

**SUBSTITUTE FOR
SENATE BILL NO. 1155**

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 31a, 98b, and 104a (MCL 388.1631a,
388.1698b, and 388.1704a), as amended by 2004 PA 351, and by
adding section 104b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 31a. (1) From the money appropriated in section 11,
2 there is allocated for 2004-2005 an amount not to exceed
3 \$314,200,000.00 for payments to eligible districts and eligible
4 public school academies under this section. Subject to
5 subsection (12), the amount of the additional allowance under
6 this section shall be based on the number of actual pupils in
7 membership in the district or public school academy who met the
8 income eligibility criteria for free breakfast, lunch, or milk in
9 the immediately preceding state fiscal year, as determined under

1 the Richard B. Russell national school lunch act, 42 USC 1751 to
2 1769h, and reported to the department by October 31 of the
3 immediately preceding fiscal year and adjusted not later than
4 December 31 of the immediately preceding fiscal year. However,
5 for a public school academy that began operations as a public
6 school academy after the pupil membership count day of the
7 immediately preceding school year, the basis for the additional
8 allowance under this section shall be the number of actual pupils
9 in membership in the public school academy who met the income
10 eligibility criteria for free breakfast, lunch, or milk in the
11 current state fiscal year, as determined under the Richard
12 B. Russell national school lunch act.

13 (2) To be eligible to receive funding under this section,
14 other than funding under subsection (6), a district or public
15 school academy that has not been previously determined to be
16 eligible shall apply to the department, in a form and manner
17 prescribed by the department, and a district or public school
18 academy must meet all of the following:

19 (a) The sum of the district's or public school academy's
20 combined state and local revenue per membership pupil in the
21 current state fiscal year, as calculated under section 20, plus
22 the amount of the district's per pupil allocation under section
23 20j(2), is less than or equal to \$6,500.00 adjusted by the dollar
24 amount of the difference between the basic foundation allowance
25 under section 20 for the current state fiscal year and \$5,000.00,
26 minus \$200.00.

27 (b) The district or public school academy agrees to use the

1 funding only for purposes allowed under this section and to
2 comply with the program and accountability requirements under
3 this section.

4 (3) Except as otherwise provided in this subsection, an
5 eligible district or eligible public school academy shall receive
6 under this section for each membership pupil in the district or
7 public school academy who met the income eligibility criteria for
8 free breakfast, lunch, or milk, as determined under the Richard
9 B. Russell national school lunch act and as reported to the
10 department by October 31 of the immediately preceding fiscal year
11 and adjusted not later than December 31 of the immediately
12 preceding fiscal year, an amount per pupil equal to 11.5% of the
13 sum of the district's foundation allowance or public school
14 academy's per pupil amount calculated under section 20, plus the
15 amount of the district's per pupil allocation under section
16 20j(2), not to exceed \$6,500.00 adjusted by the dollar amount of
17 the difference between the basic foundation allowance under
18 section 20 for the current state fiscal year and \$5,000.00, minus
19 \$200.00, or of the public school academy's per membership pupil
20 amount calculated under section 20 for the current state fiscal
21 year. A public school academy that began operations as a public
22 school academy after the pupil membership count day of the
23 immediately preceding school year shall receive under this
24 section for each membership pupil in the public school academy
25 who met the income eligibility criteria for free breakfast,
26 lunch, or milk, as determined under the Richard B. Russell
27 national school lunch act and as reported to the department by

1 October 31 of the current fiscal year and adjusted not later than
2 December 31 of the current fiscal year, an amount per pupil equal
3 to 11.5% of the public school academy's per membership pupil
4 amount calculated under section 20 for the current state fiscal
5 year.

6 (4) Except as otherwise provided in this section, a district
7 or public school academy receiving funding under this section
8 shall use that money only to provide instructional programs and
9 direct noninstructional services, including, but not limited to,
10 medical or counseling services, for at-risk pupils; for school
11 health clinics; and for the purposes of subsection (5) or (6).
12 In addition, a district that is organized as a school district of
13 the first class under the revised school code or a district or
14 public school academy in which at least 50% of the pupils in
15 membership met the income eligibility criteria for free
16 breakfast, lunch, or milk in the immediately preceding state
17 fiscal year, as determined and reported as described in
18 subsection (1), may use not more than 10% of the funds it
19 receives under this section for school security. A district or
20 public school academy shall not use any of that money for
21 administrative costs or to supplant another program or other
22 funds, except for funds allocated to the district or public
23 school academy under this section in the immediately preceding
24 year and already being used by the district or public school
25 academy for at-risk pupils. The instruction or direct
26 noninstructional services provided under this section may be
27 conducted before or after regular school hours or by adding extra

1 school days to the school year and may include, but are not
2 limited to, tutorial services, early childhood programs to serve
3 children age 0 to 5, and reading programs as described in former
4 section 32f as in effect for 2001-2002. A tutorial method may be
5 conducted with paraprofessionals working under the supervision of
6 a certificated teacher. The ratio of pupils to paraprofessionals
7 shall be between 10:1 and 15:1. Only 1 certificated teacher is
8 required to supervise instruction using a tutorial method. As
9 used in this subsection, "to supplant another program" means to
10 take the place of a previously existing instructional program or
11 direct noninstructional services funded from a funding source
12 other than funding under this section.

