

# HOUSE BILL No. 4346

February 18, 2009, Introduced by Reps. Slavens, Kennedy, Haugh, Haase, Switalski, Miller, Robert Jones, Spade, Gonzales and Melton 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 20 (MCL 388.1620), as amended by 2008 PA 268.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 20. (1) For 2007-2008, the basic foundation allowance is  
2       \$8,433.00. For 2008-2009, the basic foundation allowance is  
3       \$8,489.00.

4       (2) The amount of each district's foundation allowance shall  
5       be calculated as provided in this section, using a basic foundation  
6       allowance in the amount specified in subsection (1). **THE**  
7       **LEGISLATURE SHALL WORK TOWARD A SYSTEM OF STATE FUNDING FOR LOCAL**  
8       **SCHOOL DISTRICTS THAT PROVIDES EACH SCHOOL DISTRICT WITH THE SAME**  
9       **FOUNDATION ALLOWANCE.**

10       (3) Except as otherwise provided in this section, the amount

1 of a district's foundation allowance shall be calculated as  
2 follows, using in all calculations the total amount of the  
3 district's foundation allowance as calculated before any proration:

4 (a) For 2007-2008, for a district that had a foundation  
5 allowance for 2006-2007, including any adjustment under subdivision  
6 (f), that was at least equal to \$7,108.00 but less than \$8,385.00,  
7 the district shall receive a foundation allowance in an amount  
8 equal to the sum of the district's foundation allowance for 2006-  
9 2007 plus the difference between \$96.00 and [(\$48.00 minus \$20.00)  
10 times (the difference between the district's foundation allowance  
11 for 2006-2007, including any adjustment under subdivision (f), and  
12 \$7,108.00) divided by \$1,325.00]. Beginning in 2008-2009, for a  
13 district that had a foundation allowance for the immediately  
14 preceding state fiscal year that was at least equal to the sum of  
15 \$7,108.00 plus the total dollar amount of all adjustments made from  
16 2006-2007 to the immediately preceding state fiscal year in the  
17 lowest foundation allowance among all districts, but less than the  
18 basic foundation allowance for the immediately preceding state  
19 fiscal year, the district shall receive a foundation allowance in  
20 an amount equal to the sum of the district's foundation allowance  
21 for the immediately preceding state fiscal year plus the difference  
22 between twice the dollar amount of the adjustment from the  
23 immediately preceding state fiscal year to the current state fiscal  
24 year made in the basic foundation allowance and [(the dollar amount  
25 of the adjustment from the immediately preceding state fiscal year  
26 to the current state fiscal year made in the basic foundation  
27 allowance minus \$20.00) times (the difference between the

1 district's foundation allowance for the immediately preceding state  
2 fiscal year and the sum of \$7,108.00 plus the total dollar amount  
3 of all adjustments made from 2006-2007 to the immediately preceding  
4 state fiscal year in the lowest foundation allowance among all  
5 districts) divided by the difference between the basic foundation  
6 allowance for the current state fiscal year and the sum of  
7 \$7,108.00 plus the total dollar amount of all adjustments made from  
8 2006-2007 to the immediately preceding state fiscal year in the  
9 lowest foundation allowance among all districts]. However, the  
10 foundation allowance for a district that had less than the basic  
11 foundation allowance for the immediately preceding state fiscal  
12 year shall not exceed the basic foundation allowance for the  
13 current state fiscal year.

14 (b) Except as otherwise provided in this subsection, beginning  
15 in 2008-2009, for a district that in the immediately preceding  
16 state fiscal year had a foundation allowance in an amount at least  
17 equal to the amount of the basic foundation allowance for the  
18 immediately preceding state fiscal year, the district shall receive  
19 a foundation allowance in an amount equal to the sum of the  
20 district's foundation allowance for the immediately preceding state  
21 fiscal year plus the dollar amount of the adjustment from the  
22 immediately preceding state fiscal year to the current state fiscal  
23 year in the basic foundation allowance.

