

HOUSE BILL No. 4603

May 14, 2015, Introduced by Rep. Pagel and referred to the Committee on Education.

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 6 and 19 (MCL 388.1606 and 388.1619), as
amended by 2014 PA 196.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 6. (1) "Center program" means a program operated by a
2 district or by an intermediate district for special education
3 pupils from several districts in programs for pupils with autism
4 spectrum disorder, pupils with severe cognitive impairment, pupils
5 with moderate cognitive impairment, pupils with severe multiple
6 impairments, pupils with hearing impairment, pupils with visual
7 impairment, and pupils with physical impairment or other health
8 impairment. Programs for pupils with emotional impairment housed in
9 buildings that do not serve regular education pupils also qualify.

1 Unless otherwise approved by the department, a center program
2 either shall serve all constituent districts within an intermediate
3 district or shall serve several districts with less than 50% of the
4 pupils residing in the operating district. In addition, special
5 education center program pupils placed part-time in noncenter
6 programs to comply with the least restrictive environment
7 provisions of section 612 of part B of the individuals with
8 disabilities education act, 20 USC 1412, may be considered center
9 program pupils for pupil accounting purposes for the time scheduled
10 in either a center program or a noncenter program.

11 (2) "District and high school graduation rate" means the
12 annual completion and pupil dropout rate that is calculated by the
13 center pursuant to nationally recognized standards.

14 (3) "District and high school graduation report" means a
15 report of the number of pupils, excluding **PUPILS ENROLLED IN A**
16 **DEPARTMENT-APPROVED ALTERNATIVE EDUCATION PROGRAM AND** adult
17 **EDUCATION** participants, in the district for the immediately
18 preceding school year, adjusted for those pupils who have
19 transferred into or out of the district or high school, who leave
20 high school with a diploma or other credential of equal status.

21 (4) "Membership", except as otherwise provided in this
22 article, means for a district, a public school academy, the
23 education achievement system, or an intermediate district the sum
24 of the product of .90 times the number of full-time equated pupils
25 in grades K to 12 actually enrolled and in regular daily attendance
26 on the pupil membership count day for the current school year, plus
27 the product of .10 times the final audited count from the

1 supplemental count day for the current school year. A district's,
2 public school academy's, or intermediate district's membership
3 shall be adjusted as provided under section 25e for pupils who
4 enroll in the district, public school academy, or intermediate
5 district after the pupil membership count day. All pupil counts
6 used in this subsection are as determined by the department and
7 calculated by adding the number of pupils registered for attendance
8 plus pupils received by transfer and minus pupils lost as defined
9 by rules promulgated by the superintendent, and as corrected by a
10 subsequent department audit. For the purposes of this section and
11 section 6a, for a school of excellence that is a cyber school, as
12 defined in section 551 of the revised school code, MCL 380.551, and
13 is in compliance with section 553a of the revised school code, MCL
14 380.553a, a pupil's participation in the cyber school's educational
15 program is considered regular daily attendance; for the education
16 achievement system, a pupil's participation in an online
17 educational program of the education achievement system or of an
18 achievement school is considered regular daily attendance; and for
19 a district a pupil's participation in an online course as defined
20 in section 21f is considered regular daily attendance. The amount
21 of the foundation allowance for a pupil in membership is determined
22 under section 20. In making the calculation of membership, all of
23 the following, as applicable, apply to determining the membership
24 of a district, a public school academy, the education achievement
25 system, or an intermediate district:

26 (a) Except as otherwise provided in this subsection, and
27 pursuant to subsection (6), a pupil shall be counted in membership

1 in the pupil's educating district or districts. An individual pupil
2 shall not be counted for more than a total of 1.0 full-time equated
3 membership.

4 (b) If a pupil is educated in a district other than the
5 pupil's district of residence, if the pupil is not being educated
6 as part of a cooperative education program, if the pupil's district
7 of residence does not give the educating district its approval to
8 count the pupil in membership in the educating district, and if the
9 pupil is not covered by an exception specified in subsection (6) to
10 the requirement that the educating district must have the approval
11 of the pupil's district of residence to count the pupil in
12 membership, the pupil shall not be counted in membership in any
13 district.

