

Act No. 372  
Public Acts of 1996  
Approved by the Governor  
July 3, 1996  
Filed with the Secretary of State  
July 3, 1996

**STATE OF MICHIGAN  
88TH LEGISLATURE  
REGULAR SESSION OF 1996**

**Introduced by Senators Dingell, Geake, Gougeon, Hoffman, McManus, Peters and Emmons**

# **ENROLLED SENATE BILL No. 599**

AN ACT to amend section 20d of Act No. 94 of the Public Acts of 1979, entitled as amended "An act to make appropriations to aid in the support of the public schools and the intermediate school districts of the state; to make appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to supplement the school aid fund by the levy and collection of certain taxes; to prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to prescribe penalties; and to repeal certain acts and parts of acts," as amended by Act No. 180 of the Public Acts of 1996, being section 388.1620d of the Michigan Compiled Laws; and to add sections 11b, 11e, and 24b.

*The People of the State of Michigan enact:*

Section 1. Section 20d of Act No. 94 of the Public Acts of 1979, as amended by Act No. 180 of the Public Acts of 1996, being section 388.1620d of the Michigan Compiled Laws, is amended and sections 11b, 11e, and 24b are added to read as follows:

Sec. 11b. In addition to the appropriations in section 11, there is appropriated from the general fund for the fiscal year ending September 30, 1996 an amount not to exceed \$2,300,000.00 for grants to intermediate districts for general operations. The amount of the grant under this section to each intermediate district shall be an amount equal to the total allocation under this section multiplied by the percentage of the total funds allocated under section 81 for 1995-96 that was allocated to the particular intermediate district for 1995-96. These grants may be used to fund operations of an intermediate district in 1995-96 or 1996-97. These grants shall be paid not later than September 20, 1996.

Sec. 11e. (1) If \$80,000,000.00 is appropriated for adult education programs for 1996-97 pursuant to section 107 and if section 107, as added by Senate Bill No. 851 of the 88th Legislature, takes effect before the effective date of this section, then, in addition to the appropriations in section 11, there is appropriated from the general fund for the fiscal year ending September 30, 1996 an amount not to exceed \$83,000,000.00 for purposes specified in this section.

(2) From the appropriation in subsection (1), there is allocated an amount not to exceed \$43,000,000.00 for adult education grants to districts and consortia receiving funds for adult education under section 107f for 1995-96. The amount of the grant under this subsection to each district or consortium shall be an amount equal to 23.24% of the amount the district or consortium receives for 1995-96 under section 107f. These grants may be used to fund adult

education programs in 1995-96 or 1996-97 that are authorized under this act for the particular fiscal year in which the funds are expended by the district or consortium. Grants under this subsection shall be paid not later than September 20, 1996.

(3) If the funds allocated under subsection (2) are paid to districts and consortia not later than September 20, 1996 as provided under that subsection, then, from the appropriation in subsection (1), there is allocated \$40,000,000.00 to the department for community and workplace literacy competitive grants to local workforce development boards for meeting the literacy, numeracy, and work-readiness needs of adults within the geographic areas of the local workforce development boards.

(4) It is the intent of the legislature that, of the appropriations under this act for the 1997-98 state fiscal year to support adult education programs for that fiscal year, 50% will be allocated for competitive grants and 50% will be allocated for prorated distributions similar to those described in subsection (2) and section 107(4).

Sec. 20d. (1) In making the final determination required under former section 20a of a district's combined state and local revenue per membership pupil in 1993-94 and under section 20 of a district's 1994-95 millage rate, the department and the department of treasury shall comply with all of the following:

(a) For a district that had combined state and local revenue per membership pupil in the 1994-95 state fiscal year of \$6,500.00 or more and served as a fiscal agent for a state board designated area vocational education center in the 1993-94 school year, total state school aid received by or paid on behalf of the district pursuant to this act in 1993-94 shall exclude payments made under former section 146 and under section 147 on behalf of the district's employees who provided direct services to the area vocational education center. Not later than June 30, 1996, the department shall make an adjustment under this subdivision to the district's combined state and local revenue per membership pupil in the 1994-95 state fiscal year and the department of treasury shall make a final certification of the number of mills that may be levied by the district under section 1211 of the revised school code, being section 380.1211 of the Michigan Compiled Laws, as a result of the adjustment under this subdivision.

(b) If a district had an adjustment made to its 1993-94 total state school aid that excluded payments made under former section 146 and under section 147 on behalf of the district's employees who provided direct services for intermediate district center programs operated by the district under article 5, if nonresident pupils attending the center programs were included in the district's membership for purposes of calculating the combined state and local revenue per membership pupil for 1993-94, and if there is a signed agreement by all constituent districts of the intermediate district that an adjustment under this subdivision shall be made, the foundation allowances for 1995-96 and 1996-97 of all districts that had pupils attending the intermediate district center program operated by the district that had the adjustment shall be calculated as if their combined state and local revenue per membership pupil for 1993-94 included resident pupils attending the center program and excluded nonresident pupils attending the center program.

(c) For a district that included the pupils attending an intermediate district center program operated by the district in the district's 1993-94 membership, the district's foundation allowances for 1996-97 shall be based on a recalculation of the district's 1994-95 foundation allowance, using both of the following adjustments:

(i) The district's combined state and local revenue per membership pupil in the 1993-94 state fiscal year shall be reduced by an amount equal to the product of the district's gross membership allowance under former section 21 for 1993-94 times the number of full-time equated pupils attending the intermediate district center program operated by the district in 1993-94 who were counted in the district's 1993-94 membership.

(ii) The district's 1993-94 membership shall be reduced by the number of full-time equated pupils attending the intermediate district center program operated by the district in 1993-94 who were counted in the district's 1993-94 membership.

(2) If a district was entitled in 1993 to revenue from the specific tax levied under Act No. 77 of the Public Acts of 1951, being sections 211.621 to 211.626 of the Michigan Compiled Laws, and if the district's local school operating revenue for 1993-94 was not credited with this revenue in the calculation under former section 20a of combined state and local revenue per membership pupil in 1993-94 because the local unit of government collecting the specific tax did not pay the revenue from the specific tax to the district, then, upon receipt not later than October 1, 1996 of information from the district verifying this circumstance, the department and the department of treasury shall adjust the district's local school operating revenue for 1993-94 only and shall recalculate and adjust the district's foundation allowance accordingly for the 1995-96 fiscal year.

Sec. 24b. For the purposes of this act, without regard to whether a parent or legal guardian has custody of the child, if a child's parents, or a child's parent or parents and the child's legal guardian, reside in different districts and if the child meets the applicable age requirements, the child may enroll in a district in which either of the child's parents resides, or in which the child's legal guardian resides. When a child described in this section enrolls in a district under this section, that district is the child's district of residence for the purposes of this act.

Section 2. This amendatory act shall take effect September 1, 1996.

This act is ordered to take immediate effect.

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Secretary of the Senate.

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Clerk of the House of Representatives.

Approved -----

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Governor.