



HOUSE BILL No. 4278

February 17, 1993, Introduced by Reps. Emerson, Jondahl, Nye, O'Neill, Gubow, Pitoniak, Dalman, Bobier, Munsell, Oxender, Sikkema, Keith, Dobb, Bender, Gilmer, Martin, Weeks, Horton, Byrum, Ciaramitaro, DeMars, Hoffman, Middleton, Agee, Profit, Scott, Alley, Brown, Baade, Yokich, Stille, Hollister, Owen, Dolan, Wetters, Leland, DeLange, Harder, Walberg, Shepich, Gernaat, Curtis and Gire and referred to the Committee on Taxation.

A bill to amend section 52 of Act No. 94 of the Public Acts of 1979, entitled as amended

"The state school aid act of 1979,"

as amended by Act No. 148 of the Public Acts of 1992, being section 388.1652 of the Michigan Compiled Laws; to add sections 17c, 17d, 21c, 21d, 24a, 71a, 72a, and 146a; and to repeal certain parts of the act on specific dates.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 52 of Act No. 94 of the Public Acts of
2 1979, as amended by Act No. 148 of the Public Acts of 1992, being
3 section 388.1652 of the Michigan Compiled Laws, is amended and
4 sections 17c, 17d, 21c, 21d, 24a, 71a, 72a, and 146a are added to
5 read as follows:

6 SEC. 17C. (1) NOT LATER THAN OCTOBER 15, DECEMBER 15,
7 FEBRUARY 15, APRIL 15, JUNE 15, AND AUGUST 15, THE DEPARTMENT

1 SHALL PREPARE A STATEMENT OF THE AMOUNT TO BE DISTRIBUTED UNDER
2 THIS ACT IN THE INSTALLMENT TO THE DISTRICTS AND INTERMEDIATE
3 DISTRICTS AND DELIVER THE STATEMENT TO THE STATE TREASURER, AND,
4 EXCEPT AS PROVIDED IN SUBSECTION (2), THE STATE TREASURER SHALL
5 PAY THE INSTALLMENTS ON EACH OF THOSE DATES OR ON THE NEXT BUSI-
6 NESS DAY FOLLOWING EACH OF THOSE DATES. EXCEPT AS MAY BE NECES-
7 SARY BECAUSE OF ADJUSTMENTS MADE UNDER SUBSECTION (4) OR (6), A
8 SUBSTANTIALLY EQUAL PORTION OF THE DISTRICT'S OR INTERMEDIATE
9 DISTRICT'S STATE FISCAL YEAR ENTITLEMENT SHALL BE INCLUDED IN
10 EACH INSTALLMENT.

11 (2) THE STATE TREASURER SHALL MAKE PAYMENT UNDER THIS SEC-
12 TION BY DRAWING A WARRANT IN FAVOR OF THE TREASURER OF EACH DIS-
13 TRICT OR INTERMEDIATE DISTRICT FOR THE AMOUNT PAYABLE TO THE DIS-
14 TRICT OR INTERMEDIATE DISTRICT ACCORDING TO THE STATEMENT
15 DESCRIBED IN SUBSECTION (1) AND DELIVERING THE WARRANT TO THE
16 TREASURER OF EACH DISTRICT OR INTERMEDIATE DISTRICT, OR IF THE
17 STATE TREASURER RECEIVES A WRITTEN REQUEST BY THE TREASURER OF
18 THE DISTRICT OR INTERMEDIATE DISTRICT SPECIFYING AN ACCOUNT, BY
19 ELECTRONIC FUNDS TRANSFER TO THAT ACCOUNT OF THE AMOUNT PAYABLE
20 TO THE DISTRICT OR INTERMEDIATE DISTRICT ACCORDING TO THE
21 STATEMENT.

22 (3) THE DEPARTMENT MAY MAKE ADJUSTMENTS IN PAYMENTS MADE
23 UNDER THIS SECTION THROUGH ADDITIONAL PAYMENTS IF CHANGES IN LAW
24 OR ERRORS IN COMPUTATION CAUSE THE REGULARLY SCHEDULED PAYMENT TO
25 BE LESS THAN THE AMOUNT TO WHICH THE DISTRICT OR INTERMEDIATE
26 DISTRICT IS ENTITLED PURSUANT TO THIS ACT.

1 (4) THE DEPARTMENT MAY MAKE ADJUSTMENTS IN DISTRIBUTIONS
2 MADE UNDER THIS SECTION TO A DISTRICT IF 1 OR MORE OF THE
3 ADJUSTMENTS IN THE BASIC GRANT UNDER SECTION 21C(4) RESULT IN A
4 CHANGE IN THE ALLOCATION TO THE DISTRICT.

5 (5) PAYMENTS TO ASSIST EMPLOYER INTERMEDIATE DISTRICTS IN
6 MEETING THEIR FEDERAL SOCIAL SECURITY CONTRIBUTION OBLIGATIONS
7 SHALL BE DISBURSED BY THE STATE TREASURER PURSUANT TO THIS
8 SECTION.

9 (6) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT, THE
10 FIRST 4 PAYMENTS IN A FISCAL YEAR TO A DISTRICT FOR ADULT EDUCA-
11 TION MEMBERSHIPS SHALL BE BASED ON 90% OF THE DISTRICT'S ADULT
12 EDUCATION MEMBERSHIP COUNT AS OF THE PUPIL MEMBERSHIP COUNT DAY,
13 AND THE LAST 2 PAYMENTS IN A FISCAL YEAR TO A DISTRICT FOR ADULT
14 EDUCATION MEMBERSHIPS SHALL BE BASED ON THE DISTRICT'S AUDITED
15 ADULT EDUCATION MEMBERSHIP COUNT AND ADJUSTED TO TAKE INTO
16 ACCOUNT OVERPAYMENTS OR UNDERPAYMENTS IN THE FIRST 4 PAYMENTS TO
17 THE DISTRICT AS DETERMINED USING THE DISTRICT'S AUDITED ADULT
18 EDUCATION MEMBERSHIP COUNT.