14 (c) A special education pupil educated by the intermediate
15 district shall be counted in membership in the intermediate
16 district.

17 (d) A pupil placed by a court or state agency in an on-grounds
18 program of a juvenile detention facility, a child caring
19 institution, or a mental health institution, or a pupil funded
20 under section 53a, shall be counted in membership in the district
21 or intermediate district approved by the department to operate the
22 program.

23 (e) A pupil enrolled in the Michigan schools for the deaf and
24 blind shall be counted in membership in the pupil's intermediate
25 district of residence.

26 (f) A pupil enrolled in a career and technical education
27 program supported by a millage levied over an area larger than a

1 single district or in an area vocational-technical education
2 program established pursuant to section 690 of the revised school
3 code, MCL 380.690, shall be counted only in the pupil's district of
4 residence.

5 (g) A pupil enrolled in a public school academy shall be
6 counted in membership in the public school academy.

7 (h) A pupil enrolled in an achievement school shall be counted
8 in membership in the education achievement system.

9 (i) For a new district or public school academy beginning its
10 operation after December 31, 1994, or for the education achievement
11 system or an achievement school, membership for the first 2 full or
12 partial fiscal years of operation shall be determined as follows:

13 (i) If operations begin before the pupil membership count day
14 for the fiscal year, membership is the average number of full-time
15 equated pupils in grades K to 12 actually enrolled and in regular
16 daily attendance on the pupil membership count day for the current
17 school year and on the supplemental count day for the current
18 school year, as determined by the department and calculated by
19 adding the number of pupils registered for attendance on the pupil
20 membership count day plus pupils received by transfer and minus
21 pupils lost as defined by rules promulgated by the superintendent,
22 and as corrected by a subsequent department audit, plus the final
23 audited count from the supplemental count day for the current
24 school year, and dividing that sum by 2.

25 (ii) If operations begin after the pupil membership count day
26 for the fiscal year and not later than the supplemental count day
27 for the fiscal year, membership is the final audited count of the

1 number of full-time equated pupils in grades K to 12 actually
2 enrolled and in regular daily attendance on the supplemental count
3 day for the current school year.

4 (j) If a district is the authorizing body for a public school
5 academy, then, in the first school year in which pupils are counted
6 in membership on the pupil membership count day in the public
7 school academy, the determination of the district's membership
8 shall exclude from the district's pupil count for the immediately
9 preceding supplemental count day any pupils who are counted in the
10 public school academy on that first pupil membership count day who
11 were also counted in the district on the immediately preceding
12 supplemental count day.

13 (k) In a district, a public school academy, the education
14 achievement system, or an intermediate district operating an
15 extended school year program approved by the superintendent, a
16 pupil enrolled, but not scheduled to be in regular daily attendance
17 on a pupil membership count day, shall be counted.

18 (l) To be counted in membership, a pupil shall meet the minimum
19 age requirement to be eligible to attend school under section 1147
20 of the revised school code, MCL 380.1147, or shall be enrolled
21 under subsection (3) of that section, and shall be less than 20
22 years of age on September 1 of the school year except as follows:

23 (i) A special education pupil who is enrolled and receiving
24 instruction in a special education program or service approved by
25 the department, who does not have a high school diploma, and who is
26 less than 26 years of age as of September 1 of the current school
27 year shall be counted in membership.

1 (ii) A pupil who is determined by the department to meet all of
2 the following may be counted in membership:

3 (A) Is enrolled in a public school academy or an alternative
4 education high school diploma program, that is primarily focused on
5 educating homeless pupils.

6 (B) Had dropped out of school for more than 1 year and has re-
7 entered school.

8 (C) Is less than 22 years of age as of September 1 of the
9 current school year.

10 (iii) If a child does not meet the minimum age requirement to be
11 eligible to attend school for that school year under section 1147
12 of the revised school code, MCL 380.1147, but will be 5 years of
13 age not later than December 1 of that school year, the district may
14 count the child in membership for that school year if the parent or
15 legal guardian has notified the district in writing that he or she
16 intends to enroll the child in kindergarten for that school year.

