall be pursuant to
18 guidelines adopted by the state board. Not more than \$800,000.00
19 of the allocation in subsection (1) shall be distributed under
20 this subsection.

21 (3) Districts that were designated as area
22 vocational-technical centers by the state board before January 1,
23 1971 may count in membership, with permission of the district of
24 residence, pupils enrolled in vocational-technical education pro-
25 grams in any of the districts in the designated service area if
26 all of the following conditions are met:

1 (a) The district has been designated the fiscal agent for
2 all area vocational-technical education programs in each of the
3 participating districts in the designated service area.

4 (b) The designated service area has held at least 1 election
5 to establish an area vocational-technical education program pur-
6 suant to section 681 of the school code of 1976, being
7 section 380.681 of the Michigan Compiled Laws.

8 (c) The designated service area presently is not supported
9 by area vocational-technical education millage passed pursuant to
10 the provisions of section 681 of the school code of 1976.

11 (d) The fiscal conditions described in this subsection are
12 included as a part of the career education planning district's
13 annual vocational plan approved by the department.

14 (4) A district subjected to a deduction under section 21(4)
15 is not required to allocate more money to a program funded under
16 this article than the amount actually received by the district
17 after reducing its state aid allocation by the percentage reduc-
18 tion determined under section 21(4).

19 Sec. 62. (1) For the purposes of this section:

20 (a) "Membership" means the total membership of the interme-
21 diate district and the districts constituent to the intermediate
22 district or the total membership of the area vocational-technical
23 education program.

24 (b) "Millage levied" means the millage levied for area
25 vocational-technical education pursuant to sections 681 to 690 of
26 the school code of 1976, including a levy for debt service
27 obligations incurred as the result of borrowing for capital

1 outlay projects and in meeting building and site fund
 2 requirements of area vocational-technical education.

3 (c) "State equalized valuation" means the total state equal-
 4 ized valuation of the districts constituent to an intermediate
 5 district or area vocational-technical education program, except
 6 that if a district has elected not to come under sections 681 to
 7 690 of the school code of 1976, the membership and state equal-
 8 ized valuation of the district shall not be included in the mem-
 9 bership and state equalized valuation of the intermediate
 10 district.

11 (2) From the amount appropriated in section 11, there is
 12 allocated an amount not to exceed ~~-\$6,751,500.00~~ \$5,172,000.00
 13 for ~~+1990-91~~ 1991-92 to reimburse intermediate districts and
 14 area vocational-technical education programs established under
 15 section 690(3) of the school code of 1976, levying millages for
 16 area vocational-technical education pursuant to sections 681 to
 17 690 of the school code of 1976. The purpose, use, and expendi-
 18 ture of the reimbursement shall be limited as if the funds were
 19 generated by those millages.

20 (3) Reimbursement for the millages levied in ~~+1989-90~~
 21 1990-91 shall be made in ~~+1990-91~~ 1991-92 at an amount per
 22 ~~+1989-90~~ 1990-91 membership pupil computed by subtracting from
 23 ~~-\$72,300.00~~ \$75,200.00 the ~~+1989-90~~ 1990-91 state equalized
 24 valuation behind each membership pupil, and multiplying the
 25 resulting difference by the ~~+1989-90~~ 1990-91 millage levied.

26 Sec. 63. From the amount appropriated in section 11, there
 27 is allocated an amount not to exceed \$1,456,000.00 for ~~+1990-91~~

1 1991-92 to reimburse districts, intermediate districts, and
2 secondary area vocational-technical centers for programs that
3 prepare and train youth and adults in occupations that are
4 impacted by new and emerging technology. These funds shall be
5 used to pay for instructional equipment. Applications for par-
6 ticipation in the programs shall be filed in the form and manner
7 prescribed by the department. Upon approval by the department,
8 an applicant district or intermediate district shall receive a
9 grant for instructional equipment on a cost-sharing basis.

10 SEC. 64. (1) A DISTRICT PROVIDING ADULT EDUCATION AND VOCA-
11 TIONAL EDUCATION TRAINING IN PARTNERSHIP WITH A BUSINESS ENTITY,
12 WHICH IS HEREBY AUTHORIZED WITH RESPECT TO ALLOCATIONS MADE IN
13 THIS ACT, MAY RECEIVE ADULT EDUCATION AND/OR VOCATIONAL EDUCATION
14 FUNDS UNDER THIS ACT ONLY IF THE FOLLOWING TERMS AND CONDITIONS
15 ARE INCLUDED IN THE CONTRACT BETWEEN THE DISTRICT AND THE BUSI-
16 NESS ENTITY:

17 (A) THE BASIC COMPETENCY SKILLS CURRICULUM SHALL BE ESTAB-
18 LISHED BY THE DISTRICT IN CONSULTATION WITH THE BUSINESS
19 PARTNER.

20 (B) THE DISTRICT SHALL PROVIDE THE BASIC COMPETENCY SKILLS
21 TRAINING AND THE BUSINESS PARTNER SHALL PROVIDE THE DESIRED
22 SPECIFIED-JOB-SKILLS TRAINING.

23 (C) THE IDENTIFICATION OF AN OBJECTIVE LEVEL OF ATTAINED
24 SKILLS PROFICIENCY SHALL BE REQUIRED OF EACH PARTNER PROVIDING
25 THE RESPECTIVE SKILLS TRAINING, AND THE PARTNERS SHALL AGREE TO
26 THE SKILLS LEVELS AT WHICH PERFORMANCE OF THE CONTRACT IS
27 SATISFIED WITH REGARD TO TRAINING OBJECTIVES.

1 (D) THE BUSINESS PARTNER SHALL GUARANTEE A PREDETERMINED
2 NUMBER OF SPECIFIED JOBS AND BONA FIDE OFFERS OF JOB PLACEMENT
3 FOR PARTNERSHIP STUDENTS.

4 (E) IF THE BUSINESS PARTNER FAILS TO FULFILL ITS CONTRACTUAL
5 OBLIGATIONS FOR JOB PLACEMENT, THE BUSINESS PARTNER SHALL REIM-
6 BURSE THE STATE ALL STATE FUNDS WHICH IT RECEIVED UNDER THE
7 CONTRACT.

8 (2) WITHIN 30 DAYS FOLLOWING THE JOINT APPROVAL OF A PART-
9 NERSHIP CONTRACT (AND CONTRACT REVISION) UNDER THIS SECTION, THE
10 DISTRICT SHALL SUBMIT TO THE DEPARTMENT A COPY OF THE APPROVED
11 CONTRACT (AND CONTRACT REVISIONS).

12 (3) WITHIN 15 DAYS FOLLOWING A STUDENT'S COMPLETION OF A
13 SPECIFIED-JOB-SKILLS TRAINING PROGRAM, THE BUSINESS ENTITY SHALL
14 MAKE AN OFFER OF JOB PLACEMENT TO THE STUDENT.

15 (4) WITHIN 30 DAYS FOLLOWING COMPLETION OF A
16 SPECIFIED-JOB-SKILLS TRAINING PROGRAM, THE DISTRICT SHALL PROVIDE
17 TO THE DEPARTMENT A REPORT LISTING THE PLACEMENTS OF THOSE PER-
18 SONS WHO COMPLETED THE TRAINING PROGRAM.

19 (5) THE JOBS WHICH ARE GUARANTEED SHALL BE DIRECTLY RELATED
20 TO THE AREA OF TRAINING AND SHALL BE FOR A MINIMUM PERIOD OF
21 180 DAYS.

