

HOUSE BILL No. 6213

May 26, 2010, Introduced by Rep. Corriveau 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 2009 PA 121.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 20. (1) For 2009-2010, the basic foundation allowance is
2 \$8,489.00.

3 (2) The amount of each district's foundation allowance shall
4 be calculated as provided in this section, using a basic foundation
5 allowance in the amount specified in subsection (1).

6 (3) Except as otherwise provided in this section, the amount
7 of a district's foundation allowance shall be calculated as
8 follows, using in all calculations the total amount of the
9 district's foundation allowance as calculated before any proration:

10 (a) For a district that had a foundation allowance for the

1 immediately preceding state fiscal year that was at least equal to
2 the sum of \$7,108.00 plus the total dollar amount of all
3 adjustments made from 2006-2007 to the immediately preceding state
4 fiscal year in the lowest foundation allowance among all districts,
5 but less than the basic foundation allowance for the immediately
6 preceding state fiscal year, the district shall receive a
7 foundation allowance in an amount equal to the sum of the
8 district's foundation allowance for the immediately preceding state
9 fiscal year plus the difference between twice the dollar amount of
10 the adjustment from the immediately preceding state fiscal year to
11 the current state fiscal year made in the basic foundation
12 allowance and [(the dollar amount of the adjustment from the
13 immediately preceding state fiscal year to the current state fiscal
14 year made in the basic foundation allowance minus \$20.00) times
15 (the difference between the district's foundation allowance for the
16 immediately preceding state fiscal year and the sum of \$7,108.00
17 plus the total dollar amount of all adjustments made from 2006-2007
18 to the immediately preceding state fiscal year in the lowest
19 foundation allowance among all districts) divided by the difference
20 between the basic foundation allowance for the current state fiscal
21 year and the sum of \$7,108.00 plus the total dollar amount of all
22 adjustments made from 2006-2007 to the immediately preceding state
23 fiscal year in the lowest foundation allowance among all
24 districts]. For 2009-2010, for a district that had a foundation
25 allowance for the immediately preceding state fiscal year that was
26 at least equal to the sum of \$7,108.00 plus the total dollar amount
27 of all adjustments made from 2006-2007 to the immediately preceding

1 state fiscal year in the lowest foundation allowance among all
2 districts, but less than the basic foundation allowance for the
3 immediately preceding state fiscal year, the district shall receive
4 a foundation allowance in an amount equal to the district's
5 foundation allowance for the immediately preceding state fiscal
6 year. However, the foundation allowance for a district that had
7 less than the basic foundation allowance for the immediately
8 preceding state fiscal year shall not exceed the basic foundation
9 allowance for the current state fiscal year.

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

20 (c) ~~For~~ **EXCEPT AS OTHERWISE PROVIDED IN SUBDIVISION (D),** FOR a
21 district that in the 1994-95 state fiscal year had a foundation
22 allowance greater than \$6,500.00, the district's foundation
23 allowance is an amount equal to the sum of the district's
24 foundation allowance for the immediately preceding state fiscal
25 year plus the lesser of the increase in the basic foundation
26 allowance for the current state fiscal year, as compared to the
27 immediately preceding state fiscal year, or the product of the

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

7 (D) FOR A DISTRICT THAT IN THE 1994-95 STATE FISCAL YEAR HAD A
8 FOUNDATION ALLOWANCE GREATER THAN \$6,500.00 AND THAT HAS A
9 FOUNDATION ALLOWANCE FOR THE 2009-2010 STATE FISCAL YEAR, AS
10 OTHERWISE CALCULATED UNDER THIS SECTION, THAT IS LESS THAN THE
11 BASIC FOUNDATION ALLOWANCE, THE DISTRICT'S FOUNDATION ALLOWANCE FOR
12 2009-2010 AND EACH SUCCEEDING FISCAL YEAR SHALL BE CONSIDERED TO BE
13 AN AMOUNT EQUAL TO THE BASIC FOUNDATION ALLOWANCE.

14 (E) ~~(d)~~—For a district that has a foundation allowance that is
15 not a whole dollar amount, the district's foundation allowance
16 shall be rounded up to the nearest whole dollar.

17 (F) ~~(e)~~—For a district that received a payment under section
18 22c as that section was in effect for 2001-2002, the district's
19 2001-2002 foundation allowance shall be considered to have been an
20 amount equal to the sum of the district's actual 2001-2002
21 foundation allowance as otherwise calculated under this section
22 plus the per pupil amount of the district's equity payment for
23 2001-2002 under section 22c as that section was in effect for 2001-
24 2002.

25 (G) ~~(f)~~—For a district that received a payment under section
26 22c as that section was in effect for 2006-2007, the district's
27 2006-2007 foundation allowance shall be considered to have been an

1 amount equal to the sum of the district's actual 2006-2007
2 foundation allowance as otherwise calculated under this section
3 plus the per pupil amount of the district's equity payment for
4 2006-2007 under section 22c as that section was in effect for 2006-
5 2007.