17 (m) An individual who has obtained a high school diploma shall
18 not be counted in membership. An individual who has obtained a
19 general educational development (G.E.D.) certificate shall not be
20 counted in membership unless the individual is a ~~pupil~~ **STUDENT** with
21 a disability as defined in R 340.1702 of the Michigan
22 administrative code. An individual participating in a job training
23 program funded under former section 107a or a jobs program funded
24 under former section 107b, administered by the Michigan strategic
25 fund, or participating in any successor of either of those 2
26 programs, shall not be counted in membership.

27 (n) If a pupil counted in membership in a public school

1 academy or the education achievement system is also educated by a
2 district or intermediate district as part of a cooperative
3 education program, the pupil shall be counted in membership only in
4 the public school academy or the education achievement system
5 unless a written agreement signed by all parties designates the
6 party or parties in which the pupil shall be counted in membership,
7 and the instructional time scheduled for the pupil in the district
8 or intermediate district shall be included in the full-time equated
9 membership determination under subdivision (q). However, for pupils
10 receiving instruction in both a public school academy or the
11 education achievement system and in a district or intermediate
12 district but not as a part of a cooperative education program, the
13 following apply:

14 (i) If the public school academy or the education achievement
15 system provides instruction for at least 1/2 of the class hours
16 specified in subdivision (q), the public school academy or the
17 education achievement system shall receive as its prorated share of
18 the full-time equated membership for each of those pupils an amount
19 equal to 1 times the product of the hours of instruction the public
20 school academy or the education achievement system provides divided
21 by the number of hours specified in subdivision (q) for full-time
22 equivalency, and the remainder of the full-time membership for each
23 of those pupils shall be allocated to the district or intermediate
24 district providing the remainder of the hours of instruction.

25 (ii) If the public school academy or the education achievement
26 system provides instruction for less than 1/2 of the class hours
27 specified in subdivision (q), the district or intermediate district

1 providing the remainder of the hours of instruction shall receive
2 as its prorated share of the full-time equated membership for each
3 of those pupils an amount equal to 1 times the product of the hours
4 of instruction the district or intermediate district provides
5 divided by the number of hours specified in subdivision (q) for
6 full-time equivalency, and the remainder of the full-time
7 membership for each of those pupils shall be allocated to the
8 public school academy or the education achievement system.

9 (o) An individual less than 16 years of age as of September 1
10 of the current school year who is being educated in an alternative
11 education program shall not be counted in membership if there are
12 also adult education participants being educated in the same
13 program or classroom.

14 (p) The department shall give a uniform interpretation of
15 full-time and part-time memberships.

16 (q) The number of class hours used to calculate full-time
17 equated memberships shall be consistent with section 101(3). In
18 determining full-time equated memberships for pupils who are
19 enrolled in a postsecondary institution, a pupil shall not be
20 considered to be less than a full-time equated pupil solely because
21 of the effect of his or her postsecondary enrollment, including
22 necessary travel time, on the number of class hours provided by the
23 district to the pupil.

24 (r) ~~Beginning in 2012-2013, full-time~~ **FULL-TIME** equated
25 memberships for pupils in kindergarten shall be determined by
26 dividing the number of instructional hours scheduled and provided
27 per year per kindergarten pupil by the same number used for

determining full-time equated memberships for pupils in grades 1 to 12. However, to the extent allowable under federal law, for a district or public school academy that provides evidence satisfactory to the department that it used federal title I money in the 2 immediately preceding school fiscal years to fund full-time kindergarten, full-time equated memberships for pupils in kindergarten shall be determined by dividing the number of class hours scheduled and provided per year per kindergarten pupil by a number equal to $1/2$ the number used for determining full-time equated memberships for pupils in grades 1 to 12. The change in the counting of full-time equated memberships for pupils in kindergarten that took effect for 2012-2013 is not a mandate.

