

HOUSE BILL No. 5540

February 12, 2004, Introduced by Reps. Phillips, Garfield, Milosch, Drolet, Bradstreet, Ruth Johnson, Pappageorge, LaSata, Wenke, Paletko, Murphy, Hopgood, Williams, Brown, Adamini, Gielegem, Bieda, Sheltroun, Meyer, Voorhees, Rivet, Richardville, Pumford, Plakas, Hunter, Gaffney, Hune, Whitmer, Minore, Stallworth, Zelenko, Farrah, Clack, Vagnozzi, Cheeks and Daniels 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 25b (MCL 388.1625b), as amended by 2001 PA
121; and to repeal acts and parts of acts.

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~~
4 ~~under the revised school code and if~~ all of the following
5 apply:

6 (a) The pupil transfers from ~~1 of 3 other districts~~
7 ~~specified by the educating~~ **another** district and enrolls in the
8 educating district after the pupil membership count day.

9 (b) Due to the pupil's enrollment status as of the pupil
10 membership count day, the pupil was counted in membership in the

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1 district from which he or she transfers.

2 (c) The pupil was a resident of the educating district on the
3 pupil membership count day or met other eligibility criteria
4 under section 6(4) or (6) to be counted in membership in the
5 educating district if the pupil had been enrolled in the
6 educating district on the pupil membership count day.

7 ~~(d) The total number of pupils enrolled in the district who~~
8 ~~are described in subdivisions (a), (b), and (c) and who transfer~~
9 ~~from 1 of the 3 other districts specified by the educating~~
10 ~~district is at least equal to the greater of 25 or 1% of the~~
11 ~~educating district's membership.~~

12 (2) If the conditions specified in subsection (1) are met,
13 and a pupil transfers from ~~1 of the 3 other specified districts~~
14 ~~described in subsection (1)(d)~~ **another district** and enrolls
15 during a school year in the educating district, the educating
16 district shall report the enrollment information to the
17 department and to the district in which the pupil is counted in
18 membership, and the district in which the pupil is counted in
19 membership shall pay to the educating district an amount equal to
20 the amount of the foundation allowance or per pupil payment as
21 calculated under section 20 for the district in which the pupil
22 is counted in membership, prorated according to the number of
23 days of the school year ending in the fiscal year the pupil is
24 educated in the educating district compared to the number of days
25 of the school year ending in the fiscal year the pupil was
26 actually enrolled in the district in which the pupil is counted
27 in membership. The foundation allowance or per pupil payment

1 shall be adjusted by the pupil's full-time equated status as
2 affected by the membership definition under section 6(4). If a
3 district does not make the payment required under this section
4 within 30 days after receipt of the report, the department shall
5 calculate the amount owed, shall deduct that amount from the
6 remaining state school aid payments to the district for that
7 fiscal year under this act, and shall pay that amount to the
8 educating district. The district in which the pupil is counted
9 in membership and the educating district shall provide to the
10 department all information the department requires to enforce
11 this section.

12 (3) In determining the total amount a district owes to the
13 educating district under this section, regardless of whether that
14 district is otherwise eligible for payment from the educating
15 district under this section, the district may calculate and
16 subtract from the amount owed, using the calculation described in
17 subsection (1), any amount applicable to pupils who transfer to
18 that district from the educating district and meet the
19 requirements of subsection ~~(1)(a) to (e)~~ (1).

20 (4) As used in this section, "educating district" means the
21 district in which a pupil enrolls after the pupil membership
22 count day as described in subsection (1).

23 Enacting section 1. Section 25c of the state school aid act
24 of 1979, 1979 PA 94, MCL 388.1625c, is repealed.