24 (c) For a district that in the 1994-95 state fiscal year had a  
25 foundation allowance greater than \$6,500.00, the district's  
26 foundation allowance is an amount equal to the sum of the  
27 district's foundation allowance for the immediately preceding state

1 fiscal year plus the lesser of the increase in the basic foundation  
2 allowance for the current state fiscal year, as compared to the  
3 immediately preceding state fiscal year, or the product of the  
4 district's foundation allowance for the immediately preceding state  
5 fiscal year times the percentage increase in the United States  
6 consumer price index in the calendar year ending in the immediately  
7 preceding fiscal year as reported by the May revenue estimating  
8 conference conducted under section 367b of the management and  
9 budget act, 1984 PA 431, MCL 18.1367b.

10 (d) For a district that has a foundation allowance that is not  
11 a whole dollar amount, the district's foundation allowance shall be  
12 rounded up to the nearest whole dollar.

13 (e) For a district that received a payment under section 22c  
14 as that section was in effect for 2001-2002, the district's 2001-  
15 2002 foundation allowance shall be considered to have been an  
16 amount equal to the sum of the district's actual 2001-2002  
17 foundation allowance as otherwise calculated under this section  
18 plus the per pupil amount of the district's equity payment for  
19 2001-2002 under section 22c as that section was in effect for 2001-  
20 2002.

21 (f) For a district that received a payment under section 22c  
22 as that section was in effect for 2006-2007, the district's 2006-  
23 2007 foundation allowance shall be considered to have been an  
24 amount equal to the sum of the district's actual 2006-2007  
25 foundation allowance as otherwise calculated under this section  
26 plus the per pupil amount of the district's equity payment for  
27 2006-2007 under section 22c as that section was in effect for 2006-

1 2007.

2 (4) Except as otherwise provided in this subsection, the state  
3 portion of a district's foundation allowance is an amount equal to  
4 the district's foundation allowance or the basic foundation  
5 allowance for the current state fiscal year, whichever is less,  
6 minus the difference between the sum of the product of the taxable  
7 value per membership pupil of all property in the district that is  
8 nonexempt property times the district's certified mills and, for a  
9 district with certified mills exceeding 12, the product of the  
10 taxable value per membership pupil of property in the district that  
11 is commercial personal property times the certified mills minus 12  
12 mills and the quotient of the ad valorem property tax revenue of  
13 the district captured under tax increment financing acts divided by  
14 the district's membership excluding special education pupils. For a  
15 district described in subsection (3)(c), the state portion of the  
16 district's foundation allowance is an amount equal to \$6,962.00  
17 plus the difference between the district's foundation allowance for  
18 the current state fiscal year and the district's foundation  
19 allowance for 1998-99, minus the difference between the sum of the  
20 product of the taxable value per membership pupil of all property  
21 in the district that is nonexempt property times the district's  
22 certified mills and, for a district with certified mills exceeding  
23 12, the product of the taxable value per membership pupil of  
24 property in the district that is commercial personal property times  
25 the certified mills minus 12 mills and the quotient of the ad  
26 valorem property tax revenue of the district captured under tax  
27 increment financing acts divided by the district's membership

1 excluding special education pupils. For a district that has a  
2 millage reduction required under section 31 of article IX of the  
3 state constitution of 1963, the state portion of the district's  
4 foundation allowance shall be calculated as if that reduction did  
5 not occur.

6 (5) The allocation calculated under this section for a pupil  
7 shall be based on the foundation allowance of the pupil's district  
8 of residence. However, for a pupil enrolled in a district other  
9 than the pupil's district of residence, if the foundation allowance  
10 of the pupil's district of residence has been adjusted pursuant to  
11 subsection (19), the allocation calculated under this section shall  
12 not include the adjustment described in subsection (19). For a  
13 pupil enrolled pursuant to section 105 or 105c in a district other  
14 than the pupil's district of residence, the allocation calculated  
15 under this section shall be based on the lesser of the foundation  
16 allowance of the pupil's district of residence or the foundation  
17 allowance of the educating district. For a pupil in membership in a  
18 K-5, K-6, or K-8 district who is enrolled in another district in a  
19 grade not offered by the pupil's district of residence, the  
20 allocation calculated under this section shall be based on the  
21 foundation allowance of the educating district if the educating  
22 district's foundation allowance is greater than the foundation  
23 allowance of the pupil's district of residence. The calculation  
24 under this subsection shall take into account a district's per  
25 pupil allocation under section 20j(2).

