

# SENATE BILL No. 850

November 29, 2011, Introduced by Senators BIEDA, HOOD and ROCCA 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 31a (MCL 388.1631a), as amended by 2011 PA 62.

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

1       Sec. 31a. (1) From the state school aid fund money  
2 appropriated in section 11, there is allocated for 2011-2012 an  
3 amount not to exceed \$317,695,500.00 for payments to eligible  
4 districts and eligible public school academies under this section.  
5 Subject to subsection (14), the amount of the additional allowance  
6 under this section, other than funding under subsection (6) or (7),  
7 shall be based on the number of actual pupils in membership in the  
8 district or public school academy who met the income eligibility  
9 criteria for free breakfast, lunch, or milk in the immediately  
10 preceding state fiscal year, as determined under the Richard B.  
11 Russell national school lunch act, 42 USC 1751 to 1769i, and

1 reported to the department by October 31 of the immediately  
2 preceding fiscal year and adjusted not later than December 31 of  
3 the immediately preceding fiscal year in the form and manner  
4 prescribed by the center. However, for a public school academy that  
5 began operations as a public school academy after the pupil  
6 membership count day of the immediately preceding school year, the  
7 basis for the additional allowance under this section shall be the  
8 number of actual pupils in membership in the public school academy  
9 who met the income eligibility criteria for free breakfast, lunch,  
10 or milk in the current state fiscal year, as determined under the  
11 Richard B. Russell national school lunch act.

12 (2) To be eligible to receive funding under this section,  
13 other than funding under subsection (6) or (7), a district or  
14 public school academy that has not been previously determined to be  
15 eligible shall apply to the department, in a form and manner  
16 prescribed by the department, and a district or public school  
17 academy must meet all of the following:

18 (a) The sum of the district's or public school academy's  
19 combined state and local revenue per membership pupil in the  
20 current state fiscal year, as calculated under section 20, is less  
21 than or equal to the basic foundation allowance under section 20  
22 for the current state fiscal year.

23 (b) The district or public school academy agrees to use the  
24 funding only for purposes allowed under this section and to comply  
25 with the program and accountability requirements under this  
26 section.

27 (3) Except as otherwise provided in this subsection, an

1 eligible district or eligible public school academy shall receive  
2 under this section for each membership pupil in the district or  
3 public school academy who met the income eligibility criteria for  
4 free breakfast, lunch, or milk, as determined under the Richard B.  
5 Russell national school lunch act and as reported to the department  
6 by October 31 of the immediately preceding fiscal year and adjusted  
7 not later than December 31 of the immediately preceding fiscal  
8 year, an amount per pupil equal to 11.5% of the sum of the  
9 district's foundation allowance or public school academy's per  
10 pupil amount calculated under section 20, not to exceed the basic  
11 foundation allowance under section 20 for the current state fiscal  
12 year, or of the public school academy's per membership pupil amount  
13 calculated under section 20 for the current state fiscal year. A  
14 public school academy that began operations as a public school  
15 academy after the pupil membership count day of the immediately  
16 preceding school year shall receive under this section for each  
17 membership pupil in the public school academy who met the income  
18 eligibility criteria for free breakfast, lunch, or milk, as  
19 determined under the Richard B. Russell national school lunch act  
20 and as reported to the department by October 31 of the current  
21 fiscal year and adjusted not later than December 31 of the current  
22 fiscal year, an amount per pupil equal to 11.5% of the public  
23 school academy's per membership pupil amount calculated under  
24 section 20 for the current state fiscal year.

25 (4) Except as otherwise provided in this section, a district  
26 or public school academy receiving funding under this section shall  
27 use that money only to provide instructional programs and direct

1 noninstructional services, including, but not limited to, medical  
2 or counseling services, for at-risk pupils; for school health  
3 clinics; and for the purposes of subsection (5), (6), or (7). In  
4 addition, a district that is a school district of the first class  
5 or a district or public school academy in which at least 50% of the  
6 pupils in membership met the income eligibility criteria for free  
7 breakfast, lunch, or milk in the immediately preceding state fiscal  
8 year, as determined and reported as described in subsection (1),  
9 may use not more than 20% of the funds it receives under this  
10 section for school security. A district or public school academy  
11 shall not use any of that money for administrative costs or to  
12 supplant another program or other funds, except for funds allocated  
13 to the district or public school academy under this section in the  
14 immediately preceding year and already being used by the district  
15 or public school academy for at-risk pupils. The instruction or  
16 direct noninstructional services provided under this section may be  
17 conducted before or after regular school hours or by adding extra  
18 school days to the school year and may include, but are not limited  
19 to, tutorial services, early childhood programs to serve children  
20 age 0 to 5, and reading programs as described in former section 32f  
21 as in effect for 2001-2002. A tutorial method may be conducted with  
22 paraprofessionals working under the supervision of a certificated  
23 teacher. The ratio of pupils to paraprofessionals shall be between  
24 10:1 and 15:1. Only 1 certificated teacher is required to supervise  
25 instruction using a tutorial method. As used in this subsection,  
26 "to supplant another program" means to take the place of a  
27 previously existing instructional program or direct

