

**SUBSTITUTE FOR
HOUSE BILL NO. 4411**

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 4, 6, 6a, 11, 11a, 11j, 11k, 11m, 11n, 11s,
15, 18, 19, 20, 20d, 20f, 21f, 21h, 22a, 22b, 22d, 22m, 22p, 24,
24a, 25f, 25g, 25i, 26a, 26b, 26c, 28, 29a, 31a, 31d, 31f, 31j,
31m, 31n, 32d, 32p, 35a, 35b, 35d, 35e, 35f, 39, 39a, 41, 51a, 51c,
51d, 51f, 53a, 54, 54b, 54d, 55, 56, 61a, 61b, 61c, 61d, 62, 65,
67, 67a, 74, 81, 94, 94a, 95b, 98, 99h, 99s, 99t, 99u, 99w, 99x,
101, 104, 104a, 104c, 105, 105c, 107, 147, 147a, 147b, 147c, 147e,
152a, and 152b (MCL 388.1604, 388.1606, 388.1606a, 388.1611,
388.1611a, 388.1611j, 388.1611k, 388.1611m, 388.1611n, 388.1611s,
388.1615, 388.1618, 388.1619, 388.1620, 388.1620d, 388.1620f,
388.1621f, 388.1621h, 388.1622a, 388.1622b, 388.1622d, 388.1622m,

388.1622p, 388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1625i, 388.1626a, 388.1626b, 388.1626c, 388.1628, 388.1629a, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631m, 388.1631n, 388.1632d, 388.1632p, 388.1635a, 388.1635b, 388.1635d, 388.1635e, 388.1635f, 388.1639, 388.1639a, 388.1641, 388.1651a, 388.1651c, 388.1651d, 388.1651f, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1655, 388.1656, 388.1661a, 388.1661b, 388.1661c, 388.1661d, 388.1662, 388.1665, 388.1667, 388.1667a, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1695b, 388.1698, 388.1699h, 388.1699s, 388.1699t, 388.1699u, 388.1699w, 388.1699x, 388.1701, 388.1704, 388.1704a, 388.1704c, 388.1705, 388.1705c, 388.1707, 388.1747, 388.1747a, 388.1747b, 388.1747c, 388.1747e, 388.1752a, and 388.1752b), sections 4 and 104c as amended by 2019 PA 58, sections 6, 11a, 11j, 11k, 11m, 11s, 15, 18, 20, 20d, 20f, 21h, 22a, 22b, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 28, 31a, 31d, 31f, 31j, 32d, 32p, 35a, 35b, 39, 39a, 41, 51a, 51c, 51d, 51f, 53a, 54, 54b, 54d, 55, 56, 61a, 61b, 61d, 62, 65, 67, 74, 81, 94, 94a, 95b, 98, 99h, 99s, 99t, 99u, 99w, 99x, 101, 104, 105, 105c, 107, 147, 147a, 147c, 147e, and 152a as amended by 2020 PA 165, section 6a as amended by 2020 PA 149, sections 11, 21f, and 31n as amended by 2021 PA 3, sections 11n and 104a as added by 2021 PA 3, sections 19, 61c, 147b, and 152b as amended by 2018 PA 265, sections 25i, 29a, 35d, 35e, 35f, and 67a as added by 2020 PA 165, section 31m as added by 2018 PA 265, and by adding sections 11t, 20m, 22c, 22g, 26d, 31o, 31p, 35g, 51g, 67b, 94c, 94d, 97, 97a, 98b, 99aa, 99bb, and 104h; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 4. (1) "Elementary pupil" means a pupil in membership in
- 2 grades K to 8 in a district not maintaining classes above ~~the~~

~~eight~~h-grade **8** or in grades K to 6 in a district maintaining classes above ~~the eighth~~ grade **8** or a child enrolled and in regular attendance in a publicly funded prekindergarten setting.

(2) "Extended school year" means an educational program conducted by a district in which pupils must be enrolled but not necessarily in attendance on the pupil membership count day in an extended year program. The mandatory clock hours must be completed by each pupil not more than 365 calendar days after the pupil's first day of classes for the school year prescribed. The department shall prescribe pupil, personnel, and other reporting requirements for the educational program.

(3) "Fiscal year" means the state fiscal year that commences October 1 and continues through September 30.

(4) "High school equivalency certificate" means a certificate granted for the successful completion of a high school equivalency test.

(5) "High school equivalency test" means the G.E.D. test developed by the GED Testing Service, ~~the Test Assessing Secondary Completion (TASC) developed by CTS/McGraw-Hill, the HISET test~~ **exam** developed by Educational Testing Service (ETS), or another comparable test approved by the department of labor and economic opportunity.

(6) "High school equivalency test preparation program" means a program that has high school level courses in English language arts, social studies, science, and mathematics and that prepares an individual to successfully complete a high school equivalency test.

(7) "High school pupil" means a pupil in membership in grades 7 to 12, except in a district not maintaining grades above ~~the eighth~~ grade **8**.

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.
10 Unless otherwise approved by the department, a center program
11 either serves all constituent districts within an intermediate
12 district or serves several districts with less than 50% of the
13 pupils residing in the operating district. In addition, special
14 education center program pupils placed part-time in noncenter
15 programs to comply with the least restrictive environment
16 provisions of section 1412 of the individuals with disabilities
17 education act, 20 USC 1412, may be considered center program pupils
18 for pupil accounting purposes for the time scheduled in either a
19 center program or a noncenter program.

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

23 (3) "District and high school graduation report" means a
24 report of the number of pupils, excluding adult education
25 participants, in the district for the immediately preceding school
26 year, adjusted for those pupils who have transferred into or out of
27 the district or high school, who leave high school with a diploma
28 or other credential of equal status.

29 (4) "Membership", except as otherwise provided in this

1 subsection or this article, means for a district, a public school
 2 academy, or an intermediate district the sum of the product of .90
 3 times the number of full-time equated pupils in grades K to 12
 4 actually enrolled and in regular daily attendance in the district,
 5 public school academy, or intermediate district on the pupil
 6 membership count day for the current school year, plus the product
 7 of .10 times the final audited count from the supplemental count
 8 day of full-time equated pupils in grades K to 12 actually enrolled
 9 and in regular daily attendance in the district, public school
 10 academy, or intermediate district for the immediately preceding
 11 school year. A district's, public school academy's, or intermediate
 12 district's membership is adjusted as provided under section 25e for
 13 pupils who enroll after the pupil membership count day in a strict
 14 discipline academy operating under sections 1311b to 1311m of the
 15 revised school code, MCL 380.1311b to 380.1311m. For ~~2020-2021~~
 16 **2021-2022** only, membership means for a district, a public school
 17 academy, or an intermediate district, the sum of the product of ~~.75~~
 18 **.90** times the ~~district's, public school academy's, or intermediate~~
 19 ~~district's 2019-2020 membership as calculated under this section in~~
 20 **2019-2020 number of full-time equated pupils in grades K to 12**
 21 **actually enrolled and in regular daily attendance in the district,**
 22 **public school academy, or intermediate district on the pupil**
 23 **membership count day for the current school year** and the product of
 24 ~~.25-.10~~ times ~~{the sum of (the product of .90 times the number of~~
 25 ~~full-time equated pupils engaged in pandemic learning for fall 2020~~
 26 ~~or, for a public school academy that operates as a cyber school, as~~
 27 ~~that term is defined in section 551 of the revised school code, MCL~~
 28 ~~380.551, the number of full-time equated pupils in grades K to 12~~
 29 ~~actually enrolled and in regular daily attendance in the public~~

~~school academy on pupil membership count day for the current school year) and (the product of .10 times the final audited count from the supplemental count day of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance in the district, public school academy, or intermediate district for the immediately preceding school year)]~~. **the final audited count of the number of full-time equated pupils engaged in pandemic learning for spring 2021, or, for a public school academy that operates as a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, the final audited count from the supplemental count day of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance in the public school academy for the immediately preceding school year.** All pupil counts used in this subsection are as determined by the department and calculated by adding the number of pupils registered for attendance plus pupils received by transfer and minus pupils lost as defined by rules promulgated by the superintendent, and as corrected by a subsequent department audit. The amount of the foundation allowance for a pupil in membership is determined under section 20. In making the calculation of membership, all of the following, as applicable, apply to determining the membership of a district, a public school academy, or an intermediate district:

(a) Except as otherwise provided in this subsection, and pursuant to subsection (6), a pupil is counted in membership in the pupil's educating district or districts. An individual pupil must not be counted for more than a total of 1.0 full-time equated membership.

(b) If a pupil is educated in a district other than the pupil's district of residence, if the pupil is not being educated

1 as part of a cooperative education program, if the pupil's district
2 of residence does not give the educating district its approval to
3 count the pupil in membership in the educating district, and if the
4 pupil is not covered by an exception specified in subsection (6) to
5 the requirement that the educating district must have the approval
6 of the pupil's district of residence to count the pupil in
7 membership, the pupil is not counted in membership in any district.

8 (c) A special education pupil educated by the intermediate
9 district is counted in membership in the intermediate district.

10 (d) A pupil placed by a court or state agency in an on-grounds
11 program of a juvenile detention facility, a child caring
12 institution, or a mental health institution, or a pupil funded
13 under section 53a, is counted in membership in the district or
14 intermediate district approved by the department to operate the
15 program.

16 (e) A pupil enrolled in the Michigan Schools for the Deaf and
17 Blind is counted in membership in the pupil's intermediate district
18 of residence.

19 (f) A pupil enrolled in a career and technical education
20 program supported by a millage levied over an area larger than a
21 single district or in an area vocational-technical education
22 program established under section 690 of the revised school code,
23 MCL 380.690, is counted in membership only in the pupil's district
24 of residence.

25 (g) A pupil enrolled in a public school academy is counted in
26 membership in the public school academy.

27 (h) For the purposes of this section and section 6a, for a
28 cyber school, as that term is defined in section 551 of the revised
29 school code, MCL 380.551, that is in compliance with section 553a

of the revised school code, MCL 380.553a, a pupil's participation in the cyber school's educational program is considered regular daily attendance, and for a district or public school academy, a pupil's participation in a virtual course as that term is defined in section 21f is considered regular daily attendance. For the purposes of this subdivision, for a pupil enrolled in a cyber school and utilizing sequential learning, participation means that term as defined in the pupil accounting manual, section ~~5-o-d:5-O-~~
D: requirements for counting pupils in membership-subsection 10.

(i) For a new district or public school academy beginning its operation after December 31, 1994, membership for the first 2 full or partial fiscal years of operation is determined as follows:

(i) ~~Except as otherwise provided in this subparagraph, if~~ **If** operations begin before the pupil membership count day for the fiscal year, membership is the average number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance on the pupil membership count day for the current school year and on the supplemental count day for the current school year, as determined by the department and calculated by adding the number of pupils registered for attendance 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 a subsequent department audit, plus the final audited count from the supplemental count day for the current school year, and dividing that sum by 2. ~~However, for 2020-2021 only, if~~
~~operations begin before the pupil membership count day for the~~
~~fiscal year, except for a public school academy that operates as a~~
~~cyber school, as that term is defined in section 551 of the revised~~
~~school code, MCL 380.551, membership is the average number of full-~~

~~time equated pupils engaged in pandemic learning for fall 2020 and full-time equated pupils engaged in pandemic learning for spring 2021, as that term is defined in section 6a, as determined by the department and calculated by adding the number of pupils registered for attendance 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 a subsequent department audit, plus the final audited count from the supplemental count day for the current school year, and dividing that sum by 2.~~

(ii) If operations begin after the pupil membership count day for the fiscal year and not later than the supplemental count day for the fiscal year, membership is the final audited count of the number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance on the supplemental count day for the current school year. ~~, but, for 2020-2021 only, except for a public school academy that operates as a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, membership is the final audited count of the number of full-time equated pupils engaged in pandemic learning for spring 2021, as that term is defined in section 6a.~~

(j) If a district is the authorizing body for a public school academy, then, in the first school year in which pupils are counted in membership on the pupil membership count day in the public school academy, the determination of the district's membership excludes from the district's pupil count for the immediately preceding supplemental count day any pupils who are counted in the public school academy on that first pupil membership count day who were also counted in the district on the immediately preceding

1 supplemental count day.

2 (k) For an extended school year program approved by the
3 superintendent, a pupil enrolled, but not scheduled to be in
4 regular daily attendance, on a pupil membership count day, is
5 counted in membership.

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

11 (i) A special education pupil who is enrolled and receiving
12 instruction in a special education program or service approved by
13 the department, who does not have a high school diploma, and who is
14 less than 26 years of age as of September 1 of the current school
15 year is counted in membership.

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

18 (A) Is enrolled in a public school academy or an alternative
19 education high school diploma program, that is primarily focused on
20 educating pupils with extreme barriers to education, such as being
21 homeless as **that term is** defined under 42 USC 11302.

22 (B) Had dropped out of school.

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

25 (iii) If a child does not meet the minimum age requirement to be
26 eligible to attend school for that school year under section 1147
27 of the revised school code, MCL 380.1147, but will be 5 years of
28 age not later than December 1 of that school year, the district may
29 count the child in membership for that school year if the parent or

1 legal guardian has notified the district in writing that he or she
2 intends to enroll the child in kindergarten for that school year.

3 (m) An individual who has achieved a high school diploma is
4 not counted in membership. An individual who has achieved a high
5 school equivalency certificate is not counted in membership unless
6 the individual is a student with a disability as that term is
7 defined in R 340.1702 of the Michigan Administrative Code. An
8 individual participating in a job training program funded under
9 former section 107a or a jobs program funded under former section
10 107b, administered by the department of labor and economic
11 opportunity, or participating in any successor of either of those 2
12 programs, is not counted in membership.

13 (n) If a pupil counted in membership in a public school
14 academy is also educated by a district or intermediate district as
15 part of a cooperative education program, the pupil is counted in
16 membership only in the public school academy unless a written
17 agreement signed by all parties designates the party or parties in
18 which the pupil is counted in membership, and the instructional
19 time scheduled for the pupil in the district or intermediate
20 district is included in the full-time equated membership
21 determination under subdivision (q) and section 101. However, for
22 pupils receiving instruction in both a public school academy and in
23 a district or intermediate district but not as a part of a
24 cooperative education program, the following apply:

25 (i) If the public school academy provides instruction for at
26 least 1/2 of the class hours required under section 101, the public
27 school academy receives as its prorated share of the full-time
28 equated membership for each of those pupils an amount equal to 1
29 times the product of the hours of instruction the public school

1 academy provides divided by the number of hours required under
2 section 101 for full-time equivalency, and the remainder of the
3 full-time membership for each of those pupils is allocated to the
4 district or intermediate district providing the remainder of the
5 hours of instruction.

6 (ii) If the public school academy provides instruction for less
7 than 1/2 of the class hours required under section 101, the
8 district or intermediate district providing the remainder of the
9 hours of instruction receives as its prorated share of the full-
10 time equated membership for each of those pupils an amount equal to
11 1 times the product of the hours of instruction the district or
12 intermediate district provides divided by the number of hours
13 required under section 101 for full-time equivalency, and the
14 remainder of the full-time membership for each of those pupils is
15 allocated to the public school academy.

16 (o) An individual less than 16 years of age as of September 1
17 of the current school year who is being educated in an alternative
18 education program is not counted in membership if there are also
19 adult education participants being educated in the same program or
20 classroom.

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

23 (q) The number of class hours used to calculate full-time
24 equated memberships must be consistent with section 101. In
25 determining full-time equated memberships for pupils who are
26 enrolled in a postsecondary institution or for pupils engaged in an
27 internship or work experience under section 1279h of the revised
28 school code, MCL 380.1279h, a pupil is not considered to be less
29 than a full-time equated pupil solely because of the effect of his

1 or her postsecondary enrollment or engagement in the internship or
2 work experience, including necessary travel time, on the number of
3 class hours provided by the district to the pupil.

4 (r) Full-time equated memberships for pupils in kindergarten
5 are determined by dividing the number of instructional hours
6 scheduled and provided per year per kindergarten pupil by the same
7 number used for determining full-time equated memberships for
8 pupils in grades 1 to 12. However, to the extent allowable under
9 federal law, for a district or public school academy that provides
10 evidence satisfactory to the department that it used federal title
11 I money in the 2 immediately preceding school fiscal years to fund
12 full-time kindergarten, full-time equated memberships for pupils in
13 kindergarten are determined by dividing the number of class hours
14 scheduled and provided per year per kindergarten pupil by a number
15 equal to 1/2 the number used for determining full-time equated
16 memberships for pupils in grades 1 to 12. The change in the
17 counting of full-time equated memberships for pupils in
18 kindergarten that took effect for 2012-2013 is not a mandate.

19 (s) For a district or a public school academy that has pupils
20 enrolled in a grade level that was not offered by the district or
21 public school academy in the immediately preceding school year, the
22 number of pupils enrolled in that grade level to be counted in
23 membership is the average of the number of those pupils enrolled
24 and in regular daily attendance on the pupil membership count day
25 and the supplemental count day of the current school year. ~~but,~~
26 ~~for 2020-2021 only, except for a public school academy that~~
27 ~~operates as a cyber school, as that term is defined in section 551~~
28 ~~of the revised school code, MCL 380.551, the number of pupils~~
29 ~~enrolled in that grade level to be counted in membership is the~~

~~average of the number of those pupils engaged in pandemic learning for fall 2020 and the number of those pupils engaged in pandemic learning for spring 2021, as that term is defined in section 6a, as determined by the department.~~ Membership is 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 that sum by 2.

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

(u) If, as a result of a disciplinary action, a district determines through the district's alternative or disciplinary education program that the best instructional placement for a pupil is in the pupil's home or otherwise apart from the general school population, if that placement is authorized in writing by the district superintendent and district alternative or disciplinary education supervisor, and if the district provides appropriate instruction as described in this subdivision to the pupil at the pupil's home or otherwise apart from the general school population, the district may count the pupil in membership on a pro rata basis, with the proration based on the number of hours of instruction the district actually provides to the pupil divided by the number of hours required under section 101 for full-time equivalency. For the purposes of this subdivision, a district is considered to be providing appropriate instruction if all of the following are met:

(i) The district provides at least 2 nonconsecutive hours of

1 instruction per week to the pupil at the pupil's home or otherwise
2 apart from the general school population under the supervision of a
3 certificated teacher.

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

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

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

11 (v) If a pupil was enrolled in a public school academy on the
12 pupil membership count day, if the public school academy's contract
13 with its authorizing body is revoked or the public school academy
14 otherwise ceases to operate, and if the pupil enrolls in a district
15 within 45 days after the pupil membership count day, the department
16 shall adjust the district's pupil count for the pupil membership
17 count day to include the pupil in the count.

18 (w) For a public school academy that has been in operation for
19 at least 2 years and that suspended operations for at least 1
20 semester and is resuming operations, membership is the sum of the
21 product of .90 times the number of full-time equated pupils in
22 grades K to 12 actually enrolled and in regular daily attendance on
23 the first pupil membership count day or supplemental count day,
24 whichever is first, occurring after operations resume, plus the
25 product of .10 times the final audited count from the most recent
26 pupil membership count day or supplemental count day that occurred
27 before suspending operations, as determined by the superintendent.
28 ~~, but, for 2020-2021 only, except for a public school academy that~~
29 ~~operates as a cyber school, as that term is defined in section 551~~

~~of the revised school code, MCL 380.551, membership is the sum of the product of .90 times the number of full-time equated pupils engaged in pandemic learning for fall 2020 or the number of full-time equated pupils engaged in pandemic learning for spring 2021, as that term is defined in section 6a, whichever applies first after operations resume, plus the product of .10 times the final audited count from the most recent pupil membership count day or supplemental count day that occurred before suspending operations, as determined by the superintendent.~~

(x) If a district's membership for a particular fiscal year, as otherwise calculated under this subsection, would be less than 1,550 pupils, the district has 4.5 or fewer pupils per square mile, as determined by the department, and the district does not receive funding under section 22d(2), the district's membership is considered to be the membership figure calculated under this subdivision. If a district educates and counts in its membership pupils in grades 9 to 12 who reside in a contiguous district that does not operate grades 9 to 12 and if 1 or both of the affected districts request the department to use the determination allowed under this sentence, the department shall include the square mileage of both districts in determining the number of pupils per square mile for each of the districts for the purposes of this subdivision. If a district has established a community engagement advisory committee in partnership with the department of treasury, is required to submit a deficit elimination plan or an enhanced deficit elimination plan under section 1220 of the revised school code, MCL 380.1220, and is located in a city with a population between 9,000 and 11,000, **as determined by the department**, that is in a county with a population between ~~155,000~~ **150,000** and 160,000,

1 **as determined by the department,** the district's membership is
2 considered to be the membership figure calculated under this
3 subdivision. The membership figure calculated under this
4 subdivision is the greater of the following:

5 (i) The average of the district's membership for the 3-fiscal-
6 year period ending with that fiscal year, calculated by adding the
7 district's actual membership for each of those 3 fiscal years, as
8 otherwise calculated under this subsection, and dividing the sum of
9 those 3 membership figures by 3.