22 (6) IF A STUDENT FAILS TO COMPLETE THE TRAINING PROGRAM, THE
23 BUSINESS PARTNER SHALL REIMBURSE THE STATE FOR THAT PORTION OF
24 STATE FUNDS PROPORTIONAL TO THE TIME REMAINING IN THE TRAINING
25 PROGRAM FOR A STUDENT WHO DID NOT COMPLETE THE JOB-SKILLS TRAIN-
26 ING PROGRAM. THE BUSINESS PARTNER WILL BE HELD HARMLESS BY THE
27 DEPARTMENT FOR A STUDENT ATTENDING BUT UNABLE TO ATTAIN THE

1 SKILLS TRAINING OBJECTIVES REFERENCED IN SUBDIVISION (1)(E) AND
2 FOR BONA FIDE OFFERS OF JOB PLACEMENT DECLINED BY A STUDENT.

3 (7) THE DEPARTMENT SHALL MAINTAIN A CURRENT RECORD OF ALL
4 PARTNERSHIP CONTRACTS AND CONTRACT REVISIONS, AND SHALL DIRECT
5 DISTRICTS TO PROVIDE ADDITIONAL REPORTS AS NECESSARY FOR THE
6 DEPARTMENT TO ADMINISTER THIS SECTION.

7 Sec. 71. (1) From the amount appropriated in section 11,
8 there is allocated an amount not to exceed \$102,000,000.00 for
9 ~~1990-91~~ 1991-92 to fund districts and intermediate districts
10 transporting pupils by school bus, passenger van, station wagon,
11 or adequate vehicle of ample capacity from the vicinity of their
12 homes to the schools the pupils attend, or from their homes or
13 schools to area vocational centers or other facilities providing
14 approved occupational or cooperative academic programs and back
15 again in amounts determined by the department. Funding for con-
16 tracted transportation services or transportation services pro-
17 vided through the use of public transit systems shall be the same
18 as for district-owned bus fleets.

19 (2) Districts and intermediate districts shall receive funds
20 for transporting pupils whose primary educational or training
21 program, as determined by the department, is a special education
22 program as defined in section 6(7) of the school code of 1976,
23 from their homes or schools to approved special education pro-
24 grams, including summer programs, for which the district or
25 intermediate district receives added-cost reimbursement under
26 section 52, and back again.

1 (3) Upon investigation, the department shall review,
2 confirm, set aside, or amend the action, order, or decision of
3 the board of a district with reference to the routes over which
4 the pupils shall be transported, the distance the pupils shall be
5 required to walk, and the suitability and number of vehicles and
6 equipment for the transportation of the pupils.

7 (4) An allotment for transportation shall not be allowed a
8 district which operates a bus route disapproved by the
9 department.

10 (5) Districts having pupils living in remote or isolated
11 areas from which transportation to and from regularly scheduled
12 classes is either impossible or prohibitively expensive for sea-
13 sonal periods of less than half of the regularly scheduled school
14 year may establish, with department approval, alternative tutor-
15 ing programs and be reimbursed under this section for 75% of the
16 approved costs of the programs.

17 Sec. 72. (1) Transportation aid for the ~~1990-91~~ 1991-92
18 school year is based upon an allowance for each pupil transported
19 and calculated for each district and intermediate district by the
20 department on the basis of all of the following factors:

21 (a) An overhead allowance of \$10.00 per pupil based upon the
22 following:

23 (i) Transportation staff per 100 pupils transported.

24 (ii) Bus fleet capacity per pupil transported.

25 (b) A regional allowance of between \$15.00 and \$37.00 per
26 pupil, depending on the region, based upon the following:

1 (i) Transportation staff salary.

2 (ii) Regional cost variation.

3 (c) An amortization cost per pupil of 100% of cost, with a
4 minimum of \$20.00 per pupil, for pupil transportation vehicles.

5 (d) An insurance cost per pupil of 100% of cost for pupil
6 transportation vehicles.

7 (e) Authorized miles traveled per pupil of \$1.00 per mile,
8 with an adjustment for districts with low mileage per pupil such
9 that the \$1.00 may be increased on a sliding scale up to \$1.20
10 per mile.

11 The allocation is based upon current year data reported by
12 the districts and intermediate districts. Special education
13 transportation aid is calculated separately and uses the vehicle
14 as the funding unit. The total transportation allowance for a
15 district is calculated by multiplying the sum of (a), (b), (c),
16 (d), and (e) by the number of pupils actually transported. The
17 rate of aid for contracted transportation services or transporta-
18 tion services provided through the use of public transit systems
19 is comparable for district-owned bus fleets.

20 (2) Districts and intermediate districts may apply to the
21 department for exceptions to the district's formula transporta-
22 tion allowance regarding the costs of transporting pupils when
23 exceptional conditions or circumstances impose unavoidably
24 unusual expenses for transporting district students to their reg-
25 ularly scheduled classes. The department shall report not later
26 than March 15 of each year to the house and senate appropriations

1 and education committees all exceptions granted under this
2 subsection for the current year.

3 Sec. 81. (1) From the amount appropriated in section 11,
4 there is allocated to the intermediate districts the sum neces-
5 sary, but not to exceed ~~-\$22,300,000.00~~ \$24,188,000.00 for
6 ~~+1990-91-~~ 1991-92, to provide state aid to intermediate
7 districts. There shall be allocated to each intermediate dis-
8 trict an amount obtained by adding ~~+105%~~ 104% of the prior year's
9 aid received under this section and ~~+105%~~ 104% of the product of
10 the prior year's state equalized valuation and the prior year's
11 operating millage, and subtracting from that sum the product of
12 the current year's state equalized valuation and the prior year's
13 operating millage. However, an intermediate district shall not
14 receive less than an amount per pupil equal to 100% of the
15 ~~+1989-90-~~ 1990-91 aid per pupil received under this section.

16 (2) From the amount appropriated in section 11, there is
17 allocated to an intermediate district, formed by the consolida-
18 tion or annexation of 2 or more intermediate districts or the
19 attachment of a total intermediate district to another intermedi-
20 ate school district or the annexation of all of the constituent
21 K-12 districts of a previously existing intermediate school dis-
22 trict which has disorganized, an additional allotment of
23 \$3,500.00 for each intermediate district included in the new
24 intermediate district for 3 years following consolidation, annex-
25 ation, or attachment.

26 (3) From the amount appropriated in section 11, there is
27 allocated an amount not to exceed \$200,000.00 for ~~+1990-91-~~

1 1991-92 to applicant intermediate districts that provide support
2 services for instruction in arts education. An applicant dis-
3 trict may apply for a \$25,000.00 grant pursuant to guidelines and
4 criteria for selection, as developed by the department, which
5 assure regional representation for all schools according to geo-
6 graphical and population consideration. Funds received under
7 this subsection shall be designated for reimbursement of salaries
8 of support services personnel approved by the department or of
9 expenditures to support program costs as approved by the
10 department.

11 Sec. 83. From the amount appropriated in section 11, there
12 is allocated to intermediate districts an amount not to exceed
13 \$3,478,100.00 for ~~1990-91~~ 1991-92 to operate educational media
14 centers under section 671 of the school code of 1976 and the
15 rules promulgated by the state board.

16 Sec. 90. (1) From the amount appropriated in section 11,
17 there is allocated an amount not to exceed \$2,000,000.00 for
18 ~~1990-91~~ 1991-92 to provide funds to districts for innovative
19 and diversified educational programs. Funds received by a dis-
20 trict shall be used for purposes of school redesign as identified
21 in the district's plan as described in this section and as
22 approved by the department.