26 (6) For 2007-2008, subject to subsection (7) and section  
27 22b(3) and except as otherwise provided in this subsection, for

1 pupils in membership, other than special education pupils, in a  
2 public school academy or a university school, the allocation  
3 calculated under this section is an amount per membership pupil  
4 other than special education pupils in the public school academy or  
5 university school equal to the sum of the local school operating  
6 revenue per membership pupil other than special education pupils  
7 for the district in which the public school academy or university  
8 school is located and the state portion of that district's  
9 foundation allowance, or \$7,475.00, whichever is less. Beginning in  
10 2008-2009, subject to subsection (7) and section 22b(3) and except  
11 as otherwise provided in this subsection, for pupils in membership,  
12 other than special education pupils, in a public school academy or  
13 a university school, the allocation calculated under this section  
14 is an amount per membership pupil other than special education  
15 pupils in the public school academy or university school equal to  
16 the sum of the local school operating revenue per membership pupil  
17 other than special education pupils for the district in which the  
18 public school academy or university school is located and the state  
19 portion of that district's foundation allowance, or the state  
20 maximum public school academy allocation, whichever is less.  
21 Notwithstanding section 101(2), for a public school academy that  
22 begins operations after the pupil membership count day, the amount  
23 per membership pupil calculated under this subsection shall be  
24 adjusted by multiplying that amount per membership pupil by the  
25 number of hours of pupil instruction provided by the public school  
26 academy after it begins operations, as determined by the  
27 department, divided by the minimum number of hours of pupil

1 instruction required under section 101(3). The result of this  
2 calculation shall not exceed the amount per membership pupil  
3 otherwise calculated under this subsection.

4 (7) If more than 25% of the pupils residing within a district  
5 are in membership in 1 or more public school academies located in  
6 the district, then the amount per membership pupil calculated under  
7 this section for a public school academy located in the district  
8 shall be reduced by an amount equal to the difference between the  
9 sum of the product of the taxable value per membership pupil of all  
10 property in the district that is nonexempt property times the  
11 district's certified mills and, for a district with certified mills  
12 exceeding 12, the product of the taxable value per membership pupil  
13 of property in the district that is commercial personal property  
14 times the certified mills minus 12 mills and the quotient of the ad  
15 valorem property tax revenue of the district captured under tax  
16 increment financing acts divided by the district's membership  
17 excluding special education pupils, in the school fiscal year  
18 ending in the current state fiscal year, calculated as if the  
19 resident pupils in membership in 1 or more public school academies  
20 located in the district were in membership in the district. In  
21 order to receive state school aid under this act, a district  
22 described in this subsection shall pay to the authorizing body that  
23 is the fiscal agent for a public school academy located in the  
24 district for forwarding to the public school academy an amount  
25 equal to that local school operating revenue per membership pupil  
26 for each resident pupil in membership other than special education  
27 pupils in the public school academy, as determined by the



1 department.

2 (8) If a district does not receive an amount calculated under  
3 subsection (9); if the number of mills the district may levy on a  
4 principal residence, qualified agricultural property, qualified  
5 forest property, industrial personal property, and commercial  
6 personal property under section 1211 of the revised school code,  
7 MCL 380.1211, is 0.5 mills or less; and if the district elects not  
8 to levy those mills, the district instead shall receive a separate  
9 supplemental amount calculated under this subsection in an amount  
10 equal to the amount the district would have received had it levied  
11 those mills, as determined by the department of treasury. A  
12 district shall not receive a separate supplemental amount  
13 calculated under this subsection for a fiscal year unless in the  
14 calendar year ending in the fiscal year the district levies the  
15 district's certified mills on property that is nonexempt property.