19 SEC. 17D. FOR THE 1992-93 FISCAL YEAR ONLY, THE DEPARTMENT
20 SHALL MAKE AN EXTRA PAYMENT ON SEPTEMBER 1, 1993 TO EACH DISTRICT
21 THAT DID NOT RECEIVE A PAYMENT UNDER THIS ACT IN AUGUST 1992.
22 THE EXTRA PAYMENT SHALL BE IN AN AMOUNT EQUAL TO THE AMOUNT THAT
23 WOULD HAVE BEEN PAID IN THE AUGUST 1992 PAYMENT IF NOT FOR THE
24 OPERATION OF SECTION 17B(1).

25 SEC. 21C. (1) EXCEPT AS OTHERWISE PROVIDED IN THIS ACT,
26 FROM THE APPROPRIATION IN SECTION 11, THERE IS ALLOCATED TO EACH
27 DISTRICT A BASIC GRANT AMOUNT PER MEMBERSHIP PUPIL. FOR 1993-94,

1 THE AMOUNT OF THE BASIC GRANT PER MEMBERSHIP PUPIL, BEFORE
2 ADJUSTMENT UNDER SUBSECTION (4), SHALL BE \$4,700.00 MULTIPLIED BY
3 THE REVENUE INDEX DESCRIBED IN SUBSECTION (2) AND THE MEMBERSHIP
4 INDEX DESCRIBED IN SUBSECTION (3). FOR 1994-95 AND EACH SUCCEED-
5 ING FISCAL YEAR, THE AMOUNT OF THE BASIC GRANT PER MEMBERSHIP
6 PUPIL, BEFORE ADJUSTMENT UNDER SUBSECTION (4), SHALL BE THE BASIC
7 GRANT AMOUNT FROM THE IMMEDIATELY PRECEDING FISCAL YEAR MULTI-
8 PLIED BY THE REVENUE INDEX DESCRIBED IN SUBSECTION (2) AND THE
9 MEMBERSHIP INDEX DESCRIBED IN SUBSECTION (3). HOWEVER, FOR
10 1993-94 AND EACH SUCCEEDING FISCAL YEAR, THE AMOUNT OF THE BASIC
11 GRANT PER MEMBERSHIP PUPIL, BEFORE ADJUSTMENT UNDER SUBSECTION
12 (4), SHALL BE AT LEAST \$4,700.00.

13 (2) THE REVENUE INDEX IS THE RATIO OF THE SUM OF THE COM-
14 BINED STATE GENERAL FUND AND SCHOOL AID FUND REVENUE FOR THE CUR-
15 RENT STATE FISCAL YEAR PLUS THE AGGREGATE OF THE LOCAL REVENUE
16 FOR ALL DISTRICTS FROM SCHOOL OPERATING TAXES LEVIED IN THE
17 SCHOOL FISCAL YEAR ENDING IN THE CURRENT STATE FISCAL YEAR,
18 DIVIDED BY THE SUM OF THE COMBINED STATE GENERAL FUND AND SCHOOL
19 AID FUND REVENUE FOR THE IMMEDIATELY PRECEDING STATE FISCAL YEAR
20 PLUS THE AGGREGATE OF THE LOCAL REVENUE FOR ALL DISTRICTS FROM
21 SCHOOL OPERATING TAXES LEVIED IN THE SCHOOL FISCAL YEAR ENDING IN
22 THE IMMEDIATELY PRECEDING STATE FISCAL YEAR ON ALL PROPERTY OTHER
23 THAN PROPERTY CLASSIFIED AS RESIDENTIAL OR AGRICULTURAL UNDER
24 SECTION 34C OF THE GENERAL PROPERTY TAX ACT, ACT NO. 206 OF THE
25 PUBLIC ACTS OF 1893, BEING SECTION 211.34C OF THE MICHIGAN
26 COMPILED LAWS, HOLDING CONSTANT FOR ANY CHANGES IN STATE TAX
27 RATES EXCEPT THOSE CHANGES MADE PURSUANT TO SECTIONS 5(2) AND 6

1 OF THE EDUCATION FINANCE AUTHORITY ACT. THE DEPARTMENT OF
2 TREASURY SHALL CALCULATE THE REVENUE INDEX USING THE ANTICIPATED
3 STATE TAX COLLECTIONS ESTABLISHED AT THE REVENUE ESTIMATING CON-
4 FERENCE HELD IN MAY OF THE IMMEDIATELY PRECEDING STATE FISCAL
5 YEAR UNDER SECTION 367B OF THE MANAGEMENT AND BUDGET ACT, ACT
6 NO. 431 OF THE PUBLIC ACTS OF 1984, BEING SECTION 18.1367B OF THE
7 MICHIGAN COMPILED LAWS, AND USING ANTICIPATED AGGREGATE SCHOOL
8 OPERATING TAX COLLECTIONS IN ALL DISTRICTS BASED ON THE STATE
9 EQUALIZED VALUATION APPLICABLE TO THE SCHOOL FISCAL YEAR ENDING
10 IN THE CURRENT STATE FISCAL YEAR. NOT LATER THAN JULY 15 OF THE
11 CURRENT FISCAL YEAR, THE DEPARTMENT OF TREASURY SHALL REVISE THE
12 REVENUE INDEX AS NECESSARY USING THE ANTICIPATED STATE TAX COL-
13 LECTIONS ESTABLISHED AT THE REVENUE ESTIMATING CONFERENCE HELD IN
14 MAY OF THE CURRENT STATE FISCAL YEAR AND THE ACTUAL AGGREGATE
15 SCHOOL OPERATING TAX COLLECTIONS IN ALL DISTRICTS AS OF MAY 31 OF
16 THE SCHOOL FISCAL YEAR ENDING IN THE CURRENT STATE FISCAL YEAR.