1 noninstructional services funded from a funding source other than  
2 funding under this section.

3 (5) Except as otherwise provided in subsection (12), a  
4 district or public school academy that receives funds under this  
5 section and that operates a school breakfast program under section  
6 1272a of the revised school code, MCL 380.1272a, shall use from the  
7 funds received under this section an amount, not to exceed \$10.00  
8 per pupil for whom the district or public school academy receives  
9 funds under this section, necessary to pay for costs associated  
10 with the operation of the school breakfast program.

11 (6) From the funds allocated under subsection (1), there is  
12 allocated for 2011-2012 an amount not to exceed \$3,557,300.00 to  
13 support child and adolescent health centers. These grants shall be  
14 awarded for 5 consecutive years ~~beginning with 2003-2004~~ in a form  
15 and manner approved jointly by the department and the department of  
16 community health. Each grant recipient shall remain in compliance  
17 with the terms of the grant award or shall forfeit the grant award  
18 for the duration of the 5-year period after the noncompliance. To  
19 continue to receive funding for a child and adolescent health  
20 center under this section a grant recipient shall ensure that the  
21 child and adolescent health center has an advisory committee and  
22 that at least one-third of the members of the advisory committee  
23 are parents or legal guardians of school-aged children. A child and  
24 adolescent health center program shall recognize the role of a  
25 child's parents or legal guardian in the physical and emotional  
26 well-being of the child. Funding under this subsection shall be  
27 used to support child and adolescent health center services

1 provided to children up to age 21. If any funds allocated under  
2 this subsection are not used for the purposes of this subsection  
3 for the fiscal year in which they are allocated, those unused funds  
4 shall be used that fiscal year to avoid or minimize any proration  
5 that would otherwise be required under subsection (14) for that  
6 fiscal year.

7 (7) From the funds allocated under subsection (1), there is  
8 allocated for 2011-2012 an amount not to exceed \$5,150,000.00 for  
9 the state portion of the hearing and vision screenings as described  
10 in section 9301 of the public health code, 1978 PA 368, MCL  
11 333.9301. A local public health department shall pay at least 50%  
12 of the total cost of the screenings. The frequency of the  
13 screenings shall be as required under R 325.13091 to R 325.13096  
14 and R 325.3271 to R 325.3276 of the Michigan administrative code.  
15 Funds shall be awarded in a form and manner approved jointly by the  
16 department and the department of community health. Notwithstanding  
17 section 17b, payments to eligible entities under this subsection  
18 shall be paid on a schedule determined by the department.

19 (8) Each district or public school academy receiving funds  
20 under this section shall submit to the department by July 15 of  
21 each fiscal year a report, not to exceed 10 pages, on the usage by  
22 the district or public school academy of funds under this section,  
23 which report shall include at least a brief description of each  
24 program conducted by the district or public school academy using  
25 funds under this section, the amount of funds under this section  
26 allocated to each of those programs, the number of at-risk pupils  
27 eligible for free or reduced price school lunch who were served by

1 each of those programs, and the total number of at-risk pupils  
2 served by each of those programs. If a district or public school  
3 academy does not comply with this subsection, the department shall  
4 withhold an amount equal to the August payment due under this  
5 section until the district or public school academy complies with  
6 this subsection. If the district or public school academy does not  
7 comply with this subsection by the end of the state fiscal year,  
8 the withheld funds shall be forfeited to the school aid fund.

9 (9) In order to receive funds under this section, a district  
10 or public school academy shall allow access for the department or  
11 the department's designee to audit all records related to the  
12 program for which it receives those funds. The district or public  
13 school academy shall reimburse the state for all disallowances  
14 found in the audit.