23 (2) From the amount allocated in subsection (1),
24 \$2,000,000.00, but not more than \$50,000.00 per eligible class-
25 room building, is provided to applicant districts for a pilot
26 school-level building program to improve school performance by
27 restructuring the educational delivery system. A grant awarded

1 to an applicant district may be used for planning or implementing
2 school restructuring, or both. To be eligible for funding under
3 this subsection, a board shall submit to the department a plan
4 developed by principals, teachers, parents, community leaders, or
5 other representatives of participating schools within the
6 district. The plan shall indicate how 1 or more schools within
7 the district will be restructured by reallocating existing human
8 and monetary resources to better serve pupils. A plan may
9 include, but is not limited to, all of the following:

10 (a) A provision for school site management teams comprised
11 of principals, teachers, parents, pupils, community leaders, and
12 other representatives of a particular school who will develop,
13 review, and revise, as necessary, innovative ways of redesigning
14 and improving the educational delivery system in the school.

15 (b) A restructuring of methods of teaching, including, but
16 not limited to, the use of time, the composition and size of
17 instructional groups, and the use of telecommunications.

18 (c) A restructuring of the responsibilities and organization
19 of the teaching staff.

20 (d) The use of alternative methods of assessing pupil
21 achievement, including, but not limited to, competency based
22 testing and promotion and the use of pupil projects and
23 exhibitions.

24 (e) The use of new instructional methods and curricula that
25 explore subject areas in greater depth or that encourage the
26 development of analytical skills, objective reasoning, and
27 critical thinking.

(3) The department shall do both of the following:

(a) Upon request of a board, provide technical assistance to schools engaged in school restructuring at both the planning and implementation stages.

(b) Monitor and report not later than September 30, 1991 to the senate and house committees that have the responsibility for education legislation on the status of schools engaged in school restructuring.

Sec. 93. (1) From the amount appropriated in section 11,

there is allocated an amount not to exceed \$945,000.00 for

~~1990-91~~ 1991-92 to be used for the salaries of teachers in

alternative education programs for school age expectant parents

and school age parents and their children, as approved by the

department under section 1301 of the school code of 1976.

Districts and intermediate districts providing approved programs

shall be entitled to 75% of the actual cost of the salary, not to

exceed \$8,100.00 for an individual salary, of each teacher

approved by the department.

(2) From the amount appropriated in section 11, there is

allocated an amount not to exceed \$315,000.00 for ~~1990-91~~

1991-92 to support the operation of model school age parents'

projects approved by the department.

Sec. 96. From the amount appropriated in section 11, there

is allocated an amount not to exceed \$3,120,000.00 for ~~1990-91~~

1991-92 to be used by districts conducting community school pro-

grams approved by the department.

1 Sec. 97. (1) From the amount appropriated in section 11,
2 there is allocated an amount not to exceed \$3,016,000.00 for
3 ~~+1990-91-~~ 1991-92 to applicant districts and intermediate dis-
4 tricts for local professional and nonprofessional staff
5 development. Each district and intermediate district is eligible
6 to receive \$25.00 per professional staff member. Each district
7 or intermediate district with a professional staff equal to or
8 greater than 500, or a consortium of districts, intermediate dis-
9 tricts, or a combination of districts and intermediate districts
10 with professional staff equal to or greater than 500, or a combi-
11 nation of districts and intermediate districts within the same
12 county with professional staff equal to or greater than 250, or
13 an intermediate district consortium that includes all of its con-
14 stituent districts regardless of the number of staff members
15 shall be eligible for an additional \$10.00 per professional staff
16 member upon completion of an application, as approved by the
17 department, to be submitted by November 1, ~~+1990-~~ 1991.

18 (2) Applications submitted for receipt of funds under this
19 section shall include all of the following:

20 (a) Identification of the district, intermediate district,
21 or consortium needs assessment for staff development by the local
22 policy board.

23 (b) Identification of the goals and objectives of a staff
24 development program by the local policy board.

25 (c) Identification of the process for program development
26 and identification of potential resources such as colleges,
27 universities, community colleges, and intermediate districts.

(d) Identification of the process for program evaluation.

(e) Designation of a program coordinator.

(f) Designation of a policy board with a minimum of 11

members. The teacher representatives shall be appointed by the teachers' collective bargaining agent or elected by all teachers in an area where there is not a collective bargaining agent. The policy board shall consist of a majority of teachers with the balance of the board composed of representatives of district or intermediate district boards of education, administrators, non-professional staff, and other support personnel.

(g) Designation of a legal fiscal agent.

(h) An explanation, if appropriate, of how funds received under this section will be expended for nonprofessional staff.

(3) Participation by staff may be voluntary.

(4) A 3-year plan shall be submitted which prioritizes utilization of staff development funds. This plan may include, but is not limited to, locally identified needs in the following areas:

(a) Equal educational opportunity, including title IX of the education amendments of 1972, Public Law 92-318, 86 Stat. 235; title VI of the civil rights act of 1964, Public Law 88-352, 78 Stat. 241; and section 504 of the rehabilitation act of 1973, 29 U.S.C. 794.

(b) Management training for administrators.

(c) Utilization of assessment results for district and building level improvement in the basic skills.

1 (d) Working with pupils with special needs including work in
2 bilingual programs, mainstreaming programs, and gifted and
3 talented pupils' programs.

4 (e) Upgrading of teaching skills in the teacher's major and
5 minor subject areas as provided on his or her teaching certifi-
6 cate or those areas in which the teacher has not had recent
7 classroom experience or training.

8 (f) Implementation of the state school health education
9 curriculum.

10 (g) Utilizing computers in the educational process.

11 (h) Career education in-service programs.

12 (i) The use of fine arts and ~~multi-modal~~ MULTIMODAL
13 approach to teaching in the general curricula and school improve-
14 ment process.

15 (J) CULTURAL SENSITIVITY TRAINING.

16 (K) AGRICULTURAL EDUCATION TRAINING.

17 (5) Not more than 15% of the funds received under this sec-
18 tion may be used for program coordination without department
19 approval.

20 (6) The funds allocated under this section shall not be
21 expended for facility rental, overhead charges, or stipend
22 payments.

23 (7) A legal fiscal agent may be a district or an intermedi-
24 ate district.

25 (8) The department shall submit a progress report to the
26 legislature not later than April 1 of each year on all staff
27 activities funded under this section.

1 (9) Additional general fund revenue that becomes available
2 for districts or intermediate districts for local professional
3 and nonprofessional staff development and career education
4 in-service programs is appropriated for that purpose. An amount
5 equal to the additional general fund revenue that becomes avail-
6 able for districts or intermediate districts for local profes-
7 sional and nonprofessional staff development and career education
8 in-service programs shall be deducted from the amount appropri-
9 ated in section 11, as allocated pursuant to subsection (1), and
10 shall be credited to the general fund of the state. This subsec-
11 tion does not apply to funds provided to a district or an inter-
12 mediate district through this act.

13 (10) As used in this section, "nonprofessional staff" means
14 nonprofessional staff who work with school children.

15 Sec. 98. (1) From the amount appropriated in section 11,
16 there is allocated an amount not to exceed \$1,872,000.00 for
17 ~~1990-91~~ 1991-92 to applicant districts and intermediate dis-
18 tricts approved by the department for the development of profes-
19 sional development programs in the areas of mathematics, science,
20 computer literacy-competency, structured linguistics taught
21 through a multisensory approach, reading, writing and composi-
22 tion, and other curricular areas.