(s) For a district, a public school academy, or the education achievement system that has pupils enrolled in a grade level that was not offered by the district, the public school academy, or the education achievement system in the immediately preceding school year, the number of pupils enrolled in that grade level to be counted in membership is the average of the number of those pupils enrolled and in regular daily attendance on the pupil membership count day and the supplemental count day of the current school year, as determined by the department. Membership shall be calculated by adding the number of pupils registered for attendance in that grade level on the pupil membership count day plus pupils received by transfer and minus pupils lost as defined by rules promulgated by the superintendent, and as corrected by subsequent department audit, plus the final audited count from the supplemental count day for the current school year, and dividing

1 that sum by 2.

2 (t) A pupil enrolled in a cooperative education program may be
3 counted in membership in the pupil's district of residence with the
4 written approval of all parties to the cooperative agreement.

5 (u) If, as a result of a disciplinary action, a district
6 determines through the district's alternative or disciplinary
7 education program that the best instructional placement for a pupil
8 is in the pupil's home or otherwise apart from the general school
9 population, if that placement is authorized in writing by the
10 district superintendent and district alternative or disciplinary
11 education supervisor, and if the district provides appropriate
12 instruction as described in this subdivision to the pupil at the
13 pupil's home or otherwise apart from the general school population,
14 the district may count the pupil in membership on a pro rata basis,
15 with the proration based on the number of hours of instruction the
16 district actually provides to the pupil divided by the number of
17 hours specified in subdivision (q) for full-time equivalency. For
18 the purposes of this subdivision, a district shall be considered to
19 be providing appropriate instruction if all of the following are
20 met:

21 (i) The district provides at least 2 nonconsecutive hours of
22 instruction per week to the pupil at the pupil's home or otherwise
23 apart from the general school population under the supervision of a
24 certificated teacher.

25 (ii) The district provides instructional materials, resources,
26 and supplies that are comparable to those otherwise provided in the
27 district's alternative education program.

1 (iii) Course content is comparable to that in the district's
2 alternative education program.

3 (iv) Credit earned is awarded to the pupil and placed on the
4 pupil's transcript.

5 (v) If a pupil was enrolled in a public school academy on the
6 pupil membership count day, if the public school academy's contract
7 with its authorizing body is revoked or the public school academy
8 otherwise ceases to operate, and if the pupil enrolls in a district
9 or the education achievement system within 45 days after the pupil
10 membership count day, the department shall adjust the district's or
11 the education achievement system's pupil count for the pupil
12 membership count day to include the pupil in the count.

13 (w) For a public school academy that has been in operation for
14 at least 2 years and that suspended operations for at least 1
15 semester and is resuming operations, membership is the sum of the
16 product of .90 times the number of full-time equated pupils in
17 grades K to 12 actually enrolled and in regular daily attendance on
18 the first pupil membership count day or supplemental count day,
19 whichever is first, occurring after operations resume, plus the
20 product of .10 times the final audited count from the most recent
21 pupil membership count day or supplemental count day that occurred
22 before suspending operations, as determined by the superintendent.

23 (x) If a district's membership for a particular fiscal year,
24 as otherwise calculated under this subsection, would be less than
25 1,550 pupils and the district has 4.5 or fewer pupils per square
26 mile, as determined by the department, and if the district does not
27 receive funding under section 22d(2), the district's membership

1 shall be considered to be the membership figure calculated under
2 this subdivision. If a district educates and counts in its
3 membership pupils in grades 9 to 12 who reside in a contiguous
4 district that does not operate grades 9 to 12 and if 1 or both of
5 the affected districts request the department to use the
6 determination allowed under this sentence, the department shall
7 include the square mileage of both districts in determining the
8 number of pupils per square mile for each of the districts for the
9 purposes of this subdivision. The membership figure calculated
10 under this subdivision is the greater of the following:

11 (i) The average of the district's membership for the 3-fiscal-
12 year period ending with that fiscal year, calculated by adding the
13 district's actual membership for each of those 3 fiscal years, as
14 otherwise calculated under this subsection, and dividing the sum of
15 those 3 membership figures by 3.

16 (ii) The district's actual membership for that fiscal year as
17 otherwise calculated under this subsection.