17 (3) THE MEMBERSHIP INDEX IS THE RATIO OF THE STATEWIDE MEM-
18 BERSHIP FOR THE IMMEDIATELY PRECEDING STATE FISCAL YEAR DIVIDED
19 BY THE STATEWIDE MEMBERSHIP FOR THE CURRENT STATE FISCAL YEAR.
20 THE DEPARTMENT OF EDUCATION SHALL CALCULATE THE MEMBERSHIP INDEX
21 USING THE STATUTORY MEMBERSHIP ESTIMATE INCLUDED IN THIS ACT PUR-
22 SUANT TO SECTION 21D AND, NOT LATER THAN JULY 15 OF THE CURRENT
23 STATE FISCAL YEAR, SHALL REVISE THE MEMBERSHIP INDEX AS NECESSARY
24 USING THE AUDITED STATEWIDE MEMBERSHIP AS OF THAT DATE.

25 (4) THE AMOUNT OF A DISTRICT'S BASIC GRANT PER PUPIL UNDER
26 SUBSECTION (1) SHALL BE ADJUSTED BY ALL OF THE FOLLOWING THAT ARE
27 APPLICABLE TO THE DISTRICT, IN THE FOLLOWING ORDER:

1 (A) THE AMOUNT OF EACH DISTRICT'S BASIC GRANT SHALL BE
2 ADJUSTED IF NECESSARY BECAUSE OF A REVISION IN THE REVENUE INDEX
3 UNDER SUBSECTION (2) OR A REVISION IN THE MEMBERSHIP INDEX UNDER
4 SUBSECTION (3).

5 (B) THE AMOUNT OF A DISTRICT'S BASIC GRANT FOR A FISCAL YEAR
6 SHALL NOT EXCEED AN AMOUNT EQUAL TO 110% OF THE DISTRICT'S COM-
7 BINED STATE AND LOCAL REVENUE PER MEMBERSHIP PUPIL IN THE IMMEDI-
8 ATELY PRECEDING STATE FISCAL YEAR.

9 (C) THE AMOUNT OF A DISTRICT'S BASIC GRANT SHALL BE REDUCED
10 BY THE AMOUNT PER MEMBERSHIP PUPIL OF SCHOOL OPERATING TAXES
11 RECEIVED BY THE DISTRICT IN THE SCHOOL FISCAL YEAR ENDING IN THE
12 STATE FISCAL YEAR.

13 (D) IF THE AMOUNT OF INCOME TAX REVENUE PER MEMBERSHIP PUPIL
14 RECEIVED BY A DISTRICT UNDER THE LOCAL SCHOOL DISTRICT INCOME TAX
15 ACT IN A CALENDAR YEAR EXCEEDS AN AMOUNT EQUAL TO THE AMOUNT OF
16 THE DISTRICT'S BASIC GRANT FOR THE STATE FISCAL YEAR STARTING IN
17 THAT CALENDAR YEAR, THE DISTRICT'S BASIC GRANT FOR THE NEXT STATE
18 FISCAL YEAR SHALL BE REDUCED BY AN AMOUNT EQUAL TO 50% OF THE
19 EXCESS AMOUNT.

20 (E) THE AMOUNT OF A DISTRICT'S BASIC GRANT SHALL BE REDUCED
21 BY \$100.00 IF THE DISTRICT DOES NOT ELECT TO DO ALL OF THE
22 FOLLOWING:

23 (i) MAKE AVAILABLE TO THE STATE BOARD AND THE DEPARTMENT,
24 THROUGH THE INTERMEDIATE DISTRICT, AND TO THE PUBLIC AN ANNUAL
25 EDUCATIONAL REPORT AND ENSURE THAT EACH SCHOOL IN THE DISTRICT
26 DISTRIBUTES TO THE PUBLIC AN ANNUAL EDUCATION REPORT AS DESCRIBED
27 IN SECTION 1204A OF THE SCHOOL CODE OF 1976, BEING

1 SECTION 380.1204A OF THE MICHIGAN COMPILED LAWS. THE DISTRICT
2 SHALL SUBMIT TO THE DEPARTMENT NOT LATER THAN OCTOBER 31 OF THE
3 FISCAL YEAR A BOARD ADOPTED RESOLUTION INDICATING THE BOARD'S
4 INTENT TO COMPLY WITH SECTION 1204A OF THE SCHOOL CODE OF 1976,
5 AND SHALL HAVE SUBMITTED TO THE DEPARTMENT NOT LATER THAN
6 SEPTEMBER 15 OF THE IMMEDIATELY PRECEDING FISCAL YEAR A COPY OF
7 THE ANNUAL EDUCATIONAL REPORT PREPARED AND MADE AVAILABLE PURSU-
8 ANT TO SECTION 1204A OF THE SCHOOL CODE OF 1976. IN ADDITION,
9 THE DISTRICT SHALL MAKE AVAILABLE TO THE PUBLIC THE ANNUAL EDUCA-
10 TIONAL REPORT NOT LATER THAN OCTOBER 15.

