

**SUBSTITUTE FOR
HOUSE BILL NO. 4462**

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending section 101 (MCL 388.1701), as amended by 2002
PA 191.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 101. (1) To be eligible to receive state aid under
2 this act, not later than the fifth Wednesday after the pupil mem-
3 bership count day and not later than the fifth Wednesday after
4 the supplemental count day, each district superintendent through
5 the secretary of the district's board shall file with the inter-
6 mediate superintendent a certified and sworn copy of the number
7 of pupils enrolled and in regular daily attendance in the dis-
8 trict as of the pupil membership count day and as of the
9 supplemental count day, as applicable, for the current school
10 year. In addition, a district maintaining school during the

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1 entire year, as provided under section 1561 of the revised school
2 code, MCL 380.1561, shall file with the intermediate superinten-
3 dent a certified and sworn copy of the number of pupils enrolled
4 and in regular daily attendance in the district for the current
5 school year pursuant to rules promulgated by the superintendent.
6 Not later than the seventh Wednesday after the pupil membership
7 count day and not later than the seventh Wednesday after the sup-
8 plemental count day, the intermediate district shall transmit to
9 the department the data filed by each of its constituent
10 districts. If a district fails to file the sworn and certified
11 copy with the intermediate superintendent in a timely manner, as
12 required under this subsection, the intermediate district shall
13 notify the department and state aid due to be distributed under
14 this act shall be withheld from the defaulting district immedi-
15 ately, beginning with the next payment after the failure and con-
16 tinuing with each payment until the district complies with this
17 subsection. If an intermediate district fails to transmit the
18 data in its possession in a timely and accurate manner to the
19 department, as required under this subsection, state aid due to
20 be distributed under this act shall be withheld from the default-
21 ing intermediate district immediately, beginning with the next
22 payment after the failure and continuing with each payment until
23 the intermediate district complies with this subsection. If a
24 district or intermediate district does not comply with this sub-
25 section by the end of the fiscal year, the district or intermedi-
26 ate district forfeits the amount withheld. A person who
27 willfully falsifies a figure or statement in the certified and

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1 sworn copy of enrollment shall be punished in the manner
2 prescribed by section 161.

3 (2) To be eligible to receive state aid under this act, not
4 later than the twenty-fourth Wednesday after the pupil membership
5 count day and not later than the twenty-fourth Wednesday after
6 the supplemental count day, an intermediate district shall submit
7 to the department, in a form and manner prescribed by the depart-
8 ment, the audited enrollment and attendance data for the pupils
9 of its constituent districts and of the intermediate district.
10 If an intermediate district fails to transmit the audited data as
11 required under this subsection, state aid due to be distributed
12 under this act shall be withheld from the defaulting intermediate
13 district immediately, beginning with the next payment after the
14 failure and continuing with each payment until the intermediate
15 district complies with this subsection. If an intermediate dis-
16 trict does not comply with this subsection by the end of the
17 fiscal year, the intermediate district forfeits the amount
18 withheld.

19 (3) Except as otherwise provided in this section, each dis-
20 trict shall provide at least 180 days of pupil instruction and a
21 number of hours of pupil instruction at least equal to the
22 required minimum number of hours of pupil instruction required
23 for 2000-2001 under section 1284 of the revised school code,
24 MCL 380.1284. Except as otherwise provided in this act, a dis-
25 trict failing to hold 180 days of pupil instruction shall forfeit
26 from its total state aid allocation for each day of failure an
27 amount equal to 1/180 of its total state aid allocation. Except

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1 as otherwise provided in this act, a district failing to comply
2 with the required minimum hours of pupil instruction under this
3 subsection shall forfeit from its total state aid allocation an
4 amount determined by applying a ratio of the number of hours the
5 district was in noncompliance in relation to the required minimum
6 number of hours under this subsection. A district failing to
7 meet both the 180 days of pupil instruction requirement and the
8 minimum number of hours of pupil instruction requirement under
9 this subsection shall be penalized only the higher of the 2
10 amounts calculated under the forfeiture provisions of this
11 subsection. Not later than August 1, the board of each district
12 shall certify to the department the number of days and hours of
13 pupil instruction in the previous school year. If the district
14 did not hold at least 180 days and the required minimum number of
15 hours of pupil instruction under this subsection, the deduction
16 of state aid shall be made in the following fiscal year from the
17 first payment of state school aid. A district is not subject to
18 forfeiture of funds under this subsection for a fiscal year in
19 which a forfeiture was already imposed under subsection (7).
20 Days or hours lost because of strikes or teachers' conferences
21 shall not be counted as days or hours of pupil instruction. A
22 district not having at least 75% of the district's membership in
23 attendance on any day of pupil instruction shall receive state
24 aid in that proportion of $1/180$ that the actual percent of
25 attendance bears to the specified percentage. The superintendent
26 shall promulgate rules for the implementation of this
27 subsection.

