

**SENATE SUBSTITUTE FOR  
HOUSE BILL NO. 5666**

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 2003 PA  
158.

**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  
3 membership 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  
6 intermediate superintendent a certified and sworn copy of the  
7 number of pupils enrolled and in regular daily attendance in the  
8 district 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

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

1 statement in the certified and sworn copy of enrollment shall be  
2 punished in the manner 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 center, in a form and manner prescribed by the center, the  
8 audited enrollment and attendance data for the pupils of its  
9 constituent districts and of the intermediate district. If an  
10 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  
16 district 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  
20 district shall provide at least 1,098 hours of pupil  
21 instruction. Except as otherwise provided in this act, a  
22 district failing to comply with the required minimum hours of  
23 pupil instruction under this subsection shall forfeit from its  
24 total state aid allocation an amount determined by applying a  
25 ratio of the number of hours the district was in noncompliance in  
26 relation to the required minimum number of hours under this  
27 subsection. Not later than August 1, the board of each district

1 shall certify to the department the number of hours of pupil  
2 instruction in the previous school year. If the district did not  
3 provide at least the required minimum number of hours of pupil  
4 instruction under this subsection, the deduction of state aid  
5 shall be made in the following fiscal year from the first payment  
6 of state school aid. A district is not subject to forfeiture of  
7 funds under this subsection for a fiscal year in which a  
8 forfeiture was already imposed under subsection (6). Hours lost  
9 because of strikes or teachers' conferences shall not be counted  
10 as days or hours of pupil instruction. A district not having at  
11 least 75% of the district's membership in attendance on any day  
12 of pupil instruction shall receive state aid in that proportion  
13 of 1/180 that the actual percent of attendance bears to the  
14 specified percentage. The superintendent shall promulgate rules  
15 for the implementation of this subsection.

16 (4) Except as otherwise provided in this subsection, the  
17 first 30 hours for which pupil instruction is not provided  
18 because of conditions not within the control of school  
19 authorities, such as severe storms, fires, epidemics, or health  
20 conditions as defined by the city, county, or state health  
21 authorities, shall be counted as hours of pupil instruction. In  
22 addition, for ~~2002-2003~~ **2003-2004** only, the department shall  
23 count as ~~days of pupil instruction not more than 5 additional~~  
24 ~~days, and shall count as~~ hours of pupil instruction not more  
25 than ~~30~~ **20 additional** hours — for which pupil instruction was  
26 not provided in a ~~district from April 3, 2003 to April 11, 2003~~  
27 ~~due to a storm~~ **school in a district due to structural roof and**

1 truss damage that required the school to be closed. Beginning in  
2 2004-2005, the department shall count as hours of pupil  
3 instruction for a fiscal year not more than 30 additional hours  
4 for which pupil instruction is not provided in a district after  
5 April 1 of the applicable school year due to unusual and  
6 extenuating occurrences resulting from conditions not within the  
7 control of school authorities such as those conditions described  
8 in this subsection. Subsequent such hours shall not be counted as  
9 hours of pupil instruction.

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

16 (6) Not later than April 15 of each fiscal year, the board of  
17 each district shall certify to the department the planned number  
18 of hours of pupil instruction in the district for the school year  
19 ending in the fiscal year. In addition to any other penalty or  
20 forfeiture under this section, if at any time the department  
21 determines that 1 or more of the following has occurred in a  
22 district, the district shall forfeit in the current fiscal year  
23 beginning in the next payment to be calculated by the department  
24 a proportion of the funds due to the district under this act that  
25 is equal to the proportion below the required minimum number of  
26 hours of pupil instruction under subsection (3), as specified in  
27 the following:

1 (a) The district fails to operate its schools for at least  
2 the required minimum number of hours of pupil instruction under  
3 subsection (3) in a school year, including hours counted under  
4 subsection (4).

5 (b) The board of the district takes formal action not to  
6 operate its schools for at least the required minimum number of  
7 hours of pupil instruction under subsection (3) in a school year,  
8 including hours counted under subsection (4).

9 (7) In providing the minimum number of hours of pupil  
10 instruction required under subsection (3), a district shall use  
11 the following guidelines, and a district shall maintain records  
12 to substantiate its compliance with the following guidelines:

13 (a) Except as otherwise provided in this subsection, a pupil  
14 must be scheduled for at least the required minimum number of  
15 hours of instruction, excluding study halls, or at least the sum  
16 of 90 hours plus the required minimum number of hours of  
17 instruction, including up to 2 study halls.

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

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

26 (d) If a pupil in grades 9 to 12 who is enrolled in a  
27 cooperative education program or a special education pupil cannot

1 receive the required minimum number of hours of pupil instruction  
2 solely because of travel time between instructional sites during  
3 the school day, that travel time, up to a maximum of 3 hours per  
4 school week, shall be considered to be pupil instruction time for  
5 the purpose of determining whether the pupil is receiving the  
6 required minimum number of hours of pupil instruction. However,  
7 if a district demonstrates to the satisfaction of the department  
8 that the travel time limitation under this subdivision would  
9 create undue costs or hardship to the district, the department  
10 may consider more travel time to be pupil instruction time for  
11 this purpose.

12 (8) The department shall apply the guidelines under  
13 subsection (7) in calculating the full-time equivalency of  
14 pupils.

15 (9) Upon application by the district for a particular fiscal  
16 year, the superintendent may waive for a district the minimum  
17 number of hours of pupil instruction requirement of subsection  
18 (3) for a department-approved alternative education program. If  
19 a district applies for and receives a waiver under this  
20 subsection and complies with the terms of the waiver, for the  
21 fiscal year covered by the waiver the district is not subject to  
22 forfeiture under this section for the specific program covered by  
23 the waiver.

24 (10) A district may count up to 51 hours of professional  
25 development for teachers, including the 5 hours of online  
26 professional development provided by the Michigan virtual  
27 university under section 98, as hours of pupil instruction. A

1 district that elects to use this exception shall notify the  
2 department of its election.