23 (2) In order to be eligible for funding under this section,
24 the applicant district or intermediate district shall submit a
25 proposal for developing and operating professional development
26 programs for teachers and administrators. The proposal shall be
27 developed in accordance with criteria established by the

1 department and shall be submitted to the department for
2 approval. The criteria used by the department to approve pro-
3 grams shall include, but not be limited to, all of the
4 following:

5 (a) Encouraging consortia among districts, community col-
6 leges, universities, and professional organizations.

7 (b) Developing training guidelines that show the relation-
8 ship of curriculum goals within the content areas of mathematics,
9 science, computer literacy-competency, and writing and composi-
10 tion to the general goals of the K to 12 program.

11 (c) Developing assessment strategies to identify major
12 target audiences and training content needs in mathematics,
13 science, computer literacy-competency, and writing and
14 composition.

15 (3) Community colleges and teacher preparation institutions
16 AND MATHEMATICS AND SCIENCE CENTERS may enter into agreements
17 with districts or intermediate districts that have been awarded
18 grants under this section.

19 SEC. 99. (1) FROM THE AMOUNT APPROPRIATED IN SECTION 11,
20 THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED \$2,372,100.00 IN
21 1991-92 FOR THE PLANNING, START-UP AND DEVELOPMENT, CONTINUING
22 SUPPORT, AND EXTENDED OUTREACH PROGRAMS FOR MATHEMATICS AND
23 SCIENCE CENTERS.

24 (2) THE MATHEMATICS AND SCIENCE CENTERS, EACH WITHIN A SERV-
25 ICE AREA DESIGNATED BY THE DEPARTMENT, SHALL PROVIDE ACCELERATED
26 INSTRUCTION IN MATHEMATICS, SCIENCE, AND COMPUTER SCIENCE FOR
27 QUALIFIED STUDENTS OR SERVE AS A RESOURCE AND SUPPORT CENTER FOR

1 TEACHER TRAINING, CURRICULUM DEVELOPMENT, ENRICHMENT PROGRAMS,
2 AND OTHER ACTIVITIES AND PROGRAMS RELATED TO THE OVERALL IMPROVE-
3 MENT OF MATHEMATICS EDUCATION, SCIENCE EDUCATION, OR BOTH.

4 (3) PLANNING FUNDS SHALL BE USED FOR DEVELOPING COMMUNITY
5 SUPPORT AND DESIGNING PLANS FOR ESTABLISHING A MATHEMATICS AND
6 SCIENCE CENTER. START-UP AND DEVELOPMENT FUNDS SHALL BE USED FOR
7 DEDICATED FACILITIES, MATHEMATICS AND SCIENCE-RELATED EQUIPMENT,
8 AND CURRICULUM DEVELOPMENT. CONTINUING SUPPORT FUNDS SHALL BE
9 USED FOR OPERATIONAL COSTS OF EXISTING MATHEMATICS AND SCIENCE
10 CENTERS. OUTREACH FUNDS SHALL BE USED FOR EXTENDING THE PROGRAMS
11 OF A MATHEMATICS AND SCIENCE CENTER TO OTHER STUDENTS AND PROFES-
12 SIONAL STAFF IN THE SERVICE AREA.

13 (4) A DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR SCIENCE OR
14 TECHNOLOGICAL MUSEUM IS ELIGIBLE FOR FUNDING FROM THIS SECTION.
15 IN ORDER TO RECEIVE FUNDS UNDER THIS SECTION, A DISTRICT, INTER-
16 MEDIATE DISTRICT, OR SCIENCE OR TECHNOLOGICAL MUSEUM SHALL SUBMIT
17 TO THE DEPARTMENT AN APPLICATION ON A FORM AND IN A MANNER PRE-
18 SCRIBED BY THE DEPARTMENT. THE APPLICATION SHALL INCLUDE, BUT IS
19 NOT LIMITED TO, ALL OF THE FOLLOWING:

20 (A) A DETAILED STATEMENT OF THE PROJECTED IMPACT ON MATHE-
21 MATICS AND SCIENCE OUTCOMES CONTAINED IN THE CORE CURRICULUM.

22 (B) A PLAN DESCRIBING HOW THE APPLICANT'S PUPIL SELECTION
23 PROCESS WILL ENSURE FAIR ACCESS TO CENTER PROGRAMS FOR ALL QUALI-
24 FIED STUDENTS AND PROFESSIONAL STAFF OF SCHOOLS FORMALLY PARTICI-
25 PATING IN CENTER PROGRAMS. FORMAL PARTICIPATION ARRANGEMENTS
26 SHALL BE MADE AVAILABLE TO NONPUBLIC SCHOOLS IN THE DESIGNATED
27 SERVICE AREA.

1 (C) A STATEMENT OF THE WORKING RELATIONSHIPS TO BE
2 ESTABLISHED WITH PROFESSIONAL DEVELOPMENT PROGRAMS FUNDED IN
3 SECTION 98 OF THE SCHOOL AID ACT.

4 (5) THE DEPARTMENT SHALL PROVIDE MINIMUM STANDARD GUIDELINES
5 BY WHICH THE APPLICANT DISTRICT, INTERMEDIATE DISTRICT, OR
6 SCIENCE OR TECHNOLOGICAL MUSEUM MAY DETERMINE THE NUMBER OF QUAL-
7 IFIED STUDENTS AND PROFESSIONAL STAFF TO BE GIVEN FAIR ACCESS AS
8 PRESCRIBED IN THIS SECTION.

9 (6) THE MAXIMUM LEVEL OF ANY SINGLE GRANT APPROVED BY THE
10 DEPARTMENT FOR PLANNING SHALL NOT EXCEED \$25,000.00. GRANTS FOR
11 START-UP AND DEVELOPMENT SHALL NOT EXCEED \$200,000.00.
12 CONTINUING SUPPORT GRANTS SHALL NOT EXCEED \$75,000.00. GRANTS
13 FOR OUTREACH PROGRAMS SHALL NOT EXCEED \$100,000.00.

14 SEC. 101A. (1) FROM THE AMOUNT APPROPRIATED IN SECTION 11,
15 THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED \$150,000.00 FOR
16 1991-92 FOR GRANTS TO APPLICANT DISTRICTS TO PLAN FOR THE OPERA-
17 TION OF AN EXTENDED OR REDEFINED SCHOOL YEAR IN 1992-93. TO BE
18 ELIGIBLE FOR A PLANNING GRANT, A DISTRICT MUST SUBMIT AN APPLICA-
19 TION TO THE DEPARTMENT BY OCTOBER 31, 1991.

20 (2) AN APPLICATION SHALL INCLUDE ALL OF THE FOLLOWING:

21 (A) IDENTIFICATION OF THE DISTRICT'S PLANNING COMMITTEE, AND
22 DESIGNATION OF THE DISTRICT'S PLANNING COORDINATOR, TO BE
23 INVOLVED IN EXAMINING AN EXTENSION OF THE SCHOOL YEAR TO 200 DAYS
24 OR A REDEFINITION OF THE SCHOOL YEAR SCHEDULE.

25 (B) THE PROPOSED TIMELINE UNDER WHICH DECISIONS REGARDING
26 EXTENSION OR REDEFINITION OF THE SCHOOL YEAR SCHEDULE WOULD
27 OCCUR.

1 (C) A BOARD-ADOPTED RESOLUTION INDICATING THE DISTRICT'S
2 COMMITMENT TO POSSIBLE EXTENSION OR REDEFINITION OF THE SCHOOL
3 YEAR SCHEDULE FOR 1992-93.