13 (5) Except as otherwise provided in subsection (11), a
14 district or public school academy that receives funds under this
15 section and that operates a school breakfast program under
16 section 1272a of the revised school code, MCL 380.1272a, shall
17 use from the funds received under this section an amount, not to
18 exceed \$10.00 per pupil for whom the district or public school
19 academy receives funds under this section, necessary to operate
20 the school breakfast program.

21 (6) From the funds allocated under subsection (1), there is
22 allocated for 2004-2005 an amount not to exceed \$3,743,000.00 to
23 support teen health centers. These grants shall be awarded for 3
24 consecutive years beginning with 2003-2004 in a form and manner
25 approved jointly by the department and the department of
26 community health. Each grant recipient shall remain in
27 compliance with the terms of the grant award or shall forfeit the

1 grant award for the duration of the 3-year period after the
2 noncompliance. Beginning in 2004-2005, to continue to receive
3 funding for a teen health center under this section a grant
4 recipient shall ensure that the teen health center has an
5 advisory committee and that at least one-third of the members of
6 the advisory committee are parents or legal guardians of
7 school-aged children. A teen health center program shall
8 recognize the role of a child's parents or legal guardian in the
9 physical and emotional well-being of the child. If any funds
10 allocated under this subsection are not used for the purposes of
11 this subsection for the fiscal year in which they are allocated,
12 those unused funds shall be used that fiscal year to avoid or
13 minimize any proration that would otherwise be required under
14 subsection (12) for that fiscal year.

15 (7) Each district or public school academy receiving funds
16 under this section shall submit to the department by July 15 of
17 each fiscal year a report, not to exceed 10 pages, on the usage
18 by the district or public school academy of funds under this
19 section, which report shall include at least a brief description
20 of each program conducted by the district or public school
21 academy using funds under this section, the amount of funds under
22 this section allocated to each of those programs, the number of
23 at-risk pupils eligible for free or reduced price school lunch
24 who were served by each of those programs, and the total number
25 of at-risk pupils served by each of those programs. If a
26 district or public school academy does not comply with this
27 subsection, the department shall withhold an amount equal to the

1 August payment due under this section until the district or
2 public school academy complies with this subsection. If the
3 district or public school academy does not comply with this
4 subsection by the end of the state fiscal year, the withheld
5 funds shall be forfeited to the school aid fund.

6 (8) In order to receive funds under this section, a district
7 or public school academy shall allow access for the department or
8 the department's designee to audit all records related to the
9 program for which it receives those funds. The district or
10 public school academy shall reimburse the state for all
11 disallowances found in the audit.

12 (9) Subject to subsections (5), (6), and (11), any district
13 may use up to 100% of the funds it receives under this section to
14 reduce the ratio of pupils to teachers in grades K-6, or any
15 combination of those grades, in school buildings in which the
16 percentage of pupils described in subsection (1) exceeds the
17 district's aggregate percentage of those pupils. Subject to
18 subsections (5), (6), and (11), if a district obtains a waiver
19 from the department, the district may use up to 100% of the funds
20 it receives under this section to reduce the ratio of pupils to
21 teachers in grades K-6, or any combination of those grades, in
22 school buildings in which the percentage of pupils described in
23 subsection (1) is at least 60% of the district's aggregate
24 percentage of those pupils and at least 30% of the total number
25 of pupils enrolled in the school building. To obtain a waiver, a
26 district must apply to the department and demonstrate to the
27 satisfaction of the department that the class size reductions

1 would be in the best interests of the district's at-risk pupils.

2 (10) A district or public school academy may use funds
3 received under this section for adult high school completion,
4 general educational development (G.E.D.) test preparation, adult
5 English as a second language, or adult basic education programs
6 described in section 107.

7 (11) For an individual school or schools operated by a
8 district or public school academy receiving funds under this
9 section that have been determined by the department to meet the
10 adequate yearly progress standards of the federal no child left
11 behind act of 2001, Public Law 107-110, in both mathematics and
12 English language arts at all applicable grade levels for all
13 applicable subgroups, the district or public school academy may
14 submit to the department an application for flexibility in using
15 the funds received under this section that are attributable to
16 the pupils in the school or schools. The application shall
17 identify the affected school or schools and the affected funds
18 and shall contain a plan for using the funds for specific
19 purposes identified by the district that are designed to benefit
20 at-risk pupils in the school, but that may be different from the
21 purposes otherwise allowable under this section. The department
22 shall approve the application if the department determines that
23 the purposes identified in the plan are reasonably designed to
24 benefit at-risk pupils in the school. If the department does not
25 act to approve or disapprove an application within 30 days after
26 it is submitted to the department, the application is considered
27 to be approved. If an application for flexibility in using the

1 funds is approved, the district may use the funds identified in
2 the application for any purpose identified in the plan.

3 (12) If necessary, and before any proration required under
4 section 11, the department shall prorate payments under this
5 section by reducing the amount of the per pupil payment under
6 this section by a dollar amount calculated by determining the
7 amount by which the amount necessary to fully fund the
8 requirements of this section exceeds the maximum amount allocated
9 under this section and then dividing that amount by the total
10 statewide number of pupils who met the income eligibility
11 criteria for free breakfast, lunch, or milk in the immediately
12 preceding fiscal year, as described in subsection (1).