15 (10) Subject to subsections (5), (6), (7), (12), and (13), any  
16 district may use up to 100% of the funds it receives under this  
17 section to reduce the ratio of pupils to teachers in grades K-6, or  
18 any combination of those grades, in school buildings in which the  
19 percentage of pupils described in subsection (1) exceeds the  
20 district's aggregate percentage of those pupils. Subject to  
21 subsections (5), (6), (7), (12), and (13), if a district obtains a  
22 waiver from the department, the district may use up to 100% of the  
23 funds it receives under this section to reduce the ratio of pupils  
24 to teachers in grades K-6, or any combination of those grades, in  
25 school buildings in which the percentage of pupils described in  
26 subsection (1) is at least 60% of the district's aggregate  
27 percentage of those pupils and at least 30% of the total number of

1 pupils enrolled in the school building. To obtain a waiver, a  
2 district must apply to the department and demonstrate to the  
3 satisfaction of the department that the class size reductions would  
4 be in the best interests of the district's at-risk pupils.

5 (11) A district or public school academy may use funds  
6 received under this section for adult high school completion,  
7 general educational development (G.E.D.) test preparation, adult  
8 English as a second language, or adult basic education programs  
9 described in section 107.

10 (12) For an individual school or schools operated by a  
11 district or public school academy receiving funds under this  
12 section that have been determined by the department to meet the  
13 adequate yearly progress standards of the no child left behind act  
14 of 2001, Public Law 107-110, in both mathematics and English  
15 language arts at all applicable grade levels for all applicable  
16 subgroups, the district or public school academy may submit to the  
17 department an application for flexibility in using the funds  
18 received under this section that are attributable to the pupils in  
19 the school or schools. The application shall identify the affected  
20 school or schools and the affected funds and shall contain a plan  
21 for using the funds for specific purposes identified by the  
22 district that are designed to benefit at-risk pupils in the school,  
23 but that may be different from the purposes otherwise allowable  
24 under this section. The department shall approve the application if  
25 the department determines that the purposes identified in the plan  
26 are reasonably designed to benefit at-risk pupils in the school. If  
27 the department does not act to approve or disapprove an application

1 within 30 days after it is submitted to the department, the  
2 application is considered to be approved. If an application for  
3 flexibility in using the funds is approved, the district may use  
4 the funds identified in the application for any purpose identified  
5 in the plan.

6 (13) A district or public school academy that receives funds  
7 under this section may use funds it receives under this section to  
8 implement and operate an early intervening program for pupils in  
9 grades K to 3 that meets either or both of the following:

10 (a) Monitors individual pupil learning and provides specific  
11 support or learning strategies to pupils as early as possible in  
12 order to reduce the need for special education placement. The  
13 program shall include literacy and numeracy supports, sensory motor  
14 skill development, behavior supports, instructional consultation  
15 for teachers, and the development of a parent/school learning plan.  
16 Specific support or learning strategies may include support in or  
17 out of the general classroom in areas including reading, writing,  
18 math, visual memory, motor skill development, behavior, or language  
19 development. These would be provided based on an understanding of  
20 the individual child's learning needs.

21 (b) Provides early intervening strategies using school-wide  
22 systems of academic and behavioral supports and is scientifically  
23 research-based. The strategies to be provided shall include at  
24 least pupil performance indicators based upon response to  
25 intervention, instructional consultation for teachers, and ongoing  
26 progress monitoring. A school-wide system of academic and  
27 behavioral support should be based on a support team available to

1 the classroom teachers. The members of this team could include the  
2 principal, special education staff, reading teachers, and other  
3 appropriate personnel who would be available to systematically  
4 study the needs of the individual child and work with the teacher  
5 to match instruction to the needs of the individual child.

6 (14) If necessary, and before any proration required under  
7 section ~~11-296~~, the department shall prorate payments under this  
8 section by reducing the amount of the per pupil payment under this  
9 section by a dollar amount calculated by determining the amount by  
10 which the amount necessary to fully fund the requirements of this  
11 section exceeds the maximum amount allocated under this section and  
12 then dividing that amount by the total statewide number of pupils  
13 who met the income eligibility criteria for free breakfast, lunch,  
14 or milk in the immediately preceding fiscal year, as described in  
15 subsection (1).

16 (15) If a district is formed by consolidation after June 1,  
17 1995, and if 1 or more of the original districts was not eligible  
18 before the consolidation for an additional allowance under this  
19 section, the amount of the additional allowance under this section  
20 for the consolidated district shall be based on the number of  
21 pupils described in subsection (1) enrolled in the consolidated  
22 district who reside in the territory of an original district that  
23 was eligible before the consolidation for an additional allowance  
24 under this section.