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

12 (y) Full-time equated memberships for special education pupils
13 who are not enrolled in kindergarten but are enrolled in a
14 classroom program under R 340.1754 of the Michigan Administrative
15 Code are determined by dividing the number of class hours scheduled
16 and provided per year by 450. Full-time equated memberships for
17 special education pupils who are not enrolled in kindergarten but
18 are receiving early childhood special education services under R
19 340.1755 or R 340.1862 of the Michigan Administrative Code are
20 determined by dividing the number of hours of service scheduled and
21 provided per year ~~per-pupil~~ **per pupil** by 180.

22 (z) A pupil of a district that begins its school year after
23 Labor Day who is enrolled in an intermediate district program that
24 begins before Labor Day is not considered to be less than a full-
25 time pupil solely due to instructional time scheduled but not
26 attended by the pupil before Labor Day.

27 (aa) For the first year in which a pupil is counted in
28 membership on the pupil membership count day in a middle college
29 program, the membership is the average of the full-time equated

1 membership on the pupil membership count day and on the
2 supplemental count day for the current school year, as determined
3 by the department. If a pupil described in this subdivision was
4 counted in membership by the operating district on the immediately
5 preceding supplemental count day, the pupil is excluded from the
6 district's immediately preceding supplemental count for the
7 purposes of determining the district's membership.

8 (bb) A district or public school academy that educates a pupil
9 who attends a United States Olympic Education Center may count the
10 pupil in membership regardless of whether or not the pupil is a
11 resident of this state.

12 (cc) A pupil enrolled in a district other than the pupil's
13 district of residence under section 1148(2) of the revised school
14 code, MCL 380.1148, is counted in the educating district.

15 (dd) For a pupil enrolled in a dropout recovery program that
16 meets the requirements of section 23a, the pupil is counted as 1/12
17 of a full-time equated membership for each month that the district
18 operating the program reports that the pupil was enrolled in the
19 program and was in full attendance. However, if the special
20 membership counting provisions under this subdivision and the
21 operation of the other membership counting provisions under this
22 subsection result in a pupil being counted as more than 1.0 FTE in
23 a fiscal year, the payment made for the pupil under sections 22a
24 and 22b must not be based on more than 1.0 FTE for that pupil, and
25 any portion of an FTE for that pupil that exceeds 1.0 is instead
26 paid under section 25g. The district operating the program shall
27 report to the center the number of pupils who were enrolled in the
28 program and were in full attendance for a month not later than 30
29 days after the end of the month. A district shall not report a

1 pupil as being in full attendance for a month unless both of the
2 following are met:

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

6 (ii) The pupil meets the district's definition under section
7 23a of satisfactory monthly progress for that month or, if the
8 pupil does not meet that definition of satisfactory monthly
9 progress for that month, the pupil did meet that definition of
10 satisfactory monthly progress in the immediately preceding month
11 and appropriate interventions are implemented within 10 school days
12 after it is determined that the pupil does not meet that definition
13 of satisfactory monthly progress.

14 (ee) A pupil participating in a virtual course under section
15 21f is counted in membership in the district enrolling the pupil.

16 (ff) If a public school academy that is not in its first or
17 second year of operation closes at the end of a school year and
18 does not reopen for the next school year, the department shall
19 adjust the membership count of the district or other public school
20 academy in which a former pupil of the closed public school academy
21 enrolls and is in regular daily attendance for the next school year
22 to ensure that the district or other public school academy receives
23 the same amount of membership aid for the pupil as if the pupil
24 were counted in the district or other public school academy on the
25 supplemental count day of the preceding school year.

26 (gg) If a special education pupil is expelled under section
27 1311 or 1311a of the revised school code, MCL 380.1311 and
28 380.1311a, and is not in attendance on the pupil membership count
29 day because of the expulsion, and if the pupil remains enrolled in

1 the district and resumes regular daily attendance during that
2 school year, the district's membership is adjusted to count the
3 pupil in membership as if he or she had been in attendance on the
4 pupil membership count day.

5 (hh) A pupil enrolled in a community district is counted in
6 membership in the community district.

7 (ii) A part-time pupil enrolled in a nonpublic school in
8 grades K to 12 in accordance with section 166b must not be counted
9 as more than 0.75 of a full-time equated membership.

10 (jj) A district that borders another state or a public school
11 academy that operates at least grades 9 to 12 and is located within
12 20 miles of a border with another state may count in membership a
13 pupil who is enrolled in a course at a college or university that
14 is located in the bordering state and within 20 miles of the border
15 with this state if all of the following are met:

16 (i) The pupil would meet the definition of an eligible student
17 under the postsecondary enrollment options act, 1996 PA 160, MCL
18 388.511 to 388.524, if the course were an eligible course under
19 that act.

20 (ii) The course in which the pupil is enrolled would meet the
21 definition of an eligible course under the postsecondary enrollment
22 options act, 1996 PA 160, MCL 388.511 to 388.524, if the course
23 were provided by an eligible postsecondary institution under that
24 act.

25 (iii) The department determines that the college or university
26 is an institution that, in the other state, fulfills a function
27 comparable to a state university or community college, as those
28 terms are defined in section 3 of the postsecondary enrollment
29 options act, 1996 PA 160, MCL 388.513, or is an independent

1 nonprofit degree-granting college or university.

2 (iv) The district or public school academy pays for a portion
3 of the pupil's tuition at the college or university in an amount
4 equal to the eligible charges that the district or public school
5 academy would pay to an eligible postsecondary institution under
6 the postsecondary enrollment options act, 1996 PA 160, MCL 388.511
7 to 388.524, as if the course were an eligible course under that
8 act.

9 (v) The district or public school academy awards high school
10 credit to a pupil who successfully completes a course as described
11 in this subdivision.

12 (kk) A pupil enrolled in a middle college program may be
13 counted for more than a total of 1.0 full-time equated membership
14 if the pupil is enrolled in more than the minimum number of
15 instructional days and hours required under section 101 and the
16 pupil is expected to complete the 5-year program with both a high
17 school diploma and at least 60 transferable college credits or is
18 expected to earn an associate's degree in fewer than 5 years.

19 (ll) If a district's or public school academy's membership for
20 a particular fiscal year, as otherwise calculated under this
21 subsection, includes pupils counted in membership who are enrolled
22 under section 166b, all of the following apply for the purposes of
23 this subdivision:

24 (i) If the district's or public school academy's membership for
25 pupils counted under section 166b equals or exceeds 5% of the
26 district's or public school academy's membership for pupils not
27 counted in membership under section 166b in the immediately
28 preceding fiscal year, then the growth in the district's or public
29 school academy's membership for pupils counted under section 166b

1 must not exceed 10%.

2 (ii) If the district's or public school academy's membership
3 for pupils counted under section 166b is less than 5% of the
4 district's or public school academy's membership for pupils not
5 counted in membership under section 166b in the immediately
6 preceding fiscal year, then the district's or public school
7 academy's membership for pupils counted under section 166b must not
8 exceed the greater of the following:

9 (A) 5% of the district's or public school academy's membership
10 for pupils not counted in membership under section 166b.

11 (B) 10% more than the district's or public school academy's
12 membership for pupils counted under section 166b in the immediately
13 preceding fiscal year.

14 (iii) If 1 or more districts consolidate or are parties to an
15 annexation, then the calculations under subparagraphs (i) and (ii)
16 must be applied to the combined total membership for pupils counted
17 in those districts for the fiscal year immediately preceding the
18 consolidation or annexation.

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

21 (6) "Pupil" means an individual in membership in a public
22 school. A district must have the approval of the pupil's district
23 of residence to count the pupil in membership, except approval by
24 the pupil's district of residence is not required for any of the
25 following:

26 (a) A nonpublic part-time pupil enrolled in grades K to 12 in
27 accordance with section 166b.

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

1 (c) A pupil enrolled in a public school academy.

2 ~~(d) A pupil enrolled in a district other than the pupil's~~
3 ~~district of residence under an intermediate district schools of~~
4 ~~choice pilot program as described in section 91a or former section~~
5 ~~91 if the intermediate district and its constituent districts have~~
6 ~~been exempted from section 105.~~

7 (d) ~~(e)~~ A pupil enrolled in a district other than the pupil's
8 district of residence if the pupil is enrolled in accordance with
9 section 105 or 105c.

10 (e) ~~(f)~~ A pupil who has made an official written complaint or
11 whose parent or legal guardian has made an official written
12 complaint to law enforcement officials and to school officials of
13 the pupil's district of residence that the pupil has been the
14 victim of a criminal sexual assault or other serious assault, if
15 the official complaint either indicates that the assault occurred
16 at school or that the assault was committed by 1 or more other
17 pupils enrolled in the school the pupil would otherwise attend in
18 the district of residence or by an employee of the district of
19 residence. A person who intentionally makes a false report of a
20 crime to law enforcement officials for the purposes of this
21 subdivision is subject to section 411a of the Michigan penal code,
22 1931 PA 328, MCL 750.411a, which provides criminal penalties for
23 that conduct. As used in this subdivision:

24 (i) "At school" means in a classroom, elsewhere on school
25 premises, on a school bus or other school-related vehicle, or at a
26 school-sponsored activity or event whether or not it is held on
27 school premises.

28 (ii) "Serious assault" means an act that constitutes a felony
29 violation of chapter XI of the Michigan penal code, 1931 PA 328,

1 MCL 750.81 to 750.90h, or that constitutes an assault and
2 infliction of serious or aggravated injury under section 81a of the
3 Michigan penal code, 1931 PA 328, MCL 750.81a.

4 (f) ~~(g)~~—A pupil whose district of residence changed after the
5 pupil membership count day and before the supplemental count day
6 and who continues to be enrolled on the supplemental count day as a
7 nonresident in the district in which he or she was enrolled as a
8 resident on the pupil membership count day of the same school year.

9 (g) ~~(h)~~—A pupil enrolled in an alternative education program
10 operated by a district other than his or her district of residence
11 who meets 1 or more of the following:

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

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

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

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

19 (h) ~~(i)~~—A pupil enrolled in the Michigan Virtual School, for
20 the pupil's enrollment in the Michigan Virtual School.

21 (i) ~~(j)~~—A pupil who is the child of a person who works at the
22 district or who is the child of a person who worked at the district
23 as of the time the pupil first enrolled in the district but who no
24 longer works at the district due to a workforce reduction. As used
25 in this subdivision, "child" includes an adopted child, stepchild,
26 or legal ward.

27 (j) ~~(k)~~—An expelled pupil who has been denied reinstatement by
28 the expelling district and is reinstated by another school board
29 under section 1311 or 1311a of the revised school code, MCL

1 380.1311 and 380.1311a.

2 (k) ~~(l)~~—A pupil enrolled in a district other than the pupil's
3 district of residence in a middle college program if the pupil's
4 district of residence and the enrolling district are both
5 constituent districts of the same intermediate district.

6 (l) ~~(m)~~—A pupil enrolled in a district other than the pupil's
7 district of residence who attends a United States Olympic Education
8 Center.

9 (m) ~~(n)~~—A pupil enrolled in a district other than the pupil's
10 district of residence under section 1148(2) of the revised school
11 code, MCL 380.1148.

12 (n) ~~(o)~~—A pupil who enrolls in a district other than the
13 pupil's district of residence as a result of the pupil's school not
14 making adequate yearly progress under the no child left behind act
15 of 2001, Public Law 107-110, or the every student succeeds act,
16 Public Law 114-95.

17 However, if a district educates pupils who reside in another
18 district and if the primary instructional site for those pupils is
19 established by the educating district after 2009-2010 and is
20 located within the boundaries of that other district, the educating
21 district must have the approval of that other district to count
22 those pupils in membership.

23 (7) "Pupil membership count day" of a district or intermediate
24 district means:

25 (a) Except as provided in subdivision (b), the first Wednesday
26 in October each school year or, for a district or building in which
27 school is not in session on that Wednesday due to conditions not
28 within the control of school authorities, with the approval of the
29 superintendent, the immediately following day on which school is in

1 session in the district or building. ~~A district is considered to be~~
2 ~~in session for purposes of this subdivision when the district is~~
3 ~~providing pupil instruction pursuant to an extended COVID-19~~
4 ~~learning plan approved under section 98a.~~

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

- 7 (i) Fourth Wednesday in July.
8 (ii) First Wednesday in October.
9 (iii) Second Wednesday in February.
10 (iv) Fourth Wednesday in April.

11 (8) "Pupils in grades K to 12 actually enrolled and in regular
12 daily attendance" means pupils in grades K to 12 in attendance and
13 receiving instruction in all classes for which they are enrolled on
14 the pupil membership count day or the supplemental count day, as
15 applicable. Except as otherwise provided in this subsection, a
16 pupil who is absent from any of the classes in which the pupil is
17 enrolled on the pupil membership count day or supplemental count
18 day and who does not attend each of those classes during the 10
19 consecutive school days immediately following the pupil membership
20 count day or supplemental count day, except for a pupil who has
21 been excused by the district, is not counted as 1.0 full-time
22 equated membership. A pupil who is excused from attendance on the
23 pupil membership count day or supplemental count day and who fails
24 to attend each of the classes in which the pupil is enrolled within
25 30 calendar days after the pupil membership count day or
26 supplemental count day is not counted as 1.0 full-time equated
27 membership. In addition, a pupil who was enrolled and in attendance
28 in a district, intermediate district, or public school academy
29 before the pupil membership count day or supplemental count day of

a particular year but was expelled or suspended on the pupil membership count day or supplemental count day is only counted as 1.0 full-time equated membership if the pupil resumed attendance in the district, intermediate district, or public school academy within 45 days after the pupil membership count day or supplemental count day of that particular year. A pupil not counted as 1.0 full-time equated membership due to an absence from a class is counted as a prorated membership for the classes the pupil attended. For purposes of this subsection, "class" means ~~a~~ **either of the**

following, as applicable:

(a) A period of time in 1 day when pupils and an individual who is appropriately placed under a valid certificate, substitute permit, authorization, or approval issued by the department, are together and instruction is taking place. **This subdivision does not apply for the 2020-2021 school year.**

(b) For the 2020-2021 school year only, a period of time in 1 day when pupils and a certificated teacher, a teacher engaged to teach under section 1233b of the revised school code, MCL 380.1233b, or an individual working under a valid substitute permit, authorization, or approval issued by the department are together and instruction is taking place.

(9) "Pupils engaged in pandemic learning for ~~fall 2020~~ **spring 2021**" means ~~pupils in grades K to 12 who are enrolled in a district, excluding a district that operates as a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, or intermediate district and to which any of the following apply:~~

~~(a) For a pupil who is not learning sequentially, any of the following occurs for each of the pupil's scheduled courses:~~

1 ~~(i) The pupil attends a live lesson from the pupil's teacher or~~
2 ~~at least 1 of the pupil's teachers on 2020-2021 pupil membership~~
3 ~~count day.~~

4 ~~(ii) The pupil logs into an online or virtual lesson or lesson~~
5 ~~activity on 2020-2021 pupil membership count day and the login can~~
6 ~~be documented by the district or intermediate district.~~

7 ~~(iii) The pupil and the pupil's teacher or at least 1 of the~~
8 ~~pupil's teachers engage in a subject-oriented telephone~~
9 ~~conversation on 2020-2021 pupil membership count day.~~

10 ~~(iv) The district or intermediate district documents that an~~
11 ~~electronic mail dialogue occurred between the pupil and the pupil's~~
12 ~~teacher or at least 1 of the pupil's teachers on 2020-2021 pupil~~
13 ~~membership count day.~~

14 ~~(b) For a pupil who is using sequential learning, any of the~~
15 ~~following occurs for each of the pupil's scheduled courses:~~

16 ~~(i) The pupil attends a virtual course where synchronous, live~~
17 ~~instruction occurs with the pupil's teacher or at least 1 of the~~
18 ~~pupil's teachers on 2020-2021 pupil membership count day and the~~
19 ~~attendance is documented by the district or intermediate district.~~

20 ~~(ii) The pupil completes a course assignment on 2020-2021 pupil~~
21 ~~membership count day and the completion is documented by the~~
22 ~~district or intermediate district.~~

23 ~~(iii) The pupil completes a course lesson or lesson activity on~~
24 ~~2020-2021 pupil membership count day and the completion is~~
25 ~~documented by the district or intermediate district.~~

26 ~~(iv) The pupil accesses an ongoing lesson that is not a login~~
27 ~~on 2020-2021 pupil membership count day and the access is~~
28 ~~documented by the district or intermediate district.~~

29 ~~(c) At a minimum, 1 2-way interaction has occurred between the~~

~~pupil and the pupil's teacher or at least 1 of the pupil's teachers or another district employee who has responsibility for the pupil's learning, grade progression, or academic progress during the week on which 2020-2021 pupil membership count day falls and during each week for the 3 consecutive weeks after the week on which 2020-2021 pupil membership count day falls. A district may utilize 2-way interactions that occur under this subdivision toward meeting the requirement under section 101(3)(h). As used in this subdivision:~~

~~(i) "2-way interaction" means a communication that occurs between a pupil and the pupil's teacher or at least 1 of the pupil's teachers or another district employee who has responsibility for the pupil's learning, grade progression, or academic progress, where 1 party initiates communication and a response from the other party follows that communication, and that is relevant to course progress or course content for at least 1 of the courses in which the pupil is enrolled or relevant to the pupil's overall academic progress or grade progression. Responses, as described in this subparagraph, must be to communication initiated by the teacher, by another district employee who has responsibility for the pupil's learning, grade progression, or academic progress, or by the pupil, and not some other action taken. The communication described in this subparagraph may occur through, but is not limited to, any of the following means:~~

~~(A) Electronic mail.~~

~~(B) Telephone.~~

~~(C) Instant messaging.~~

~~(D) Face-to-face conversation.~~

~~(ii) "Week" means a period beginning on Wednesday and ending on the following Tuesday.~~

~~(d) The pupil has not participated in or completed an activity as described in subdivision (a), (b), or (c) and the pupil was not excused from participation or completion, but the pupil participates in or completes an activity described in subdivision (a) or (b) during the 10 consecutive school days immediately following the 2020-2021 pupil membership count day.~~

~~(e) The pupil has not participated in or completed an activity as described in subdivision (a), (b), or (c) and the pupil was excused from participation or completion, but the pupil participates in or completes an activity described in subdivision (a) or (b) during the 30 calendar days immediately following the 2020-2021 pupil membership count day.~~

~~(f) The pupil meets the criteria of pupils in grades K to 12 actually enrolled and in regular daily attendance.~~ **that term as defined in section 6a.**

(10) "Rule" means a rule promulgated pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

(11) "The revised school code" means the revised school code, 1976 PA 451, MCL 380.1 to 380.1852.

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

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

(14) "State board" means the state board of education.

(15) "Superintendent", unless the context clearly refers to a district or intermediate district superintendent, means the

1 superintendent of public instruction described in section 3 of
2 article VIII of the state constitution of 1963.

3 (16) "Supplemental count day" means the day on which the
4 supplemental pupil count is conducted under section 6a or the day
5 specified as supplemental count day under section 6a.

6 (17) "Tuition pupil" means a pupil of school age attending
7 school in a district other than the pupil's district of residence
8 for whom tuition may be charged to the district of residence.

9 Tuition pupil does not include a pupil who is a special education
10 pupil, a pupil described in subsection ~~(6)(c) to (e)~~, **(6)(d) to**
11 **(n)**, or a pupil whose parent or guardian voluntarily enrolls the
12 pupil in a district that is not the pupil's district of residence.
13 A pupil's district of residence shall not require a high school
14 tuition pupil, as provided under section 111, to attend another
15 school district after the pupil has been assigned to a school
16 district.

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

20 (19) "Taxable value" means, **except as otherwise provided in**
21 **this article**, the taxable value of property as determined under
22 section 27a of the general property tax act, 1893 PA 206, MCL
23 211.27a.

24 (20) "Textbook" means a book, electronic book, or other
25 instructional print or electronic resource that is selected and
26 approved by the governing board of a district and that contains a
27 presentation of principles of a subject, or that is a literary work
28 relevant to the study of a subject required for the use of
29 classroom pupils, or another type of course material that forms the

1 basis of classroom instruction.

2 (21) "Total state aid" or "total state school aid", except as
3 otherwise provided in this article, means the total combined amount
4 of all funds due to a district, intermediate district, or other
5 entity under this article.

6 Sec. 6a. (1) Except as otherwise provided in this subsection
7 and this act, in addition to the pupil membership count day, there
8 is a supplemental pupil count of the number of full-time equated
9 pupils in grades K-12 actually enrolled and in regular daily
10 attendance in a district or intermediate district on the second
11 Wednesday in February or, for a district that is not in session on
12 that day due to conditions not within the control of school
13 authorities, with the approval of the superintendent, the
14 immediately following day on which the district is in session, but,
15 for 2020-2021 only, in addition to the pupil membership count day,
16 there is a supplemental pupil count of the number of full-time
17 equated pupils engaged in pandemic learning for spring 2021 or, for
18 a district that operates as a cyber school, as that term is defined
19 in section 551 of the revised school code, MCL 380.551, the number
20 of full-time equated pupils in grades K to 12 actually enrolled and
21 in regular attendance in the district on 2020-2021 supplemental
22 count day. For the purposes of this act, and except as otherwise
23 provided in this subsection, the day on which the supplemental
24 pupil count is conducted is the supplemental count day. For 2020-
25 2021, for purposes of this act, and except as otherwise
26 specifically provided in this article, supplemental count day is
27 the second Wednesday in February or, for a district that is not in
28 session on that day due to conditions not within the control of
29 school authorities, with the approval of the superintendent, the

1 immediately following day on which the district is in session. A
 2 district is considered to be in session for purposes of this
 3 subsection when the district is providing pupil instruction
 4 pursuant to an extended COVID-19 learning plan approved under
 5 section 98a.