13 (13) If a district is formed by consolidation after June 1,
14 1995, and if 1 or more of the original districts was not eligible
15 before the consolidation for an additional allowance under this
16 section, the amount of the additional allowance under this
17 section for the consolidated district shall be based on the
18 number of pupils described in subsection (1) enrolled in the
19 consolidated district who reside in the territory of an original
20 district that was eligible before the consolidation for an
21 additional allowance under this section.

22 (14) A district or public school academy that does not meet
23 the eligibility requirement under subsection (2)(a) is eligible
24 for funding under this section if at least 1/4 of the pupils in
25 membership in the district or public school academy met the
26 income eligibility criteria for free breakfast, lunch, or milk in
27 the immediately preceding state fiscal year, as determined and

1 reported as described in subsection (1), and at least 4,500 of
2 the pupils in membership in the district or public school academy
3 met the income eligibility criteria for free breakfast, lunch, or
4 milk in the immediately preceding state fiscal year, as
5 determined and reported as described in subsection (1). A
6 district or public school academy that is eligible for funding
7 under this section because the district meets the requirements of
8 this subsection shall receive under this section for each
9 membership pupil in the district or public school academy who met
10 the income eligibility criteria for free breakfast, lunch, or
11 milk in the immediately preceding fiscal year, as determined and
12 reported as described in subsection (1), an amount per pupil
13 equal to 11.5% of the sum of the district's foundation allowance
14 or public school academy's per pupil allocation under section 20,
15 plus the amount of the district's per pupil allocation under
16 section 20j(2), not to exceed \$6,500.00 adjusted by the dollar
17 amount of the difference between the basic foundation allowance
18 under section 20 for the current state fiscal year and \$5,000.00,
19 minus \$200.00.

20 (15) As used in this section, "at-risk pupil" means a pupil
21 for whom the district has documentation that the pupil meets at
22 least 2 of the following criteria: is a victim of child abuse or
23 neglect; is below grade level in English language and
24 communication skills or mathematics; is a pregnant teenager or
25 teenage parent; is eligible for a federal free or reduced-price
26 lunch subsidy; has atypical behavior or attendance patterns; or
27 has a family history of school failure, incarceration, or

1 substance abuse. For pupils for whom the results of at least the
2 applicable Michigan education assessment program (MEAP) test have
3 been received, at-risk pupil also includes a pupil who does not
4 meet the other criteria under this subsection but who did not
5 achieve at least a score of level 2 on the most recent MEAP
6 English language arts, mathematics, or science test for which
7 results for the pupil have been received. **For pupils for whom**
8 **the results of the Michigan merit examination have been received,**
9 **at-risk pupil also includes a pupil who does not meet the other**
10 **criteria under this subsection but who did not achieve**
11 **proficiency on the reading component of the most recent Michigan**
12 **merit examination for which results for the pupil have been**
13 **received, did not achieve proficiency on the mathematics**
14 **component of the most recent Michigan merit examination for which**
15 **results for the pupil have been received, or did not achieve**
16 **basic competency on the science component of the most recent**
17 **Michigan merit examination for which results for the pupil have**
18 **been received.** For pupils in grades K-3, at-risk pupil also
19 includes a pupil who is at risk of not meeting the district's
20 core academic curricular objectives in English language arts or
21 mathematics.

22 Sec. 98b. (1) From the school aid stabilization fund
23 created in section 11a, there is appropriated and allocated for
24 2004-2005 an amount not to exceed \$3,700,000.00 for the freedom
25 to learn program described in this section. In addition, from
26 the federal funds appropriated in section 11 there is allocated
27 for 2004-2005 an amount not to exceed \$10,343,200.00 from the

1 competitive grants of DED-OESE, title II, educational technology
2 grants funds, and an amount not to exceed \$7,000,000.00 from
3 funds carried forward from 2003-2004 from unexpended DED-OESE,
4 title II, educational technology grants funds.

5 (2) The allocations in subsection (1) shall be used to
6 develop, implement, and operate the freedom to learn program and
7 make program grants. The goal of the program is to achieve
8 one-to-one access to wireless technology for K-12 pupils through
9 statewide and local public-private partnerships. To implement
10 the program, the state education agency shall sign a memorandum
11 of understanding with the Michigan virtual university that
12 provides for joint administration of program grants under this
13 subsection. If the Michigan virtual university ceases to
14 operate, or fails to perform its functions described in this
15 section, then Ferris state university shall perform the functions
16 of the Michigan virtual university under this section and the
17 funds allocated to the Michigan virtual university under this
18 section are instead allocated to Ferris state university. The
19 Michigan virtual university and the state education agency shall
20 make grants to districts as described in this section. In
21 awarding the grants, the Michigan virtual university and the
22 state education agency shall give priority to applications that
23 demonstrate that the district's program will meet all of the
24 following:

25 (a) Will be ready for immediate implementation and will have
26 begun professional development on technology integration in the
27 classroom.

1 (b) Will utilize state structure and resources for
2 professional development, as coordinated by the Michigan virtual
3 university.

4 (c) Will opt to participate in the statewide partnership
5 described in subsection (9).