18 (y) Full-time equated memberships for special education pupils
19 who are not enrolled in kindergarten but are enrolled in a
20 classroom program under R 340.1754 of the Michigan administrative
21 code shall be determined by dividing the number of class hours
22 scheduled and provided per year by 450. Full-time equated
23 memberships for special education pupils who are not enrolled in
24 kindergarten but are receiving early childhood special education
25 services under R 340.1755 or 340.1862 of the Michigan
26 administrative code shall be determined by dividing the number of
27 hours of service scheduled and provided per year per pupil by 180.

1 (z) A pupil of a district that begins its school year after
2 Labor ~~day~~-**DAY** who is enrolled in an intermediate district program
3 that begins before Labor ~~day~~-**DAY** shall not be considered to be less
4 than a full-time pupil solely due to instructional time scheduled
5 but not attended by the pupil before Labor ~~day~~-**DAY**.

6 (aa) For the first year in which a pupil is counted in
7 membership on the pupil membership count day in a middle college
8 program, the membership is the average of the full-time equated
9 membership on the pupil membership count day and on the
10 supplemental count day for the current school year, as determined
11 by the department.

12 (bb) A district, a public school academy, or the education
13 achievement system that educates a pupil who attends a United
14 States Olympic ~~education center~~-**EDUCATION CENTER** may count the
15 pupil in membership regardless of whether or not the pupil is a
16 resident of this state.

17 (cc) A pupil enrolled in a district other than the pupil's
18 district of residence pursuant to section 1148(2) of the revised
19 school code, MCL 380.1148, shall be counted in the educating
20 district or the education achievement system.

21 (dd) For a pupil enrolled in a dropout recovery program that
22 meets the requirements of section 23a, the pupil shall be counted
23 as 1/12 of a full-time equated membership for each month that the
24 district operating the program reports that the pupil was enrolled
25 in the program and was in full attendance. However, if the special
26 membership counting provisions under this subdivision and the
27 operation of the other membership counting provisions under this

1 subsection result in a pupil being counted as more than 1.0 FTE in
2 a fiscal year, the payment made for the pupil under sections 22a
3 and 22b shall not be based on more than 1.0 FTE for that pupil, and
4 any portion of an FTE for that pupil that exceeds 1.0 shall instead
5 be paid under section 25f. The district operating the program shall
6 report to the center the number of pupils who were enrolled in the
7 program and were in full attendance for a month not later than the
8 tenth day of the next month. A district shall not report a pupil as
9 being in full attendance for a month unless both of the following
10 are met:

11 (i) A personalized learning plan is in place on or before the
12 first school day of the month for the first month the pupil
13 participates in the program.

14 (ii) The pupil meets the district's definition under section
15 23a of satisfactory monthly progress for that month or, if the
16 pupil does not meet that definition of satisfactory monthly
17 progress for that month, the pupil did meet that definition of
18 satisfactory monthly progress in the immediately preceding month
19 and appropriate interventions are implemented within 10 school days
20 after it is determined that the pupil does not meet that definition
21 of satisfactory monthly progress.

22 (5) "Public school academy" means that term as defined in
23 section 5 of the revised school code, MCL 380.5.

24 (6) "Pupil" means a person in membership in a public school. A
25 district must have the approval of the pupil's district of
26 residence to count the pupil in membership, except approval by the
27 pupil's district of residence is not required for any of the

1 following:

2 (a) A nonpublic part-time pupil enrolled in grades 1 to 12 in
3 accordance with section 166b.

4 (b) A pupil receiving 1/2 or less of his or her instruction in
5 a district other than the pupil's district of residence.

6 (c) A pupil enrolled in a public school academy or the
7 education achievement system.

8 (d) A pupil enrolled in a district other than the pupil's
9 district of residence under an intermediate district schools of
10 choice pilot program as described in section 91a or former section
11 91 if the intermediate district and its constituent districts have
12 been exempted from section 105.

13 (e) A pupil enrolled in a district other than the pupil's
14 district of residence if the pupil is enrolled in accordance with
15 section 105 or 105c.