11 (ii) ADOPT AND IMPLEMENT A 3- TO 5-YEAR SCHOOL IMPROVEMENT
12 PLAN AND CONTINUING SCHOOL IMPROVEMENT PROCESS FOR EACH SCHOOL
13 WITHIN THE DISTRICT AS DESCRIBED IN SECTION 1277 OF THE SCHOOL
14 CODE OF 1976, BEING SECTION 380.1277 OF THE MICHIGAN COMPILED
15 LAWS. THE DISTRICT SHALL SUBMIT TO THE DEPARTMENT NOT LATER THAN
16 OCTOBER 31 OF THE FISCAL YEAR A BOARD ADOPTED RESOLUTION INDICAT-
17 ING THAT THE DISTRICT HAS DEVELOPED A 3- TO 5-YEAR SCHOOL
18 IMPROVEMENT PLAN AND CONTINUING SCHOOL IMPROVEMENT PROCESS IN
19 COMPLIANCE WITH SECTION 1277 OF THE SCHOOL CODE OF 1976, AND
20 SHALL SUBMIT NOT LATER THAN SEPTEMBER 1 OF EACH FISCAL YEAR A
21 COPY OF THE 3- TO 5-YEAR SCHOOL IMPROVEMENT PLAN AND CONTINUING
22 SCHOOL IMPROVEMENT PROCESS FOR EACH SCHOOL WITHIN THE DISTRICT.

23 (iii) HAVE MADE AVAILABLE IN 1991-92 TO ALL PUPILS ATTENDING
24 PUBLIC SCHOOL IN THE DISTRICT A CORE CURRICULUM AS DESCRIBED IN
25 SECTION 1278 OF THE SCHOOL CODE OF 1976, BEING SECTION 380.1278
26 OF THE MICHIGAN COMPILED LAWS, IN AT LEAST 1 OF THE CURRICULAR
27 AREAS SPECIFIED IN THE RECOMMENDED MODEL CORE CURRICULUM APPROVED

1 BY THE STATE BOARD. IN 1992-93, THE DISTRICT SHALL HAVE MADE
2 AVAILABLE TO ALL PUPILS ATTENDING PUBLIC SCHOOL IN THE DISTRICT A
3 CORE CURRICULUM IN AT LEAST 2 OF THOSE CURRICULAR AREAS. IN EACH
4 SUCCEEDING FISCAL YEAR UNTIL A CORE CURRICULUM IS MADE AVAILABLE
5 TO ITS PUPILS IN ALL OF THE CURRICULAR AREAS, THE DISTRICT SHALL
6 MAKE AVAILABLE TO ITS PUPILS A CORE CURRICULUM IN AT LEAST 1 CUR-
7 RICULAR AREA IN ADDITION TO THE CURRICULAR AREAS FOR WHICH A CORE
8 CURRICULUM WAS AVAILABLE IN THE IMMEDIATELY PRECEDING FISCAL
9 YEAR. FOR EACH FISCAL YEAR, THE DISTRICT ALSO SHALL SPECIFY TO
10 THE DEPARTMENT BY SEPTEMBER 1 BEFORE THE BEGINNING OF THE FISCAL
11 YEAR THE CURRICULAR AREA OR AREAS THAT ARE TO BE MADE AVAILABLE
12 AND THE SPECIFIC OUTCOMES TO BE ACHIEVED IN EACH CURRICULAR AREA
13 FOR ELEMENTARY, MIDDLE, AND SECONDARY LEVELS FOR ALL PUPILS. IN
14 ADDITION, THE DISTRICT SHALL SUBMIT TO THE DEPARTMENT NOT LATER
15 THAN OCTOBER 31 OF THE FISCAL YEAR A BOARD ADOPTED RESOLUTION
16 INDICATING THE DISTRICT'S COMPLIANCE WITH THE REQUIREMENTS OF
17 THIS SUBPARAGRAPH.

18 (iv) SUBMIT TO THE DEPARTMENT NOT LATER THAN OCTOBER 31,
19 1993 A BOARD ADOPTED RESOLUTION INDICATING THAT BY THE START OF
20 THE 1993-94 SCHOOL YEAR EACH PUBLIC SCHOOL WITHIN THE DISTRICT
21 WILL BE ACCREDITED OR BE IN THE PROCESS OF BECOMING ACCREDITED AS
22 PROVIDED IN SECTION 1280 OF THE SCHOOL CODE OF 1976, BEING
23 SECTION 380.1280 OF THE MICHIGAN COMPILED LAWS.

24 (5) IN ADDITION TO THE BASIC GRANT ALLOCATED UNDER SUBSEC-
25 TION (1), THERE IS ALLOCATED FOR 1993-94 AND 1994-95 ONLY TO EACH
26 DISTRICT AN AMOUNT PER MEMBERSHIP PUPIL EQUAL TO THE POSITIVE
27 DIFFERENCE BETWEEN THE DISTRICT'S BASIC GRANT UNDER SUBSECTION

1 (1) OR THE DISTRICT'S REVENUE PER MEMBERSHIP PUPIL FROM LOCAL
2 PROPERTY AND SPECIFIC TAXES LEVIED FOR SCHOOL OPERATING PURPOSES
3 FOR THE SCHOOL FISCAL YEAR ENDING IN THE STATE FISCAL YEAR,
4 WHICHEVER IS GREATER, AND THE DISTRICT'S COMBINED STATE AND LOCAL
5 REVENUE PER MEMBERSHIP PUPIL FOR THE 1992-93 SCHOOL FISCAL YEAR.