6 (2) As used in this section, "pupils engaged in pandemic
 7 learning for spring 2021" means pupils in grades K to 12 who are
 8 enrolled in a district, excluding a district that operates as a
 9 cyber school, as that term is defined in section 551 of the revised
 10 school code, MCL 380.551, or intermediate district and to which any
 11 of the following apply:

12 (a) For a pupil who is not learning sequentially, any of the
 13 following occurs for each of the pupil's scheduled courses:

14 (i) The pupil attends a live lesson from the pupil's teacher or
 15 at least 1 of the pupil's teachers on 2020-2021 supplemental count
 16 day.

17 (ii) The pupil logs into an online or virtual lesson or lesson
 18 activity on 2020-2021 supplemental count day and the login can be
 19 documented by the district or intermediate district.

20 (iii) The pupil and the pupil's teacher or at least 1 of the
 21 pupil's teachers engage in a subject-oriented telephone
 22 conversation on 2020-2021 supplemental count day.

23 (iv) The district or intermediate district documents that an
 24 ~~electronic mail~~**email** dialogue occurred between the pupil and the
 25 pupil's teacher or at least 1 of the pupil's teachers on 2020-2021
 26 supplemental count day.

27 (b) For a pupil who is using sequential learning, any of the
 28 following occurs for each of the pupil's scheduled courses:

29 (i) The pupil attends a virtual course where synchronous, live

1 instruction occurs with the pupil's teacher or at least 1 of the
 2 pupil's teachers on 2020-2021 supplemental count day and the
 3 attendance is documented by the district or intermediate district.

4 (ii) The pupil completes a course assignment on 2020-2021
 5 supplemental count day and the completion is documented by the
 6 district or intermediate district.

7 (iii) The pupil completes a course lesson or lesson activity on
 8 2020-2021 supplemental count day and the completion is documented
 9 by the district or intermediate district.

10 (iv) The pupil accesses an ongoing lesson that is not a login
 11 on 2020-2021 supplemental count day and the access is documented by
 12 the district or intermediate district.

13 (c) At a minimum, 1 2-way interaction has occurred between the
 14 pupil and the pupil's teacher or at least 1 of the pupil's teachers
 15 **or another district employee who has responsibility for the pupil's**
 16 **learning, grade progression, or academic progress** during the week
 17 on which 2020-2021 supplemental count day falls and during each
 18 week for the 3 consecutive weeks after the week on which 2020-2021
 19 supplemental count day falls. A district may utilize 2-way
 20 interactions that occur under this subdivision toward meeting the
 21 requirement under section 101(3)(h). As used in this subdivision:

22 (i) "2-way interaction" means a communication that occurs
 23 between a pupil and the pupil's teacher or at least 1 of the
 24 pupil's teachers **or another district employee who has**
 25 **responsibility for the pupil's learning, grade progression, or**
 26 **academic progress**, where 1 party initiates communication and a
 27 response from the other party follows that communication, and that
 28 is relevant to course progress or course content for at least 1 of
 29 the courses in which the pupil is enrolled **or relevant to the**

pupil's overall academic progress or grade progression. Responses, as described in this subparagraph, must be to ~~the~~ communication initiated by the teacher, **by another district employee who has responsibility for the pupil's learning, grade progression, or academic progress, or by the pupil,** and not some other action taken. The communication described in this subparagraph may occur through, but is not limited to, any of the following means:

(A) ~~Electronic mail.~~**Email.**

(B) Telephone.

(C) Instant messaging.

(D) Face-to-face conversation.

(ii) "Week" means a period beginning on Wednesday and ending on the following Tuesday.

(d) The pupil has not participated or completed an activity described in subdivision (a), (b), or (c) and the pupil was not excused from participation or completion, but the pupil participates in or completes an activity described in subdivision (a) or (b) during the 10 consecutive school days immediately following the 2020-2021 supplemental count day.

(e) The pupil has not participated or completed an activity described in subdivision (a), (b), or (c) and the pupil was excused from participation or completion, but the pupil participates in or completes an activity described in subdivision (a) or (b) during the 30 calendar days immediately following the 2020-2021 supplemental count day.

(f) The pupil meets the criteria of pupils in grades K to 12 actually enrolled and in regular daily attendance.

Sec. 11. (1) For the fiscal year ending September 30, 2021, there is appropriated for the public schools of this state and

certain other state purposes relating to education the sum of
~~\$13,759,819,500.00~~ **\$13,715,807,900.00** from the state school aid
 fund, the sum of ~~\$50,964,600.00~~ **\$54,464,600.00** from the general
 fund, an amount not to exceed ~~\$77,700,000.00~~ **\$79,800,000.00** from
 the community district education trust fund created under section
 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, and an
 amount not to exceed \$100.00 from the water emergency reserve fund.

For the fiscal year ending September 30, 2022, there is
appropriated for the public schools of this state and certain other
state purposes relating to education the sum of \$14,572,392,900.00
from the state school aid fund, the sum of \$80,000,000.00 from the
general fund, an amount not to exceed \$72,000,000.00 from the
community district education trust fund created under section 12 of
the Michigan trust fund act, 2000 PA 489, MCL 12.262, an amount not
to exceed \$140,000,000.00 from the MPSERS retirement obligation
reform reserve fund created in section 147b, and an amount not to
exceed \$100.00 from the water emergency reserve fund. In addition,
 all available federal funds are **only** appropriated **as allocated in**
this article for the fiscal ~~year~~**years** ending **September 30, 2021**
and September 30, 2021-2022.

(2) The appropriations under this section are allocated as
 provided in this article. Money appropriated under this section
 from the general fund must be expended to fund the purposes of this
 article before the expenditure of money appropriated under this
 section from the state school aid fund.

(3) Any general fund allocations under this article that are
 not expended by the end of the fiscal year are transferred to the
 school aid stabilization fund created under section 11a.

Sec. 11a. (1) The school aid stabilization fund is created as

1 a separate account within the state school aid fund.

2 (2) The state treasurer may receive money or other assets from
3 any source for deposit into the school aid stabilization fund. The
4 state treasurer shall deposit into the school aid stabilization
5 fund all of the following:

6 (a) Unexpended and unencumbered state school aid fund revenue
7 for a fiscal year that remains in the state school aid fund as of
8 the bookclosing for that fiscal year.

9 (b) Money statutorily dedicated to the school aid
10 stabilization fund.

11 (c) Money appropriated to the school aid stabilization fund.

12 (3) Money available in the school aid stabilization fund may
13 not be expended without a specific appropriation from the school
14 aid stabilization fund. Money in the school aid stabilization fund
15 must be expended only for purposes for which state school aid fund
16 money may be expended.

17 (4) The state treasurer shall direct the investment of the
18 school aid stabilization fund. The state treasurer shall credit to
19 the school aid stabilization fund interest and earnings from fund
20 investments.

21 (5) Money in the school aid stabilization fund at the close of
22 a fiscal year remains in the school aid stabilization fund and does
23 not lapse to the unreserved school aid fund balance or the general
24 fund.

25 (6) If the maximum amount appropriated under section 11 from
26 the state school aid fund for a fiscal year exceeds the amount
27 available for expenditure from the state school aid fund for that
28 fiscal year, there is appropriated from the school aid
29 stabilization fund to the state school aid fund an amount equal to

1 the projected shortfall as determined by the department of
 2 treasury, but not to exceed available money in the school aid
 3 stabilization fund. If the money in the school aid stabilization
 4 fund is insufficient to fully fund an amount equal to the projected
 5 shortfall, the state budget director shall notify the legislature
 6 as required under section 296(2) and state payments in an amount
 7 equal to the remainder of the projected shortfall must be prorated
 8 in the manner provided under section 296(3).

9 (7) For ~~2020-2021,~~ **2021-2022**, in addition to the
 10 appropriations in section 11, there is appropriated from the school
 11 aid stabilization fund to the state school aid fund the amount
 12 necessary to fully fund the allocations under this article.

13 **(8) For 2021-2022, \$100,000,000.00 from the state school aid**
 14 **fund must be deposited into the school aid stabilization fund**
 15 **created under this section.**

16 Sec. 11j. From the ~~appropriation~~ **state school aid fund money**
 17 **appropriated** in section 11, there is allocated an amount not to
 18 exceed \$111,000,000.00 for ~~2020-2021~~ **2021-2022** for payments to the
 19 school loan bond redemption fund in the department of treasury on
 20 behalf of districts and intermediate districts. Notwithstanding
 21 section 296 or any other provision of this act, funds allocated
 22 under this section are not subject to proration and must be paid in
 23 full.

24 Sec. 11k. For ~~2020-2021,~~ **2021-2022**, there is appropriated from
 25 the general fund to the school loan revolving fund an amount equal
 26 to the amount of school bond loans assigned to the Michigan finance
 27 authority, not to exceed the total amount of school bond loans held
 28 in reserve as long-term assets. As used in this section, "school
 29 loan revolving fund" means that fund created in section 16c of the

1 shared credit rating act, 1985 PA 227, MCL 141.1066c.

2 Sec. 11m. From the ~~appropriation~~ **state school aid fund money**
 3 **appropriated** in section 11, there is allocated for 2020-2021 an
 4 amount not to exceed ~~\$11,400,000.00~~ **\$8,700,000.00 and there is**
 5 **allocated for 2021-2022 an amount not to exceed \$9,500,000.00** for
 6 fiscal year cash-flow borrowing costs solely related to the state
 7 school aid fund established under section 11 of article IX of the
 8 state constitution of 1963.

9 Sec. 11n. **(1)** From the federal ~~fund money~~ **funds** appropriated
 10 under section 11, there is allocated for 2020-2021 an amount not to
 11 exceed ~~\$125,658,900.00~~ **\$115,658,900.00** from the federal funding
 12 awarded to this state from the governor's emergency education
 13 relief (GEER) fund under the coronavirus response and relief
 14 supplemental appropriations act, 2021, division M of Public Law
 15 116-260, and there is allocated for 2020-2021 an amount not to
 16 exceed ~~\$1,650,759,800.00~~ **\$1,656,308,300.00** from the federal funding
 17 awarded to this state from the elementary and secondary school
 18 emergency relief (ESSER) fund under the coronavirus response and
 19 relief supplemental appropriations act, 2021, division M of Public
 20 Law 116-260.

21 **(2)** From the federal funds appropriated under section 11,
 22 there is allocated for 2020-2021 an amount not to exceed
 23 **\$3,709,833,000.00** from the federal funding awarded to this state
 24 from the elementary and secondary school emergency relief (ESSER)
 25 fund under the American rescue plan act of 2021, title II, subtitle
 26 A, part 1 of Public Law 117-2, and there is allocated for 2020-2021
 27 an amount not to exceed **\$93,023,000.00** from the federal funding
 28 awarded to this state under section 2002 of the American rescue
 29 plan act of 2021, title II, subtitle A, part 1 of Public Law 117-2,

for emergency assistance to nonpublic schools.

Sec. 11s. (1) From the state school aid fund money appropriated in section 11, there is allocated \$5,000,000.00 for ~~2020-2021-2021-2022~~ and from the general fund money appropriated in section 11, there is allocated \$3,075,000.00 for ~~2020-2021-2021-~~ **2022** for the purpose of providing services and programs to children who reside within the boundaries of a district with the majority of its territory located within the boundaries of a city for which an executive proclamation of emergency concerning drinking water is issued in the current or immediately preceding ~~5-6~~ fiscal years under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. From the funding appropriated in section 11, there is allocated for ~~2020-2021-2021-2022~~ \$100.00 from the water emergency reserve fund for the purposes of this section.

(2) From the general fund money allocated in subsection (1), there is allocated to a district with the majority of its territory located within the boundaries of a city ~~in-for~~ for which an executive proclamation of emergency **concerning drinking water** is issued in the current or immediately preceding ~~5-6~~ fiscal years and that has at least 4,500 pupils in membership for the 2016-2017 fiscal year or has at least 3,000 pupils in membership for a fiscal year after 2016-2017, an amount not to exceed \$2,425,000.00 for ~~2020-2021-~~ **2021-2022** for the purpose of employing school nurses, classroom aides, and school social workers. The district shall provide a report to the department in a form, manner, and frequency prescribed by the department. The department shall provide a copy of that report to the governor, the house and senate school aid subcommittees, the house and senate fiscal agencies, and the state budget director within 5 days after receipt. The report must

1 provide at least the following information:

2 (a) How many personnel were hired using the funds allocated
3 under this subsection.

4 (b) A description of the services provided to pupils by those
5 personnel.

6 (c) How many pupils received each type of service identified
7 in subdivision (b).

8 (d) Any other information the department considers necessary
9 to ensure that the children described in subsection (1) received
10 appropriate levels and types of services.

11 (3) For ~~2020-2021 only,~~ **2021-2022**, from the state school aid
12 fund money allocated in subsection (1), there is allocated an
13 amount not to exceed ~~\$2,400,000.00~~ **\$2,000,000.00** to an intermediate
14 district that has a constituent district described in subsection
15 (2) to provide state early intervention services for children
16 described in subsection (1) who are between age 3 and age 5. The
17 intermediate district shall use these funds to provide state early
18 intervention services that are similar to the services described in
19 the early on Michigan state plan. ~~, including ensuring that all~~
20 ~~children described in subsection (1) who are less than 4 years of~~
21 ~~age as of September 1, 2016 are assessed and evaluated at least~~
22 ~~twice annually.~~

23 (4) From the state school aid fund money allocated in
24 subsection (1), there is allocated an amount not to exceed
25 \$1,000,000.00 for ~~2020-2021~~ **2021-2022** to the intermediate district
26 described in subsection (3) to enroll children described in
27 subsection (1) in school-day great start readiness programs,
28 regardless of household income eligibility requirements contained
29 in section 32d. The department shall administer this funding

consistent with all other provisions that apply to great start readiness programs under sections 32d and 39.

(5) For ~~2020-2021~~, **2021-2022**, from the general fund money allocated in subsection (1), there is allocated an amount not to exceed \$650,000.00 for nutritional services to children described in subsection (1).

(6) For ~~2020-2021~~, **2021-2022**, from the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed ~~\$1,600,000.00~~ **\$2,000,000.00** to the intermediate district described in subsection (3) for interventions and supports for students in K to 12 who were impacted by an executive proclamation of emergency described in subsection (1) concerning drinking water. Funds under this subsection must be used for behavioral supports, social workers, counselors, psychologists, nursing services, including, but not limited to, vision and hearing services, transportation services, parental engagement, community coordination, and other support services.

(7) In addition to the allocation under subsection (1), from the general fund money appropriated under section 11, there is allocated an amount not to exceed \$1,000,000.00 for 2021-2022 only for an early childhood collaborative that serves students located in a county with a population of not less than 400,000 or more than 500,000. The funds allocated under this subsection must be used to continue the expansion of early childhood services in response to an executive proclamation of emergency described in this section concerning drinking water.

~~(7)~~ **(8)** In addition to other funding allocated and appropriated in this section, there is appropriated an amount not to exceed \$5,000,000.00 for ~~2020-2021~~ **2021-2022** for state restricted

1 contingency funds. These contingency funds are not available for
 2 expenditure until they have been transferred to a section within
 3 this article under section 393(2) of the management and budget act,
 4 1984 PA 431, MCL 18.1393.

5 ~~(8)~~(9) Notwithstanding section 17b, the department shall make
 6 payments under this section on a schedule determined by the
 7 department.

8 **Sec. 11t. (1) From the federal funds allocated under section**
 9 **11n, there is allocated for 2020-2021 an amount not to exceed**
 10 **\$361,983,300.00 from the federal funding awarded to this state from**
 11 **the elementary and secondary school emergency relief (ESSER) fund**
 12 **under the American rescue plan act of 2021, title II, subtitle A,**
 13 **part 1 of Public Law 117-2, to eligible districts as provided in**
 14 **this section. The department shall pay each eligible district under**
 15 **this subsection an amount equal to the product of the district's**
 16 **2020-2021 pupils in membership multiplied by the difference between**
 17 **\$1,093.00 and the district's ESSER III formula payment per pupil. A**
 18 **district that has an ESSER III formula payment per pupil that is**
 19 **less than \$1,093.00 is an eligible district under this subsection.**

20 (2) Both of the following apply to the funding under
 21 subsection (1):

22 (a) An eligible district shall dedicate the following
 23 percentages of a payment received under subsection (1) as follows,
 24 in accordance with the requirements under section 2001(f) of the
 25 American rescue plan act of 2021, title II, subtitle A, part 1 of
 26 Public Law 117-2:

27 (i) At least 51.4% for activities to address learning loss by
 28 supporting the implementation of evidence-based interventions.

29 (ii) At least 10.3% for the implementation of evidence-based

1 summer enrichment programs.

2 (iii) At least 10.3% for the implementation of evidence-based
3 comprehensive after-school programs.

4 (b) In accordance with section 2001(f) of the American rescue
5 plan act of 2021, title II, subtitle A, part 1 of Public Law 117-2,
6 an eligible district must ensure that the interventions,
7 activities, and programs under subdivision (a) respond to students'
8 academic, social, and emotional needs and address the
9 disproportionate impact of COVID-19 on the student subgroups
10 described in section 6311(b) (2) (B) (xi) of 20 USC 6311; students
11 experiencing homelessness; and children and youth in foster care.

12 (3) In order to receive funding under subsection (1), a
13 district must submit a spending plan to the department by not later
14 than 45 days after the effective date of the amendatory act that
15 added this section. A spending plan described in this subsection
16 must include the district's estimated spending of funds received
17 under subsection (1) for the purposes described subsection (2),
18 disaggregated by the type of service provided. A district shall
19 also post the spending plan described in this subsection on its
20 website.

21 (4) As used in this section, "ESSER III formula payment per
22 pupil" means an amount equal to the amount of funds the district
23 receives under section 11r(8) divided by the district's pupils in
24 membership for the 2020-2021 school year as calculated under
25 section 6.

26 Sec. 15. (1) If a district or intermediate district fails to
27 receive its proper apportionment, the department, upon satisfactory
28 proof that the district or intermediate district was entitled
29 justly, shall apportion the deficiency in the next apportionment.

1 Subject to subsections (2) and (3), if a district or intermediate
2 district has received more than its proper apportionment, the
3 department, upon satisfactory proof, shall deduct the excess in the
4 next apportionment. Notwithstanding any other provision in this
5 article, state aid overpayments to a district, other than
6 overpayments in payments for special education or special education
7 transportation, may be recovered from any payment made under this
8 article other than a special education or special education
9 transportation payment, from the proceeds of a loan to the district
10 under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to
11 141.942, or from the proceeds of millage levied or pledged under
12 section 1211 of the revised school code, MCL 380.1211. State aid
13 overpayments made in special education or special education
14 transportation payments may be recovered from subsequent special
15 education or special education transportation payments, from the
16 proceeds of a loan to the district under the emergency municipal
17 loan act, 1980 PA 243, MCL 141.931 to 141.942, or from the proceeds
18 of millage levied or pledged under section 1211 of the revised
19 school code, MCL 380.1211.

20 (2) If the result of an audit conducted by or for the
21 department affects the current fiscal year membership, the
22 department shall adjust affected payments in the current fiscal
23 year. A deduction due to an adjustment made as a result of an audit
24 conducted by or for the department, or as a result of information
25 obtained by the department from the district, an intermediate
26 district, the department of treasury, or the office of auditor
27 general, must be deducted from the district's apportionments when
28 the adjustment is finalized. At the request of the district and
29 upon the district presenting evidence satisfactory to the

1 department of the hardship, the department may grant up to an
2 additional 4 years for the adjustment and may advance payments to
3 the district otherwise authorized under this article if the
4 district would otherwise experience a significant hardship in
5 satisfying its financial obligations. However, a district that
6 presented satisfactory evidence of hardship and was undergoing an
7 extended adjustment during 2018-2019 may continue to use the period
8 of extended adjustment as originally granted by the department.

9 (3) If, based on an audit by the department or the
10 department's designee or because of new or updated information
11 received by the department, the department determines that the
12 amount paid to a district or intermediate district under this
13 article for the current fiscal year or a prior fiscal year was
14 incorrect, the department shall make the appropriate deduction or
15 payment in the district's or intermediate district's allocation in
16 the next apportionment after the adjustment is finalized. The
17 department shall calculate the deduction or payment according to
18 the law in effect in the fiscal year in which the incorrect amount
19 was paid. If the district does not receive an allocation for the
20 fiscal year or if the allocation is not sufficient to pay the
21 amount of any deduction, the amount of any deduction otherwise
22 applicable must be satisfied from the proceeds of a loan to the
23 district under the emergency municipal loan act, 1980 PA 243, MCL
24 141.931 to 141.942, or from the proceeds of millage levied or
25 pledged under section 1211 of the revised school code, MCL
26 380.1211, as determined by the department.

27 (4) If the department makes an adjustment under this section
28 based in whole or in part on a membership audit finding that a
29 district or intermediate district employed an educator in violation

1 of certification requirements under the revised school code and
2 rules promulgated by the department, the department shall prorate
3 the adjustment according to the period of noncompliance with the
4 certification requirements.