16 (9) For a district that had combined state and local revenue  
17 per membership pupil in the 1993-94 state fiscal year of more than  
18 \$6,500.00 and that had fewer than 350 pupils in membership, if the  
19 district elects not to reduce the number of mills from which a  
20 principal residence, qualified agricultural property, qualified  
21 forest property, industrial personal property, and commercial  
22 personal property are exempt and not to levy school operating taxes  
23 on a principal residence, qualified agricultural property,  
24 qualified forest property, industrial personal property, and  
25 commercial personal property as provided in section 1211 of the  
26 revised school code, MCL 380.1211, and not to levy school operating  
27 taxes on all property as provided in section 1211(2) of the revised

1 school code, MCL 380.1211, there is calculated under this  
2 subsection for 1994-95 and each succeeding fiscal year a separate  
3 supplemental amount in an amount equal to the amount the district  
4 would have received per membership pupil had it levied school  
5 operating taxes on a principal residence, qualified agricultural  
6 property, qualified forest property, industrial personal property,  
7 and commercial personal property at the rate authorized for the  
8 district under section 1211 of the revised school code, MCL  
9 380.1211, and levied school operating taxes on all property at the  
10 rate authorized for the district under section 1211(2) of the  
11 revised school code, MCL 380.1211, as determined by the department  
12 of treasury. If in the calendar year ending in the fiscal year a  
13 district does not levy the district's certified mills on property  
14 that is nonexempt property, the amount calculated under this  
15 subsection will be reduced by the same percentage as the millage  
16 actually levied compares to the district's certified mills.

17 (10) Subject to subsection (4), for a district that is formed  
18 or reconfigured after June 1, 2002 by consolidation of 2 or more  
19 districts or by annexation, the resulting district's foundation  
20 allowance under this section beginning after the effective date of  
21 the consolidation or annexation shall be the average of the  
22 foundation allowances of each of the original or affected  
23 districts, calculated as provided in this section, weighted as to  
24 the percentage of pupils in total membership in the resulting  
25 district who reside in the geographic area of each of the original  
26 or affected districts. The calculation under this subsection shall  
27 take into account a district's per pupil allocation under section

1 20j(2).

2 (11) Each fraction used in making calculations under this  
3 section shall be rounded to the fourth decimal place and the dollar  
4 amount of an increase in the basic foundation allowance shall be  
5 rounded to the nearest whole dollar.

6 (12) State payments related to payment of the foundation  
7 allowance for a special education pupil are not calculated under  
8 this section but are instead calculated under section 51a.

9 (13) To assist the legislature in determining the basic  
10 foundation allowance for the subsequent state fiscal year, each  
11 revenue estimating conference conducted under section 367b of the  
12 management and budget act, 1984 PA 431, MCL 18.1367b, shall  
13 calculate a pupil membership factor, a revenue adjustment factor,  
14 and an index as follows:

15 (a) The pupil membership factor shall be computed by dividing  
16 the estimated membership in the school year ending in the current  
17 state fiscal year, excluding intermediate district membership, by  
18 the estimated membership for the school year ending in the  
19 subsequent state fiscal year, excluding intermediate district  
20 membership. If a consensus membership factor is not determined at  
21 the revenue estimating conference, the principals of the revenue  
22 estimating conference shall report their estimates to the house and  
23 senate subcommittees responsible for school aid appropriations not  
24 later than 7 days after the conclusion of the revenue conference.

25 (b) The revenue adjustment factor shall be computed by  
26 dividing the sum of the estimated total state school aid fund  
27 revenue for the subsequent state fiscal year plus the estimated

1 total state school aid fund revenue for the current state fiscal  
2 year, adjusted for any change in the rate or base of a tax the  
3 proceeds of which are deposited in that fund and excluding money  
4 transferred into that fund from the countercyclical budget and  
5 economic stabilization fund under the management and budget act,  
6 1984 PA 431, MCL 18.1101 to 18.1594, by the sum of the estimated  
7 total school aid fund revenue for the current state fiscal year  
8 plus the estimated total state school aid fund revenue for the  
9 immediately preceding state fiscal year, adjusted for any change in  
10 the rate or base of a tax the proceeds of which are deposited in  
11 that fund. If a consensus revenue factor is not determined at the  
12 revenue estimating conference, the principals of the revenue  
13 estimating conference shall report their estimates to the house and  
14 senate subcommittees responsible for school aid appropriations not  
15 later than 7 days after the conclusion of the revenue conference.