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1 (4) ~~The~~ EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION,
2 THE first 2 days for which pupil instruction is not provided
3 because of conditions not within the control of school authori-
4 ties, such as severe storms, fires, epidemics, or health condi-
5 tions as defined by the city, county, or state health authori-
6 ties, shall be counted as days of pupil instruction. IN ADDI-
7 TION, FOR 2001-2002 ONLY, THE DEPARTMENT SHALL COUNT AS DAYS OF
8 PUPIL INSTRUCTION NOT MORE THAN 4 ADDITIONAL DAYS, AND SHALL
9 COUNT AS HOURS OF PUPIL INSTRUCTION NOT MORE THAN 24 HOURS, FOR
10 WHICH PUPIL INSTRUCTION WAS NOT PROVIDED IN A DISTRICT AFTER
11 MAY 27, 2002 DUE TO A TRAIN DERAILMENT INVOLVING HAZARDOUS
12 MATERIALS. Subsequent such days shall not be counted as days of
13 pupil instruction.

14 (5) A district shall not forfeit part of its state aid
15 appropriation because it adopts or has in existence an alterna-
16 tive scheduling program for pupils in kindergarten if the program
17 provides at least the number of hours required under subsection
18 (3) for a full-time equated membership for a pupil in kindergar-
19 ten as provided under section 6(4).

20 (6) Upon application by the district for a particular fiscal
21 year, the superintendent may waive the minimum number of days of
22 pupil instruction requirement of subsection (3) for a district if
23 the district has adopted an experimental school year schedule in
24 1 or more buildings in the district if the experimental school
25 year schedule provides the required minimum number of hours of
26 pupil instruction under subsection (3) or more and is consistent
27 with all state board policies on school improvement and

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1 restructuring. If a district applies for and receives a waiver
2 under this subsection and complies with the terms of the waiver,
3 for the fiscal year covered by the waiver the district is not
4 subject to forfeiture under this section of part of its state aid
5 allocation for the specific building or program covered by the
6 waiver.

7 (7) Not later than April 15 of each fiscal year, the board
8 of each district shall certify to the department the planned
9 number of days and hours of pupil instruction in the district for
10 the school year ending in the fiscal year. In addition to any
11 other penalty or forfeiture under this section, if at any time
12 the department determines that 1 or more of the following has
13 occurred in a district, the district shall forfeit in the current
14 fiscal year beginning in the next payment to be calculated by the
15 department a proportion of the funds due to the district under
16 this act that is equal to the proportion below 180 days and the
17 required minimum number of hours of pupil instruction under sub-
18 section (3), as specified in the following:

19 (a) The district fails to operate its schools for at least
20 180 days and the required minimum number of hours of pupil
21 instruction under subsection (3) in a school year, including days
22 counted under subsection (4).

23 (b) The board of the district takes formal action not to
24 operate its schools for at least 180 days and the required mini-
25 mum number of hours of pupil instruction under subsection (3) in
26 a school year, including days counted under subsection (4).

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1 (8) In providing the minimum number of hours of pupil
2 instruction required under subsection (3), a district shall use
3 the following guidelines, and a district shall maintain records
4 to substantiate its compliance with the following guidelines:

5 (a) Except as otherwise provided in this subsection, a pupil
6 must be scheduled for at least the required minimum number of
7 hours of instruction, excluding study halls, or at least the sum
8 of 90 hours plus the required minimum number of hours of instruc-
9 tion, including up to 2 study halls.

10 (b) The time a pupil is assigned to any tutorial activity in
11 a block schedule may be considered instructional time, unless
12 that time is determined in an audit to be a study hall period.

13 (c) A pupil in grades 9 to 12 for whom a reduced schedule is
14 determined to be in the individual pupil's best educational
15 interest must be scheduled for a number of hours equal to at
16 least 80% of the required minimum number of hours of pupil
17 instruction to be considered a full-time equivalent pupil.

18 (d) If a pupil in grades 9 to 12 who is enrolled in a coop-
19 erative education program or a special education pupil cannot
20 receive the required minimum number of hours of pupil instruction
21 solely because of travel time between instructional sites during
22 the school day, that travel time, up to a maximum of 3 hours per
23 school week, shall be considered to be pupil instruction time for
24 the purpose of determining whether the pupil is receiving the
25 required minimum number of hours of pupil instruction. However,
26 if a district demonstrates to the satisfaction of the department
27 that the travel time limitation under this subdivision would

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1 create undue costs or hardship to the district, the department
2 may consider more travel time to be pupil instruction time for
3 this purpose.

4 (9) The department shall apply the guidelines under subsec-
5 tion (8) in calculating the full-time equivalency of pupils.

6 (10) Upon application by the district for a particular
7 fiscal year, the superintendent may waive for a district the 180
8 days or minimum number of hours of pupil instruction requirement
9 of subsection (3) for a department-approved alternative education
10 program. If a district applies for and receives a waiver under
11 this subsection and complies with the terms of the waiver, for
12 the fiscal year covered by the waiver the district is not subject
13 to forfeiture under this section for the specific program covered
14 by the waiver.

15 (11) Beginning in 2000-2001, a district may count up to 51
16 hours of professional development for teachers as hours of pupil
17 instruction. A district that elects to use this exception shall
18 notify the department of its election.