4 (3) THE DEPARTMENT SHALL REVIEW AND APPROVE FOR FUNDING NOT
5 MORE THAN 6 APPLICATIONS, AND BY NOVEMBER 30, 1991 SHALL RESPOND
6 TO EACH GRANTEE DISTRICT WITH A DETAILED SUMMARY REPORT OF THE
7 DEPARTMENT'S COMMENTS AND SUGGESTIONS.

8 (4) THE DEPARTMENT SHALL NOT MAKE A GRANT AWARD TO A DIS-
9 TRICT THAT IS UNREPRESENTATIVE OF THE SCHOOL DISTRICTS IN THE
10 STATE IN TERMS OF GEOGRAPHIC LOCATION AND SIZE. THE GRANT AWARD
11 TO A DISTRICT SHALL NOT EXCEED \$50,000.00.

12 Sec. 105. (1) Pupils to be counted in membership shall be
13 not less than 5 years of age on December 1 and less than 20 years
14 of age on September 1 of the school year except as follows:

15 (a) A special education pupil who is enrolled and receiving
16 instruction in a special education program approved by the
17 department and not having a high school diploma who is less than
18 26 years of age as of September 1 of the current school year
19 shall be counted in membership.

20 (b) A pupil who is enrolled in classes as specified under
21 section 108(1) required for that pupil to obtain a high school
22 diploma may be counted in membership regardless of age.

23 (c) A pupil not having a high school diploma taking instruc-
24 tion in an adult basic education program which provides instruc-
25 tion in mathematics, reading, or English, as specified under sec-
26 tion 108(1), may be counted in membership regardless of age.

1 (d) A pupil not less than 16 years of age who is enrolled in
2 classes in a program under section 108 may be counted in
3 membership.

4 (2) A pupil less than 20 years of age on September 1 of the
5 school year and having obtained a high school diploma shall be
6 counted in membership if enrolled in academic or
7 vocational-technical courses that would normally be credited
8 toward high school completion and are to prepare pupils for
9 employment, additional occupational skills training, or postsec-
10 ondary education. A pupil less than 20 years of age on
11 September 1 of the school year, who has obtained a high school
12 diploma, who is attending a course offered directly or indirectly
13 by a district, and who earns postsecondary credit for that course
14 shall not be included in the membership calculation under this
15 subsection. ~~In 1990-91 and each year thereafter, a~~ A district
16 or consortium of districts shall not receive membership credit
17 under this subsection for pupils attending a community or junior
18 college or 4-year institution of higher education.

19 (3) A pupil 26 years of age or older residing in a mental
20 health institution or a nursing home and receiving educational
21 services on site shall not be counted in membership unless prior
22 approval is received from the department. A district may request
23 prior approval for adult basic education programs and general
24 educational development test preparation programs. The depart-
25 ment shall grant approval for adult basic education and general
26 educational development test preparation programs that meet the

1 requirements of subsection (1)(c) and section 108(1), as
2 appropriate.

3 Sec. 107. (1) The prorated membership of a part-time pupil,
4 who is 18 years of age or older on September 1 of a school year
5 and is eligible to be counted in membership under section 105,
6 shall be computed by applying a ratio which is the relation
7 between the number of hours of student instruction received and
8 480 clock hours of classroom instruction. Time required to pass
9 to and from classes shall be counted as classroom instruction,
10 but meal time, study halls, or recess time shall not be counted.
11 A district that counts pupils under this subsection shall have
12 its board approve a districtwide plan for adult education. The
13 plan shall address goals and objectives for the adult education
14 program. The district shall submit to the department, not later
15 than November 1 each year for each fiscal year in which funding
16 is received for the adult education program, a resolution adopted
17 by its board indicating that the district complies with all of
18 the following requirements:

19 (a) The district has incorporated into its plan as required
20 under subsection (1) as guidelines the adult education standards
21 of quality approved by the state board.

22 (b) The district has implemented an adult education pupil
23 retention plan.

24 (c) The district has implemented an adult education plan
25 that includes placement, follow-up, and evaluation.

26 (2) For purposes of determining membership under this
27 section, a district may count towards classroom instruction not

1 more than 20 credits as specified in subdivisions (a) through (e)
2 in the following courses and number of credit hours:

3 (a) Except as provided in subdivision (e), a total of 10
4 credits of English or communication skills, mathematics, science,
5 and social science, with not more than 3 credits each of mathe-
6 matics, science, and social science and not more than 4 credits
7 of English or communication skills.

8 (b) Except as provided in subdivision (e), 1 credit of
9 health.

10 (c) Except as provided in subdivision (e), 4 credits of a
11 foreign language, vocational-technical education as approved by
12 the department, occupational skills training as approved by the
13 department, or any combination thereof.

14 (d) Except as provided in subdivision (e), 1 credit of com-
15 puter education, or the equivalent, as approved by the
16 department.

17 (e) A total of 4 additional credits of any of the subjects
18 specified in subdivisions (a) through (d), fine and performing
19 arts or practical arts, or any combination thereof, as approved
20 by the department. Pupils enrolled in fine and performing arts
21 or practical arts classes shall also be enrolled and attend
22 within the same semester at least 1 of the classes listed in sub-
23 divisions (a) through (d) in order to generate membership for the
24 fine and performing arts or practical arts class.

25 (3) For purposes of subsection (2), a credit hour shall not
26 exceed 120 clock hours of classroom instruction, and credit hours
27 earned by a pupil during previous school years shall be counted.

1 Prorated membership may be included for pupils enrolled and
 2 making progress in adult basic education, which is instruction in
 3 mathematics, reading, or English at or below the eighth grade
 4 level.

5 (4) In order to be eligible to generate membership under
 6 this section, a district shall allow those pupils who have more
 7 than the total of 20 credits specified in subsection (2) to
 8 attend those classes needed in order to complete graduation
 9 requirements. The district shall not assess a fee or generate
 10 membership for these credits.

11 (5) A district that counts adult education pupils in member-
 12 ship and complies with the requirements of this section and sec-
 13 tion 108 shall receive regularly scheduled state aid payments for
 14 which the district qualifies under this act in accordance with
 15 the following table:

16 ADULT EDUCATION PAYMENTS

17 10% for demonstration of a completed comprehensive assess-
 18 ment as required by section 108(1)(c).

19 ~~80%~~ 40% for enrollment of eligible pupils.

20 ~~10%~~ 20% for attainment of a high school diploma, for pas-
 21 sage of the general education development (GED) test, or for com-
 22 pletion of the adult basic education objectives by achieving an
 23 eighth grade level in reading, English, or mathematics.

24 Not more than ~~10%~~ 40% for classroom attendance.

25 (6) For purposes of subsection (5), classroom attendance
 26 shall be measured by the total cumulative membership clock hours
 27 of classroom instruction. The total cumulative membership clock

1 hours of classroom instruction shall be determined by multiplying
2 the total membership by 480 hours. Credit for cumulative member-
3 ship clock hours of classroom instruction shall be determined by
4 dividing the total number of clock hours of classroom instruction
5 attended by the total number of cumulative membership clock
6 hours. The specific percentage allowable for attendance shall be
7 in accordance with the following table:

8	0 - 25% attended clock hours - 2.5%
9	26 - 50% attended clock hours - 5%
10	51 - 75% attended clock hours - 7.5%
11	76 - 100% attended clock hours - 10%

12 Sec. 108. (1) A district operating an adult education pro-
13 gram and receiving an allocation under section 21(1) shall:

14 (a) Provide the program within the geographic boundaries of
15 the district.

16 (b) Develop course descriptions for all adult basic and high
17 school completion courses approved by the board of education
18 which shall be available for review by the department not later
19 than October 1 of each school year.