6 (3) The amount of program grants to districts is estimated
7 at \$250.00 per pupil in membership in grade 6 in 2004-2005, or in
8 another grade allowed in this section, or per grade 6 teacher if
9 the funding is awarded in a ratio of at least 20 pupils funded
10 for each teacher funded. The state education agency and the
11 Michigan virtual university shall establish grant criteria that
12 maximize the distribution of federal funds to achieve the \$250.00
13 per pupil or teacher in districts that qualify for federal
14 funds. To qualify for a grant under this section, a district
15 shall submit an application to the state education agency and the
16 Michigan virtual university and complete the application process
17 established by the state education agency and the Michigan
18 virtual university. The application shall include at least all
19 of the following:

20 (a) If the district is applying for federal funds, how the
21 district will meet the requirements of the competitive grants
22 under DED-OESE, title II, part D.

23 (b) How the district will provide the opportunity for each
24 pupil in membership in grade 6 to receive a wireless computing
25 device. If the district has already achieved one-to-one wireless
26 access in grade 6 or if the district's school building grade
27 configuration makes implementation of the program for grade 6

1 impractical, the district may apply for a grant for the next
2 highest grade. If the district does not have a grade 6 or
3 higher, the district may apply for funding for the next lowest
4 grade level. If the district operates 1 or more schools that are
5 not meeting adequate yearly progress, as determined by the
6 department, and that contain grade 6, the district may apply for
7 funding for a school building-wide program for 1 or more of those
8 schools. A public school academy that does not offer a grade
9 higher than grade 5 may apply to receive a grant under this
10 section for pupils in the highest grade offered by the public
11 school academy.

12 (c) The district shall submit a plan describing the uses of
13 the grant funds. The plan shall describe a plan for professional
14 development on technology integration, content and curriculum,
15 and local partnerships with the other districts and
16 representatives from businesses, industry, and higher education.
17 The plan shall include at least the following:

18 (i) The academic achievement goals, which may include, but
19 are not limited to, goals related to mathematics, science, and
20 language arts.

21 (ii) The engagement goals, which may include, but are not
22 limited to, goals related to retention rates, dropout rates,
23 detentions, and suspensions.

24 (iii) A commitment that at least 25% of the total local
25 budget for the program will be used on professional development
26 on technology integration in the classroom.

27 (d) A 3- to 5-year plan or funding model for increasing the

1 share that is borne locally of the expenditures for one-to-one
2 wireless access. The Michigan virtual university shall provide
3 districts with sample local plans and funding models for the
4 purposes of this subdivision and with information on available
5 federal and private resources.

6 (e) How the district will amend its local technology plan as
7 required under state and federal law to reflect the program under
8 this section.

9 (4) A district that receives a grant under this section
10 shall provide at least a \$25.00 per pupil match for grant money
11 received under this section from local public or private
12 resources.

13 (5) The amount of a grant under this section to a single
14 district for a fiscal year shall not exceed 25% of the total
15 amount available for grants under this section for that fiscal
16 year.

17 (6) A district that received money under section 98 in
18 2002-2003 for a wireless technology grant is eligible to receive
19 a grant under this section.

20 (7) The federal funding under subsection (1) shall be used
21 first to provide the grants under this subsection. A district
22 described in this subsection shall apply to the Michigan virtual
23 university and the state education agency for a grant in the form
24 and manner prescribed by the department. An application under
25 this section is not subject to the requirements of subsection (3)
26 if the application demonstrates that the program will meet all of
27 the following:

1 (a) Will continue as a demonstration program.

2 (b) Will provide regional assistance to schools that are not
3 meeting adequate yearly progress, as determined by the
4 department, and to new grant recipients, as directed by the state
5 education agency and the Michigan virtual university.

6 (c) Will seek to expand its existing wireless technology
7 initiatives.

8 (8) The state funding under subsection (1) shall be used
9 first to provide grants to districts that received money under
10 section 98 in 2002-2003 and were designated as program
11 application sites.

12 (9) The department of management and budget shall establish
13 a statewide public-private partnership to implement the program.
14 The department of management and budget shall select a program
15 partner through a request for proposals process for a total
16 learning technology package that includes, but is not limited to,
17 a wireless laptop, software, professional development, service,
18 and support, and for management by a single point of contact
19 individual responsible for the overall implementation. The
20 proposal selected shall achieve significant efficiencies and
21 economies of scale and be interoperable with existing
22 technologies. The private partner selected in the request for
23 proposals process to partner with the state must possess all of
24 the following:

25 (a) Experience in the development and successful
26 implementation of large-scale, school-based wireless technology
27 projects.

1 (b) Proven technical ability to deliver a total solutions
2 package of learning technology for elementary and secondary
3 students and teachers.

4 (c) Results-based education solutions to increase student
5 achievement and advance professional development for teachers.

6 (d) Ability to coordinate, utilize, and expand existing
7 technology infrastructures and professional development delivery
8 systems within school districts and regions.

9 (e) Ability to provide a wireless computing device that is
10 able to be connected to the wireless network and is able to
11 access a school's preexisting local network and the internet both
12 wirelessly in the school and through dial-up or other remote
13 connection from the home or elsewhere outside school.