16 (f) A pupil who has made an official written complaint or
17 whose parent or legal guardian has made an official written
18 complaint to law enforcement officials and to school officials of
19 the pupil's district of residence that the pupil has been the
20 victim of a criminal sexual assault or other serious assault, if
21 the official complaint either indicates that the assault occurred
22 at school or that the assault was committed by 1 or more other
23 pupils enrolled in the school the pupil would otherwise attend in
24 the district of residence or by an employee of the district of
25 residence. A person who intentionally makes a false report of a
26 crime to law enforcement officials for the purposes of this
27 subdivision is subject to section 411a of the Michigan penal code,

1 1931 PA 328, MCL 750.411a, which provides criminal penalties for
2 that conduct. As used in this subdivision:

3 (i) "At school" means in a classroom, elsewhere on school
4 premises, on a school bus or other school-related vehicle, or at a
5 school-sponsored activity or event whether or not it is held on
6 school premises.

7 (ii) "Serious assault" means an act that constitutes a felony
8 violation of chapter XI of the Michigan penal code, 1931 PA 328,
9 MCL 750.81 to 750.90h, or that constitutes an assault and
10 infliction of serious or aggravated injury under section 81a of the
11 Michigan penal code, 1931 PA 328, MCL 750.81a.

12 (g) A pupil whose district of residence changed after the
13 pupil membership count day and before the supplemental count day
14 and who continues to be enrolled on the supplemental count day as a
15 nonresident in the district in which he or she was enrolled as a
16 resident on the pupil membership count day of the same school year.

17 (h) A pupil enrolled in an alternative education program
18 operated by a district other than his or her district of residence
19 who meets 1 or more of the following:

20 (i) The pupil has been suspended or expelled from his or her
21 district of residence for any reason, including, but not limited
22 to, a suspension or expulsion under section 1310, 1311, or 1311a of
23 the revised school code, MCL 380.1310, 380.1311, and 380.1311a.

24 (ii) The pupil had previously dropped out of school.

25 (iii) The pupil is pregnant or is a parent.

26 (iv) The pupil has been referred to the program by a court.

27 (i) A pupil enrolled in the Michigan virtual school, for the

1 pupil's enrollment in the Michigan virtual school.

2 (j) A pupil who is the child of a person who works at the
3 district or who is the child of a person who worked at the district
4 as of the time the pupil first enrolled in the district but who no
5 longer works at the district due to a workforce reduction. As used
6 in this subdivision, "child" includes an adopted child, stepchild,
7 or legal ward.

8 (k) An expelled pupil who has been denied reinstatement by the
9 expelling district and is reinstated by another school board under
10 section 1311 or 1311a of the revised school code, MCL 380.1311 and
11 380.1311a.

12 (l) A pupil enrolled in a district other than the pupil's
13 district of residence in a middle college program if the pupil's
14 district of residence and the enrolling district are both
15 constituent districts of the same intermediate district.

16 (m) A pupil enrolled in a district other than the pupil's
17 district of residence who attends a United States Olympic education
18 center. **EDUCATION CENTER.**

19 (n) A pupil enrolled in a district other than the pupil's
20 district of residence pursuant to section 1148(2) of the revised
21 school code, MCL 380.1148.

22 (o) A pupil who enrolls in a district other than the pupil's
23 district of residence as a result of the pupil's school not making
24 adequate yearly progress under the no child left behind act of
25 2001, Public Law 107-110.

26 (p) An online learning pupil enrolled in a district other than
27 the pupil's district of residence as an eligible pupil under

1 section 21f.

2 However, if a district educates pupils who reside in another
3 district and if the primary instructional site for those pupils is
4 established by the educating district after 2009-2010 and is
5 located within the boundaries of that other district, the educating
6 district must have the approval of that other district to count
7 those pupils in membership.

8 (7) "Pupil membership count day" of a district or intermediate
9 district means:

10 (a) Except as provided in subdivision (b), the first Wednesday
11 in October each school year or, for a district or building in which
12 school is not in session on that Wednesday due to conditions not
13 within the control of school authorities, with the approval of the
14 superintendent, the immediately following day on which school is in
15 session in the district or building.