16 (c) The index shall be calculated by multiplying the pupil  
17 membership factor by the revenue adjustment factor. However, for  
18 2008-2009, the index shall be 1.00. If a consensus index is not  
19 determined at the revenue estimating conference, the principals of  
20 the revenue estimating conference shall report their estimates to  
21 the house and senate subcommittees responsible for school aid  
22 appropriations not later than 7 days after the conclusion of the  
23 revenue conference.

24 (14) If the principals at the revenue estimating conference  
25 reach a consensus on the index described in subsection (13)(c), the  
26 lowest foundation allowance among all districts for the subsequent  
27 state fiscal year shall be at least the amount of that consensus

1 index multiplied by the lowest foundation allowance among all  
2 districts for the immediately preceding state fiscal year.

3 (15) If at the January revenue estimating conference it is  
4 estimated that pupil membership, excluding intermediate district  
5 membership, for the subsequent state fiscal year will be greater  
6 than 101% of the pupil membership, excluding intermediate district  
7 membership, for the current state fiscal year, then it is the  
8 intent of the legislature that the executive budget proposal for  
9 the school aid budget for the subsequent state fiscal year include  
10 a general fund/general purpose allocation sufficient to support the  
11 membership in excess of 101% of the current year pupil membership.

12 (16) For a district that had combined state and local revenue  
13 per membership pupil in the 1993-94 state fiscal year of more than  
14 \$6,500.00, that had fewer than 7 pupils in membership in the 1993-  
15 94 state fiscal year, that has at least 1 child educated in the  
16 district in the current state fiscal year, and that levies the  
17 number of mills of school operating taxes authorized for the  
18 district under section 1211 of the revised school code, MCL  
19 380.1211, a minimum amount of combined state and local revenue  
20 shall be calculated for the district as provided under this  
21 subsection. The minimum amount of combined state and local revenue  
22 for 1999-2000 shall be \$67,000.00 plus the district's additional  
23 expenses to educate pupils in grades 9 to 12 educated in other  
24 districts as determined and allowed by the department. The minimum  
25 amount of combined state and local revenue under this subsection,  
26 before adding the additional expenses, shall increase each fiscal  
27 year by the same percentage increase as the percentage increase in

1 the basic foundation allowance from the immediately preceding  
2 fiscal year to the current fiscal year. The state portion of the  
3 minimum amount of combined state and local revenue under this  
4 subsection shall be calculated by subtracting from the minimum  
5 amount of combined state and local revenue under this subsection  
6 the sum of the district's local school operating revenue and an  
7 amount equal to the product of the sum of the state portion of the  
8 district's foundation allowance plus the amount calculated under  
9 section 20j times the district's membership. As used in this  
10 subsection, "additional expenses" means the district's expenses for  
11 tuition or fees, not to exceed the basic foundation allowance for  
12 the current state fiscal year, plus a room and board stipend not to  
13 exceed \$10.00 per school day for each pupil in grades 9 to 12  
14 educated in another district, as approved by the department.

15 (17) For a district in which 7.75 mills levied in 1992 for  
16 school operating purposes in the 1992-93 school year were not  
17 renewed in 1993 for school operating purposes in the 1993-94 school  
18 year, the district's combined state and local revenue per  
19 membership pupil shall be recalculated as if that millage reduction  
20 did not occur and the district's foundation allowance shall be  
21 calculated as if its 1994-95 foundation allowance had been  
22 calculated using that recalculated 1993-94 combined state and local  
23 revenue per membership pupil as a base. A district is not entitled  
24 to any retroactive payments for fiscal years before 2000-2001 due  
25 to this subsection.

26 (18) For a district in which an industrial facilities  
27 exemption certificate that abated taxes on property with a state

1 equalized valuation greater than the total state equalized  
2 valuation of the district at the time the certificate was issued or  
3 \$700,000,000.00, whichever is greater, was issued under 1974 PA  
4 198, MCL 207.551 to 207.572, before the calculation of the  
5 district's 1994-95 foundation allowance, the district's foundation  
6 allowance for 2002-2003 is an amount equal to the sum of the  
7 district's foundation allowance for 2002-2003, as otherwise  
8 calculated under this section, plus \$250.00.