5 (5) The department may conduct audits, or may direct audits by
6 designee of the department, for the current fiscal year and the
7 immediately preceding fiscal year of all records related to a
8 program for which a district or intermediate district has received
9 funds under this article.

10 (6) Expenditures made by the department under this article
11 that are caused by the write-off of prior year accruals may be
12 funded by revenue from the write-off of prior year accruals.

13 (7) In addition to funds appropriated in section 11 for all
14 programs and services, there is appropriated for ~~2020-2021-2021-~~
15 **2022** for obligations in excess of applicable appropriations an
16 amount equal to the collection of overpayments, but not to exceed
17 amounts available from overpayments.

18 Sec. 18. (1) Except as provided in another section of this
19 article, each district or other entity shall apply the money
20 received by the district or entity under this article to salaries
21 and other compensation of teachers and other employees, tuition,
22 transportation, lighting, heating, ventilation, water service, the
23 purchase of textbooks, other supplies, and any other school
24 operating expenditures defined in section 7. However, not more than
25 20% of the total amount received by a district under sections 22a
26 and 22b or received by an intermediate district under section 81
27 may be transferred by the board to either the capital projects fund
28 or to the debt retirement fund for debt service. A district or
29 other entity shall not apply or take the money for a purpose other

1 than as provided in this section. The department shall determine
2 the reasonableness of expenditures and may withhold from a
3 recipient of funds under this article the apportionment otherwise
4 due upon a violation by the recipient. A district must not be
5 prohibited or limited from using funds appropriated or allocated
6 under this article that are permitted for use for noninstructional
7 services to contract or subcontract with an intermediate district,
8 third party, or vendor for the noninstructional services.

9 (2) A district or intermediate district shall adopt an annual
10 budget in a manner that complies with the uniform budgeting and
11 accounting act, 1968 PA 2, MCL 141.421 to 141.440a. Within 15 days
12 after a district board adopts its annual operating budget for the
13 following school fiscal year, or after a district board adopts a
14 subsequent revision to that budget, the district shall make all of
15 the following available through a link on its website homepage, or
16 may make the information available through a link on its
17 intermediate district's website homepage, in a form and manner
18 prescribed by the department:

19 (a) The annual operating budget and subsequent budget
20 revisions.

21 (b) Using data that have already been collected and submitted
22 to the department, a summary of district expenditures for the most
23 recent fiscal year for which they are available, expressed in the
24 following 2 visual displays:

25 (i) A chart of personnel expenditures, broken into the
26 following subcategories:

27 (A) Salaries and wages.

28 (B) Employee benefit costs, including, but not limited to,
29 medical, dental, vision, life, disability, and long-term care

- 1 benefits.
- 2 (C) Retirement benefit costs.
- 3 (D) All other personnel costs.
- 4 (ii) A chart of all district expenditures, broken into the
5 following subcategories:
- 6 (A) Instruction.
- 7 (B) Support services.
- 8 (C) Business and administration.
- 9 (D) Operations and maintenance.
- 10 (c) Links to all of the following:
- 11 (i) The current collective bargaining agreement for each
12 bargaining unit.
- 13 (ii) Each health care benefits plan, including, but not limited
14 to, medical, dental, vision, disability, long-term care, or any
15 other type of benefits that would constitute health care services,
16 offered to any bargaining unit or employee in the district.
- 17 (iii) The audit report of the **financial** audit conducted under
18 subsection (4) for the most recent fiscal year for which it is
19 available.
- 20 (iv) The bids required under section 5 of the public employees
21 health benefit act, 2007 PA 106, MCL 124.75.
- 22 (v) The district's written policy governing procurement of
23 supplies, materials, and equipment.
- 24 (vi) The district's written policy establishing specific
25 categories of reimbursable expenses, as described in section
26 1254(2) of the revised school code, MCL 380.1254.
- 27 (vii) Either the district's accounts payable check register for
28 the most recent school fiscal year or a statement of the total
29 amount of expenses incurred by board members or employees of the

1 district that were reimbursed by the district for the most recent
2 school fiscal year.

3 (d) The total salary and a description and cost of each fringe
4 benefit included in the compensation package for the superintendent
5 of the district and for each employee of the district whose salary
6 exceeds \$100,000.00.

7 (e) The annual amount spent on dues paid to associations.

8 (f) The annual amount spent on lobbying or lobbying services.
9 As used in this subdivision, "lobbying" means that term as defined
10 in section 5 of 1978 PA 472, MCL 4.415.

11 (g) Any deficit elimination plan or enhanced deficit
12 elimination plan the district was required to submit under the
13 revised school code.

14 (h) Identification of all credit cards maintained by the
15 district as district credit cards, the identity of all individuals
16 authorized to use each of those credit cards, the credit limit on
17 each credit card, and the dollar limit, if any, for each
18 individual's authorized use of the credit card.

19 (i) Costs incurred for each instance of out-of-state travel by
20 the school administrator of the district that is fully or partially
21 paid for by the district and the details of each of those instances
22 of out-of-state travel, including at least identification of each
23 individual on the trip, destination, and purpose.

24 (3) For the information required under subsection (2)(a),
25 (2)(b)(i), and (2)(c), an intermediate district shall provide the
26 same information in the same manner as required for a district
27 under subsection (2).

28 (4) For the purposes of determining the reasonableness of
29 expenditures, whether a district or intermediate district has

1 received the proper amount of funds under this article, and whether
2 a violation of this article has occurred, all of the following
3 apply:

4 (a) The department shall require that each district and
5 intermediate district have an audit of the district's or
6 intermediate district's financial and pupil accounting records
7 conducted at least annually, and at such other times as determined
8 by the department, at the expense of the district or intermediate
9 district, as applicable. The audits must be performed by a
10 certified public accountant or by the intermediate district
11 superintendent, as may be required by the department, or in the
12 case of a district of the first class by a certified public
13 accountant, the intermediate superintendent, or the auditor general
14 of the city. A district or intermediate district shall retain these
15 records for the current fiscal year and from at least the 3
16 immediately preceding fiscal years.

17 (b) If a district operates in a single building with fewer
18 than 700 full-time equated pupils, if the district has stable
19 membership, and if the error rate of the immediately preceding 2
20 pupil accounting field audits of the district is less than 2%, the
21 district may have a pupil accounting field audit conducted
22 biennially but must continue to have desk audits for each pupil
23 count. The auditor must document compliance with the audit cycle in
24 the pupil auditing manual. As used in this subdivision, "stable
25 membership" means that the district's membership for the current
26 fiscal year varies from the district's membership for the
27 immediately preceding fiscal year by less than 5%.

28 (c) A district's or intermediate district's annual financial
29 audit must include an analysis of the financial and pupil

1 accounting data used as the basis for distribution of state school
2 aid.

3 (d) The pupil and financial accounting records and reports,
4 audits, and management letters are subject to requirements
5 established in the auditing and accounting manuals approved and
6 published by the department.

7 (e) All of the following must be done not later than November
8 1 each year for reporting the prior fiscal year data: ~~, but, for~~
9 ~~2020-2021 only, not later than December 1 for reporting the 2019-~~
10 ~~2020 data:~~

11 (i) A district shall file the annual financial audit reports
12 with the intermediate district and the department.

13 (ii) The intermediate district shall file the annual financial
14 audit reports for the intermediate district with the department.

15 (iii) The intermediate district shall enter the pupil membership
16 audit reports for its constituent districts and for the
17 intermediate district, for the pupil membership count day and
18 supplemental count day, in the Michigan student data system.

19 (f) The annual financial audit reports and pupil accounting
20 procedures reports must be available to the public in compliance
21 with the freedom of information act, 1976 PA 442, MCL 15.231 to
22 15.246.

23 (g) Not later than January 31 of each year, the department
24 shall notify the state budget director and the legislative
25 appropriations subcommittees responsible for review of the school
26 aid budget of districts and intermediate districts that have not
27 filed an annual financial audit and pupil accounting procedures
28 report required under this section for the school year ending in
29 the immediately preceding fiscal year.

1 (5) By the first business day in November of each fiscal year,
2 ~~but, for submission of the 2019-2020 annual comprehensive financial~~
3 ~~data described in this subsection, by the first business day in~~
4 ~~December,~~ each district and intermediate district shall submit to
5 the center, in a manner prescribed by the center, annual
6 comprehensive financial data consistent with the district's or
7 intermediate district's audited financial statements and consistent
8 with accounting manuals and charts of accounts approved and
9 published by the department. For an intermediate district, the
10 report must also contain the website address where the department
11 can access the report required under section 620 of the revised
12 school code, MCL 380.620. The department shall ensure that the
13 prescribed Michigan public school accounting manual chart of
14 accounts includes standard conventions to distinguish expenditures
15 by allowable fund function and object. The functions must include
16 at minimum categories for instruction, pupil support, instructional
17 staff support, general administration, school administration,
18 business administration, transportation, facilities operation and
19 maintenance, facilities acquisition, and debt service; and must
20 include object classifications of salary, benefits, including
21 categories for active employee health expenditures, purchased
22 services, supplies, capital outlay, and other. A district shall
23 report the required level of detail consistent with the manual as
24 part of the comprehensive annual financial report.

25 (6) By the last business day in September of each year, each
26 district and intermediate district shall file with the center the
27 special education actual cost report, known as "SE-4096", on a form
28 and in the manner prescribed by the center. An intermediate
29 district shall certify the audit of a district's report.

1 (7) By not later than 1 week after the last business day in
2 September of each year, each district and intermediate district
3 shall file with the center the audited transportation expenditure
4 report, known as "SE-4094", on a form and in the manner prescribed
5 by the center. An intermediate district shall certify the audit of
6 a district's report.

7 (8) The department shall review its pupil accounting and pupil
8 auditing manuals at least annually and shall periodically update
9 those manuals to reflect changes in this article.

10 (9) If a district that is a public school academy purchases
11 property using money received under this article, the public school
12 academy shall retain ownership of the property unless the public
13 school academy sells the property at fair market value.

14 (10) If a district or intermediate district does not comply
15 with subsections (4), (5), (6), (7), and (12), or if the department
16 determines that the financial data required under subsection (5)
17 are not consistent with audited financial statements, the
18 department shall withhold all state school aid due to the district
19 or intermediate district under this article, beginning with the
20 next payment due to the district or intermediate district, until
21 the district or intermediate district complies with subsections
22 (4), (5), (6), (7), and (12). If the district or intermediate
23 district does not comply with subsections (4), (5), (6), (7), and
24 (12) by the end of the fiscal year, the district or intermediate
25 district forfeits the amount withheld.

26 (11) If a district or intermediate district does not comply
27 with subsection (2), the department may withhold up to 10% of the
28 total state school aid due to the district or intermediate district
29 under this article, beginning with the next payment due to the

1 district or intermediate district, until the district or
2 intermediate district complies with subsection (2). If the district
3 or intermediate district does not comply with subsection (2) by the
4 end of the fiscal year, the district or intermediate district
5 forfeits the amount withheld.

6 (12) By November 1 of each year, if a district or intermediate
7 district offers virtual learning under section 21f, or for a school
8 of excellence that is a cyber school, as defined in section 551 of
9 the revised school code, MCL 380.551, the district or intermediate
10 district shall submit to the department a report that details the
11 per-pupil costs of operating the virtual learning by vendor type
12 and virtual learning model. The report must include information
13 concerning the operation of virtual learning for the immediately
14 preceding school fiscal year, including information concerning
15 summer programming. Information must be collected in a form and
16 manner determined by the department and must be collected in the
17 most efficient manner possible to reduce the administrative burden
18 on reporting entities.

19 (13) By March 31 of each year, the department shall submit to
20 the house and senate appropriations subcommittees on state school
21 aid, the state budget director, and the house and senate fiscal
22 agencies a report summarizing the per-pupil costs by vendor type of
23 virtual courses available under section 21f and virtual courses
24 provided by a school of excellence that is a cyber school, as
25 defined in section 551 of the revised school code, MCL 380.551.

26 (14) As used in subsections (12) and (13), "vendor type" means
27 the following:

28 (a) Virtual courses provided by the Michigan Virtual
29 University.

1 (b) Virtual courses provided by a school of excellence that is
2 a cyber school, as defined in section 551 of the revised school
3 code, MCL 380.551.

4 (c) Virtual courses provided by third party vendors not
5 affiliated with a ~~Michigan~~ public school **in this state**.

6 (d) Virtual courses created and offered by a district or
7 intermediate district.

8 (15) An allocation to a district or another entity under this
9 article is contingent upon the district's or entity's compliance
10 with this section.

11 (16) ~~Beginning October 1, 2020, and annually thereafter, the~~
12 **The** department shall **annually** submit to the senate and house
13 subcommittees on ~~state~~ school aid and to the senate and house
14 standing committees on education an itemized list of allocations
15 under this article to any association or consortium consisting of
16 associations in the immediately preceding fiscal year. The report
17 must detail the recipient or recipients, the amount allocated, and
18 the purpose for which the funds were distributed.

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
28 weeks after the pupil membership count day and by the last business
29 day in June of the school fiscal year ending in the fiscal year, in

1 a manner prescribed by the center, the information necessary for
2 the preparation of the district and high school graduation report,
3 **information regarding completion of early middle college**
4 **credentials obtained and postsecondary credits obtained in any**
5 **college acceleration program, and information necessary** for the
6 preparation of the state and federal accountability reports. This
7 information shall meet requirements established in the pupil
8 auditing manual approved and published by the department. The
9 center shall calculate an annual graduation and pupil dropout rate
10 for each high school, each district, and this state, in compliance
11 with nationally recognized standards for these calculations. The
12 center shall report all graduation and dropout rates to the senate
13 and house education committees and appropriations committees, the
14 state budget director, and the department not later than 30 days
15 after the publication of the list described in subsection (5).
16 Before reporting these graduation and dropout rates, the department
17 shall allow a school or district to appeal the calculations. The
18 department shall consider and act upon the appeal within 30 days
19 after it is submitted and shall not report these graduation and
20 dropout rates until after all appeals have been considered and
21 decided.

22 (3) By the first business day in December and by the last
23 business day in June of each year, a district shall furnish to the
24 center, in a manner prescribed by the center, information related
25 to educational personnel as necessary for reporting required by
26 state and federal law. For the purposes of this subsection, the
27 center shall only require districts and intermediate districts to
28 report information that is not already available from the office of
29 retirement services in the department of technology, management,

1 and budget.

2 (4) If a district or intermediate district fails to meet the
 3 requirements of this section, the department shall withhold 5% of
 4 the total funds for which the district or intermediate district
 5 qualifies under this article until the district or intermediate
 6 district complies with ~~all of these subsections.~~ **this section.** If
 7 the district or intermediate district does not comply with ~~all of~~
 8 ~~these subsections~~ **this section** by the end of the fiscal year, the
 9 department shall place the amount withheld in an escrow account
 10 until the district or intermediate district complies with ~~all of~~
 11 ~~these subsections.~~ **this section.**

12 (5) Before publishing a list of school or district
 13 accountability designations as required by the no child left behind
 14 act of 2001, Public Law 107-110, or the every student succeeds act,
 15 Public Law 114-95, and utilizing data that were certified as
 16 accurate and complete after districts and intermediate districts
 17 adhered to deadlines, data quality reviews, and correction
 18 processes leading to local certification of final student data in
 19 subsection (2), the department shall allow a school or district to
 20 appeal any calculation errors used in the preparation of
 21 accountability metrics. The department shall consider and act upon
 22 the appeal within 30 days after it is submitted and shall not
 23 publish the list until after all appeals have been considered and
 24 decided.

25 (6) ~~Beginning in 2016-2017, the~~ **The** department shall implement
 26 statewide standard reporting requirements for education data
 27 approved by the department in conjunction with the center. The
 28 department shall work with the center, intermediate districts,
 29 districts, and other interested stakeholders to implement this

1 policy change. A district or intermediate district shall implement
 2 the statewide standard reporting requirements not later than 2017-
 3 2018 or when a district or intermediate district updates its
 4 education data reporting system, whichever is later.

5 Sec. 20. (1) For ~~2020-2021~~, **2021-2022**, both of the following
 6 apply:

7 (a) The target foundation allowance is ~~\$8,529.00~~. **\$8,700.00.**

8 (b) The minimum foundation allowance is ~~\$8,111.00~~. **\$8,453.00.**

9 (2) The department shall calculate the amount of each
 10 district's foundation allowance as provided in this section, using
 11 a target foundation allowance in the amount specified in subsection
 12 (1).

13 (3) Except as otherwise provided in this section, the
 14 department shall calculate the amount of a district's foundation
 15 allowance as follows, using in all calculations the total amount of
 16 the district's foundation allowance as calculated before any
 17 proration:

18 (a) Except as otherwise provided in this subdivision, for a
 19 district that had a foundation allowance for the immediately
 20 preceding fiscal year that was at least equal to the minimum
 21 foundation allowance for the immediately preceding fiscal year, but
 22 less than the target foundation allowance for the immediately
 23 preceding fiscal year, the district receives a foundation allowance
 24 in an amount equal to the sum of the district's foundation
 25 allowance for the immediately preceding fiscal year plus the
 26 difference between twice the dollar amount of the adjustment from
 27 the immediately preceding fiscal year to the current fiscal year
 28 made in the target foundation allowance and [(the difference
 29 between the target foundation allowance for the current fiscal year

1 and target foundation allowance for the immediately preceding
 2 fiscal year minus ~~\$40.00~~ **\$57.00**) times (the difference between the
 3 district's foundation allowance for the immediately preceding
 4 fiscal year and the minimum foundation allowance for the
 5 immediately preceding fiscal year) divided by the difference
 6 between the target foundation allowance for the current fiscal year
 7 and the minimum foundation allowance for the immediately preceding
 8 fiscal year.] However, the foundation allowance for a district that
 9 had less than the target foundation allowance for the immediately
 10 preceding fiscal year must not exceed the target foundation
 11 allowance for the current fiscal year.

12 (b) Except as otherwise provided in this subsection, for a
 13 district that in the immediately preceding fiscal year had a
 14 foundation allowance in an amount equal to the amount of the target
 15 foundation allowance for the immediately preceding fiscal year, the
 16 district receives a foundation allowance for ~~2020-2021~~ **2021-2022** in
 17 an amount equal to the target foundation allowance for ~~2020-~~
 18 ~~2021-~~ **2021-2022**.

19 (c) For a district that had a foundation allowance for the
 20 immediately preceding fiscal year that was greater than the target
 21 foundation allowance for the immediately preceding fiscal year, the
 22 district's foundation allowance is an amount equal to the sum of
 23 the district's foundation allowance for the immediately preceding
 24 fiscal year plus the lesser of the increase in the target
 25 foundation allowance for the current fiscal year, as compared to
 26 the immediately preceding fiscal year, or the product of the
 27 district's foundation allowance for the immediately preceding
 28 fiscal year times the percentage increase in the United States
 29 Consumer Price Index in the calendar year ending in the immediately

1 preceding fiscal year as reported by the May revenue estimating
2 conference conducted under section 367b of the management and
3 budget act, 1984 PA 431, MCL 18.1367b.

4 (d) For a district that has a foundation allowance that is not
5 a whole dollar amount, the department shall round the district's
6 foundation allowance up to the nearest whole dollar.

7 (4) Except as otherwise provided in this subsection, beginning
8 in 2014-2015, the state portion of a district's foundation
9 allowance is an amount equal to the district's foundation allowance
10 or the target foundation allowance for the current fiscal year,
11 whichever is less, minus the local portion of the district's
12 foundation allowance. ~~For a district described in subsection~~

13 ~~(3)(c), beginning in 2014-2015, the state portion of the district's~~
14 ~~foundation allowance is an amount equal to \$6,962.00 plus the~~
15 ~~difference between the district's foundation allowance for the~~
16 ~~current fiscal year and the district's foundation allowance for~~
17 ~~1998-99, minus the local portion of the district's foundation~~
18 ~~allowance.~~ For a district that has a millage reduction required

19 under section 31 of article IX of the state constitution of 1963,
20 the department shall calculate the state portion of the district's
21 foundation allowance as if that reduction did not occur. For a
22 receiving district, if school operating taxes continue to be levied
23 on behalf of a dissolved district that has been attached in whole
24 or in part to the receiving district to satisfy debt obligations of
25 the dissolved district under section 12 of the revised school code,
26 MCL 380.12, the taxable value per membership pupil of property in
27 the receiving district used for the purposes of this subsection
28 does not include the taxable value of property within the
29 geographic area of the dissolved district. For a community

1 district, if school operating taxes continue to be levied by a
2 qualifying school district under section 12b of the revised school
3 code, MCL 380.12b, with the same geographic area as the community
4 district, the taxable value per membership pupil of property in the
5 community district to be used for the purposes of this subsection
6 does not include the taxable value of property within the
7 geographic area of the community district.