14 (10) A district may elect to purchase or lease wireless
15 computing devices from a vendor other than the statewide
16 partnership described in subsection (9) if the Michigan virtual
17 university determines that the vendor meets the requirements of
18 subdivisions (a) to (d) of subsection (9) and the vendor is
19 identified in the district's grant application.

20 (11) The state education agency shall sign a memorandum of
21 understanding with the Michigan virtual university regarding
22 DED-OESE, title II, educational technology grants, as provided
23 under this subsection. The Michigan virtual university shall
24 coordinate activities described in this subsection with the
25 freedom to learn grants described under this section. The
26 memorandum of understanding shall require that the Michigan
27 virtual university coordinate the following state activities

1 related to DED-OESE, title II, educational technology grants in
2 accordance with federal law:

3 (a) Assist in the development of innovative strategies for
4 the delivery of specialized or rigorous academic courses and
5 curricula through the use of technology, including distance
6 learning technologies.

7 (b) Establish and support public-private initiatives for the
8 acquisition of educational technology for students in high-need
9 districts.

10 (12) Funds allocated under this section that are not
11 expended in the state fiscal year for which they were allocated
12 may be carried forward to a subsequent state fiscal year.

13 (13) The state education agency and the Michigan virtual
14 university shall complete the memoranda of understanding required
15 under this section within 60 days after the effective date of the
16 amendatory act that added this subsection. It is the intent of
17 the legislature that all plans or applications submitted by the
18 state education agency to the United States department of
19 education relating to the distribution of federal funds under
20 this section are for the purposes described in this section.

21 (14) The state education agency shall ensure that the
22 program goals and plans for the freedom to learn program are
23 contained in the state technology plan required by federal law.

24 (15) From the funds allocated under this section, an amount
25 not to exceed \$2,750,000.00 is allocated to the Michigan virtual
26 university to be used for statewide activities, as follows:

27 (a) An amount estimated at \$1,700,000.00 to develop a

1 professional development network in partnership with other
2 statewide entities for professional development on technology
3 integration in the classroom.

4 (b) An amount estimated at \$250,000.00 for development of a
5 content resource package that will include on-line coursework
6 content.

7 (c) An amount estimated at \$300,000.00 to Ferris state
8 university to develop or purchase an on-line assessment system to
9 supplement the Michigan education assessment program tests **and**
10 **the Michigan merit examination** and provide immediate feedback on
11 pupil achievement. The assessment system shall include
12 high-quality tests aligned to the state curriculum framework and
13 tests that can be customized by teachers and integrated with
14 on-line instructional resources. The Michigan virtual university
15 and the state education agency shall work in partnership to
16 implement the assessment program. The state education agency
17 shall give first priority in implementing the assessment systems
18 to districts not meeting adequately yearly progress requirements
19 as established by the federal no child left behind act of 2001,
20 Public Law 107-110, and to schools participating in grant
21 programs under this section.

22 (d) An amount not to exceed \$500,000.00 for comprehensive
23 statewide evaluation of current and future projects under this
24 section and for statewide administration of the freedom to learn
25 program.

26 (16) The Michigan virtual university is encouraged to work
27 in partnership with Ferris state university in performing the

1 functions under subsection (15).

2 (17) Notwithstanding section 17b, payments under this
3 section may be made pursuant to an agreement with the
4 department.

5 (18) It is the intent of the legislature that this state
6 will seek to raise private funds for the current and future
7 funding of the freedom to learn program under this section and
8 all of the program components.

9 (19) As used in this section:

10 (a) "DED-OESE" means the United States department of
11 education office of elementary and secondary education.

12 (b) "State education agency" means the department.

13 Sec. 104a. (1) ~~In~~ **Subject to subsection (13) and section**
14 **104b, until the end of the 2005-2006 school year, in** order to
15 receive state aid under this act, a district shall comply with
16 this section and shall administer state assessments to high
17 school pupils in the subject areas of English language arts,
18 mathematics, science, and social studies. If the ~~department~~
19 **superintendent** determines that it would be consistent with the
20 purposes of this section, the ~~department~~ **superintendent** may
21 designate the grade 11 Michigan education assessment program
22 tests ~~or the ACT/ACT work keys tests~~ as the assessments to be
23 used for the purposes of this section. The district shall
24 include on the pupil's high school transcript all of the
25 following:

26 (a) For each high school graduate who has completed a subject
27 area assessment under this section, the pupil's scaled score on

1 the assessment.

2 (b) If the pupil's scaled score on a subject area assessment
3 falls within the range required under subsection (2) for a
4 category established under subsection (2), an indication that the
5 pupil has achieved state endorsement for that subject area.

6 (c) The number of school days the pupil was in attendance at
7 school each school year during high school and the total number
8 of school days in session for each of those school years.

9 (2) The ~~department~~ **superintendent** shall develop scaled
10 scores for reporting subject area assessment results for each of
11 the subject areas under this section. The ~~department~~
12 **superintendent** shall establish 3 categories for each subject area
13 indicating basic competency, above average, and outstanding, and
14 shall establish the scaled score range required for each
15 category. The ~~department~~ **superintendent** shall design and
16 distribute to districts, intermediate districts, and nonpublic
17 schools a simple and concise document that describes these
18 categories in each subject area and indicates the scaled score
19 ranges for each category in each subject area. A district may
20 award a high school diploma to a pupil who successfully completes
21 local district requirements established in accordance with state
22 law for high school graduation, regardless of whether the pupil
23 is eligible for any state endorsement.