9 (19) For a district that received a grant under former section  
10 32e for 2001-2002, the district's foundation allowance for 2002-  
11 2003 and each succeeding fiscal year shall be adjusted to be an  
12 amount equal to the sum of the district's foundation allowance, as  
13 otherwise calculated under this section, plus the quotient of 100%  
14 of the amount of the grant award to the district for 2001-2002  
15 under former section 32e divided by the number of pupils in the  
16 district's membership for 2001-2002 who were residents of and  
17 enrolled in the district. Except as otherwise provided in this  
18 subsection, a district qualifying for a foundation allowance  
19 adjustment under this subsection shall use the funds resulting from  
20 this adjustment for at least 1 of grades K to 3 for purposes  
21 allowable under former section 32e as in effect for 2001-2002, and  
22 may also use these funds for an early intervening program described  
23 in subsection (20). For an individual school or schools operated by  
24 a district qualifying for a foundation allowance under this  
25 subsection that have been determined by the department to meet the  
26 adequate yearly progress standards of the federal no child left  
27 behind act of 2001, Public Law 107-110, in both mathematics and

English language arts at all applicable grade levels for all applicable subgroups, the district may submit to the department an application for flexibility in using the funds resulting from this adjustment that are attributable to the pupils in the school or schools. The application shall identify the affected school or schools and the affected funds and shall contain a plan for using the funds for specific purposes identified by the district that are designed to reduce class size, but that may be different from the purposes otherwise allowable under this subsection. The department shall approve the application if the department determines that the purposes identified in the plan are reasonably designed to reduce class size. If the department does not act to approve or disapprove an application within 30 days after it is submitted to the department, the application is considered to be approved. If an application for flexibility in using the funds is approved, the district may use the funds identified in the application for any purpose identified in the plan.

(20) An early intervening program that uses funds resulting from the adjustment under subsection (19) shall meet either or both of the following:

(a) Shall monitor individual pupil learning for pupils in grades K to 3 and provide specific support or learning strategies to pupils in grades K to 3 as early as possible in order to reduce the need for special education placement. The program shall include literacy and numeracy supports, sensory motor skill development, behavior supports, instructional consultation for teachers, and the development of a parent/school learning plan. Specific support or



1 learning strategies may include support in or out of the general  
2 classroom in areas including reading, writing, math, visual memory,  
3 motor skill development, behavior, or language development. These  
4 would be provided based on an understanding of the individual  
5 child's learning needs.

6 (b) Shall provide early intervening strategies for pupils in  
7 grades K to 3 using schoolwide systems of academic and behavioral  
8 supports and shall be scientifically research-based. The strategies  
9 to be provided shall include at least pupil performance indicators  
10 based upon response to intervention, instructional consultation for  
11 teachers, and ongoing progress monitoring. A schoolwide system of  
12 academic and behavioral support should be based on a support team  
13 available to the classroom teachers. The members of this team could  
14 include the principal, special education staff, reading teachers,  
15 and other appropriate personnel who would be available to  
16 systematically study the needs of the individual child and work  
17 with the teacher to match instruction to the needs of the  
18 individual child.

19 (21) For a district that levied 1.9 mills in 1993 to finance  
20 an operating deficit, the district's foundation allowance shall be  
21 calculated as if those mills were included as operating mills in  
22 the calculation of the district's 1994-1995 foundation allowance. A  
23 district is not entitled to any retroactive payments for fiscal  
24 years before 2006-2007 due to this subsection. A district receiving  
25 an adjustment under this subsection shall not receive more than  
26 \$800,000.00 for a fiscal year as a result of this adjustment.

27 (22) For a district that levied 2.23 mills in 1993 to finance

1 an operating deficit, the district's foundation allowance shall be  
2 calculated as if those mills were included as operating mills in  
3 the calculation of the district's 1994-1995 foundation allowance. A  
4 district is not entitled to any retroactive payments for fiscal  
5 years before 2006-2007 due to this subsection. A district receiving  
6 an adjustment under this subsection shall not receive more than  
7 \$500,000.00 for a fiscal year as a result of this adjustment.