8 (5) The allocation calculated under this section for a pupil
9 is based on the foundation allowance of the pupil's district of
10 residence. For a pupil enrolled ~~pursuant to~~ **under** section 105 or
11 105c in a district other than the pupil's district of residence,
12 the allocation calculated under this section is based on the lesser
13 of the foundation allowance of the pupil's district of residence or
14 the foundation allowance of the educating district. For a pupil in
15 membership in a K-5, K-6, or K-8 district who is enrolled in
16 another district in a grade not offered by the pupil's district of
17 residence, the allocation calculated under this section is based on
18 the foundation allowance of the educating district if the educating
19 district's foundation allowance is greater than the foundation
20 allowance of the pupil's district of residence. **The calculation**
21 **under this subsection must take into account a district's per-pupil**
22 **allocation under section 20m.**

23 (6) Except as otherwise provided in this subsection, for
24 pupils in membership, other than special education pupils, in a
25 public school academy, the allocation calculated under this section
26 is an amount per membership pupil other than special education
27 pupils in the public school academy equal to the minimum foundation
28 allowance specified in subsection (1). Notwithstanding section 101,
29 for a public school academy that begins operations after the pupil

1 membership count day, the amount per membership pupil calculated
2 under this subsection must be adjusted by multiplying that amount
3 per membership pupil by the number of hours of pupil instruction
4 provided by the public school academy after it begins operations,
5 as determined by the department, divided by the minimum number of
6 hours of pupil instruction required under section 101(3). The
7 result of this calculation must not exceed the amount per
8 membership pupil otherwise calculated under this subsection.

9 (7) ~~Except as otherwise provided in this subsection, for~~ **For**
10 pupils in membership, other than special education pupils, in a
11 community district, the allocation calculated under this section is
12 an amount per membership pupil other than special education pupils
13 in the community district equal to the foundation allowance of the
14 qualifying school district, as described in section 12b of the
15 revised school code, MCL 380.12b, that is located within the same
16 geographic area as the community district.

17 (8) 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 is the lesser of the sum of the
22 average of the foundation allowances of each of the original or
23 affected districts, calculated as provided in this section,
24 weighted as to the percentage of pupils in total membership in the
25 resulting district who reside in the geographic area of each of the
26 original or affected districts plus \$100.00 or the highest
27 foundation allowance among the original or affected districts. This
28 subsection does not apply to a receiving district unless there is a
29 subsequent consolidation or annexation that affects the district.

1 The calculation under this subsection must take into account a
2 district's per-pupil allocation under section 20m.

3 (9) The department shall round each fraction used in making
4 calculations under this section to the fourth decimal place and
5 shall round the dollar amount of an increase in the target
6 foundation allowance to the nearest whole dollar.

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

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

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

26 (b) The revenue adjustment factor is computed by dividing the
27 sum of the estimated total state school aid fund revenue for the
28 subsequent fiscal year plus the estimated total state school aid
29 fund revenue for the current fiscal year, adjusted for any change

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

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

22 (12) Payments to districts and public school academies are not
23 made under this section. Rather, the calculations under this
24 section are used to determine the amount of state payments under
25 section 22b.

26 (13) If an amendment to section 2 of article VIII of the state
27 constitution of 1963 allowing state aid to some or all nonpublic
28 schools is approved by the voters of this state, each foundation
29 allowance or per-pupil payment calculation under this section may

1 be reduced.

2 (14) As used in this section:

3 (a) "Certified mills" means the lesser of 18 mills or the
4 number of mills of school operating taxes levied by the district in
5 1993-94.

6 (b) "Combined state and local revenue" means the aggregate of
7 the district's state school aid received by or paid on behalf of
8 the district under this section and the district's local school
9 operating revenue.

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

13 (d) "Current fiscal year" means the fiscal year for which a
14 particular calculation is made.

15 (e) "Dissolved district" means a district that loses its
16 organization, has its territory attached to 1 or more other
17 districts, and is dissolved as provided under section 12 of the
18 revised school code, MCL 380.12.

19 (f) "Immediately preceding fiscal year" means the fiscal year
20 immediately preceding the current fiscal year.

21 (g) "Local portion of the district's foundation allowance"
22 means an amount that is equal to the difference between (the sum of
23 the product of the taxable value per membership pupil of all
24 property in the district that is nonexempt property times the
25 district's certified mills and, for a district with certified mills
26 exceeding 12, the product of the taxable value per membership pupil
27 of property in the district that is commercial personal property
28 times the certified mills minus 12 mills) and (the quotient of the
29 product of the captured assessed valuation under tax increment

1 financing acts times the district's certified mills divided by the
2 district's membership excluding special education pupils).

3 (h) "Local school operating revenue" means school operating
4 taxes levied under section 1211 of the revised school code, MCL
5 380.1211. For a receiving district, if school operating taxes are
6 to be levied on behalf of a dissolved district that has been
7 attached in whole or in part to the receiving district to satisfy
8 debt obligations of the dissolved district under section 12 of the
9 revised school code, MCL 380.12, local school operating revenue
10 does not include school operating taxes levied within the
11 geographic area of the dissolved district.

12 (i) "Local school operating revenue per membership pupil"
13 means a district's local school operating revenue divided by the
14 district's membership excluding special education pupils.

15 (j) "Membership" means the definition of that term under
16 section 6 as in effect for the particular fiscal year for which a
17 particular calculation is made.

18 (k) "Nonexempt property" means property that is not a
19 principal residence, qualified agricultural property, qualified
20 forest property, supportive housing property, industrial personal
21 property, commercial personal property, or property occupied by a
22 public school academy.

23 (l) "Principal residence", "qualified agricultural property",
24 "qualified forest property", "supportive housing property",
25 "industrial personal property", and "commercial personal property"
26 mean those terms as defined in section 1211 of the revised school
27 code, MCL 380.1211.

28 (m) "Receiving district" means a district to which all or part
29 of the territory of a dissolved district is attached under section

1 12 of the revised school code, MCL 380.12.

2 (n) "School operating purposes" means the purposes included in
3 the operation costs of the district as prescribed in sections 7 and
4 18 and purposes authorized under section 1211 of the revised school
5 code, MCL 380.1211.

6 (o) "School operating taxes" means local ad valorem property
7 taxes levied under section 1211 of the revised school code, MCL
8 380.1211, and retained for school operating purposes.

9 (p) "Tax increment financing acts" means parts 2, 3, 4, and 6
10 of the recodified tax increment financing act, 2018 PA 57, MCL
11 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield
12 redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

13 (q) "Taxable value per membership pupil" means taxable value,
14 as certified by the county treasurer and reported to the
15 department, for the calendar year ending in the current state
16 fiscal year divided by the district's membership excluding special
17 education pupils for the school year ending in the current state
18 fiscal year.

19 Sec. 20d. In making the final determination required under
20 former section 20a of a district's combined state and local revenue
21 per membership pupil in 1993-94 and in making calculations under
22 section 20 for ~~2020-2021~~, **2021-2022**, the department and the
23 department of treasury shall comply with all of the following:

24 (a) For a district that had combined state and local revenue
25 per membership pupil in the 1994-95 fiscal year of \$6,500.00 or
26 more and served as a fiscal agent for a state board designated area
27 vocational education center in the 1993-94 school year, total state
28 school aid received by or paid on behalf of the district under this
29 act in 1993-94 excludes payments made under former section 146 and

1 under section 147 on behalf of the district's employees who
 2 provided direct services to the area vocational education center.
 3 Not later than June 30, 1996, the department shall make an
 4 adjustment under this subdivision to the district's combined state
 5 and local revenue per membership pupil in the 1994-95 fiscal year
 6 and the department of treasury shall make a final certification of
 7 the number of mills that may be levied by the district under
 8 section 1211 of the revised school code, MCL 380.1211, as a result
 9 of the adjustment under this subdivision.

10 (b) If a district had an adjustment made to its 1993-94 total
 11 state school aid that excluded payments made under former section
 12 146 and under section 147 on behalf of the district's employees who
 13 provided direct services for intermediate district center programs
 14 operated by the district under **former section 51 and sections 51**
 15 **51a** to 56, if nonresident pupils attending the center programs were
 16 included in the district's membership for purposes of calculating
 17 the combined state and local revenue per membership pupil for 1993-
 18 94, and if there is a signed agreement by all constituent districts
 19 of the intermediate district agreeing to an adjustment under this
 20 subdivision, the department shall calculate the foundation
 21 allowances for 1995-96 and 1996-97 of all districts that had pupils
 22 attending the intermediate district center program operated by the
 23 district that had the adjustment as if their combined state and
 24 local revenue per membership pupil for 1993-94 included resident
 25 pupils attending the center program and excluded nonresident pupils
 26 attending the center program.

27 Sec. 20f. (1) From the ~~funds~~**state school aid fund money**
 28 appropriated in section 11, there is allocated an amount not to
 29 exceed \$18,000,000.00 for ~~2020-2021~~**2021-2022** for payments to

1 eligible districts under this section.

2 (2) The funding under this subsection is from the allocation
3 under subsection (1). A district is eligible for funding under this
4 subsection if the district received a payment under this section as
5 it was in effect for 2013-2014. A district was eligible for funding
6 in 2013-2014 if the sum of the following was less than \$5.00:

7 (a) The increase in the district's foundation allowance or
8 per-pupil payment as calculated under section 20 from 2012-2013 to
9 2013-2014.

10 (b) The district's equity payment per membership pupil under
11 former section 22c for 2013-2014.

12 (c) The quotient of the district's allocation under section
13 147a for 2012-2013 divided by the district's membership pupils for
14 2012-2013 minus the quotient of the district's allocation under
15 section 147a for 2013-2014 divided by the district's membership
16 pupils for 2013-2014.

17 (3) The amount allocated to each eligible district under
18 subsection (2) is an amount per membership pupil equal to the
19 amount per membership pupil the district received under this
20 section in 2013-2014.

21 (4) The funding under this subsection is from the allocation
22 under subsection (1). A district is eligible for funding under this
23 subsection if the sum of the following is less than \$25.00:

24 (a) The increase in the district's foundation allowance or
25 per-pupil payment as calculated under section 20 from 2014-2015 to
26 2015-2016.

27 (b) The decrease in the district's best practices per-pupil
28 funding under former section 22f from 2014-2015 to 2015-2016.

29 (c) The decrease in the district's pupil performance per-pupil

1 funding under former section 22j from 2014-2015 to 2015-2016.

2 (d) The quotient of the district's allocation under section
3 31a for 2015-2016 divided by the district's membership pupils for
4 2015-2016 minus the quotient of the district's allocation under
5 section 31a for 2014-2015 divided by the district's membership
6 pupils for 2014-2015.

7 (5) The amount allocated to each eligible district under
8 subsection (4) is an amount per membership pupil equal to \$25.00
9 minus the sum of the following:

10 (a) The increase in the district's foundation allowance or
11 per-pupil payment as calculated under section 20 from 2014-2015 to
12 2015-2016.

13 (b) The decrease in the district's best practices per-pupil
14 funding under former section 22f from 2014-2015 to 2015-2016.

15 (c) The decrease in the district's pupil performance per-pupil
16 funding under former section 22j from 2014-2015 to 2015-2016.

17 (d) The quotient of the district's allocation under section
18 31a for 2015-2016 divided by the district's membership pupils for
19 2015-2016 minus the quotient of the district's allocation under
20 section 31a for 2014-2015 divided by the district's membership
21 pupils for 2014-2015.

22 (6) If the allocation under subsection (1) is insufficient to
23 fully fund payments under subsections (3) and (5) as otherwise
24 calculated under this section, the department shall prorate
25 payments under this section on an equal per-pupil basis.

26 **Sec. 20m. (1) Foundation allowance supplemental payments for**
27 **the current fiscal year to districts that in the immediately**
28 **preceding fiscal year had a foundation allowance greater than the**
29 **target foundation allowance must be calculated under this section.**

1 (2) The per-pupil allocation to each district under this
2 section is the difference between the dollar amount of the
3 adjustment from the immediately preceding fiscal year to the
4 current fiscal year in the target foundation allowance minus the
5 dollar amount of the adjustment from the immediately preceding
6 fiscal year to the current fiscal year in a qualifying district's
7 foundation allowance.

8 (3) If a district's local revenue per pupil does not exceed
9 the sum of its foundation allowance under section 20 plus the per-
10 pupil allocation under subsection (2), the total payment to the
11 district calculated under this section is the product of the per-
12 pupil allocation under subsection (2) multiplied by the district's
13 membership, excluding special education pupils. If a district's
14 local revenue per pupil exceeds the foundation allowance under
15 section 20 but does not exceed the sum of the foundation allowance
16 under section 20 plus the per-pupil allocation under subsection
17 (2), the total payment to the district calculated under this
18 section is the product of the difference between the sum of the
19 foundation allowance under section 20 plus the per-pupil allocation
20 under subsection (2) minus the local revenue per pupil multiplied
21 by the district's membership, excluding special education pupils.
22 If a district's local revenue per pupil exceeds the sum of the
23 foundation allowance under section 20 plus the per-pupil allocation
24 under subsection (2), there is no payment calculated under this
25 section for the district.

26 (4) Payments to districts must not be made under this section.
27 Rather, the calculations under this section are used to determine
28 the amount of state payments that are made under section 22b.

29 (5) As used in this section, "qualifying district" means a

1 district where the millage limitation in section 1211(3) of the
 2 revised school code, MCL 380.1211, is applied due to the increase
 3 in the target foundation allowance from the immediately preceding
 4 fiscal year to the current fiscal year exceeding the percentage
 5 increase in the general price level in the immediately preceding
 6 calendar year applied to the district's immediately preceding
 7 fiscal year foundation allowance.

8 Sec. 21f. (1) ~~Except as otherwise provided under subsection~~
 9 ~~(15), a~~ **A** primary district shall enroll an eligible pupil in
 10 virtual courses in accordance with the provisions of this section.
 11 ~~Except as otherwise provided under subsection (15), a~~ **A** primary
 12 district shall not offer a virtual course to an eligible pupil
 13 unless the virtual course is published in the primary district's
 14 catalog of board-approved courses or in the statewide catalog of
 15 virtual courses maintained by the Michigan Virtual University
 16 pursuant to section 98. The primary district shall also provide on
 17 its publicly accessible website a link to the statewide catalog of
 18 virtual courses maintained by the Michigan Virtual University.
 19 ~~Except as otherwise provided under subsection (15), unless~~ **Unless**
 20 the pupil is at least age 18 or is an emancipated minor, a pupil
 21 must not be enrolled in a virtual course without the consent of the
 22 pupil's parent or legal guardian.

23 (2) Subject to subsection (3), ~~and except as otherwise~~
 24 ~~provided under subsection (15), a~~ primary district shall enroll an
 25 eligible pupil in up to 2 virtual courses as requested by the pupil
 26 during an academic term, semester, or trimester.

27 (3) ~~Except as otherwise provided under subsection (15), a~~ **A**
 28 pupil may be enrolled in more than 2 virtual courses in a specific
 29 academic term, semester, or trimester if all of the following

1 conditions are met:

2 (a) The primary district has determined that it is in the best
3 interest of the pupil.

4 (b) The pupil agrees with the recommendation of the primary
5 district.

6 (c) The primary district, in collaboration with the pupil, has
7 developed an education development plan, in a form and manner
8 specified by the department, that is kept on file by the district.
9 This subdivision does not apply to a pupil enrolled as a part-time
10 pupil under section 166b.

11 (4) ~~Except as otherwise provided under subsection (15), if~~ **If**
12 the number of applicants eligible for acceptance in a virtual
13 course does not exceed the capacity of the provider to provide the
14 virtual course, the provider shall accept for enrollment all of the
15 applicants eligible for acceptance. If the number of applicants
16 exceeds the provider's capacity to provide the virtual course, the
17 provider shall use a random draw system, subject to the need to
18 abide by state and federal antidiscrimination laws and court
19 orders. A primary district that is also a provider shall determine
20 whether or not it has the capacity to accept applications for
21 enrollment from nonresident applicants in virtual courses and may
22 use that limit as the reason for refusal to enroll a nonresident
23 applicant.

24 (5) ~~Except as otherwise provided under subsection (15), a~~ **A**
25 primary district may not establish additional requirements beyond
26 those specified in this subsection that would prohibit a pupil from
27 taking a virtual course. ~~Except as otherwise provided under~~
28 ~~subsection (15), a~~ **A** pupil's primary district may deny the pupil
29 enrollment in a virtual course if any of the following apply, as

1 determined by the district:

2 (a) The pupil is enrolled in any of grades K to 5.

3 (b) The pupil has previously gained the credits that would be
4 provided from the completion of the virtual course.

5 (c) The virtual course is not capable of generating academic
6 credit.

7 (d) The virtual course is inconsistent with the remaining
8 graduation requirements or career interests of the pupil.

9 (e) The pupil has not completed the prerequisite coursework
10 for the requested virtual course or has not demonstrated
11 proficiency in the prerequisite course content.

12 (f) The pupil has failed a previous virtual course in the same
13 subject during the 2 most recent academic years.

14 (g) The virtual course is of insufficient quality or rigor. A
15 primary district that denies a pupil enrollment request for this
16 reason shall enroll the pupil in a virtual course in the same or a
17 similar subject that the primary district determines is of
18 acceptable rigor and quality.

19 (h) The cost of the virtual course exceeds the amount
20 identified in subsection (10), unless the pupil or the pupil's
21 parent or legal guardian agrees to pay the cost that exceeds this
22 amount.

23 (i) The request for a virtual course enrollment did not occur
24 within the same timelines established by the primary district for
25 enrollment and schedule changes for regular courses.

26 (j) The request for a virtual course enrollment was not made
27 in the academic term, semester, trimester, or summer preceding the
28 enrollment. This subdivision does not apply to a request made by a
29 pupil who is newly enrolled in the primary district.

1 (6) ~~Except as otherwise provided under subsection (15), if~~ **If**
2 a pupil is denied enrollment in a virtual course by the pupil's
3 primary district, the primary district shall provide written
4 notification to the pupil of the denial, the reason or reasons for
5 the denial under subsection (5), and a description of the appeal
6 process. The pupil may appeal the denial by submitting a letter to
7 the superintendent of the intermediate district in which the
8 pupil's primary district is located. The letter of appeal must
9 include the reason provided by the primary district for not
10 enrolling the pupil and the reason why the pupil is claiming that
11 the enrollment should be approved. The intermediate district
12 superintendent or designee shall respond to the appeal within 5
13 days after it is received. If the intermediate district
14 superintendent or designee determines that the denial of enrollment
15 does not meet 1 or more of the reasons specified in subsection (5),
16 the primary district shall enroll the pupil in the virtual course.

17 (7) ~~Except as otherwise provided under subsection (15), to~~ **To**
18 provide a virtual course to an eligible pupil under this section, a
19 provider must do all of the following:

20 (a) Ensure that the virtual course has been published in the
21 pupil's primary district's catalog of board-approved courses or
22 published in the statewide catalog of virtual courses maintained by
23 the Michigan Virtual University.

24 (b) Assign to each pupil a teacher of record and provide the
25 primary district with the personnel identification code assigned by
26 the center for the teacher of record. If the provider is a
27 community college, the virtual course must be taught by an
28 instructor employed by or contracted through the providing
29 community college.

(c) Offer the virtual course on an open entry and exit method, or aligned to a semester, trimester, or accelerated academic term format.

(d) If the virtual course is offered to eligible pupils in more than 1 district, the following additional requirements must also be met:

(i) Provide the Michigan Virtual University with a course syllabus that meets the definition under subsection (14)(g) in a form and manner prescribed by the Michigan Virtual University for inclusion in a statewide catalog of virtual courses.

(ii) Not later than October 1 of each fiscal year, provide the Michigan Virtual University with an aggregated count of enrollments for each virtual course the provider delivered to pupils under this section during the immediately preceding school year, and the number of enrollments in which the pupil earned 60% or more of the total course points for each virtual course.

(8) ~~Except as otherwise provided under subsection (15), to~~ **To** provide a virtual course under this section, a community college shall ensure that each virtual course it provides under this section generates postsecondary credit.

(9) ~~Except as otherwise provided under subsection (15), for~~ **For** any virtual course a pupil enrolls in under this section, the pupil's primary district must assign to the pupil a mentor and shall supply the provider with the mentor's contact information.

(10) ~~Except as otherwise provided under subsection (15), for~~ **For** a pupil enrolled in 1 or more virtual courses, the primary district shall use foundation allowance or per-pupil funds calculated under section 20 to pay for the expenses associated with the virtual course or courses. ~~Except as otherwise provided under~~

1 ~~subsection (15), a~~ A primary district is not required to pay toward
2 the cost of a virtual course an amount that exceeds 6.67% of the
3 minimum foundation allowance for the current fiscal year as
4 calculated under section 20.

5 (11) A virtual learning pupil has the same rights and access
6 to technology in his or her primary district's school facilities as
7 all other pupils enrolled in the pupil's primary district. The
8 department shall establish standards for hardware, software, and
9 internet access for pupils who are enrolled in more than 2 virtual
10 courses under this section in an academic term, semester, or
11 trimester taken at a location other than a school facility.

12 (12) If a pupil successfully completes a virtual course, as
13 determined by the pupil's primary district, the pupil's primary
14 district shall grant appropriate academic credit for completion of
15 the course and shall count that credit toward completion of
16 graduation and subject area requirements. A pupil's school record
17 and transcript must identify the virtual course title as it appears
18 in the virtual course syllabus.

