January 8, 2003, Introduced by Rep. Kratz and referred to the Committee on Education.

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending section 25b (MCL 388.1625b), as amended by 2001
PA 121.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 25b. (1) Beginning in 2000-2001, this This section
- 2 applies to an educating district's enrollment of a pupil if the
- 3 educating district is not a school district of the first class
- under the revised school code and if all of the following apply:
 - (a) The pupil transfers from -1 of 3 other districts
 - specified by the educating another district and enrolls in the
 - educating district after the pupil membership count day.

HOUSE BILL No. 4003

(b) Due to the pupil's enrollment status as of the pupil membership count day, the pupil was counted in membership in the district from which he or she transfers.

00141'03 TAV

- 1 (c) The pupil was a resident of the educating district on the
- 2 pupil membership count day or met other eligibility criteria
- 3 under section 6(4) or (6) to be counted in membership in the
- 4 educating district if the pupil had been enrolled in the
- 5 educating district on the pupil membership count day.
- 6 (d) The total number of pupils enrolled in the district who
- 7 are described in subdivisions (a), (b), and (c) and who transfer
- 8 from 1 of the 3 other districts specified by the educating
- 9 district is at least equal to the greater of 25 or 1% of the
- 10 educating district's membership.
- 11 (2) If the conditions specified in subsection (1) are met,
- 12 and a pupil transfers from -1 of the 3 other specified districts
- 13 described in subsection (1)(d) another district and enrolls
- 14 during a school year in the educating district, the educating
- 15 district shall report the enrollment information to the
- 16 department and to the district in which the pupil is counted in
- 17 membership, and the district in which the pupil is counted in
- 18 membership shall pay to the educating district an amount equal to
- 19 the amount of the foundation allowance or per pupil payment as
- 20 calculated under section 20 for the district in which the pupil
- 21 is counted in membership, prorated according to the number of
- 22 days of the school year ending in the fiscal year the pupil is
- 23 educated in the educating district compared to the number of days
- 24 of the school year ending in the fiscal year the pupil was
- 25 actually enrolled in the district in which the pupil is counted
- 26 in membership. The foundation allowance or per pupil payment
- 27 shall be adjusted by the pupil's full-time equated status as

00141'03 TAV

- 1 affected by the membership definition under section 6(4). If a
- 2 district does not make the payment required under this section
- 3 within 30 days after receipt of the report, the department shall
- 4 calculate the amount owed, shall deduct that amount from the
- 5 remaining state school aid payments to the district for that
- 6 fiscal year under this act, and shall pay that amount to the
- 7 educating district. The district in which the pupil is counted
- 8 in membership and the educating district shall provide to the
- 9 department all information the department requires to enforce
- 10 this section.
- 11 (3) In determining the total amount a district owes to the
- 12 educating district under this section, regardless of whether that
- 13 district is otherwise eligible for payment from the educating
- 14 district under this section, the district may calculate and
- 15 subtract from the amount owed, using the calculation described in
- 16 subsection (1), any amount applicable to pupils who transfer to
- 17 that district from the educating district and meet the
- 18 requirements of subsection (1)(a) to (c).
- 19 (4) As used in this section, "educating district" means the
- 20 district in which a pupil enrolls after the pupil membership
- 21 count day as described in subsection (1).

00141'03 Final Page TAV