24 (3) The assessments administered for the purposes of this
25 section shall be administered to pupils during the last ~~30~~ 90
26 school days of grade 11. The ~~department~~ **superintendent** shall
27 ensure that the assessments are scored and the scores are

1 returned to pupils, their parents or legal guardians, and
2 districts not later than the beginning of the pupil's first
3 semester of grade 12. The ~~department~~ **superintendent** shall
4 arrange for those portions of a pupil's assessment that cannot be
5 scored mechanically to be scored in Michigan by persons who are
6 Michigan teachers, retired Michigan teachers, or Michigan school
7 administrators and who have been trained in scoring the
8 assessments. The returned scores shall indicate the pupil's
9 scaled score for each subject area assessment, the range of
10 scaled scores for each subject area, and the range of scaled
11 scores required for each category established under
12 subsection (2). In reporting the scores to pupils, parents, and
13 schools, the ~~department~~ **superintendent** shall provide specific,
14 meaningful, and timely feedback on the pupil's performance on the
15 assessment.

16 (4) For each pupil who does not achieve ~~state endorsement~~
17 **proficiency** in 1 or more subject areas, the board of the district
18 in which the pupil is enrolled shall provide that there be at
19 least 1 meeting attended by at least the pupil and a member of
20 the district's staff or a local or intermediate district
21 consultant who is proficient in the measurement and evaluation of
22 pupils. The district may provide the meeting as a group meeting
23 for pupils in similar circumstances. If the pupil is a minor,
24 the district shall invite and encourage the pupil's parent, legal
25 guardian, or person in loco parentis to attend the meeting and
26 shall mail a notice of the meeting to the pupil's parent, legal
27 guardian, or person in loco parentis. The purpose of this

1 meeting and any subsequent meeting under this subsection shall be
2 to determine an educational program for the pupil designed to
3 have the pupil achieve state endorsement in each subject area in
4 which he or she did not achieve state endorsement. In addition,
5 a district may provide for subsequent meetings with the pupil
6 conducted by a high school counselor or teacher designated by the
7 pupil's high school principal, and shall invite and encourage the
8 pupil's parent, legal guardian, or person in loco parentis to
9 attend the subsequent meetings. The district shall provide
10 special programs for the pupil or develop a program using the
11 educational programs regularly provided by the district unless
12 the board of the district decides otherwise and publishes and
13 explains its decision in a public justification report.

14 (5) A pupil who wants to repeat an assessment administered
15 under this section may repeat the assessment, without charge to
16 the pupil, in the next school year or after graduation. An
17 individual may repeat an assessment at any time the district
18 administers an applicable assessment instrument or during a
19 retesting period under subsection (7).

20 (6) The ~~department~~ **superintendent** shall ensure that the
21 length of the assessments used for the purposes of this section
22 and the combined total time necessary to administer all of the
23 assessments are the shortest possible that will still maintain
24 the degree of reliability and validity of the assessment results
25 determined necessary by the ~~department~~ **superintendent**. The
26 ~~department~~ **superintendent** shall ensure that the maximum total
27 combined length of time that schools are required to set aside

1 for administration of all of the assessments used for the
2 purposes of this section does not exceed 8 hours. However, this
3 subsection does not limit the amount of time that individuals may
4 have to complete the assessments.

5 (7) The ~~department~~ **superintendent** shall establish,
6 schedule, and arrange periodic retesting periods throughout the
7 year **until the end of the 2006-2007 school year** for individuals
8 who desire to repeat an assessment under this section. The
9 ~~department~~ **superintendent** shall coordinate the arrangements for
10 administering the repeat assessments and shall ensure that the
11 retesting is made available at least within each intermediate
12 district and, to the extent possible, within each district.

13 (8) A district shall provide accommodations to a pupil with
14 disabilities for the assessments required under this section, as
15 provided under section 504 of title V of the rehabilitation act
16 of 1973, 29 USC 794; subtitle A of title II of the Americans with
17 disabilities act of 1990, 42 USC 12131 to 12134; and the
18 implementing regulations for those statutes.

19 (9) For the purposes of this section, the ~~department~~
20 **superintendent** shall develop or select and approve assessment
21 instruments to measure pupil performance in English language
22 arts, mathematics, social studies, and science. ~~Unless the~~
23 ~~department selects and approves the ACT/ACT work keys tests, the~~
24 **The** assessment instruments shall be based on the model core
25 academic content standards objectives under section 1278 of the
26 revised school code, MCL 380.1278.

27 (10) Upon written request by the pupil's parent or legal

1 guardian stating that the request is being made for the purpose
2 of providing the pupil with an opportunity to qualify to take 1
3 or more postsecondary courses as an eligible student under the
4 postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to
5 388.524, **or under the career and technical preparation act, 2000**
6 **PA 258, MCL 388.1901 to 388.1913**, the board of a district shall
7 allow a pupil who is in at least grade 10 to take an assessment
8 administered under this section without charge at any time the
9 district regularly administers the assessment or during a
10 retesting period established under subsection (7). A district is
11 not required to include in an annual education report, or in any
12 other report submitted to the ~~department~~ **superintendent** for
13 accreditation purposes, results of assessments taken under this
14 subsection by a pupil in grade 11 or lower until the results of
15 that pupil's graduating class are otherwise reported.