25 (16) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (17), A  
26 DISTRICT OR PUBLIC SCHOOL ACADEMY THAT DOES NOT MEET THE  
27 ELIGIBILITY REQUIREMENT UNDER SUBSECTION (2) (A) IS ELIGIBLE FOR

1 FUNDING UNDER THIS SECTION IF AT LEAST 1/4 OF THE PUPILS IN  
2 MEMBERSHIP IN THE DISTRICT OR PUBLIC SCHOOL ACADEMY MET THE INCOME  
3 ELIGIBILITY CRITERIA FOR FREE BREAKFAST, LUNCH, OR MILK IN THE  
4 IMMEDIATELY PRECEDING STATE FISCAL YEAR, AS DETERMINED AND REPORTED  
5 AS DESCRIBED IN SUBSECTION (1), AND AT LEAST 4,500 OF THE PUPILS IN  
6 MEMBERSHIP IN THE DISTRICT OR PUBLIC SCHOOL ACADEMY MET THE INCOME  
7 ELIGIBILITY CRITERIA FOR FREE BREAKFAST, LUNCH, OR MILK IN THE  
8 IMMEDIATELY PRECEDING STATE FISCAL YEAR, AS DETERMINED AND REPORTED  
9 AS DESCRIBED IN SUBSECTION (1). A DISTRICT OR PUBLIC SCHOOL ACADEMY  
10 THAT IS ELIGIBLE FOR FUNDING UNDER THIS SECTION BECAUSE THE  
11 DISTRICT MEETS THE REQUIREMENTS OF THIS SUBSECTION SHALL RECEIVE  
12 UNDER THIS SECTION FOR EACH MEMBERSHIP PUPIL IN THE DISTRICT OR  
13 PUBLIC SCHOOL ACADEMY WHO MET THE INCOME ELIGIBILITY CRITERIA FOR  
14 FREE BREAKFAST, LUNCH, OR MILK IN THE IMMEDIATELY PRECEDING FISCAL  
15 YEAR, AS DETERMINED AND REPORTED AS DESCRIBED IN SUBSECTION (1), AN  
16 AMOUNT PER PUPIL EQUAL TO 11.5% OF THE DISTRICT'S FOUNDATION  
17 ALLOWANCE OR PUBLIC SCHOOL ACADEMY'S PER PUPIL ALLOCATION UNDER  
18 SECTION 20, NOT TO EXCEED THE BASIC FOUNDATION ALLOWANCE UNDER  
19 SECTION 20 FOR THE CURRENT STATE FISCAL YEAR.

20 (17) FOR A DISTRICT DESCRIBED IN SUBSECTION (16), THE TOTAL  
21 ALLOCATION TO THE DISTRICT OTHERWISE DUE UNDER THIS SECTION, AFTER  
22 ANY REDUCTION UNDER SUBSECTION (14), SHALL BE FURTHER REDUCED BY  
23 25%.

24 (18) ~~(16)~~As used in this section, "at-risk pupil" means a  
25 pupil for whom the district has documentation that the pupil meets  
26 at least 2 of the following criteria: is a victim of child abuse or  
27 neglect; is below grade level in English language and communication

1 skills or mathematics; is a pregnant teenager or teenage parent; is  
2 eligible for a federal free or reduced-price lunch subsidy; has  
3 atypical behavior or attendance patterns; or has a family history  
4 of school failure, incarceration, or substance abuse. For pupils  
5 for whom the results of at least the applicable Michigan education  
6 assessment program (MEAP) test have been received, at-risk pupil  
7 also includes a pupil who does not meet the other criteria under  
8 this subsection but who did not achieve at least a score of level 2  
9 on the most recent MEAP English language arts, mathematics, or  
10 science test for which results for the pupil have been received.  
11 For pupils for whom the results of the Michigan merit examination  
12 have been received, at-risk pupil also includes a pupil who does  
13 not meet the other criteria under this subsection but who did not  
14 achieve proficiency on the reading component of the most recent  
15 Michigan merit examination for which results for the pupil have  
16 been received, did not achieve proficiency on the mathematics  
17 component of the most recent Michigan merit examination for which  
18 results for the pupil have been received, or did not achieve basic  
19 competency on the science component of the most recent Michigan  
20 merit examination for which results for the pupil have been  
21 received. For pupils in grades K-3, at-risk pupil also includes a  
22 pupil who is at risk of not meeting the district's core academic  
23 curricular objectives in English language arts or mathematics.

24 (19) ~~(17)~~—A district or public school academy that receives  
25 funds under this section may use funds received under this section  
26 to provide an anti-bullying or crisis intervention program.