16 (b) For a district or intermediate district maintaining school
17 during the entire school year, the following days:

18 (i) Fourth Wednesday in July.

19 (ii) First Wednesday in October.

20 (iii) Second Wednesday in February.

21 (iv) Fourth Wednesday in April.

22 (8) "Pupils in grades K to 12 actually enrolled and in regular
23 daily attendance" means pupils in grades K to 12 in attendance and
24 receiving instruction in all classes for which they are enrolled on
25 the pupil membership count day or the supplemental count day, as
26 applicable. Except as otherwise provided in this subsection, a
27 pupil who is absent from any of the classes in which the pupil is

1 enrolled on the pupil membership count day or supplemental count
2 day and who does not attend each of those classes during the 10
3 consecutive school days immediately following the pupil membership
4 count day or supplemental count day, except for a pupil who has
5 been excused by the district, shall not be counted as 1.0 full-time
6 equated membership. A pupil who is excused from attendance on the
7 pupil membership count day or supplemental count day and who fails
8 to attend each of the classes in which the pupil is enrolled within
9 30 calendar days after the pupil membership count day or
10 supplemental count day shall not be counted as 1.0 full-time
11 equated membership. In addition, a pupil who was enrolled and in
12 attendance in a district, an intermediate district, a public school
13 academy, or the education achievement system before the pupil
14 membership count day or supplemental count day of a particular year
15 but was expelled or suspended on the pupil membership count day or
16 supplemental count day shall only be counted as 1.0 full-time
17 equated membership if the pupil resumed attendance in the district,
18 intermediate district, public school academy, or education
19 achievement system within 45 days after the pupil membership count
20 day or supplemental count day of that particular year. Pupils not
21 counted as 1.0 full-time equated membership due to an absence from
22 a class shall be counted as a prorated membership for the classes
23 the pupil attended. For purposes of this subsection, "class" means
24 a period of time in 1 day when pupils and a certificated teacher or
25 legally qualified substitute teacher are together and instruction
26 is taking place.

27 (9) "Rule" means a rule promulgated pursuant to the

1 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
2 24.328.

3 (10) "The revised school code" means 1976 PA 451, MCL 380.1 to
4 380.1852.

5 (11) "School district of the first class", "first class school
6 district", and "district of the first class" mean, for the purposes
7 of this article only, a district that had at least 40,000 pupils in
8 membership for the immediately preceding fiscal year.

9 (12) "School fiscal year" means a fiscal year that commences
10 July 1 and continues through June 30.

11 (13) "State board" means the state board of education.

12 (14) "Superintendent", unless the context clearly refers to a
13 district or intermediate district superintendent, means the
14 superintendent of public instruction described in section 3 of
15 article VIII of the state constitution of 1963.

16 (15) "Supplemental count day" means the day on which the
17 supplemental pupil count is conducted under section 6a.

18 (16) "Tuition pupil" means a pupil of school age attending
19 school in a district other than the pupil's district of residence
20 for whom tuition may be charged to the district of residence.

21 Tuition pupil does not include a pupil who is a special education
22 pupil, a pupil described in subsection (6)(c) to (p), or a pupil
23 whose parent or guardian voluntarily enrolls the pupil in a
24 district that is not the pupil's district of residence. A pupil's
25 district of residence shall not require a high school tuition
26 pupil, as provided under section 111, to attend another school
27 district after the pupil has been assigned to a school district.

1 (17) "State school aid fund" means the state school aid fund
2 established in section 11 of article IX of the state constitution
3 of 1963.

4 (18) "Taxable value" means the taxable value of property as
5 determined under section 27a of the general property tax act, 1893
6 PA 206, MCL 211.27a.

7 (19) "Textbook" means a book, electronic book, or other
8 instructional print or electronic resource that is selected and
9 approved by the governing board of a district or, for an
10 achievement school, by the chancellor of the achievement authority
11 and that contains a presentation of principles of a subject, or
12 that is a literary work relevant to the study of a subject required
13 for the use of classroom pupils, or another type of course material
14 that forms the basis of classroom instruction.