6 (6) AS USED IN THIS SECTION:

7 (A) "COMBINED STATE AND LOCAL REVENUE PER MEMBERSHIP PUPIL"
8 MEANS THE AGGREGATE OF THE FOLLOWING, DIVIDED BY THE DISTRICT'S
9 MEMBERSHIP:

10 (i) STATE SCHOOL AID RECEIVED BY THE DISTRICT, EXCEPT FOR
11 THE FOLLOWING:

12 (A) STATE SCHOOL AID UNDER SECTION 41 OR ARTICLE 5.

13 (B) STATE SCHOOL AID UNDER SECTION 71A OR FORMER SECTION 146
14 THAT IS ATTRIBUTABLE TO PROGRAMS UNDER SECTION 41 OR ARTICLE 5.

15 (C) PAYMENTS MADE BECAUSE OF AN ADJUSTMENT IN STATE SCHOOL
16 AID FOR A PRIOR FISCAL YEAR.

17 (ii) REVENUE FROM LOCAL PROPERTY AND SPECIFIC TAXES LEVIED
18 FOR SCHOOL OPERATING PURPOSES.

19 (B) "CURRENT STATE FISCAL YEAR" MEANS THE FISCAL YEAR FOR
20 WHICH A PARTICULAR CALCULATION IS MADE.

21 (C) "SCHOOL AID FUND" MEANS THE SCHOOL AID FUND ESTABLISHED
22 IN SECTION 11 OF ARTICLE IX OF THE STATE CONSTITUTION OF 1963.

23 SEC. 21D. BEGINNING IN THE AMENDATORY ACT MAKING THE APPRO-
24 PRIATION UNDER THIS ACT FOR 1993-94, THE LEGISLATURE SHALL
25 INCLUDE IN EACH ANNUAL AMENDATORY APPROPRIATIONS ACT MAKING THE
26 APPROPRIATION UNDER THIS ACT A STATUTORY ESTIMATE OF THE TOTAL

1 STATEWIDE MEMBERSHIP FOR THE FISCAL YEAR FOR WHICH THE
2 APPROPRIATION IS BEING MADE.

3 SEC. 24A. (1) A PUPIL UNDER COURT JURISDICTION WHO IS
4 PLACED IN A PRIVATE HOME OR IN A PRIVATE OR PUBLIC INSTITUTION
5 LOCATED OUTSIDE THE DISTRICT IN WHICH THE PUPIL'S PARENTS OR
6 LEGAL GUARDIANS RESIDE MAY BE COUNTED AS A RESIDENT OF THE DIS-
7 TRICT OF ATTENDANCE IF OTHER THAN THE DISTRICT OF THE PUPIL'S
8 PARENTS OR LEGAL GUARDIAN. THE PUPIL SHALL BE COUNTED BY THE
9 DISTRICT OF ATTENDANCE AS 1-1/2 MEMBERSHIPS. THE TOTAL MEMBER-
10 SHIP OF THESE PUPILS SHALL BE COMPUTED BY ADDING THE MEMBERSHIP
11 DAYS ATTENDED BY THE PUPILS BEFORE APRIL 1 OF THE CURRENT SCHOOL
12 YEAR AND DIVIDING THE TOTAL BY THE NUMBER OF DAYS IN THE SCHOOL
13 YEAR OF THE DISTRICT BEFORE APRIL 1 OF THE CURRENT SCHOOL YEAR.
14 THE MEMBERSHIP THUS OBTAINED SHALL BE CERTIFIED BY THE DISTRICT
15 TO THE DEPARTMENT, WHICH SHALL ADJUST THE TOTAL MEMBERSHIP OF THE
16 DISTRICT ACCORDINGLY IN DETERMINING THE SCHOOL AID TO BE PAID
17 DURING THE FISCAL YEAR.

18 (2) INTERMEDIATE DISTRICTS OPERATING PROGRAMS FOR PUPILS IN
19 HOMES OPERATED BY THE JUVENILE DIVISION OF THE PROBATE COURT
20 UNDER SECTION 628 OF THE SCHOOL CODE OF 1976, BEING
21 SECTION 380.628 OF THE MICHIGAN COMPILED LAWS, ARE ALLOWED 1-1/2
22 MEMBERSHIPS FOR EACH OF THESE PUPILS USING THE FORMULA DESCRIBED
23 IN SUBSECTION (1) AND SHALL RECEIVE MEMBERSHIP AID FOR THESE
24 PUPILS IN 1993-94 AND EACH SUCCEEDING FISCAL YEAR. FUNDS
25 RECEIVED UNDER THIS SECTION MAY BE USED TO EMPLOY REGULAR EDUCA-
26 TION PERSONNEL TO MEET THE EDUCATIONAL NEEDS OF THESE PUPILS.