16 (11) All assessment instruments developed or selected and
17 approved by the state under any statute or rule for a purpose
18 related to K to 12 education shall be objective-oriented and
19 consistent with the model core academic content standards
20 objectives under section 1278 of the revised school code,
21 MCL 380.1278.

22 (12) ~~A~~ **Until the end of the 2006-2007 school year, a person**
23 who has graduated from high school after 1996 and who has not
24 previously taken an assessment under this section may take an
25 assessment used for the purposes of this section, without charge
26 to the person, at the district from which he or she graduated
27 from high school at any time that district administers the

1 assessment or during a retesting period scheduled under
2 subsection (7) and have his or her scaled score on the assessment
3 included on his or her high school transcript. If the person's
4 scaled score on a subject area assessment falls within the range
5 required under subsection (2) for a category established under
6 subsection (2), the district shall also indicate on the person's
7 high school transcript that the person has achieved state
8 endorsement for that subject area.

9 (13) Until the end of the 2006-2007 school year, a person who
10 has previously taken an assessment under this section may take a
11 retest on the assessment for the purposes of qualifying for a
12 Michigan merit award under the Michigan merit award scholarship
13 act, 1999 PA 94, MCL 390.1451 to 390.1459. The person may take
14 the retest, without charge to the person, at the district in
15 which he or she is enrolled or resides or, if it is not available
16 in that district, at another location within the intermediate
17 district in which he or she resides, at a regular testing time
18 scheduled for the assessment or during a retesting period
19 scheduled under subsection (7).

20 (14) ~~(13)~~ A child who is a student in a nonpublic school or
21 home school may take an assessment under this section. To take
22 an assessment, a child who is a student in a home school shall
23 contact the district in which the child resides, and that
24 district shall administer the assessment, or the child may take
25 the assessment at a nonpublic school if allowed by the nonpublic
26 school. Upon request from a nonpublic school, the ~~department~~
27 **superintendent** shall supply assessments and the nonpublic school

1 may administer the assessment.

2 (15) ~~—(14)—~~ The purpose of the assessment under this section
3 is to assess pupil performance in mathematics, science, social
4 studies, and English language arts for the purpose of improving
5 academic achievement and establishing a statewide standard of
6 competency. The assessment under this section provides a common
7 measure of data that will contribute to the improvement of
8 Michigan schools' curriculum and instruction by encouraging
9 alignment with Michigan's curriculum framework standards. These
10 standards are based upon the expectations of what pupils should
11 know and be able to do by the end of grade 11.

12 (16) ~~—(15)—~~ As used in this section, "social studies" means
13 geography, history, economics, and American government.

14 **Sec. 104b. (1) Beginning in the 2006 calendar year, in**
15 **order to receive state aid under this act, a district shall**
16 **comply with this section and shall administer the state**
17 **assessments under section 1279 or the Michigan merit examination**
18 **to pupils in grade 11 as provided in this section, as follows:**

19 (a) For pupils in grade 11 in the 2005-2006 school year, the
20 state assessments under section 104a shall be administered to all
21 pupils in grade 11 and the Michigan merit examination shall be
22 administered to a sample of pupils in grade 11 statewide, as
23 identified by the department. The pupils to be included in this
24 sample shall be determined by the department as the department
25 determines necessary to seek the approval of the United States
26 department of education to use the Michigan merit examination for
27 the purposes of the federal no child left behind act of 2001,

1 Public Law 107-110.

2 (b) Subject to subdivision (c), for pupils in grade 11 in the
3 2006-2007 school year and subsequent school years, the Michigan
4 merit examination shall be administered to all pupils in grade
5 11.

6 (c) If the United States department of education has not
7 approved the use of the Michigan merit examination for the
8 purposes of the federal no child left behind act of 2001, Public
9 Law 107-110, by December 31, 2006, all of the following apply:

10 (i) The state assessments under section 104a shall continue
11 to be administered to all pupils in grade 11 until the next
12 calendar year that begins after that approval occurs.

13 (ii) The Michigan merit examination shall be administered to
14 all pupils in grade 11 beginning in the next calendar year that
15 begins after that approval occurs.

16 (iii) If it is necessary as part of the process of continuing
17 to seek the approval of the United States department of education
18 to use the Michigan merit examination for the purposes of the
19 federal no child left behind act of 2001, Public Law 107-110, the
20 department may again provide for the administration of both the
21 state assessments under section 104a and the Michigan merit
22 examination to a sample of pupils in grade 11 statewide as
23 described in subdivision (a).

24 (2) The department shall take all steps necessary to obtain
25 the approval of the United States department of education to use
26 the Michigan merit examination for the purposes of the federal no
27 child left behind act of 2001, Public Law 107-110, by not later

1 than December 31, 2006 or as soon thereafter as possible.

2 (3) For the purposes of this section, the department of
3 management and budget shall contract with 1 or more providers to
4 develop, supply, and score the Michigan merit examination. The
5 Michigan merit examination shall consist of all of the
6 following:

7 (a) Assessment instruments that measure English language
8 arts, mathematics, reading, and science and are used by colleges
9 and universities in this state for entrance or placement
10 purposes.

