



HOUSE BILL No. 5374

February 16, 2000, Introduced by Rep. Geiger and referred to the Committee on Appropriations.

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending section 11 (MCL 388.1611), as amended by 1999 PA
119.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 11. (1) ~~For the fiscal year ending September 30,~~
2 ~~1999, there is appropriated for the public schools of this state~~
3 ~~and certain other state purposes relating to education the sum of~~
4 ~~\$9,049,591,100.00 from the state school aid fund established by~~
5 ~~section 11 of article IX of the state constitution of 1963 and~~
6 ~~the sum of \$420,613,500.00 from the general fund.~~ For the fiscal
7 year ending September 30, 2000, there is appropriated for the
8 public schools of this state and certain other state purposes
9 relating to education the sum of ~~\$9,590,537,700.00~~
10 \$_____ from the state school aid fund established

1 by section 11 of article IX of the state constitution of 1963 and
2 the sum of ~~\$420,613,500.00~~ \$_____ from the gen-
3 eral fund. For the fiscal year ending September 30, 2001, there
4 is appropriated for the public schools of this state and certain
5 other state purposes relating to education the sum of
6 ~~\$10,033,634,700.00~~ \$_____ from the state school
7 aid fund established by section 11 of article IX of the state
8 constitution of 1963 and the sum of ~~\$420,613,500.00~~
9 \$_____ from the general fund. In addition, avail-
10 able federal funds are appropriated for 1998-99, for 1999-2000,
11 and for 2000-2001.

12 (2) The appropriations under this section shall be allocated
13 as provided in this act. Money appropriated under this section
14 from the general fund and from available federal funds shall be
15 expended to fund the purposes of this act before the expenditure
16 of money appropriated under this section from the state school
17 aid fund. If the maximum amount appropriated under this section
18 from the state school aid fund for a fiscal year exceeds the
19 amount necessary to fully fund allocations under this act from
20 the state school aid fund, that excess amount shall not be
21 expended in that state fiscal year and shall not lapse to the
22 general fund, but instead shall remain in the state school aid
23 fund.

24 (3) If the maximum amount appropriated under this section
25 and sections 11f and 11g from the state school aid fund for a
26 fiscal year exceeds the amount available for expenditure from the
27 state school aid fund for that fiscal year, payments under

1 sections 11f, 11g, and 51a(2) shall be made in full and payments
2 under each of the other sections of this act shall be prorated on
3 an equal percentage basis as necessary to reflect the amount
4 available for expenditure from the state school aid fund for that
5 fiscal year. However, if the department of treasury determines
6 that proration will be required under this subsection, the
7 department of treasury shall notify the state budget director,
8 and the state budget director shall notify the legislature at
9 least 30 calendar days or 6 legislative session days, whichever
10 is more, before the department reduces any payments under this
11 act because of the proration. During the 30 calendar day or 6
12 legislative session day period after that notification by the
13 state budget director, the department shall not reduce any pay-
14 ments under this act because of proration under this subsection.
15 The legislature may prevent proration from occurring by, within
16 the 30 calendar day or 6 legislative session day period after
17 that notification by the state budget director, enacting legisla-
18 tion appropriating additional funds from the general fund,
19 countercyclical budget and economic stabilization fund, state
20 school aid fund balance, or another source to fund the amount of
21 the projected shortfall.