20 (c) Have on file a planned program for adult basic education
21 or a planned program for a high school diploma, or both, for each
22 individual enrolled in an adult basic education program or adult
23 high school completion program, or both, comparable to planned
24 programs maintained for a pupil in the regular program of the
25 district.

26 (d) Ensure that the adult high school completion program is
27 comparable to the requirements and standards of other high school

1 completion programs in that district. If modifications are made
2 in programs or courses, or both, to accommodate adult needs, spe-
3 cific rationale for the modifications shall be available for
4 review.

5 (e) Maintain pupil records comparable to those maintained
6 for the regular high school program of that district.

7 (f) Submit to the department not later than October 30 each
8 year a report describing the district's activities in the fiscal
9 year ending the immediately preceding September 30 that pertain
10 to requirements set forth in subdivisions (d) and (e) AND, IN
11 ADDITION, DESCRIBE IN DETAIL IN THE MANNER, FORM, AND EXTENT
12 REQUIRED BY THE DEPARTMENT, FOR PROGRAMS UNDER SECTION 6(4)
13 TERMED "SLOT-FUNDED" BY THE DEPARTMENT, THE OBJECTIVES AND THE
14 EDUCATION AND EMPLOYMENT OUTCOMES ACHIEVED.

15 (2) Two or more K to 12 districts may conduct adult educa-
16 tion programs on a cooperative basis. Cooperating districts
17 shall enter into an annual written agreement which shall cover
18 all of the high school completion programs and adult basic educa-
19 tion programs offered within the participating districts.
20 Exceptions to this provision may be made with the approval of the
21 department. An agreement shall include the educational, adminis-
22 trative, management, operational, and financial matters concern-
23 ing adult education programs and services offered by all the par-
24 ticipating districts. One district shall be designated in the
25 agreement as the administrator of the adult education cooperative
26 program and shall operate the program as a direct extension of
27 the district, except that the pupils enrolled in the program may

1 be counted on the pupil membership count day of the district in
2 which the pupils' classes are held. The district serving as the
3 administrator of the adult education program shall pay only rea-
4 sonable fees for services, facilities, and utilities provided
5 directly to the program by a cooperative district. These fees
6 shall reflect only actual costs to the cooperating district. No
7 other payments may be made to a cooperating district by the dis-
8 trict serving as the administrator of the adult education
9 program. The fee schedule to be paid by the administrative dis-
10 trict of the adult education program shall be included as part of
11 the annual written agreement between cooperating districts. The
12 administrative district shall maintain for 5 years records of
13 fees paid under the agreement. The funds generated by the admin-
14 istering district shall be used to support actual reasonable
15 costs of the adult education programs in the cooperative program
16 with the exception that administering districts may use revenues
17 in addition to that needed to meet the costs of the adult educa-
18 tion program to provide supplemental services within the consor-
19 tium in the areas of early childhood education, alternative edu-
20 cation, dropout prevention, community education, teen parent pro-
21 grams for youth, or other department-approved education
22 programs.

23 (3) A district which does not receive an allocation under
24 section 21(1), with the approval of the department, may enter
25 into a cooperative arrangement with a district which receives
26 membership aid for the purpose of obtaining educational services

1 for adult pupils. These cooperative arrangements shall meet the
2 same conditions as those listed in subsection (2).

3 (4) A district which operates an adult education program
4 under subsection (2) and enrolls pupils from districts not
5 receiving an allocation under section 21(1) or not levying oper-
6 ating millage equal to or greater than that of the district which
7 operates the program shall receive for those pupils the lesser of
8 the following gross allowances:

9 (a) The operating district's gross allowance.

10 (b) A gross allowance computed by averaging the actual gross
11 allowances weighted as to membership of the constituent districts
12 in the intermediate district of the operating district.

13 SEC. 125. (1) FROM THE AMOUNT APPROPRIATED IN SECTION 11A,
14 THERE IS ALLOCATED \$260,000,000.00 FOR 1991-92 TO REIMBURSE DIS-
15 TRICTS THE FOREGONE PROPERTY TAX RECEIPTS RESULTING FROM THE
16 SENIOR CITIZEN SCHOOL OPERATING PROPERTY TAX EXEMPTION CREATED BY
17 ENACTMENT OF (HB 4242 OR SB 70). THE TREASURER OF THE LOCAL UNIT
18 OF GOVERNMENT OF WHICH THE LOCAL DISTRICT IS CONSTITUENT THERETO
19 SHALL DULY FORWARD TO THE STATE TREASURER ALL STATUTORY CLAIMS
20 AND TO THE SUPERINTENDING BOARD OR OFFICER OF EACH SCHOOL DIS-
21 TRICT CONSTITUENT TO THE LOCAL UNIT OF GOVERNMENT A SUMMARY OF
22 SUCH CLAIMS.

23 (2) THE STATE TREASURER SHALL CERTIFY THE AMOUNT OF PROPERLY
24 CLAIMED REIMBURSEMENTS FROM THIS ALLOCATION, AS BY THE PROVISIONS
25 OF (HB 4242 OR SB 70).

26 (3) THE STATE SUPERINTENDENT PROMPTLY SHALL REVIEW THE
27 REIMBURSEMENT PAYMENTS TO LOCAL DISTRICTS AS CERTIFIED BY THE

1 STATE TREASURER, AND SHALL AUTHORIZE THE STATE TREASURER TO MAKE
2 THE PAYMENT OF REIMBURSEMENT TO A LOCAL DISTRICT BEFORE SUCH PAY-
3 MENT MAY BE DISBURSED.

4 (4) UPON NOTICE OF AUTHORIZATION, THE STATE TREASURER SHALL
5 DISBURSE PAYMENTS TO A LOCAL DISTRICT ACCORDING TO THE STATE
6 SCHOOL AID PAYMENT SCHEDULE ESTABLISHED IN SECTION 17.

7 SEC. 126. (1) FROM THE AMOUNT APPROPRIATED IN SECTION 11A,
8 THERE IS ALLOCATED \$265,000,000.00 FOR 1991-92 TO REIMBURSE DIS-
9 TRICTS FOR THE FOREGONE PROPERTY TAX RECEIPTS, RESULTING FROM THE
10 STATUTORY REDUCTION OF STATE EQUALIZED PROPERTY VALUES SUBJECT TO
11 SCHOOL OPERATING TAXES, AS DETERMINED BY THE PROVISIONS OF (HB
12 4244 OR SB 72).

13 (2) THE STATE SUPERINTENDENT PROMPTLY SHALL REVIEW THE REIM-
14 BURSEMENT PAYMENTS TO LOCAL DISTRICTS AS CERTIFIED BY THE STATE
15 TREASURER, AND SHALL AUTHORIZE THE STATE TREASURER TO MAKE THE
16 PAYMENT OF REIMBURSEMENT TO A LOCAL DISTRICT BEFORE SUCH PAYMENT
17 MAY BE DISBURSED.

18 (3) THE STATE TREASURER SHALL DISBURSE UPON NOTICE OF AUTHO-
19 RIZATION PAYMENTS TO A LOCAL DISTRICT ACCORDING TO THE STATE
20 SCHOOL AID PAYMENT SCHEDULE ESTABLISHED IN SECTION 17.

21 (4) A LOCAL DISTRICT RECEIVING PAYMENT UNDER THIS SECTION
22 SHALL HAVE ITS SECTION 21(1) STATE AID PAYMENT, IF ANY, REDUCED
23 BY THE AMOUNT OF FUNDING RECEIVED UNDER THIS SECTION.