11 (b) One or more tests from 1 or more test developers that
12 assess a pupil's ability to apply reading and mathematics skills
13 in a manner that is intended to allow employers to use the
14 results in making employment decisions.

15 (c) A social studies component.

16 (d) Any other component that is necessary to obtain the
17 approval of the United States department of education to use the
18 Michigan merit examination for the purposes of the federal no
19 child left behind act of 2001, Public Law 107-110.

20 (4) Beginning with pupils completing grade 11 in 2006, a
21 district shall include on each pupil's high school transcript all
22 of the following:

23 (a) For each high school graduate who has completed the
24 Michigan merit examination under this section, the pupil's scaled
25 score on each subject area component of the Michigan merit
26 examination.

27 (b) The number of school days the pupil was in attendance at

1 school each school year during high school and the total number
2 of school days in session for each of those school years.

3 (5) The superintendent shall work with the provider or
4 providers of the Michigan merit examination to produce Michigan
5 merit examination subject area scores for each pupil
6 participating in the Michigan merit examination, including
7 scaling and merging of test items for the different subject area
8 components. The superintendent shall design and distribute to
9 districts, intermediate districts, and nonpublic schools a simple
10 and concise document that describes the scoring for each subject
11 area and indicates the scaled score ranges for each subject
12 area.

13 (6) The Michigan merit examination shall be administered each
14 year after March 1 and before June 1 to pupils in grade 11. The
15 superintendent shall ensure that the Michigan merit examination
16 is scored and the scores are returned to pupils, their parents or
17 legal guardians, and districts not later than the beginning of
18 the pupil's first semester of grade 12. The returned scores
19 shall indicate at least the pupil's scaled score for each subject
20 area component and the range of scaled scores for each subject
21 area. In reporting the scores to pupils, parents, and schools,
22 the superintendent shall provide specific, meaningful, and timely
23 feedback on the pupil's performance on the Michigan merit
24 examination.

25 (7) A pupil who does not qualify for a Michigan merit award
26 scholarship under the Michigan merit award scholarship act, 1999
27 PA 94, MCL 390.1451 to 390.1459, and who wants to repeat the

1 Michigan merit examination may repeat the Michigan merit
2 examination, without charge to the pupil, in the next school year
3 on a designated testing date.

4 (8) The superintendent shall ensure that the length of the
5 Michigan merit examination and the combined total time necessary
6 to administer all of the components of the Michigan merit
7 examination are the shortest possible that will still maintain
8 the degree of reliability and validity of the Michigan merit
9 examination results determined necessary by the superintendent.
10 The superintendent shall ensure that the maximum total combined
11 length of time that schools are required to set aside for
12 administration of all of the components of the Michigan merit
13 examination does not exceed 8 hours.

14 (9) A district shall provide accommodations approved by the
15 provider or providers of the Michigan merit examination to a
16 pupil with disabilities for the Michigan merit examination, as
17 provided under section 504 of title V of the rehabilitation act
18 of 1973, 29 USC 794; subtitle A of title II of the Americans with
19 disabilities act of 1990, 42 USC 12131 to 12134; and the
20 implementing regulations for those statutes.

21 (10) To the greatest extent possible, the Michigan merit
22 examination shall be based on the model core academic content
23 standards objectives under section 1278 of the revised school
24 code, MCL 380.1278.

25 (11) A child who is a student in a nonpublic school or home
26 school may take the Michigan merit examination under this
27 section. To take the Michigan merit examination, a child who is

1 a student in a home school shall contact the district in which
2 the child resides, and that district shall administer the
3 Michigan merit examination, or the child may take the Michigan
4 merit examination at a nonpublic school if allowed by the
5 nonpublic school. Upon request from a nonpublic school, the
6 superintendent shall direct the provider or providers to supply
7 the Michigan merit examination to the nonpublic school and the
8 nonpublic school may administer the Michigan merit examination.

9 (12) In contracting under subsection (3), the department of
10 management and budget shall consider a contractor that provides
11 electronically-scored essays with the ability to score
12 constructed response feedback in multiple languages and provide
13 ongoing instruction and feedback.

14 (13) The purpose of the Michigan merit examination is to
15 assess pupil performance in mathematics, science, social studies,
16 and English language arts for the purpose of improving academic
17 achievement and establishing a statewide standard of competency.
18 The assessment under this section provides a common measure of
19 data that will contribute to the improvement of Michigan schools'
20 curriculum and instruction by encouraging alignment with
21 Michigan's curriculum framework standards and promotes pupil
22 participation in higher level mathematics, science, social
23 studies, and English language arts courses. These standards are
24 based upon the expectations of what pupils should learn through
25 high school and are aligned with national standards.

26 (14) As used in this section:

27 (a) "English language arts" means reading and writing.

1 (b) "Social studies" means geography, history, economics, and
2 American government.

3 Enacting section 1. This amendatory act does not take
4 effect unless all of the following bills of the 92nd Legislature
5 are enacted into law:

6 (a) Senate Bill No. 1153.

7 (b) Senate Bill No. 1154.

8 (c) Senate Bill No. 1156.

9 (d) Senate Bill No. 1157.