1 Sec. 52. (1) For 1992-93 AND 1993-94, reimbursement for the
2 necessary costs of special education programs and services shall
3 be a portion determined by the amount appropriated, but SHALL not
4 ~~to~~ exceed 75% of the added costs of operating special education
5 programs and services approved by the department and included in
6 the intermediate district plan adopted pursuant to article 3 of
7 the school code of 1976, BEING SECTIONS 380.1701 TO 380.1766 OF
8 THE MICHIGAN COMPILED LAWS, for special education pupils, other
9 than those programs funded under section 53; ~~and~~ of the costs
10 of programs and services for trainable mentally impaired persons,
11 day training programs, and services for severely mentally
12 impaired persons; ~~and~~ OF the added costs of summer programs and
13 services; ~~and~~ OF the added costs of providing room and board
14 for special education pupils, as approved by the department. If
15 the state financed proportion of reimbursement of the necessary
16 costs of a special education activity or service THAT IS required
17 by article 3 of the school code of 1976 ~~which~~ AND is in addi-
18 tion to or different from the special education activities or
19 services required under sections 611 to 620 of part B of the
20 individuals with disabilities education act, title VI of Public
21 Law 91-230, 20 U.S.C. 1411 to 1420, is less than the state
22 financed proportion of the necessary costs of that activity or
23 service in 1978-79, the portion of the amount appropriated shall
24 be increased to reimburse that activity or service accordingly.

25 (2) The added costs of transportation for special education
26 pupils ~~shall~~ ARE not ~~be~~ funded under this section but ~~shall~~

1 ~~be reimbursed~~ REIMBURSEMENT FOR THOSE COSTS IS ALLOCATED under
2 ~~article 7~~ SECTION 71A(2).

3 SEC. 71A. (1) FROM THE APPROPRIATION IN SECTION 11, THERE
4 IS ALLOCATED AN AMOUNT NOT TO EXCEED \$20,000,000.00 FOR 1993-94
5 TO FUND INTERMEDIATE DISTRICTS TRANSPORTING PUPILS BY SCHOOL BUS,
6 PASSENGER VAN, STATION WAGON, OR ADEQUATE VEHICLE OF AMPLE CAPAC-
7 ITY FROM THE VICINITY OF THEIR HOMES OR FROM THEIR HOMES OR
8 SCHOOLS TO AREA VOCATIONAL CENTERS OR OTHER FACILITIES PROVIDING
9 APPROVED OCCUPATIONAL OR COOPERATIVE ACADEMIC PROGRAMS AND BACK
10 AGAIN IN AMOUNTS DETERMINED BY THE DEPARTMENT. FUNDING FOR CON-
11 TRACTED TRANSPORTATION SERVICES OR TRANSPORTATION SERVICES PRO-
12 VIDED THROUGH THE USE OF PUBLIC TRANSIT SYSTEMS SHALL BE THE SAME
13 AS FOR DISTRICT-OWNED BUS FLEETS. IN ORDER TO RECEIVE FUNDING
14 UNDER THIS SECTION, AS CALCULATED UNDER SECTION 72A, AN INTERME-
15 DIATE DISTRICT ANNUALLY SHALL SUBMIT NOT LATER THAN JANUARY 15 AN
16 APPLICATION TO THE DEPARTMENT ON A FORM AND IN A MANNER PRE-
17 SCRIBED BY THE DEPARTMENT. THE APPLICATION SHALL INCLUDE AT
18 LEAST INFORMATION CONCERNING THE FACTORS LISTED IN
19 SECTION 72A(1). THE DEPARTMENT SHALL NOT MAKE A PAYMENT UNDER
20 THIS SECTION TO AN INTERMEDIATE DISTRICT UNTIL THE INTERMEDIATE
21 DISTRICT HAS SUBMITTED THE APPLICATION FOR THE STATE FISCAL
22 YEAR.

23 (2) DISTRICTS AND INTERMEDIATE DISTRICTS SHALL RECEIVE FUNDS
24 FOR TRANSPORTING PUPILS WHOSE PRIMARY EDUCATIONAL OR TRAINING
25 PROGRAM, AS DETERMINED BY THE DEPARTMENT, IS A SPECIAL EDUCATION
26 PROGRAM AS DEFINED IN SECTION 6(7) OF THE SCHOOL CODE OF 1976,
27 BEING SECTION 380.6 OF THE MICHIGAN COMPILED LAWS, FROM THEIR

1 HOMES OR SCHOOLS TO APPROVED SPECIAL EDUCATION PROGRAMS,
2 INCLUDING SUMMER PROGRAMS, FOR WHICH THE DISTRICT OR INTERMEDIATE
3 DISTRICT RECEIVES ADDED-COST REIMBURSEMENT UNDER SECTION 52, AND
4 BACK AGAIN.

5 SEC. 72A. (1) TRANSPORTATION AID FOR THE 1993-94 SCHOOL
6 YEAR IS BASED UPON AN ALLOWANCE FOR EACH PUPIL TRANSPORTED AND
7 CALCULATED FOR EACH INTERMEDIATE DISTRICT BY THE DEPARTMENT ON
8 THE BASIS OF ALL OF THE FOLLOWING FACTORS:

9 (A) AN OVERHEAD ALLOWANCE OF \$10.00 PER PUPIL BASED UPON THE
10 FOLLOWING:

11 (i) TRANSPORTATION STAFF PER 100 PUPILS TRANSPORTED.

12 (ii) BUS FLEET CAPACITY PER PUPIL TRANSPORTED.

13 (B) A REGIONAL ALLOWANCE OF BETWEEN \$15.00 AND \$37.00 PER
14 PUPIL, DEPENDING ON THE REGION, BASED UPON THE FOLLOWING:

15 (i) TRANSPORTATION STAFF SALARY.

16 (ii) REGIONAL COST VARIATION.

17 (C) AN AMORTIZATION COST PER PUPIL OF 100% OF COST, WITH A
18 MINIMUM OF \$20.00 PER PUPIL, FOR PUPIL TRANSPORTATION VEHICLES.