24 Sec. 143. (1) From the amount appropriated in section 11,
25 there is allocated to each eligible district for ~~1990-91~~
26 1991-92 the following amount per pupil, except as provided in
27 subsection (2):

1 (a) Add the following:

2 (i) ~~+05%~~ 104% of the previous year's membership aid per
3 pupil received under section 21(1).

4 (ii) ~~+05%~~ 104% of the previous year's membership aid per
5 pupil received under this section.

6 (iii) ~~+05%~~ 104% of the product of the previous year's
7 state equalized valuation per pupil and the 1975-76 millage
8 levied for purposes included in the operation cost of the dis-
9 trict as prescribed in section 7.

10 (b) From the sum obtained in subdivision (a), subtract the
11 following:

12 (i) The current year's membership aid per pupil received
13 under section 21(1) or the membership aid per pupil which would
14 be due the district if the current year's formula were applied to
15 the 1975-76 operating millage, whichever is greater.

16 (ii) The product of the current year's state equalized valu-
17 ation per pupil and the 1975-76 operating millage levied.

18 (2) A district shall not receive a greater amount per pupil
19 under subsection (1) than was received by the district in the
20 prior year.

21 (3) The purpose, use, and expenditure of aid received under
22 this section shall be limited as if the funds were generated by
23 ad valorem taxes levied for operating purposes.

24 Sec. 144. (1) From the amount appropriated in section 11,
25 there is allocated an amount not to exceed \$130,000.00 for
26 ~~+1990-91~~ 1991-92 to applicant districts not receiving a
27 membership allocation under section 21(1), that have sustained an

1 SEV reduction due to the listing of forest land under Act No. 94
2 of the Public Acts of 1925, being sections 320.301 to 320.314 of
3 the Michigan Compiled Laws, and that levied 25.615 mills or 35.16
4 mills for operating purposes in 1985-86.

5 (2) An applicant district's entitlement shall be determined
6 as follows:

7 (a) A potential property tax payment shall be determined by
8 multiplying the total acreage of the district under Act No. 94 of
9 the Public Acts of 1925 by \$75.00 per acre. This product shall
10 then be multiplied by the operating millage rate of the
11 district.

12 (b) From the amount computed under subdivision (a) shall be
13 subtracted all payments received by the district for the commer-
14 cial forest land, including specific and yield and withdrawal tax
15 revenue.

16 Sec. 145. From the amount appropriated in section 11, there
17 is allocated for ~~1990-91~~ 1991-92 an amount sufficient to pay
18 the state share of desegregation costs mandated by the federal
19 court before June 1, 1983, in Berry v school district of the city
20 of Benton Harbor, United States district court for the western
21 district of Michigan, docket no. C.A. 9.

22 Sec. 146. (1) Except as otherwise provided in this act,
23 from the amount appropriated in section 11, there is allocated to
24 each district and intermediate district an amount ~~equal to~~ NOT
25 TO EXCEED the employer's share of the district's or intermediate
26 district's federal social security obligations, 7.65% on calendar
27 ~~1990~~ 1991 employee's wage base up to ~~\$50,000.00~~ \$54,300.00,

1 and 7.65% on calendar ~~1991~~ 1992 employee's wage base up to
2 ~~\$51,300.00~~ \$57,000.00, AND NOT TO EXCEED \$428,000,000.00 IN
3 TOTAL FOR 1991-92.

4 (2) Except as otherwise provided in this act, the state
5 shall not assume the employer's share of federal social security
6 obligations for the federally funded employees of the district or
7 intermediate district, nor for individuals employed pursuant to
8 the Michigan youth corps act, Act No. 69 of the Public Acts of
9 1983, being sections 409.221 to 409.229 of the Michigan Compiled
10 Laws, or the Michigan opportunity and skills training program or
11 project self-reliance, both administered by the department of
12 social services, or any successor of either of those 2 programs.

13 (3) ~~Monthly payments~~ PAYMENTS to districts or intermediate
14 districts, for social security obligations only, shall be dis-
15 bursed on a ~~fiscal year schedule~~ PAYMENT SCHEDULE SET BY SEC-
16 TION 17 OF THIS ACT. These payments are determined by multiply-
17 ing the state's percentage contribution by the estimated base
18 payroll for each covered employee for the quarterly periods
19 beginning in October of the school year. The state payments
20 shall be prospective estimates, based upon data to be submitted
21 to the department in a form and manner as required by the
22 department. Payments required to satisfy social security obliga-
23 tions of each district or intermediate district shall be adjusted
24 by the department as necessary to reflect actual requirements of
25 preceding completed payrolls and payroll periods, and shall be
26 adjusted finally by the department for the fiscal year ending
27 September 30, ~~1989~~ 1990. ~~pursuant to section 41 of the public~~

~~1 school employees retirement act of 1979, Act No. 300 of the~~
~~2 Public Acts of 1980, being section 38.1341 of the Michigan~~
~~3 Compiled Laws.~~

~~4 (4) Each district or intermediate district shall remit~~
~~5 directly to the appropriate federal government agency the total~~
~~6 employer share and the total employee share of the district's or~~
~~7 intermediate district's social security obligation. Social~~
~~8 security contributions shall not be remitted to the social secur-~~
~~9 ity contribution fund as otherwise required by section 42(6) of~~
~~10 Act No. 300 of the Public Acts of 1980, being section 38.1342 of~~
~~11 the Michigan Compiled Laws.~~

12 SEC. 146A. IN ORDER TO RECEIVE ASSISTED SOCIAL SECURITY
13 PAYMENTS FROM SECTION 146 UNDER THIS ACT, A DISTRICT OR INTERME-
14 DIATE DISTRICT SHALL CERTIFY TO THE DEPARTMENT PRIOR TO
15 AUGUST 15, 1991, THAT ITS HEALTH AND RELATED BENEFIT INSURANCE
16 CONTRACTS ENTERED INTO OR RENEWED ON OR AFTER JULY 1, 1991 WILL
17 BE LET UNDER COMPETITIVE BIDDING PROCEDURES.

18 SEC. 147. FROM THE AMOUNTS APPROPRIATED IN SECTION 11A,
19 THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED \$28,517,800.00 FOR
20 1991-92 FOR FUND SOURCE TRANSFERS TO STATE DEPARTMENTS. THE
21 TRANSFER TO THE DEPARTMENT OF CORRECTIONS SHALL NOT EXCEED
22 \$18,808,600.00, THE TRANSFER TO THE DEPARTMENT OF MENTAL HEALTH
23 SHALL NOT EXCEED \$9,000,000.00, AND THE TRANSFER TO THE DEPART-
24 MENT OF STATE POLICE SHALL NOT EXCEED \$709,200.00, FOR
25 EDUCATION-RELATED PURPOSES IN THE RESPECTIVE DEPARTMENTS.

26 SEC. 148. FROM THE AMOUNT APPROPRIATED IN SECTION 11A,
27 THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED \$39,500,000.00 FOR THE

1 ADULT EDUCATION INITIATIVE ADMINISTERED BY THE DEPARTMENT OF
2 SOCIAL SERVICES (DSS). THE ALLOCATION SHALL BE USED FOR THE EDU-
3 CATION AND ASSOCIATED COSTS OF PROVIDING LITERACY ATTAINMENT,
4 ADULT BASIC EDUCATION, HIGH SCHOOL COMPLETION, AND VOCATIONAL
5 TRAINING FOR PERSONS WHO MEET INCOME AND ELIGIBILITY REQUIREMENTS
6 FOR STATE DISABILITY ASSISTANCE IN THE DSS, BUT WHO ARE NOT QUAL-
7 IFIED FOR STATE DISABILITY ASSISTANCE BECAUSE THEY HAVE NO DIS-
8 ABLING CONDITION.