19 (13) The enrollment of a pupil in 1 or more virtual courses
20 must not result in a pupil being counted as more than 1.0 full-time
21 equivalent pupils under this article. ~~Except as otherwise provided~~
22 ~~under subsection (15), the~~ **The** minimum requirements to count the
23 pupil in membership are those established by the pupil accounting
24 manual as it was in effect for the 2015-2016 school year or as
25 subsequently amended by the department if the department notifies
26 the legislature about the proposed amendment at least 60 days
27 before the amendment becomes effective.

28 (14) As used in this section:

29 (a) "Instructor" means an individual who is employed by or

1 contracted through a community college.

2 (b) "Mentor" means a professional employee of the primary
3 district who monitors the pupil's progress, ensures the pupil has
4 access to needed technology, is available for assistance, and
5 ensures access to the teacher of record. A mentor may also serve as
6 the teacher of record if the primary district is the provider for
7 the virtual course and the mentor meets the requirements under
8 subdivision (e).

9 (c) "Primary district" means the district that enrolls the
10 pupil and reports the pupil for pupil membership purposes.

11 (d) "Provider" means the district, intermediate district, or
12 community college that the primary district pays to provide the
13 virtual course or the Michigan Virtual University if it is
14 providing the virtual course. Beginning on the first day of the
15 2020-2021 school year through August 31, 2021, "provider" also
16 includes any other institution or individual that the primary
17 district pays to provide the virtual course.

18 (e) "Teacher of record" means a teacher who meets all of the
19 following:

20 (i) Holds a valid Michigan teaching certificate or a teaching
21 permit recognized by the department.

22 (ii) If applicable, is endorsed in the subject area and grade
23 of the virtual course.

24 (iii) Is responsible for providing instruction, determining
25 instructional methods for each pupil, diagnosing learning needs,
26 assessing pupil learning, prescribing intervention strategies and
27 modifying lessons, reporting outcomes, and evaluating the effects
28 of instruction and support strategies.

29 (iv) Has a personnel identification code provided by the

1 center.

2 (v) If the provider is a community college, is an instructor
3 employed by or contracted through the providing community college.

4 (f) "Virtual course" means a course of study that is capable
5 of generating a credit or a grade and that is provided in an
6 interactive learning environment where the majority of the
7 curriculum is delivered using the internet and in which pupils may
8 be separated from their instructor or teacher of record by time or
9 location, or both.

10 (g) "Virtual course syllabus" means a document that includes
11 all of the following:

12 (i) An alignment document detailing how the course meets
13 applicable state standards or, if the state does not have state
14 standards, nationally recognized standards.

15 (ii) The virtual course content outline.

16 (iii) The virtual course required assessments.

17 (iv) The virtual course prerequisites.

18 (v) Expectations for actual instructor or teacher of record
19 contact time with the virtual learning pupil and other
20 communications between a pupil and the instructor or teacher of
21 record.

22 (vi) Academic support available to the virtual learning pupil.

23 (vii) The virtual course learning outcomes and objectives.

24 (viii) The name of the institution or organization providing the
25 virtual content.

26 (ix) The name of the institution or organization providing the
27 instructor or teacher of record.

28 (x) The course titles assigned by the provider and the course
29 titles and course codes from the National Center for Education

1 Statistics (NCES) school codes for the exchange of data (SCED).

2 (xi) The number of eligible pupils that will be accepted by the
3 provider in the virtual course. A primary district that is also the
4 provider may limit the enrollment to those pupils enrolled in the
5 primary district.

6 (xii) The results of the virtual course quality review using
7 the guidelines and model review process published by the Michigan
8 Virtual University.

9 (h) "Virtual learning pupil" means a pupil enrolled in 1 or
10 more virtual courses.

11 ~~(15) The requirements under this section concerning virtual~~
12 ~~courses do not apply to virtual courses offered as part of pandemic~~
13 ~~learning. As used in this subsection, "pandemic learning" means a~~
14 ~~mode of pupil instruction provided as a result of the COVID-19~~
15 ~~pandemic.~~

16 Sec. 21h. (1) From the ~~appropriation~~ **state school aid fund**
17 **money appropriated** in section 11, there is allocated \$6,137,400.00
18 for ~~2020-2021~~ **2021-2022** for assisting districts assigned by the
19 superintendent to participate in a partnership and districts that
20 have established a community engagement advisory committee in
21 partnership with the department of treasury, are required to submit
22 a deficit elimination plan or an enhanced deficit elimination plan
23 under section 1220 of the revised school code, MCL 380.1220, and
24 are located in a city with a population between 9,000 and 11,000,
25 **as determined by the department**, that is in a county with a
26 population between ~~155,000~~ **150,000** and 160,000, **as determined by**
27 **the department**, to improve student achievement and district
28 financial stability. The superintendent shall collaborate with the
29 state treasurer to identify any conditions that may be contributing

1 to low academic performance within a district being considered for
2 assignment to a partnership. The purpose of the partnership is to
3 identify district needs, develop intervention plans, and partner
4 with public, private, and nonprofit organizations to coordinate
5 resources and improve student achievement. Assignment of a district
6 to a partnership is made by the superintendent in consultation with
7 the state treasurer.

8 (2) A district described in subsection (1) is eligible for
9 funding under this section if the district includes at least 1
10 school that has been identified as low performing under the
11 approved federal accountability system or the state accountability
12 system. A district described in this subsection must do all of the
13 following to be eligible for funding under this section:

14 (a) For a partnership district under this section, within 90
15 days of assignment to the partnership described in this section,
16 and for a district described in subsection (1) that is not a
17 partnership district under this section, by October 15 of each
18 year, complete a comprehensive needs assessment or evaluation in
19 collaboration with an intermediate district, community members,
20 education organizations, and postsecondary institutions, as
21 applicable, that is approved by the superintendent. The
22 comprehensive needs assessment or evaluation must include at least
23 all of the following:

24 (i) A review of the district's implementation and utilization
25 of a multi-tiered system of supports to ensure that it is used to
26 appropriately inform instruction.

27 (ii) A review of the district and school building leadership
28 and educator capacity to substantially improve student outcomes.

29 (iii) A review of classroom, instructional, and operational

1 practices and curriculum to ensure alignment with research-based
2 instructional practices and state curriculum standards.

3 (b) Develop an academic and financial operating or
4 intervention plan that has been approved by the superintendent and
5 that addresses the needs identified in the comprehensive needs
6 assessment or evaluation completed under subdivision (a). The
7 intervention plan must include at least all of the following:

8 (i) Specific actions that will be taken by the district and
9 each of its partners to improve student achievement.

10 (ii) Specific measurable benchmarks that will be met within 18
11 months to improve student achievement and identification of
12 expected student achievement outcomes to be attained within 3 years
13 after assignment to the partnership.

14 (c) Craft academic goals that put pupils on track to meet or
15 exceed grade level proficiency.

16 (3) Upon approval of the academic and financial operating or
17 intervention plan developed under subsection (2), the department,
18 in collaboration with the department of treasury, shall assign a
19 team of individuals with expertise in comprehensive school and
20 district reform to partner with the district, the intermediate
21 district, community organizations, education organizations, and
22 postsecondary institutions identified in the academic and financial
23 operating or intervention plan to review the district's use of
24 existing financial resources to ensure that those resources are
25 being used as efficiently and effectively as possible to improve
26 student academic achievement and to ensure district financial
27 stability. The superintendent of public instruction may waive
28 burdensome administrative rules for a partnership district for the
29 duration of the partnership agreement and for a district described

1 in subsection (1) that is not a partnership district under this
 2 section and that receives funding under this section in the current
 3 fiscal year.

4 (4) Funds allocated under this section, excluding funds
 5 allocated under subsection (5), may be used to pay for district
 6 expenditures approved by the superintendent to improve student
 7 achievement. Funds may be used for professional development for
 8 teachers or district or school leadership, increased instructional
 9 time, teacher mentors, or other expenditures that directly impact
 10 student achievement and cannot be paid from existing district
 11 financial resources. An eligible district must not receive funds
 12 under this section for more than 3 years. Notwithstanding section
 13 17b, the department shall make payments to districts under this
 14 section on a schedule determined by the department.

15 (5) From the funds allocated under subsection (1), there is
 16 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
 17 \$137,400.00 for the purchase of a data analytics tool to be used by
 18 districts described in subsection (1). The superintendent of public
 19 instruction shall require districts described in subsection (1) to
 20 purchase a data analytics tool funded under this subsection as part
 21 of the agreements described in this section.

22 (6) The department, in consultation with the department of
 23 treasury, shall annually report to the legislature on the
 24 activities funded under this section and how those activities
 25 impacted student achievement in districts that received funds under
 26 this section. To the extent possible, participating districts
 27 receiving funding under this section shall participate in the
 28 report.

29 Sec. 22a. (1) From the ~~appropriation~~**state school aid fund**

money appropriated in section 11, there is allocated an amount not
 to exceed ~~\$4,916,000,000.00~~ **\$4,836,000,000.00** for ~~2019-2020-2020-~~
2021 and there is allocated an amount not to exceed
~~\$4,880,500,000.00~~ **\$4,742,000,000.00** for ~~2020-2021-2021-2022~~ for
 payments to districts and qualifying public school academies to
 guarantee each district and qualifying public school academy an
 amount equal to its 1994-95 total state and local ~~per pupil~~ **per-**
pupil revenue for school operating purposes under section 11 of
 article IX of the state constitution of 1963. Pursuant to section
 11 of article IX of the state constitution of 1963, this guarantee
 does not apply to a district in a year in which the district levies
 a millage rate for school district operating purposes less than it
 levied in 1994. However, subsection (2) applies to calculating the
 payments under this section. Funds allocated under this section
 that are not expended in the fiscal year for which they were
 allocated, as determined by the department, may be used to
 supplement the allocations under sections 22b and 51c to fully fund
 those allocations for the same fiscal year. For each fund transfer
 as described in the immediately preceding sentence that occurs, the
 state budget director shall send notification of the transfer to
 the house and senate appropriations subcommittees on state school
 aid and the house and senate fiscal agencies by not later than 14
 calendar days after the transfer occurs.

(2) To ensure that a district receives an amount equal to the
 district's 1994-95 total state and local ~~per pupil~~ **per-pupil**
 revenue for school operating purposes, there is allocated to each
 district a state portion of the district's 1994-95 foundation
 allowance in an amount calculated as follows:

(a) Except as otherwise provided in this subsection, the state

1 portion of a district's 1994-95 foundation allowance is an amount
2 equal to the district's 1994-95 foundation allowance or \$6,500.00,
3 whichever is less, minus the difference between the sum of the
4 product of the taxable value per membership pupil of all property
5 in the district that is nonexempt property times the district's
6 certified mills and, for a district with certified mills exceeding
7 12, the product of the taxable value per membership pupil of
8 property in the district that is commercial personal property times
9 the certified mills minus 12 mills and the quotient of the ad
10 valorem property tax revenue of the district captured under tax
11 increment financing acts divided by the district's membership. For
12 a district that has a millage reduction required under section 31
13 of article IX of the state constitution of 1963, the department
14 shall calculate the state portion of the district's foundation
15 allowance as if that reduction did not occur. For a receiving
16 district, if school operating taxes are to be levied on behalf of a
17 dissolved district that has been attached in whole or in part to
18 the receiving district to satisfy debt obligations of the dissolved
19 district under section 12 of the revised school code, MCL 380.12,
20 taxable value per membership pupil of all property in the receiving
21 district that is nonexempt property and taxable value per
22 membership pupil of property in the receiving district that is
23 commercial personal property do not include property within the
24 geographic area of the dissolved district; ad valorem property tax
25 revenue of the receiving district captured under tax increment
26 financing acts does not include ad valorem property tax revenue
27 captured within the geographic boundaries of the dissolved district
28 under tax increment financing acts; and certified mills do not
29 include the certified mills of the dissolved district. For a

1 community district, the department shall reduce the allocation as
2 otherwise calculated under this section by an amount equal to the
3 amount of local school operating tax revenue that would otherwise
4 be due to the community district if not for the operation of
5 section 386 of the revised school code, MCL 380.386, and the amount
6 of this reduction is offset by the increase in funding under
7 section 22b(2).

8 (b) For a district that had a 1994-95 foundation allowance
9 greater than \$6,500.00, the state payment under this subsection is
10 the sum of the amount calculated under subdivision (a) plus the
11 amount calculated under this subdivision. The amount calculated
12 under this subdivision must be equal to the difference between the
13 district's 1994-95 foundation allowance minus \$6,500.00 and the
14 current year hold harmless school operating taxes per pupil. If the
15 result of the calculation under subdivision (a) is negative, the
16 negative amount is an offset against any state payment calculated
17 under this subdivision. If the result of a calculation under this
18 subdivision is negative, there is not a state payment or a
19 deduction under this subdivision. The taxable values per membership
20 pupil used in the calculations under this subdivision are as
21 adjusted by ad valorem property tax revenue captured under tax
22 increment financing acts divided by the district's membership. For
23 a receiving district, if school operating taxes are to be levied on
24 behalf of a dissolved district that has been attached in whole or
25 in part to the receiving district to satisfy debt obligations of
26 the dissolved district under section 12 of the revised school code,
27 MCL 380.12, ad valorem property tax revenue captured under tax
28 increment financing acts do not include ad valorem property tax
29 revenue captured within the geographic boundaries of the dissolved

1 district under tax increment financing acts.

2 (3) ~~Beginning in 2003-2004, for~~ **For** pupils in membership in a
3 qualifying public school academy, there is allocated under this
4 section to the authorizing body that is the fiscal agent for the
5 qualifying public school academy for forwarding to the qualifying
6 public school academy an amount equal to the 1994-95 ~~per pupil~~ **per-**
7 **pupil** payment to the qualifying public school academy under section
8 20.

9 (4) A district or qualifying public school academy may use
10 funds allocated under this section in conjunction with any federal
11 funds for which the district or qualifying public school academy
12 otherwise would be eligible.

13 (5) Except as otherwise provided in this subsection, for a
14 district that is formed or reconfigured after June 1, 2000 by
15 consolidation of 2 or more districts or by annexation, the
16 resulting district's 1994-95 foundation allowance under this
17 section beginning after the effective date of the consolidation or
18 annexation is the average of the 1994-95 foundation allowances of
19 each of the original or affected districts, calculated as provided
20 in this section, weighted as to the percentage of pupils in total
21 membership in the resulting district in the fiscal year in which
22 the consolidation takes place who reside in the geographic area of
23 each of the original districts. If an affected district's 1994-95
24 foundation allowance is less than the 1994-95 basic foundation
25 allowance, the amount of that district's 1994-95 foundation
26 allowance is considered for the purpose of calculations under this
27 subsection to be equal to the amount of the 1994-95 basic
28 foundation allowance. This subsection does not apply to a receiving
29 district unless there is a subsequent consolidation or annexation

1 that affects the district.

2 (6) Payments under this section are subject to section 25g.

3 (7) As used in this section:

4 (a) "1994-95 foundation allowance" means a district's 1994-95
5 foundation allowance calculated and certified by the department of
6 treasury or the superintendent under former section 20a as enacted
7 in 1993 PA 336 and as amended by 1994 PA 283.

8 (b) "Certified mills" means the lesser of 18 mills or the
9 number of mills of school operating taxes levied by the district in
10 1993-94.

11 (c) "Current fiscal year" means the fiscal year for which a
12 particular calculation is made.

13 (d) "Current year hold harmless school operating taxes per
14 pupil" means the ~~per pupil~~ **per-pupil** revenue generated by
15 multiplying a district's 1994-95 hold harmless millage by the
16 district's current year taxable value per membership pupil. For a
17 receiving district, if school operating taxes are to be levied on
18 behalf of a dissolved district that has been attached in whole or
19 in part to the receiving district to satisfy debt obligations of
20 the dissolved district under section 12 of the revised school code,
21 MCL 380.12, taxable value per membership pupil does not include the
22 taxable value of property within the geographic area of the
23 dissolved district.

24 (e) "Dissolved district" means a district that loses its
25 organization, has its territory attached to 1 or more other
26 districts, and is dissolved as provided under section 12 of the
27 revised school code, MCL 380.12.

28 (f) "Hold harmless millage" means, for a district with a 1994-
29 95 foundation allowance greater than \$6,500.00, the number of mills

1 by which the exemption from the levy of school operating taxes on a
2 principal residence, qualified agricultural property, qualified
3 forest property, supportive housing property, industrial personal
4 property, commercial personal property, and property occupied by a
5 public school academy could be reduced as provided in section 1211
6 of the revised school code, MCL 380.1211, and the number of mills
7 of school operating taxes that could be levied on all property as
8 provided in section 1211(2) of the revised school code, MCL
9 380.1211, as certified by the department of treasury for the 1994
10 tax year. For a receiving district, if school operating taxes are
11 to be levied on behalf of a dissolved district that has been
12 attached in whole or in part to the receiving district to satisfy
13 debt obligations of the dissolved district under section 12 of the
14 revised school code, MCL 380.12, school operating taxes do not
15 include school operating taxes levied within the geographic area of
16 the dissolved district.

17 (g) "Membership" means the definition of that term under
18 section 6 as in effect for the particular fiscal year for which a
19 particular calculation is made.

20 (h) "Nonexempt property" means property that is not a
21 principal residence, qualified agricultural property, qualified
22 forest property, supportive housing property, industrial personal
23 property, commercial personal property, or property occupied by a
24 public school academy.

25 (i) "Principal residence", "qualified agricultural property",
26 "qualified forest property", "supportive housing property",
27 "industrial personal property", and "commercial personal property"
28 mean those terms as defined in section 1211 of the revised school
29 code, MCL 380.1211.

1 (j) "Qualifying public school academy" means a public school
2 academy that was in operation in the 1994-95 school year and is in
3 operation in the current fiscal year.

4 (k) "Receiving district" means a district to which all or part
5 of the territory of a dissolved district is attached under section
6 12 of the revised school code, MCL 380.12.

7 (l) "School operating taxes" means local ad valorem property
8 taxes levied under section 1211 of the revised school code, MCL
9 380.1211, and retained for school operating purposes as defined in
10 section 20.

11 (m) "Tax increment financing acts" means parts 2, 3, 4, and 6
12 of the recodified tax increment financing act, 2018 PA 57, MCL
13 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield
14 redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

15 (n) "Taxable value per membership pupil" means each of the
16 following divided by the district's membership:

17 (i) For the number of mills by which the exemption from the
18 levy of school operating taxes on a principal residence, qualified
19 agricultural property, qualified forest property, supportive
20 housing property, industrial personal property, commercial personal
21 property, and property occupied by a public school academy may be
22 reduced as provided in section 1211 of the revised school code, MCL
23 380.1211, the taxable value of principal residence, qualified
24 agricultural property, qualified forest property, supportive
25 housing property, industrial personal property, commercial personal
26 property, and property occupied by a public school academy for the
27 calendar year ending in the current fiscal year. For a receiving
28 district, if school operating taxes are to be levied on behalf of a
29 dissolved district that has been attached in whole or in part to

1 the receiving district to satisfy debt obligations of the dissolved
 2 district under section 12 of the revised school code, MCL 380.12,
 3 mills do not include mills within the geographic area of the
 4 dissolved district.

5 (ii) For the number of mills of school operating taxes that may
 6 be levied on all property as provided in section 1211(2) of the
 7 revised school code, MCL 380.1211, the taxable value of all
 8 property for the calendar year ending in the current fiscal year.
 9 For a receiving district, if school operating taxes are to be
 10 levied on behalf of a dissolved district that has been attached in
 11 whole or in part to the receiving district to satisfy debt
 12 obligations of the dissolved district under section 12 of the
 13 revised school code, MCL 380.12, school operating taxes do not
 14 include school operating taxes levied within the geographic area of
 15 the dissolved district.

16 Sec. 22b. (1) For discretionary nonmandated payments to
 17 districts under this section, there is allocated for ~~2019-2020~~
 18 ~~2020-2021~~ an amount not to exceed ~~\$4,499,100,000.00~~
 19 **\$4,478,200,000.00** from the state school aid fund and general fund
 20 appropriations in section 11 and an amount not to exceed
 21 ~~\$75,900,000.00~~ **\$79,800,000.00** from the community district education
 22 trust fund appropriation in section 11, and there is allocated for
 23 ~~2020-2021~~ **2021-2022** an amount not to exceed ~~\$4,488,800,000.00~~
 24 **\$4,873,000,000.00** from the state school aid fund and general fund
 25 appropriations in section 11 and an amount not to exceed
 26 ~~\$77,700,000.00~~ **\$72,000,000.00** from the community district education
 27 trust fund appropriation in section 11. **Of the funds allocated**
 28 **under this section for 2021-2022, \$11,500,000.00 represents the**
 29 **amount of the general fund revenue deposited into the state school**

aid fund to reimburse the state school aid fund for community district education trust fund costs in excess of \$72,000,000.00.

Except for money allocated under this section from the community district education trust fund appropriation in section 11, funds allocated under this section that are not expended in the fiscal year for which they were allocated, as determined by the department, may be used to supplement the allocations under sections 22a and 51c to fully fund those allocations for the same fiscal year. For each fund transfer as described in the immediately preceding sentence that occurs, the state budget director shall send notification of the transfer to the house and senate appropriations subcommittees on state school aid and the house and senate fiscal agencies by not later than 14 calendar days after the transfer occurs.