15 (20) "Total state aid" or "total state school aid" means the
16 total combined amount of all funds due to a district, intermediate
17 district, or other entity under all of the provisions of this
18 article.

19 Sec. 19. (1) A district or intermediate district shall comply
20 with all applicable reporting requirements specified in state and
21 federal law. Data provided to the center, in a form and manner
22 prescribed by the center, shall be aggregated and disaggregated as
23 required by state and federal law. In addition, a district or
24 intermediate district shall cooperate with all measures taken by
25 the center to establish and maintain a statewide P-20 longitudinal
26 data system.

27 (2) Each district shall furnish to the center not later than 5

1 weeks after the pupil membership count day and by June 30 of the
2 school fiscal year ending in the fiscal year, in a manner
3 prescribed by the center, the information necessary for the
4 preparation of the district and high school graduation report. This
5 information shall meet requirements established in the pupil
6 auditing manual approved and published by the department. The
7 center shall calculate an annual graduation and pupil dropout rate
8 for each high school, each district, and this state, in compliance
9 with nationally recognized standards for these calculations. The
10 center shall report all graduation and dropout rates to the senate
11 and house education committees and appropriations committees, the
12 state budget director, and the department not later than 30 days
13 after the publication of the list described in subsection (6). **THE**
14 **CENTER SHALL ENSURE THAT THE CALCULATION OF GRADUATION RATES UNDER**
15 **THIS SUBSECTION DOES NOT INCLUDE PUPILS ENROLLED IN A DEPARTMENT-**
16 **APPROVED ALTERNATIVE EDUCATION PROGRAM OR ADULT EDUCATION**
17 **PARTICIPANTS.**

18 (3) By the first business day in December and by June 30 of
19 each year, a district shall furnish to the center, in a manner
20 prescribed by the center, information related to educational
21 personnel as necessary for reporting required by state and federal
22 law.

23 (4) By June 30 of each year, a district shall furnish to the
24 center, in a manner prescribed by the center, information related
25 to safety practices and criminal incidents as necessary for
26 reporting required by state and federal law.

27 (5) If a district or intermediate district fails to meet the

1 requirements of this section, the department shall withhold 5% of
2 the total funds for which the district or intermediate district
3 qualifies under this article until the district or intermediate
4 district complies with all of those subsections. If the district or
5 intermediate district does not comply with all of those subsections
6 by the end of the fiscal year, the department shall place the
7 amount withheld in an escrow account until the district or
8 intermediate district complies with all of those subsections.

9 (6) Before publishing a list of school or district
10 accountability designations as required by the no child left behind
11 act of 2001, Public Law 107-110, the department shall allow a
12 school or district to appeal that determination. The department
13 shall consider and act upon the appeal within 30 days after it is
14 submitted and shall not publish the list until after all appeals
15 have been considered and decided. **THE DEPARTMENT SHALL ENSURE THAT**
16 **THE CALCULATION OF GRADUATION RATES USED FOR REPORTING UNDER THIS**
17 **SUBSECTION DOES NOT INCLUDE PUPILS ENROLLED IN A DEPARTMENT-**
18 **APPROVED ALTERNATIVE EDUCATION PROGRAM OR ADULT EDUCATION**
19 **PARTICIPANTS. IF IT IS NECESSARY IN ORDER TO COMPLY WITH THIS**
20 **SUBSECTION, THE DEPARTMENT SHALL SEEK A WAIVER FROM THE UNITED**
21 **STATES DEPARTMENT OF EDUCATION.**

22 (7) It is the intent of the legislature to implement not later
23 than 2016-2017, statewide standard reporting requirements for
24 education data approved by the department in conjunction with the
25 center. The department shall work with the center, intermediate
26 districts, districts, and other interested stakeholders to develop
27 recommendations on the implementation of this policy change. A

1 district or intermediate district shall implement the statewide
2 standard reporting requirements not later than 2014-2015 or when a
3 district or intermediate district updates its education data
4 reporting system, whichever is later.

5 Enacting section 1. This amendatory act takes effect 90 days
6 after the date it is enacted into law.