8 (23) Payments to districts, university schools, or public  
9 school academies shall not be made under this section. Rather, the  
10 calculations under this section shall be used to determine the  
11 amount of state payments under section 22b.

12 (24) If an amendment to section 2 of article VIII of the state  
13 constitution of 1963 allowing state aid to some or all nonpublic  
14 schools is approved by the voters of this state, each foundation  
15 allowance or per pupil payment calculation under this section may  
16 be reduced.

17 (25) As used in this section:

18 (a) "Certified mills" means the lesser of 18 mills or the  
19 number of mills of school operating taxes levied by the district in  
20 1993-94.

21 (b) "Combined state and local revenue" means the aggregate of  
22 the district's state school aid received by or paid on behalf of  
23 the district under this section and the district's local school  
24 operating revenue.

25 (c) "Combined state and local revenue per membership pupil"  
26 means the district's combined state and local revenue divided by  
27 the district's membership excluding special education pupils.

1 (d) "Current state fiscal year" means the state fiscal year  
2 for which a particular calculation is made.

3 (e) "Immediately preceding state fiscal year" means the state  
4 fiscal year immediately preceding the current state fiscal year.

5 (f) "Local school operating revenue" means school operating  
6 taxes levied under section 1211 of the revised school code, MCL  
7 380.1211.

8 (g) "Local school operating revenue per membership pupil"  
9 means a district's local school operating revenue divided by the  
10 district's membership excluding special education pupils.

11 (h) "Maximum public school academy allocation" means the  
12 maximum per-pupil allocation as calculated by adding the highest  
13 per-pupil allocation among all public school academies for the  
14 immediately preceding state fiscal year plus the difference between  
15 twice the dollar amount of the adjustment from the immediately  
16 preceding state fiscal year to the current state fiscal year made  
17 in the basic foundation allowance and [(the dollar amount of the  
18 adjustment from the immediately preceding state fiscal year to the  
19 current state fiscal year made in the basic foundation allowance  
20 minus \$50.00) times (the difference between the highest per-pupil  
21 allocation among all public school academies for the immediately  
22 preceding state fiscal year and the sum of \$7,108.00 plus the total  
23 dollar amount of all adjustments made from 2006-2007 to the  
24 immediately preceding state fiscal year in the lowest per-pupil  
25 allocation among all public school academies) divided by the  
26 difference between the basic foundation allowance for the current  
27 state fiscal year and the sum of \$7,108.00 plus the total dollar

1 amount of all adjustments made from 2006-2007 to the immediately  
2 preceding state fiscal year in the lowest per-pupil allocation  
3 among all public school academies].

4 (i) "Membership" means the definition of that term under  
5 section 6 as in effect for the particular fiscal year for which a  
6 particular calculation is made.

7 (j) "Nonexempt property" means property that is not a  
8 principal residence, qualified agricultural property, qualified  
9 forest property, industrial personal property, or commercial  
10 personal property.

11 (k) "Principal residence", "qualified agricultural property",  
12 "qualified forest property", "industrial personal property", and  
13 "commercial personal property" mean those terms as defined in  
14 section 7dd of the general property tax act, 1893 PA 206, MCL  
15 211.7dd, and section 1211 of the revised school code, MCL 380.1211.

16 (l) "School operating purposes" means the purposes included in  
17 the operation costs of the district as prescribed in sections 7 and  
18 18.

19 (m) "School operating taxes" means local ad valorem property  
20 taxes levied under section 1211 of the revised school code, MCL  
21 380.1211, and retained for school operating purposes.

22 (n) "Tax increment financing acts" means 1975 PA 197, MCL  
23 125.1651 to 125.1681, the tax increment finance authority act, 1980  
24 PA 450, MCL 125.1801 to 125.1830, the local development financing  
25 act, 1986 PA 281, MCL 125.2151 to 125.2174, the brownfield  
26 redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672,  
27 or the corridor improvement authority act, 2005 PA 280, MCL

1 125.2871 to 125.2899.

2 (o) "Taxable value per membership pupil" means taxable value,  
3 as certified by the department of treasury, for the calendar year  
4 ending in the current state fiscal year divided by the district's  
5 membership excluding special education pupils for the school year  
6 ending in the current state fiscal year.