(2) Subject to subsection (3) and section 296, the allocation to a district under this section is an amount equal to the sum of the amounts calculated under sections 20, **20m**, 51a(2), 51a(3), and 51a(11), minus the sum of the allocations to the district under sections 22a and 51c. For a community district, the allocation as otherwise calculated under this section is increased by an amount equal to the amount of local school operating tax revenue that would otherwise be due to the community district if not for the operation of section 386 of the revised school code, MCL 380.386, and this increase must be paid from the community district education trust fund allocation in subsection (1) in order to offset the absence of local school operating revenue in a community district in the funding of the state portion of the foundation allowance under section 20(4).

(3) In order to receive an allocation under subsection (1),

1 each district must do all of the following:

2 (a) Comply with section 1280b of the revised school code, MCL
3 380.1280b.

4 (b) Comply with sections 1278a and 1278b of the revised school
5 code, MCL 380.1278a and 380.1278b.

6 (c) Furnish data and other information required by state and
7 federal law to the center and the department in the form and manner
8 specified by the center or the department, as applicable.

9 (d) Comply with section 1230g of the revised school code, MCL
10 380.1230g.

11 (e) Comply with section 21f.

12 (f) For a district that has entered into a partnership
13 agreement with the department, comply with section 22p.

14 ~~(g) For a district that offers kindergarten, comply with~~
15 ~~section 104(4).~~

16 (4) Districts are encouraged to use funds allocated under this
17 section for the purchase and support of payroll, human resources,
18 and other business function software that is compatible with that
19 of the intermediate district in which the district is located and
20 with other districts located within that intermediate district.

21 (5) From the allocation in subsection (1), the department
22 shall pay up to \$1,000,000.00 in litigation costs incurred by this
23 state related to commercial or industrial property tax appeals,
24 including, but not limited to, appeals of classification, that
25 impact revenues dedicated to the state school aid fund.

26 (6) From the allocation in subsection (1), the department
27 shall pay up to \$1,000,000.00 in litigation costs incurred by this
28 state associated with lawsuits filed by 1 or more districts or
29 intermediate districts against this state. If the allocation under

1 this section is insufficient to fully fund all payments required
2 under this section, the payments under this subsection must be made
3 in full before any proration of remaining payments under this
4 section.

5 (7) It is the intent of the legislature that all
6 constitutional obligations of this state have been fully funded
7 under sections 22a, 31d, 51a, 51c, and 152a. If a claim is made by
8 an entity receiving funds under this article that challenges the
9 legislative determination of the adequacy of this funding or
10 alleges that there exists an unfunded constitutional requirement,
11 the state budget director may escrow or allocate from the
12 discretionary funds for nonmandated payments under this section the
13 amount as may be necessary to satisfy the claim before making any
14 payments to districts under subsection (2). If funds are escrowed,
15 the escrowed funds are a work project appropriation and the funds
16 are carried forward into the following fiscal year. The purpose of
17 the work project is to provide for any payments that may be awarded
18 to districts as a result of litigation. The work project is
19 completed upon resolution of the litigation.

20 (8) If the local claims review board or a court of competent
21 jurisdiction makes a final determination that this state is in
22 violation of section 29 of article IX of the state constitution of
23 1963 regarding state payments to districts, the state budget
24 director shall use work project funds under subsection (7) or
25 allocate from the discretionary funds for nonmandated payments
26 under this section the amount as may be necessary to satisfy the
27 amount owed to districts before making any payments to districts
28 under subsection (2).

29 (9) If a claim is made in court that challenges the

1 legislative determination of the adequacy of funding for this
2 state's constitutional obligations or alleges that there exists an
3 unfunded constitutional requirement, any interested party may seek
4 an expedited review of the claim by the local claims review board.
5 If the claim exceeds \$10,000,000.00, this state may remove the
6 action to the court of appeals, and the court of appeals has and
7 shall exercise jurisdiction over the claim.

8 (10) If payments resulting from a final determination by the
9 local claims review board or a court of competent jurisdiction that
10 there has been a violation of section 29 of article IX of the state
11 constitution of 1963 exceed the amount allocated for discretionary
12 nonmandated payments under this section, the legislature shall
13 provide for adequate funding for this state's constitutional
14 obligations at its next legislative session.

15 (11) If a lawsuit challenging payments made to districts
16 related to costs reimbursed by federal title XIX Medicaid funds is
17 filed against this state, then, for the purpose of addressing
18 potential liability under such a lawsuit, the state budget director
19 may place funds allocated under this section in escrow or allocate
20 money from the funds otherwise allocated under this section, up to
21 a maximum of 50% of the amount allocated in subsection (1). If
22 funds are placed in escrow under this subsection, those funds are a
23 work project appropriation and the funds are carried forward into
24 the following fiscal year. The purpose of the work project is to
25 provide for any payments that may be awarded to districts as a
26 result of the litigation. The work project is completed upon
27 resolution of the litigation. In addition, this state reserves the
28 right to terminate future federal title XIX Medicaid reimbursement
29 payments to districts if the amount or allocation of reimbursed

funds is challenged in the lawsuit. As used in this subsection, "title XIX" means title XIX of the social security act, 42 USC 1396 to 1396w-5.

Sec. 22c. From the state school aid fund money appropriated in section 11, there is allocated for 2021-2022 an amount not to exceed \$262,000,000.00 for equity payments to districts that have a foundation allowance or per-pupil payment as calculated under section 20 for 2021-2022 that is less than the target foundation allowance. The equity payment for a district under this section must be in an amount per membership pupil equal to the difference between the target foundation allowance and the district's 2021-2022 foundation allowance or per-pupil payment as calculated under section 20.

Sec. 22d. (1) From the state school aid fund money appropriated under section 11, an amount not to exceed ~~\$7,000,000.00~~ **\$7,342,700.00** is allocated for ~~2020-2021~~ **2021-2022** for supplemental payments to rural districts under this section.

(2) From the allocation under subsection (1), there is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed ~~\$957,300.00~~ **\$1,300,000.00** for payments under this subsection to districts that meet all of the following:

(a) Operates grades K to 12.

(b) Has fewer than 250 pupils in membership.

(c) Each school building operated by the district meets at least 1 of the following:

(i) Is located in the Upper Peninsula at least 30 miles from any other public school building.

(ii) Is located on an island that is not accessible by bridge.

(3) The amount of the additional funding to each eligible

district under subsection (2) is determined under a spending plan developed as provided in this subsection and approved by the superintendent of public instruction. The spending plan must be developed cooperatively by the intermediate superintendents of each intermediate district in which an eligible district is located. The intermediate superintendents shall review the financial situation of each eligible district, determine the minimum essential financial needs of each eligible district, and develop and agree on a spending plan that distributes the available funding under subsection (2) to the eligible districts based on those financial needs. The intermediate superintendents shall submit the spending plan to the superintendent of public instruction for approval. Upon approval by the superintendent of public instruction, the amounts specified for each eligible district under the spending plan are allocated under subsection (2) and must be paid to the eligible districts in the same manner as payments under section 22b.

(4) Subject to subsection (6), from the allocation in subsection (1), there is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed \$6,042,700.00 for payments under this subsection to districts that have fewer than 10.0 pupils per square mile as determined by the department.

(5) The funds allocated under subsection (4) are allocated as follows:

(a) An amount equal to \$5,200,000.00 is allocated to districts with fewer than 8.0 pupils per square mile, as determined by the department, on an equal per-pupil basis.

(b) The balance of the funding under subsection (4) is allocated as follows:

(i) For districts with at least 8.0 but fewer than 9.0 pupils

1 per square mile, as determined by the department, the allocation is
 2 an amount per pupil equal to 75% of the per-pupil amount allocated
 3 to districts under subdivision (a).

4 (ii) For districts with at least 9.0 but fewer than 10.0 pupils
 5 per square mile, as determined by the department, the allocation is
 6 an amount per pupil equal to 50% of the per-pupil amount allocated
 7 to districts under subdivision (a).

8 (c) If the total funding allocated under subdivision (b) is
 9 not sufficient to fully fund payments as calculated under that
 10 subdivision, the department shall prorate payments to districts
 11 under subdivision (b) on an equal per-pupil basis.

12 (6) A district receiving funds allocated under subsection (2)
 13 is not eligible for funding allocated under subsection (4).

14 **Sec. 22g. (1) From the state school aid fund money**
 15 **appropriated under section 11, there is allocated for 2021-2022 an**
 16 **amount not to exceed \$25,500,000.00 to a qualifying intermediate**
 17 **district for paying the outstanding operating debt and accrued**
 18 **school bond loan fund interest of a dissolved school district. For**
 19 **purposes of this subsection, an intermediate district is a**
 20 **qualifying intermediate district if it is required to perform the**
 21 **functions and satisfy the responsibilities of a dissolved school**
 22 **district under section 12(3) of the revised school code, MCL**
 23 **380.12. The department of treasury shall determine which qualifying**
 24 **intermediate district is eligible for payments under this section**
 25 **based on the ability of the dissolved school district to repay the**
 26 **balance of accrued school bond loan fund interest.**

27 (2) Notwithstanding section 17b, the department shall make
 28 payments to a qualifying intermediate district under this section
 29 on a schedule determined by the department.

1 (3) As used in this section, "dissolved school district" means
2 a school district that has been declared dissolved under section 12
3 of the revised school code, MCL 380.12.

4 Sec. 22m. (1) From the ~~appropriations~~**state school aid fund**
5 **money appropriated** in section 11, there is allocated for ~~2020-2021~~
6 **2021-2022** an amount not to exceed \$2,200,000.00 for supporting the
7 integration of local data systems into the Michigan data hub
8 network based on common standards and applications that are in
9 compliance with section 19(6).

10 (2) An entity that is the fiscal agent for no more than 5
11 consortia of intermediate districts that previously received
12 funding from the technology readiness infrastructure grant under
13 former section 22i for the purpose of establishing regional data
14 hubs that are part of the Michigan data hub network is eligible for
15 funding under this section.

16 (3) The center shall work with an advisory committee composed
17 of representatives from intermediate districts within each of the
18 data hub regions to coordinate the activities of the Michigan data
19 hub network.

20 (4) The center, in collaboration with the Michigan data hub
21 network, shall determine the amount of funds distributed under this
22 section to each participating regional data hub within the network,
23 based upon a competitive grant process. The center shall ensure
24 that the entities receiving funding under this section represent
25 geographically diverse areas in this state.

26 (5) Notwithstanding section 17b, the department shall make
27 payments under this section on a schedule determined by the center.

28 (6) To receive funding under this section, a regional data hub
29 must have a governance model that ensures local control of data,

1 data security, and student privacy issues. The integration of data
2 within each of the regional data hubs must provide for the
3 actionable use of data by districts and intermediate districts
4 through common reports and dashboards and for efficiently providing
5 information to meet state and federal reporting purposes.

6 (7) Participation in a data hub region in the Michigan data
7 hub network under this section is voluntary and is not required.

8 (8) Entities receiving funding under this section shall use
9 the funds for all of the following:

10 (a) Creating an infrastructure that effectively manages the
11 movement of data between data systems used by intermediate
12 districts, districts, and other educational organizations in
13 Michigan based on common data standards to improve student
14 achievement.

15 (b) Utilizing the infrastructure to put in place commonly
16 needed integrations, reducing cost and effort to do that work while
17 increasing data accuracy and usability.

18 (c) Promoting the use of a more common set of applications by
19 promoting systems that integrate with the Michigan data hub
20 network.

21 (d) Promoting 100% district adoption of the Michigan data hub
22 network by September 30, ~~2021~~**2022**.

23 (e) Ensuring local control of data, data security, and student
24 data privacy.

25 (f) Utilizing the infrastructure to promote the actionable use
26 of data through common reports and dashboards that are consistent
27 statewide.

28 (g) Creating a governance model to facilitate sustainable
29 operations of the infrastructure in the future, including

1 administration, legal agreements, documentation, staffing, hosting,
2 and funding.

3 (h) Evaluating future data initiatives at all levels to
4 determine whether the initiatives can be enhanced by using the
5 standardized environment in the Michigan data hub network.

6 (9) Not later than January 1 of each fiscal year, the center
7 shall prepare a summary report of information provided by each
8 entity that received funds under this section that includes
9 measurable outcomes based on the objectives described under this
10 section and a summary of compiled data from each entity to provide
11 a means to evaluate the effectiveness of the project. The center
12 shall submit the report to the house and senate appropriations
13 subcommittees on ~~state~~-school aid and to the house and senate
14 fiscal agencies.

15 Sec. 22p. (1) Subject to subsection (2), in order to receive
16 funding under section 22b, a district or public school academy that
17 is assigned by the superintendent of public instruction as a
18 partnership district must have a signed 3-year partnership
19 agreement with the department that includes all of the following:

20 (a) Measurable academic outcomes that the district or public
21 school academy will achieve for each school operated by the
22 district or public school academy that is subject to the
23 partnership agreement after 18 months and after 36 months from the
24 date the agreement was originally signed. Measurable academic
25 outcomes under this subdivision must include all of the following:

26 (i) Outcomes that put pupils on track to meet or exceed grade
27 level proficiency and that are based on district or public school
28 academy needs. ~~identified as required under section 21h.~~

29 (ii) Either of the following, as applicable:

1 (A) At least 1 proficiency or growth outcome based on state
2 assessments described in section 104b or 104c.

3 (B) ~~For 2020-2021 only, at~~ **At** least 1 proficiency or growth
4 outcome based on a benchmark assessment described in section
5 ~~104.~~ **104a.**

6 (b) Accountability measures to be imposed if the district or
7 public school academy does not achieve the measurable academic
8 outcomes described in subdivision (a) for each school operated by
9 the district or public school academy that is subject to the
10 partnership agreement. For a district assigned as a partnership
11 district as described in this subsection, accountability measures
12 under this subdivision must include the reconstitution of the
13 school. For a public school academy assigned as a partnership
14 district as described in this subsection, accountability measures
15 under this subdivision may include the reconstitution of the
16 school.

17 (c) For a public school academy assigned as a partnership
18 district as described in this subsection, a requirement that, if
19 reconstitution is imposed on a school that is operated by the
20 public school academy and that is subject to the partnership
21 agreement, the school must be reconstituted as described in section
22 507, 528, or 561, as applicable, of the revised school code, MCL
23 380.507, 380.528, and 380.561.

24 (d) For a district assigned as a partnership district as
25 described in this subsection, a provision that, if reconstitution
26 is imposed on a school that is operated by the district and that is
27 subject to the partnership agreement, reconstitution may require
28 closure of the school building, but, if the school building remains
29 open, reconstitution must include, but is not limited to, all of

1 the following:

2 (i) The district shall make significant changes to the
3 instructional and noninstructional programming of the school based
4 on the needs identified through a comprehensive review of data in
5 compliance with section 21h.

6 (ii) The district shall review whether the current principal of
7 the school should remain as principal or be replaced.

8 (iii) The reconstitution plan for the school must require the
9 adoption of goals similar to the goals included in the partnership
10 agreement, with a limit of 3 years to achieve the goals. If the
11 goals are not achieved within 3 years, the superintendent of public
12 instruction shall impose a second reconstitution plan.

13 (2) If a district or public school academy is assigned as a
14 partnership district as described in subsection (1) during the
15 current fiscal year, it shall ensure that it has a signed
16 partnership agreement as described in subsection (1) in place by
17 not later than 90 days after the date that it is assigned as a
18 partnership district. If a district or public school academy
19 described in this subsection does not comply with this subsection,
20 the department shall withhold funding under section 22b for that
21 district or public school academy until the district or public
22 school academy has a signed partnership agreement as described in
23 subsection (1) in place.

24 Sec. 24. (1) From the ~~appropriation~~ **state school aid fund**
25 **money appropriated** in section 11, there is allocated for 2020-2021
26 an amount not to exceed ~~\$7,150,000.00~~ **\$7,650,000.00 and there is**
27 **allocated for 2021-2022 an amount not to exceed \$7,650,000.00** for
28 payments to the educating district or intermediate district for
29 educating pupils assigned by a court or the department of health

1 and human services to reside in or to attend a juvenile detention
2 facility or child caring institution licensed by the department of
3 health and human services and approved by the department to provide
4 an on-grounds education program. The amount of the payment under
5 this section to a district or intermediate district is calculated
6 as prescribed under subsection (2).

7 (2) The department shall allocate the total amount allocated
8 under this section by paying to the educating district or
9 intermediate district an amount equal to the lesser of the
10 district's or intermediate district's added cost or the
11 department's approved per-pupil allocation for the district or
12 intermediate district. For the purposes of this subsection:

13 (a) "Added cost" means 100% of the added cost each fiscal year
14 for educating all pupils assigned by a court or the department of
15 health and human services to reside in or to attend a juvenile
16 detention facility or child caring institution licensed by the
17 department of health and human services or the department of
18 licensing and regulatory affairs and approved by the department to
19 provide an on-grounds education program. Added cost is computed by
20 deducting all other revenue received under this article for pupils
21 described in this section from total costs, as approved by the
22 department, in whole or in part, for educating those pupils in the
23 on-grounds education program or in a program approved by the
24 department that is located on property adjacent to a juvenile
25 detention facility or child caring institution. Costs reimbursed by
26 federal funds are not included.

27 (b) "Department's approved per-pupil allocation" for a
28 district or intermediate district is determined by dividing the
29 total amount allocated under this section for a fiscal year by the

1 full-time equated membership total for all pupils approved by the
 2 department to be funded under this section for that fiscal year for
 3 the district or intermediate district.

4 (3) A district or intermediate district educating pupils
 5 described in this section at a residential child caring institution
 6 may operate, and receive funding under this section for, a
 7 department-approved on-grounds educational program for those pupils
 8 that is longer than 181 days, but not longer than 233 days, if the
 9 child caring institution was licensed as a child caring institution
 10 and offered in 1991-92 an on-grounds educational program that was
 11 longer than 181 days but not longer than 233 days and that was
 12 operated by a district or intermediate district.

13 (4) Special education pupils funded under section 53a are not
 14 funded under this section.

15 Sec. 24a. From the ~~appropriation~~ **state school aid fund money**
 16 **appropriated** in section 11, there is allocated an amount not to
 17 exceed \$1,355,700.00 for ~~2020-2021~~ **2021-2022** for payments to
 18 intermediate districts for pupils who are placed in juvenile
 19 justice service facilities operated by the department of health and
 20 human services. The amount of the payment to each intermediate
 21 district is an amount equal to the state share of those costs that
 22 are clearly and directly attributable to the educational programs
 23 for pupils placed in facilities described in this section that are
 24 located within the intermediate district's boundaries. The
 25 intermediate districts receiving payments under this section shall
 26 cooperate with the department of health and human services to
 27 ensure that all funding allocated under this section is utilized by
 28 the intermediate district and department of health and human
 29 services for educational programs for pupils described in this

1 section. Pupils described in this section are not eligible to be
2 funded under section 24. However, a program responsibility or other
3 fiscal responsibility associated with these pupils must not be
4 transferred from the department of health and human services to a
5 district or intermediate district unless the district or
6 intermediate district consents to the transfer.

7 Sec. 25f. (1) From the state school aid fund money
8 appropriated in section 11, there is allocated an amount not to
9 exceed \$1,600,000.00 for ~~2020-2021~~**2021-2022** for payments to strict
10 discipline academies established under sections 1311b to 1311m of
11 the revised school code, MCL 380.1311b to 380.1311m, as provided
12 under this section.

13 (2) In order to receive funding under this section, a strict
14 discipline academy must first comply with section 25e and use the
15 pupil transfer process under that section for changes in enrollment
16 as prescribed under that section.

17 (3) The total amount allocated to a strict discipline academy
18 under this section must first be distributed as the lesser of the
19 strict discipline academy's added cost or the department's approved
20 per-pupil allocation for the strict discipline academy. Any funds
21 remaining after the first distribution must be distributed by
22 prorating on an equal per-pupil membership basis, not to exceed a
23 strict discipline academy's added cost. However, the sum of the
24 amounts received by a strict discipline academy under this section
25 and under section 24 must not exceed the product of the strict
26 discipline academy's per-pupil allocation calculated under section
27 20 multiplied by the strict discipline academy's full-time equated
28 membership. The department shall allocate funds to strict
29 discipline academies under this section on a monthly basis. For the

1 purposes of this subsection:

2 (a) "Added cost" means 100% of the added cost each fiscal year
3 for educating all pupils enrolled and in regular daily attendance
4 at a strict discipline academy. Added cost must be computed by
5 deducting all other revenue received under this article for pupils
6 described in this subsection from total costs, as approved by the
7 department, in whole or in part, for educating those pupils in a
8 strict discipline academy. The department shall include all costs
9 including, but not limited to, educational costs, insurance,
10 management fees, technology costs, legal fees, auditing fees,
11 interest, pupil accounting costs, and any other administrative
12 costs necessary to operate the program or to comply with statutory
13 requirements. Costs reimbursed by federal funds are not included.

14 (b) "Department's approved per-pupil allocation" for a strict
15 discipline academy is determined by dividing the total amount
16 allocated under this subsection for a fiscal year by the full-time
17 equated membership total for all pupils approved by the department
18 to be funded under this subsection for that fiscal year for the
19 strict discipline academy.

20 (4) Special education pupils funded under section 53a are not
21 funded under this section.

22 (5) If the funds allocated under this section are insufficient
23 to fully fund the adjustments under subsection (3), the department
24 shall prorate payments under this section on an equal per-pupil
25 basis.