19 (D) AN INSURANCE COST PER PUPIL OF 100% OF COST FOR PUPIL
20 TRANSPORTATION VEHICLES.

21 (E) AUTHORIZED MILES TRAVELED PER PUPIL OF \$1.00 PER MILE,
22 WITH AN ADJUSTMENT FOR DISTRICTS WITH LOW MILEAGE PER PUPIL SUCH
23 THAT THE \$1.00 MAY BE INCREASED ON A SLIDING SCALE UP TO \$1.20
24 PER MILE.

25 THE ALLOCATION IS BASED UPON CURRENT YEAR DATA REPORTED BY
26 THE INTERMEDIATE DISTRICTS. SPECIAL EDUCATION TRANSPORTATION AID
27 IS CALCULATED SEPARATELY AND USES THE VEHICLE AS THE FUNDING

1 UNIT. THE TOTAL TRANSPORTATION ALLOWANCE FOR AN INTERMEDIATE
2 DISTRICT IS CALCULATED BY MULTIPLYING THE SUM OF (A), (B), (C),
3 (D), AND (E) BY THE NUMBER OF PUPILS ACTUALLY TRANSPORTED. THE
4 RATE OF AID FOR CONTRACTED TRANSPORTATION SERVICES OR TRANSPORTA-
5 TION SERVICES PROVIDED THROUGH THE USE OF PUBLIC TRANSIT SYSTEMS
6 IS COMPARABLE FOR DISTRICT-OWNED BUS FLEETS.

7 (2) INTERMEDIATE DISTRICTS MAY APPLY TO THE DEPARTMENT FOR
8 EXCEPTIONS TO THE INTERMEDIATE DISTRICT'S FORMULA TRANSPORTATION
9 ALLOWANCE REGARDING THE COSTS OF TRANSPORTING PUPILS WHEN EXCEP-
10 TIONAL CONDITIONS OR CIRCUMSTANCES IMPOSE UNAVOIDABLY UNUSUAL
11 EXPENSES FOR TRANSPORTING PUPILS TO THEIR REGULARLY SCHEDULED
12 CLASSES. THE DEPARTMENT SHALL REPORT NOT LATER THAN MARCH 15 OF
13 EACH YEAR TO THE HOUSE AND SENATE APPROPRIATIONS AND EDUCATION
14 COMMITTEES ALL EXCEPTIONS GRANTED UNDER THIS SUBSECTION FOR THE
15 CURRENT YEAR.

16 SEC. 146A. (1) EXCEPT AS OTHERWISE PROVIDED IN THIS ACT AND
17 SUBJECT TO SUBSECTION (2), FROM THE AMOUNT APPROPRIATED IN
18 SECTION 11, THERE IS ALLOCATED TO EACH INTERMEDIATE DISTRICT AN
19 AMOUNT EQUAL TO THE EMPLOYER'S SHARE OF THE INTERMEDIATE
20 DISTRICT'S FEDERAL SOCIAL SECURITY AND MEDICARE OBLIGATIONS,
21 6.20% ON CALENDAR 1993 EMPLOYEE'S WAGE BASE UP TO \$50,000.00 FOR
22 SOCIAL SECURITY AND 1.45% ON CALENDAR 1993 EMPLOYEE'S WAGE BASE
23 UP TO \$50,000.00 FOR MEDICARE, AND 6.20% ON CALENDAR 1994
24 EMPLOYEE'S WAGE BASE UP TO \$50,000.00 FOR SOCIAL SECURITY AND
25 1.45% ON CALENDAR 1994 EMPLOYEE'S WAGE BASE UP TO \$50,000.00 FOR
26 MEDICARE.

1 (2) THE ALLOCATION UNDER THIS SECTION FOR 1993-94 TO AN
2 INTERMEDIATE DISTRICT SHALL BE THE LESSER OF THE FOLLOWING
3 AMOUNTS:

4 (A) THE INTERMEDIATE DISTRICT'S ALLOCATION CALCULATED UNDER
5 SUBSECTION (1).

6 (B) AN AMOUNT EQUAL TO THE INTERMEDIATE DISTRICT'S ALLOCA-
7 TION UNDER FORMER SECTION 146 FOR 1991-92.

8 (3) EXCEPT AS OTHERWISE PROVIDED IN THIS ACT, THE STATE
9 SHALL NOT ASSUME THE EMPLOYER'S SHARE OF FEDERAL SOCIAL SECURITY
10 AND MEDICARE OBLIGATIONS FOR THE FEDERALLY FUNDED EMPLOYEES OF AN
11 INTERMEDIATE DISTRICT; FOR INDIVIDUALS EMPLOYED PURSUANT TO THE
12 MICHIGAN YOUTH CORPS ACT, ACT NO. 69 OF THE PUBLIC ACTS OF 1983,
13 BEING SECTIONS 409.221 TO 409.229 OF THE MICHIGAN COMPILED LAWS;
14 OR FOR INDIVIDUALS EMPLOYED PURSUANT TO THE MICHIGAN OPPORTUNITY
15 AND SKILLS TRAINING PROGRAM OR PROJECT SELF-RELIANCE, BOTH ADMIN-
16 ISTERED BY THE DEPARTMENT OF SOCIAL SERVICES, OR ANY SUCCESSOR OF
17 EITHER OF THOSE 2 PROGRAMS.