9 SEC. 149. FROM THE AMOUNT APPROPRIATED IN SECTION 11A,
10 THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED \$500,000.00 FOR
11 1991-92 TO THE DETROIT COMPACT OR ITS FISCAL AGENT, FOR OPERATING
12 A PROGRAM CENTERED IN THE DETROIT SCHOOL SYSTEM WHICH WILL PRO-
13 VIDE STUDENTS PARTICIPATING IN THE COMPACT THE OPPORTUNITY TO
14 ATTAIN A COLLEGE EDUCATION. AS A CONDITION OF RECEIVING THE
15 FUNDS, THE COMPACT SHALL CONDUCT OR COMMISSION A STUDY TO REEVAL-
16 UATE THE DESIGN OBJECTIVES AND OPERATING PRACTICES OF THE PROGRAM
17 AND TO CLARIFY THE RECIPROCAL ASSURANCES AMONG ALL PARTIES TO THE
18 ORIGINAL AGREEMENTS REGARDING THE COMPACT.

19 SEC. 159. (1) IN ORDER TO RECEIVE FUNDS UNDER THIS ACT, A
20 DISTRICT OR INTERMEDIATE DISTRICT SHALL FURNISH TO THE DEPART-
21 MENT, ON A FORM AND IN A MANNER PRESCRIBED BY THE DEPARTMENT, THE
22 INFORMATION REQUIRED BY THIS SECTION AND REQUESTED BY THE DEPART-
23 MENT AS NECESSARY FOR THE DEPARTMENT TO PREPARE A SPECIAL REPORT
24 TO THE GOVERNOR AND THE LEGISLATURE. THE SPECIAL REPORT SHALL
25 PROPOSE THE DESIGN AND IMPLEMENTATION OF AN AVERAGE DAILY
26 ATTENDANCE FORMULA FOR 1 OR MORE APPLICABLE STATE AID PROGRAMS IN
27 1992-93 INCLUDING A SUBSTITUTE FORMULA FOR DISTRIBUTING GENERAL

1 MEMBERSHIP AID UNDER SECTION 21(1). FOR PURPOSES OF THIS
2 SECTION, AVERAGE DAILY ATTENDANCE IS DEFINED IN SECTION 3 OF THIS
3 ACT.

4 (2) A DISTRICT OR INTERMEDIATE DISTRICT SHALL REPORT TO THE
5 DEPARTMENT, NOT LATER THAN 10 DAYS AFTER THE END OF EACH CALENDAR
6 MONTH OF THE 1991-92 SCHOOL YEAR, ITS AVERAGE DAILY ATTENDANCE
7 (COMPONENTS AND TOTAL) FOR THAT MONTH. THE FIRST MONTH OF THE
8 SCHOOL YEAR SHALL INCLUDE AND BEGIN WITH THE FIRST OFFICIAL PUPIL
9 INSTRUCTION DAY OF THE 1991-92 SCHOOL YEAR.

10 (3) BEGINNING IN 1991-92, A DISTRICT OR INTERMEDIATE DIS-
11 TRICT SHALL MAINTAIN IN ITS PUPIL ACCOUNTING RECORDS AN ACCURATE
12 DAILY ATTENDANCE COUNT FOR ITS MEMBERSHIP PUPILS. THE DAILY
13 ATTENDANCE RECORDS SHALL BE CATEGORIZED BY COMPONENTS TO THE SAME
14 EXTENT AS MEMBERSHIP PUPILS ARE DEFINED OR OTHERWISE DIFFERENTI-
15 ATED IN THIS SCHOOL AID ACT AND RELATED ADMINISTRATIVE RULES,
16 INCLUDING GRADE-SPECIFIC RECORDS FOR ELEMENTARY AND HIGH SCHOOL
17 PUPILS.

18 (4) TO THE EXTENT THAT KINDERGARTEN AND ANY OTHER CLASSROOM
19 INSTRUCTION PUPILS MEET FOR PART OF AN INSTRUCTIONAL DAY (IF
20 FEWER THAN 5 CLOCK HOURS OF INSTRUCTION), THE DAILY ATTENDANCE
21 COUNT SHALL BE APPROPRIATELY REDUCED TO A FULL-TIME EQUATED
22 FIGURE: THE NUMBER OF ACTUAL CLOCK HOURS OF INSTRUCTION SHALL BE
23 DIVIDED BY THE NUMBER OF SCHEDULED CLOCK HOURS AS ARE NORMALLY
24 PROVIDED DAILY TO STUDENTS IN GRADES 1 TO 12.

25 (5) DAILY ATTENDANCE COUNTS SHALL BE NONDUPLICATED UNIT
26 COUNTS, SO THAT INDIVIDUAL PUPILS ARE NOT PARTIALLY ASSIGNED TO
27 MORE THAN 1 REPORTING CATEGORY. THE DEPARTMENT WILL PROVIDE

1 DISTRICTS AND INTERMEDIATE DISTRICTS WITH A UNIFORM
2 INTERPRETATION OF PUPIL ACCOUNTING RULES AS THEY AFFECT THE CAL-
3 CULATION OF AVERAGE DAILY ATTENDANCE.

4 (6) THE DEPARTMENT SHALL PREPARE THE SPECIAL REPORT REFER-
5 ENCED IN SUBDIVISION (1), BASED IN PART ON THE DATA RECEIVED FROM
6 DISTRICTS AND INTERMEDIATE DISTRICTS FOR THE MONTHS OF SEPTEMBER
7 AND OCTOBER, AND TRANSMIT THE REPORT TO THE GOVERNOR AND THE LEG-
8 ISLATURE BY DECEMBER 31, 1991. RECOMMENDATIONS CONTAINED IN THE
9 REPORT MUST ADDRESS THE ISSUES OF DECLINING TOTAL ATTENDANCE,
10 EXTENDED SCHOOL YEAR, WEIGHTED AVERAGE DAILY ATTENDANCE, SCHOOLS
11 OF CHOICE, DUAL ENROLLMENT, AND ADULT ENROLLMENT.

12 Sec. 164. In ~~1990-91~~ 1991-92, a district or intermediate
13 district shall forfeit an amount to which the district or inter-
14 mediate district otherwise would be entitled under this act equal
15 to the district's or intermediate district's expenditures in the
16 ~~1989-90~~ 1990-91 fiscal year for cars for board members, and for
17 chauffeurs for board members or administrators.

18 Sec. 166. For ~~1990-91~~ 1991-92, a district in which a
19 school official, member of a board, or other person dispenses or
20 otherwise distributes a family planning drug or device in a
21 public school in violation of section 1507 of the school code of
22 1976, being section 380.1507 of the Michigan Compiled Laws, dis-
23 penses prescriptions for any family planning drug, or makes
24 referrals for abortions shall forfeit 5% of its total state aid
25 appropriation.

26 Section 2. In accordance with the provisions of section 30
27 of article IX of the state constitution of 1963, total state

1 spending in this amendatory act is \$3,461,169,500.00 for 1991-92
2 and state appropriations to be paid to local units of government
3 are \$2,964,651,700.00.

4 Section 3. Sections 55 and 105a of Act No. 94 of the Public
5 Acts of 1979, being sections 388.1655 and 388.1705a of the
6 Michigan Compiled Laws, are repealed.

7 Section 4. This amendatory act shall take effect October 1,
8 1991.