

**SUBSTITUTE FOR  
SENATE BILL NO. 77**

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 2004 PA 351.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 101. (1) To be eligible to receive state aid under this  
2 act, not later than the fifth Wednesday after the pupil membership  
3 count day and not later than the fifth Wednesday after the  
4 supplemental count day, each district superintendent through the  
5 secretary of the district's board shall file with the intermediate  
6 superintendent a certified and sworn copy of the number of pupils  
7 enrolled and in regular daily attendance in the district as of the  
8 pupil membership count day and as of the supplemental count day, as

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

1 amount withheld. A person who willfully falsifies a figure or  
2 statement in the certified and sworn copy of enrollment shall be  
3 punished in the manner prescribed by section 161.

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

19 (3) Except as otherwise provided in this section, each  
20 district shall provide at least 1,098 hours of pupil instruction.  
21 Except as otherwise provided in this act, a district failing to  
22 comply with the required minimum hours of pupil instruction under  
23 this subsection shall forfeit from its total state aid allocation  
24 an amount determined by applying a ratio of the number of hours the  
25 district was in noncompliance in relation to the required minimum  
26 number of hours under this subsection. Not later than August 1, the  
27 board of each district shall certify to the department the number

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

15 (4) Except as otherwise provided in this subsection, the first  
16 30 hours for which pupil instruction is not provided because of  
17 conditions not within the control of school authorities, such as  
18 severe storms, fires, epidemics, utility power unavailability,  
19 water or sewer failure, or health conditions as defined by the  
20 city, county, or state health authorities, shall be counted as  
21 hours of pupil instruction. ~~In addition, for 2003-2004 only, the~~  
22 ~~department shall count as hours of pupil instruction not more than~~  
23 ~~20 additional hours for which pupil instruction was not provided in~~  
24 ~~a school in a district due to structural roof and truss damage that~~  
25 ~~required the school to be closed.~~ Beginning in 2003-2004, with the  
26 approval of the superintendent of public instruction, the  
27 department shall count as hours of pupil instruction for a fiscal

1 year not more than 30 additional hours for which pupil instruction  
2 is not provided in a district after April 1 of the applicable  
3 school year due to unusual and extenuating occurrences resulting  
4 from conditions not within the control of school authorities such  
5 as those conditions described in this subsection. Subsequent such  
6 hours shall not be counted as hours of pupil instruction.

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

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

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

1 subsection (4).

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

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

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

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

18 (c) Except as otherwise provided in this subdivision, a pupil  
19 in grades 9 to 12 for whom a reduced schedule is determined to be  
20 in the individual pupil's best educational interest must be  
21 scheduled for a number of hours equal to at least 80% of the  
22 required minimum number of hours of pupil instruction to be  
23 considered a full-time equivalent pupil. A pupil in grades 9 to 12  
24 who is scheduled in a 4-block schedule may receive a reduced  
25 schedule under this subsection if the pupil is scheduled for a  
26 number of hours equal to at least 75% of the required minimum  
27 number of hours of pupil instruction to be considered a full-time

1 equivalent pupil.

2 (d) If a pupil in grades 9 to 12 who is enrolled in a  
3 cooperative education program or a special education pupil cannot  
4 receive the required minimum number of hours of pupil instruction  
5 solely because of travel time between instructional sites during  
6 the school day, that travel time, up to a maximum of 3 hours per  
7 school week, shall be considered to be pupil instruction time for  
8 the purpose of determining whether the pupil is receiving the  
9 required minimum number of hours of pupil instruction. However, if  
10 a district demonstrates to the satisfaction of the department that  
11 the travel time limitation under this subdivision would create  
12 undue costs or hardship to the district, the department may  
13 consider more travel time to be pupil instruction time for this  
14 purpose.

15 (E) IN GRADES 7 THROUGH 12, INSTRUCTIONAL TIME THAT IS PART OF  
16 A JUNIOR RESERVE OFFICER TRAINING CORPS (JROTC) PROGRAM SHALL BE  
17 CONSIDERED TO BE PUPIL INSTRUCTION TIME REGARDLESS OF WHETHER THE  
18 INSTRUCTOR IS A CERTIFICATED TEACHER IF ALL OF THE FOLLOWING ARE  
19 MET:

20 (i) THE INSTRUCTOR HAS MET ALL OF THE REQUIREMENTS ESTABLISHED  
21 BY THE UNITED STATES DEPARTMENT OF DEFENSE AND THE APPLICABLE  
22 BRANCH OF THE ARMED SERVICES FOR SERVING AS AN INSTRUCTOR IN THE  
23 JUNIOR RESERVE OFFICER TRAINING CORPS PROGRAM.

24 (ii) THE BOARD OF THE DISTRICT OR INTERMEDIATE DISTRICT  
25 EMPLOYING OR ASSIGNING THE INSTRUCTOR COMPLIES WITH THE  
26 REQUIREMENTS OF SECTIONS 1230 AND 1230A OF THE REVISED SCHOOL CODE,  
27 MCL 380.1230 AND 380.1230A, WITH RESPECT TO THE INSTRUCTOR TO THE

1 SAME EXTENT AS IF EMPLOYING THE INSTRUCTOR AS A REGULAR CLASSROOM  
2 TEACHER.

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

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

13 (10) A district may count up to 51 hours of qualifying  
14 professional development for teachers, including the 5 hours of  
15 online professional development provided by the Michigan virtual  
16 university under section 98, as hours of pupil instruction. A  
17 district that elects to use this exception shall notify the  
18 department of its election. As used in this subsection, "qualifying  
19 professional development" means professional development that is  
20 focused on 1 or more of the following:

21 (a) Achieving or improving adequate yearly progress as defined  
22 under the no child left behind act of 2001, Public Law 107-110.

23 (b) Achieving accreditation or improving a school's  
24 accreditation status under section 1280 of the revised school code,  
25 MCL 380.1280.

26 (c) Achieving highly qualified teacher status as defined under  
27 the no child left behind act of 2001, Public Law 107-110.



- 1 (d) Maintaining teacher certification.