18 (4) PAYMENTS TO INTERMEDIATE DISTRICTS FOR SOCIAL SECURITY
19 AND MEDICARE OBLIGATIONS SHALL BE DISBURSED ON THE PAYMENT SCHED-
20 ULE SET BY SECTION 17C. THESE PAYMENTS ARE DETERMINED BY MULTI-
21 PLYING THE STATE'S PERCENTAGE CONTRIBUTION BY THE ESTIMATED BASE
22 ALLOWABLE PAYROLL FOR EACH COVERED EMPLOYEE FOR THE QUARTERLY
23 PERIODS BEGINNING IN OCTOBER OF THE SCHOOL YEAR. THE STATE PAY-
24 MENTS SHALL BE PROSPECTIVE ESTIMATES, BASED UPON DATA TO BE SUB-
25 MITTED TO THE DEPARTMENT IN A FORM AND MANNER AS REQUIRED BY THE
26 DEPARTMENT. THAT DATA SHALL INCLUDE IDENTIFICATION OF THE AMOUNT
27 OF AN INTERMEDIATE DISTRICT'S PAYROLL THAT IS ATTRIBUTABLE TO

1 EMPLOYEE WAGE BASE EXCEEDING THE ALLOWABLE MAXIMUM WAGE BASE
2 SPECIFIED IN SUBSECTION (1). PAYMENTS REQUIRED TO SATISFY SOCIAL
3 SECURITY AND MEDICARE OBLIGATIONS OF EACH INTERMEDIATE DISTRICT
4 SHALL BE ADJUSTED BY THE DEPARTMENT AS NECESSARY TO REFLECT
5 ACTUAL REQUIREMENTS OF PRECEDING COMPLETED PAYROLLS AND PAYROLL
6 PERIODS, AND SHALL BE ADJUSTED FINALLY BY THE DEPARTMENT FOR THE
7 IMMEDIATELY PRECEDING STATE FISCAL YEAR PURSUANT TO SECTION 41 OF
8 THE PUBLIC SCHOOL EMPLOYEES RETIREMENT ACT OF 1979, ACT NO. 300
9 OF THE PUBLIC ACTS OF 1980, BEING SECTION 38.1341 OF THE MICHIGAN
10 COMPILED LAWS.

11 (5) EACH INTERMEDIATE DISTRICT SHALL REMIT DIRECTLY TO THE
12 APPROPRIATE FEDERAL GOVERNMENT AGENCY THE TOTAL EMPLOYER SHARE
13 AND THE TOTAL EMPLOYEE SHARE OF THE INTERMEDIATE DISTRICT'S
14 SOCIAL SECURITY AND MEDICARE OBLIGATION. SOCIAL SECURITY OR
15 MEDICARE CONTRIBUTIONS SHALL NOT BE REMITTED TO THE SOCIAL SECUR-
16 ITY CONTRIBUTION FUND AS OTHERWISE REQUIRED BY SECTION 42(6) OF
17 ACT NO. 300 OF THE PUBLIC ACTS OF 1980, BEING SECTION 38.1342 OF
18 THE MICHIGAN COMPILED LAWS.

19 Section 2. Sections 12, 17b, 18a, 19, 21, 23a to 23c, 24,
20 25, 27 to 40, 45 to 48, 63 to 74, 85, 91 to 99, 101a, 105a, 107a,
21 107b, 143, 144, 146, 149, 149a, and 159 of Act No. 94 of the
22 Public Acts of 1979, being sections 388.1612, 388.1617b,
23 388.1618a, 388.1619, 388.1621, 388.1623a to 388.1623c, 388.1624,
24 388.1625, 388.1627 to 388.1640, 388.1645 to 388.1648, 388.1663 to
25 388.1674, 388.1685, 388.1691 to 388.1699, 388.1701a, 388.1705a,
26 388.1707a, 388.1707b, 388.1743, 388.1744, 388.1746, 388.1749,

1 388.1749a, and 388.1759 of the Michigan Compiled Laws, are
2 repealed effective October 1, 1993.

3 Section 3. (1) Except as provided in subsections (2) and
4 (3), this amendatory act shall take effect October 1, 1993.

5 (2) Section 17d of Act No. 94 of the Public Acts of 1979, as
6 added by this amendatory act, shall take effect September 1,
7 1993.

8 (3) Section 21d of Act No. 94 of the Public Acts of 1979, as
9 added by this amendatory act, shall take effect upon enactment of
10 this amendatory act.

11 Section 4. This amendatory act shall not take effect unless
12 all of the following bills of the 87th Legislature are enacted
13 into law:

14 (a) Senate Bill No. _____ or House Bill No. 4277
15 (request no. 02189'93).

16 (b) Senate Bill No. _____ or House Bill No. 4280
17 (request no. 02189'93 a).

18 (c) Senate Bill No. _____ or House Bill No. 4279
19 (request no. 02192'93).

20 (d) Senate Bill No. _____ or House Bill No. 4282
21 (request no. 02193'93).

22 (e) Senate Bill No. _____ or House Bill No. 4281
23 (request no. 02196'93).

24 (f) Senate Bill No. _____ or House Bill No. 4283
25 (request no. 02197'93*).

26 (g) Senate Bill No. _____ or House Bill No. 4286
27 (request no. 02198'93).

1 (h) Senate Bill No. _____ or House Bill No. 4285
2 (request no. 02199'93).

3 (i) Senate Bill No. _____ or House Bill No. 4284
4 (request no. 02200'93).

5 Section 5. This amendatory act shall not take effect unless
6 Senate Joint Resolution _____ or House Joint Resolution G
7 (request no. 02190'93*) of the 87th Legislature is submitted to
8 the qualified electors of the state for approval as provided in
9 section 1 of article XII of the state constitution of 1963.