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

1 property in the district that is commercial personal property times
2 the certified mills minus 12 mills and the quotient of the ad
3 valorem property tax revenue of the district captured under tax
4 increment financing acts divided by the district's membership
5 excluding special education pupils. For a district that has a
6 millage reduction required under section 31 of article IX of the
7 state constitution of 1963, the state portion of the district's
8 foundation allowance shall be calculated as if that reduction did
9 not occur. For the purposes of state law, federal funding awarded
10 to this state under title XIV of the American recovery and
11 reinvestment act of 2009, Public Law 111-5, that is appropriated
12 under section 11 and allocated under section 22b, is considered to
13 be part of the state portion of a district's foundation allowance
14 and is considered to be part of the total state school aid paid to
15 a public school academy.

16 (5) The allocation calculated under this section for a pupil
17 shall be based on the foundation allowance of the pupil's district
18 of residence. However, for a pupil enrolled in a district other
19 than the pupil's district of residence, if the foundation allowance
20 of the pupil's district of residence has been adjusted pursuant to
21 subsection (19), the allocation calculated under this section shall
22 not include the adjustment described in subsection (19). For a
23 pupil enrolled pursuant to section 105 or 105c in a district other
24 than the pupil's district of residence, the allocation calculated
25 under this section shall be based on the lesser of the foundation
26 allowance of the pupil's district of residence or the foundation
27 allowance of the educating district. For a pupil in membership in a

1 K-5, K-6, or K-8 district who is enrolled in another district in a
2 grade not offered by the pupil's district of residence, the
3 allocation calculated under this section shall be based on the
4 foundation allowance of the educating district if the educating
5 district's foundation allowance is greater than the foundation
6 allowance of the pupil's district of residence. The calculation
7 under this subsection shall take into account a district's per
8 pupil allocation under section 20j(2).

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

1 calculation shall not exceed the amount per membership pupil
2 otherwise calculated under this subsection.

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

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

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

1 MCL 380.1211, there is calculated under this subsection for 1994-95
2 and each succeeding fiscal year a separate supplemental amount in
3 an amount equal to the amount the district would have received per
4 membership pupil had it levied school operating taxes on a
5 principal residence, qualified agricultural property, qualified
6 forest property, **SUPPORTIVE HOUSING PROPERTY**, industrial personal
7 property, and commercial personal property at the rate authorized
8 for the 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 2009-2010, 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

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

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

21 (a) Shall monitor individual pupil learning for pupils in
22 grades K to 3 and provide specific support or learning strategies
23 to pupils in grades K to 3 as early as possible in order to reduce
24 the need for special education placement. The program shall include
25 literacy and numeracy supports, sensory motor skill development,
26 behavior supports, instructional consultation for teachers, and the
27 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", except as
12 otherwise provided in this subdivision, means the maximum per-pupil
13 allocation as calculated by adding the highest per-pupil allocation
14 among all public school academies for the immediately preceding
15 state fiscal year plus the difference between twice the dollar
16 amount of the adjustment from the immediately preceding state
17 fiscal year to the current state fiscal year made in the basic
18 foundation allowance and [(the dollar amount of the adjustment from
19 the immediately preceding state fiscal year to the current state
20 fiscal year made in the basic foundation allowance minus \$20.00)
21 times (the difference between the highest per-pupil allocation
22 among all public school academies for the immediately preceding
23 state fiscal year and the sum of \$7,108.00 plus the total dollar
24 amount of all adjustments made from 2006-2007 to the immediately
25 preceding state fiscal year in the lowest per-pupil allocation
26 among all public school academies) divided by the difference
27 between the basic foundation allowance for the current state fiscal

1 year and the sum of \$7,108.00 plus the total dollar amount of all
2 adjustments made from 2006-2007 to the immediately preceding state
3 fiscal year in the lowest per-pupil allocation among all public
4 school academies]. For 2009-2010, maximum public school academy
5 allocation means \$7,580.00.

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

9 (j) "Nonexempt property" means property that is not a
10 principal residence, qualified agricultural property, qualified
11 forest property, industrial personal property, **SUPPORTIVE HOUSING**
12 **PROPERTY**, or commercial personal property.

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

19 (l) "School operating purposes" means the purposes included in
20 the operation costs of the district as prescribed in sections 7 and
21 18.

22 (m) "School operating taxes" means local ad valorem property
23 taxes levied under section 1211 of the revised school code, MCL
24 380.1211, and retained for school operating purposes.

25 (n) "Tax increment financing acts" means 1975 PA 197, MCL
26 125.1651 to 125.1681, the tax increment finance authority act, 1980
27 PA 450, MCL 125.1801 to 125.1830, the local development financing

1 act, 1986 PA 281, MCL 125.2151 to 125.2174, the brownfield
2 redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672,
3 or the corridor improvement authority act, 2005 PA 280, MCL
4 125.2871 to 125.2899.

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

10 Enacting section 1. This amendatory act does not take effect
11 unless Senate Bill No.____ or House Bill No. 6212(request no.
12 06281'10 a) of the 95th Legislature is enacted into law.