26 (6) The department shall make payments to districts under this
27 section according to the payment schedule under section 17b.

28 Sec. 25g. (1) From the state school aid fund money
29 appropriated in section 11, there is allocated an amount not to

1 exceed \$750,000.00 for ~~2020-2021~~**2021-2022** for the purposes of this
2 section. Except as otherwise provided in this section, if the
3 operation of the special membership counting provisions under
4 section 6(4) (dd) and the other membership counting provisions under
5 section 6(4) result in a pupil being counted as more than 1.0 FTE
6 in a fiscal year, then the payment made for the pupil under
7 sections 22a and 22b must not be based on more than 1.0 FTE for
8 that pupil, and that portion of the FTE that exceeds 1.0 is paid
9 under this section in an amount equal to that portion multiplied by
10 the educating district's foundation allowance or per-pupil payment
11 calculated under section 20.

12 (2) Special education pupils funded under section 53a are not
13 funded under this section.

14 (3) If the funds allocated under this section are insufficient
15 to fully fund the adjustments under subsection (1), the department
16 shall prorate payments under this section on an equal per-pupil
17 basis.

18 (4) The department shall make payments to districts under this
19 section according to the payment schedule under section 17b.

20 Sec. 25i. (1) From the general fund money appropriated in
21 section 11, there is allocated for ~~2020-2021~~**2021-2022** an amount
22 not to exceed ~~\$2,000,000.00~~**\$4,000,000.00** for an eligible
23 attendance recovery program as described in subsection (3). The
24 funds allocated under this section must be used to administer an
25 eligible attendance recovery program for all districts that opt
26 into the program to serve eligible pupils described in subsection
27 (2).

28 (2) A pupil who meets any of the following and who is enrolled
29 in a district that opts into the attendance recovery program funded

under this section is an eligible pupil under this section:

(a) The pupil did not engage in the district's remote continuous education offerings in spring ~~2020-2021~~.

(b) The pupil needs intervention based on his or her absences **or chronic absenteeism** or consistent disengagement in classes.

(c) The pupil is in danger of failing 1 or more classes.

(d) The pupil is eligible under the McKinney-Vento homelessness assistance act, Public Law 100-77, or is in foster care.

(e) The pupil's family requires financial or social support.

(f) The pupil has disengaged in his or her education, is attending school irregularly, or is not progressing in his or her coursework.

(g) The pupil participated in or was eligible to participate in the district's summer 2021 educational offerings.

(3) An attendance recovery program that ~~meets all of the following~~ **received funding under this section in 2020-2021** is ~~an~~ **the** eligible attendance recovery program under this section. ÷

~~(a) Reflects experience and successful outcomes running statewide student recovery programs.~~

~~(b) Has, at a minimum, 2 years of experience working with this state's local education agencies.~~

~~(c) Has multimodal contact capabilities that include, but are not limited to, a call center, electronic mail, text, social media matching, and public service announcements.~~

~~(d) Reflects experience in assisting at-risk students in overcoming learning barriers in a remote or online learning environment.~~

~~(e) Has the ability to scale to provide outreach to at least~~

1 ~~20,000 students before the end of 2020.~~

2 ~~(4) The department shall choose and designate the provider of~~
3 ~~the eligible attendance recovery program under this section by not~~
4 ~~later than November 1, 2020.~~ The provider chosen and designated by
5 the department under this subsection **in 2020-2021** must **continue to**
6 do all of the following:

7 (a) Work with the department to notify districts about the
8 program and provide technical assistance to districts interested in
9 opting in.

10 (b) Work with each district to obtain contact information for
11 each eligible pupil.

12 (c) Provide outreach using differentiated treatment strategies
13 to pupils and families using multiple modalities that may include
14 phone, text, social media, ~~electronic mail, email,~~ and traditional
15 mail, to find and engage eligible pupils.

16 (d) Implement a culturally and linguistically responsive
17 outreach and support plan. Elements of the plan must include
18 differentiated outreach and ongoing coaching strategies to families
19 to ensure cultural and linguistic relevance.

20 (e) Use information about barriers to engagement gathered from
21 pupils and families to assign eligible pupils to an ongoing support
22 level. Ongoing support levels described in this subdivision must
23 include a minimum of 3 support tiers following the general design
24 of response to intervention (RTI) models.

25 (f) For eligible pupils and their families, provide a coach to
26 deliver interventions in accordance with the pupil's needs and the
27 framework of his or her assigned ongoing support level.

28 (g) Report weekly to each district that has opted into the
29 program and to the department with metrics agreed upon by the

1 provider and the department.

2 (5) Notwithstanding section 17b, the department shall make
3 payments under this section by not later than December 1,
4 ~~2020.~~**2021.**

5 Sec. 26a. From the ~~funds~~**state school aid fund money**
6 appropriated in section 11, there is allocated an amount not to
7 exceed \$15,300,000.00 for ~~2020-2021~~**2021-2022** to reimburse
8 districts and intermediate districts under section 12 of the
9 Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes
10 levied in ~~2020.~~**2021.** The department shall pay the allocations not
11 later than 60 days after the department of treasury certifies to
12 the department and to the state budget director that the department
13 of treasury has received all necessary information to properly
14 determine the amounts due to each eligible recipient.

15 Sec. 26b. (1) From the ~~appropriation~~**state school aid fund**
16 **money appropriated** in section 11, there is allocated an amount not
17 to exceed ~~\$4,645,000.00~~**\$4,710,000.00** for ~~2020-2021~~**2021-2022** for
18 payments to districts, intermediate districts, and community
19 college districts for the portion of the payment in lieu of taxes
20 obligation that is attributable to districts, intermediate
21 districts, and community college districts under section 2154 of
22 the natural resources and environmental protection act, 1994 PA
23 451, MCL 324.2154.

24 (2) If the amount appropriated under this section is not
25 sufficient to fully pay obligations under this section, payments
26 are prorated on an equal basis among all eligible districts,
27 intermediate districts, and community college districts.

28 Sec. 26c. (1) From the state school aid fund money
29 appropriated under section 11, there is allocated an amount not to

1 exceed ~~\$9,700,000.00~~ **\$11,300,000.00** for 2020-2021 **and there is**
2 **allocated an amount not to exceed \$13,800,000.00 for 2021-2022** to
3 the promise zone fund created in subsection (3). The funds
4 allocated under this section reflect the amount of revenue from the
5 collection of the state education tax captured under section 17 of
6 the Michigan promise zone authority act, 2008 PA 549, MCL 390.1677.

7 (2) Funds allocated to the promise zone fund under this
8 section must be used solely for payments to eligible districts and
9 intermediate districts, in accordance with section 17 of the
10 Michigan promise zone authority act, 2008 PA 549, MCL 390.1677,
11 that have a promise zone development plan approved by the
12 department of treasury under section 7 of the Michigan promise zone
13 authority act, 2008 PA 549, MCL 390.1667. Eligible districts and
14 intermediate districts shall use payments made under this section
15 for reimbursement for qualified educational expenses as **that term**
16 **is** defined in section 3 of the Michigan promise zone authority act,
17 2008 PA 549, MCL 390.1663.

18 (3) The promise zone fund is created as a separate account
19 within the state school aid fund to be used solely for the purposes
20 of the Michigan promise zone authority act, 2008 PA 549, MCL
21 390.1661 to 390.1679. All of the following apply to the promise
22 zone fund:

23 (a) The state treasurer shall direct the investment of the
24 promise zone fund. The state treasurer shall credit to the promise
25 zone fund interest and earnings from fund investments.

26 (b) Money in the promise zone fund at the close of a fiscal
27 year remains in the promise zone fund and does not lapse to the
28 general fund.

29 (4) Subject to subsection (2), the state treasurer may make

1 payments from the promise zone fund to eligible districts and
 2 intermediate districts under the Michigan promise zone authority
 3 act, 2008 PA 549, MCL 390.1661 to 390.1679, to be used for the
 4 purposes of a promise zone authority created under that act.

5 (5) Notwithstanding section 17b, the department shall make
 6 payments under this section on a schedule determined by the
 7 department.

8 **Sec. 26d. (1) From the state school aid fund money**
 9 **appropriated under section 11, there is allocated an amount not to**
 10 **exceed \$7,500,000.00 for 2021-2022 for reimbursements to**
 11 **intermediate districts as required under section 15b of the**
 12 **brownfield redevelopment financing act, 1996 PA 381, MCL 125.2665b.**

13 (2) The amounts reimbursed under subsection (1) must be used
 14 by the intermediate district only for the purposes for which the
 15 property taxes were originally levied.

16 (3) The Michigan strategic fund and the Michigan economic
 17 development corporation shall work with the department of treasury
 18 in identifying the amount of tax revenues that are to be reimbursed
 19 under subsection (1).

20 (4) Notwithstanding section 17b, the department shall make
 21 payments under this section on a schedule determined by the
 22 department.

23 Sec. 28. (1) To recognize differentiated instructional costs
 24 for different types of pupils in ~~2020-2021~~, **2021-2022**, the
 25 following sections provide a weighted foundation allocation or an
 26 additional payment of some type in the following amounts, as
 27 allocated under those sections:

28 (a) Section 22d, isolated and rural districts,
 29 ~~\$7,000,000.00.~~ **\$7,342,700.00.**

(b) Section 31a, at risk, standard programming,
~~\$510,000,000.00.~~**\$512,500,000.00.**

(c) Section 31a, at risk, additional payment, \$12,000,000.00.

(d) Section 41, bilingual education for English language
 learners, ~~\$13,000,000.00.~~**\$25,200,000.00.**

(e) Section 51c, special education, mandated percentages,
~~\$713,400,000.00.~~**\$733,400,000.00.**

(f) Section 51f, special education, additional percentages,
~~\$60,207,000.00.~~**\$90,207,000.00.**

(g) Section 61a, career and technical education, standard
 reimbursement, \$37,611,300.00.

(h) Section 61d, career and technical education incentives,
 \$5,000,000.00.

(2) The funding described in subsection (1) is not a separate
 allocation of any funding but is instead a listing of funding
 allocated in the sections listed in subsection (1).

Sec. 29a. (1) From the state school aid fund money
 appropriated under section 11, there is allocated for 2020-2021 an
 amount not to exceed ~~\$66,000,000.00.~~**\$50,000,000.00** for payments as
 provided under this section to eligible districts described in
 subsection (2).

(2) A district for which its 2020-2021 pupils in membership
 exceeds the calculation of membership for that district under
 section 6(4) for 2020-2021 is an eligible district under this
 section.

(3) The payment to each eligible district under this section
 must be equal to the lesser of the eligible district's foundation
 allowance or the target foundation allowance multiplied by the
 difference between the eligible district's 2020-2021 pupils in

membership and the eligible district's membership for 2020-2021 as calculated under section 6(4).

(4) If funds allocated under this section are insufficient to fully fund the calculations under this section, the department shall apply proration of an equal dollar amount per pupil.

(5) As used in this section, "2020-2021 pupils in membership" means the sum of (the product of .90 times the number of full-time equated pupils engaged in pandemic learning for fall 2020 or, for a district that is a public school academy that operates as a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, the number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance in the district on pupil membership count day for the current school year) and (the product of .10 times the final audited count from the supplemental count day of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance in the district for the immediately preceding school year).

Sec. 31a. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed ~~\$535,150,000.00~~**\$537,650,000.00**, and **from the general fund money appropriated in section 11 there is allocated for 2021-2022 an amount not to exceed \$1,500,000.00**, for payments to eligible districts and eligible public school academies for the purposes of ensuring that pupils are proficient in English language arts by the end of grade 3, that pupils are proficient in mathematics by the end of grade 8, that pupils are attending school regularly, that high school graduates are career and college ready, and for the purposes under subsections (7) and (8).

(2) For a district that has combined state and local revenue

1 per membership pupil under section 20 that is greater than the
 2 target foundation allowance under section 20 for the current fiscal
 3 year and that, for the immediately preceding fiscal year, had
 4 combined state and local revenue per membership pupil under section
 5 20 that was greater than the target foundation allowance under
 6 section 20 that was in effect for that fiscal year, the allocation
 7 under ~~this section~~ **subsection (4)** is an amount equal to ~~30%~~ **35%** of
 8 the allocation for which it would otherwise be eligible under ~~this~~
 9 ~~section~~ **subsection (4)** before any proration under subsection (14).
 10 It is the intent of the legislature that, if revenues are
 11 sufficient and if districts with combined state and local revenue
 12 per membership pupil under section 20 that is below the target
 13 foundation allowance are receiving nonprorated payments under ~~this~~
 14 ~~section~~, **subsection (4)**, the percentage in the immediately
 15 preceding sentence must be increased annually until it reaches
 16 100%. If a district has combined state and local revenue per
 17 membership pupil under section 20 that is greater than the target
 18 foundation allowance under section 20 for the current fiscal year,
 19 but for the 2018-2019 fiscal year had combined state and local
 20 revenue per membership pupil under section 20 that was less than
 21 the basic foundation allowance under section 20 that was in effect
 22 for the 2018-2019 fiscal year, the district shall receive an amount
 23 per pupil equal to 11.5% of the statewide weighted average
 24 foundation allowance, as applied under subsection (4), and before
 25 any proration under subsection (14).
 26 (3) For a district or public school academy to be eligible to
 27 receive funding under this section, other than funding under
 28 subsection (7) or (8), the district or public school academy, for
 29 grades K to 12, must comply with the requirements under section

1280f of the revised school code, MCL 380.1280f, and shall use resources to address early literacy and numeracy, and for at least grades K to 12 or, if the district or public school academy does not operate all of grades K to 12, for all of the grades it operates, must implement a multi-tiered system of supports that is an evidence based framework that uses data driven problem solving to integrate academic and behavioral instruction and that uses intervention delivered to all pupils in varying intensities based on pupil needs. The multi-tiered system of supports described in this subsection must provide at least all of the following essential components:

- (a) Team-based leadership.
- (b) A tiered delivery system.
- (c) Selection and implementation of instruction, interventions, and supports.
- (d) A comprehensive screening and assessment system.
- (e) Continuous data-based decision making.
- (4) From the ~~funds~~**state school aid fund money** allocated under subsection (1), there is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed ~~\$510,000,000.00~~**\$512,500,000.00** to continue a weighted foundation per pupil payment for districts and public school academies enrolling economically disadvantaged pupils. The department shall pay under this ~~section~~**subsection** to each eligible district or eligible public school academy an amount per pupil equal to 11.5% of the statewide weighted average foundation allowance for the following, as applicable:

- (a) Except as otherwise provided under subdivision (b), (c), or (d) the greater of the following:
- (i) The number of membership pupils in the district or public

1 school academy who are determined to be economically disadvantaged,
2 as reported to the center in the form and manner prescribed by the
3 center not later than the fifth Wednesday after the pupil
4 membership count day of the immediately preceding fiscal year.

5 (ii) If the district or public school academy is in the
6 community eligibility program, the number of pupils determined to
7 be eligible based on the product of the identified student
8 percentage multiplied by the total number of pupils in the district
9 or public school academy, as reported to the center in the form and
10 manner prescribed by the center not later than the fifth Wednesday
11 after the pupil membership count day of the immediately preceding
12 fiscal year. These calculations must be made at the building level.
13 This subparagraph only applies to an eligible district or eligible
14 public school academy for the fiscal year immediately following the
15 first fiscal year in which it is in the community eligibility
16 program. As used in this subparagraph, "identified student
17 percentage" means the quotient of the number of pupils in an
18 eligible district or eligible public school academy who are
19 determined to be economically disadvantaged, as reported to the
20 center in a form and manner prescribed by the center, not later
21 than the fifth Wednesday after the pupil membership count day in
22 the fiscal year preceding the first fiscal year in which the
23 eligible district or eligible public school academy is in the
24 community eligibility program, divided by the total number of
25 pupils counted in an eligible district or eligible public school
26 academy on the pupil membership count day in the fiscal year
27 preceding the first fiscal year in which the eligible district or
28 eligible public school academy is in the community eligibility
29 program.

1 (b) If the district or public school academy began operations
2 as a district or public school academy after the pupil membership
3 count day of the immediately preceding school year, the number of
4 membership pupils in the district or public school academy who are
5 determined to be economically disadvantaged, as reported to the
6 center in the form and manner prescribed by the center not later
7 than the fifth Wednesday after the pupil membership count day of
8 the current fiscal year.

9 (c) If the district or public school academy began operations
10 as a district or public school academy after the pupil membership
11 count day of the current fiscal year, the number of membership
12 pupils in the district or public school academy who are determined
13 to be economically disadvantaged, as reported to the center in the
14 form and manner prescribed by the center not later than the fifth
15 Wednesday after the supplemental count day of the current fiscal
16 year.

17 (d) If, for a particular fiscal year, the number of membership
18 pupils in a district or public school academy who are determined
19 under subdivision (a) to be economically disadvantaged or to be
20 eligible based on the identified student percentage varies by more
21 than 20 percentage points from the number of those pupils in the
22 district or public school academy as calculated under subdivision
23 (a) for the immediately preceding fiscal year caused by an
24 egregious reporting error by the district or public school academy,
25 the department may choose to have the calculations under
26 subdivision (a) instead be made using the number of membership
27 pupils in the district or public school academy who are determined
28 to be economically disadvantaged, as reported to the center in the
29 form and manner prescribed by the center not later than the fifth

1 Wednesday after the supplemental count day of the immediately
2 preceding fiscal year.

3 (5) Except as otherwise provided in this section, a district
4 or public school academy receiving funding under this section shall
5 use that money only to provide instructional programs and direct
6 noninstructional services, including, but not limited to, medical,
7 mental health, or counseling services, for at-risk pupils; for
8 school health clinics; and for the purposes of subsection (6), (7),
9 or (8). In addition, a district that is a school district of the
10 first class or a district or public school academy in which at
11 least 50% of the pupils in membership were determined to be
12 economically disadvantaged in the immediately preceding state
13 fiscal year, as determined and reported as described in subsection
14 (4), may use ~~not more than 20% of~~ the funds it receives under this
15 section for school security that aligns to the needs assessment and
16 the multi-tiered system of supports model. A district or public
17 school academy shall not use any of ~~that the~~ money **received under**
18 **this section** for administrative costs. The instruction or direct
19 noninstructional services provided under this section may be
20 conducted before or after regular school hours or by adding extra
21 school days to the school year.

22 (6) A district or public school academy that receives funds
23 under this section and that operates a school breakfast program
24 under section 1272a of the revised school code, MCL 380.1272a,
25 shall use from the funds received under this section an amount, not
26 to exceed \$10.00 per pupil for whom the district or public school
27 academy receives funds under this section, necessary to pay for
28 costs associated with the operation of the school breakfast
29 program.

(7) From the ~~fun~~~~ds~~**-state school aid fund money** allocated under subsection (1), there is allocated for ~~2020-2021~~**-2021-2022** an amount not to exceed \$8,000,000.00 to support primary health care services provided to children and adolescents up to age 21. These funds must be expended in a form and manner determined jointly by the department and the department of health and human services. If any funds allocated under this subsection are not used for the purposes of this subsection for the fiscal year in which they are allocated, those unused funds must be used that fiscal year to avoid or minimize any proration that would otherwise be required under subsection (14) for that fiscal year.

(8) From the ~~fun~~~~ds~~**-state school aid fund money** allocated under subsection (1), there is allocated for ~~2020-2021~~**-2021-2022** an amount not to exceed \$5,150,000.00 for the state portion of the hearing and vision screenings as described in ~~section 9301~~**-part 93** of the public health code, 1978 PA 368, MCL 333.9301 **to 333.9329,** and, from the general fund money allocated under subsection (1), there is allocated for 2021-2022 an amount not to exceed \$1,500,000.00 for the state portion of the dental screenings as described in part 93 of the public health code, 1978 PA 368, MCL 333.9301 to 333.9329. A local public health department shall pay at least 50% of the total cost of the screenings. The frequency of the vision screenings must be as required under R 325.13091 to R 325.13096 of the Michigan Administrative Code and the frequency of the hearing screenings must be as required under R 325.3271 to R 325.3276 of the Michigan Administrative Code. Funds must be awarded in a form and manner approved jointly by the department and the department of health and human services. Notwithstanding section 17b, the department shall make payments to eligible entities under

1 this subsection on a schedule determined by the department.

2 (9) Each district or public school academy receiving funds
3 under this section shall submit to the department by July 15 of
4 each fiscal year a report, in the form and manner prescribed by the
5 department, that includes a brief description of each program
6 conducted or services performed by the district or public school
7 academy using funds under this section, the amount of funds under
8 this section allocated to each of those programs or services, the
9 total number of at risk pupils served by each of those programs or
10 services, and the data necessary for the department and the
11 department of health and human services to verify matching funds
12 for the temporary assistance for needy families program. In
13 prescribing the form and manner of the report, the department shall
14 ensure that districts are allowed to expend funds received under
15 this section on any activities that are permissible under this
16 section. If a district or public school academy does not comply
17 with this subsection, the department shall withhold an amount equal
18 to the August payment due under this section until the district or
19 public school academy complies with this subsection. If the
20 district or public school academy does not comply with this
21 subsection by the end of the fiscal year, the withheld funds are
22 forfeited to the school aid fund.

23 (10) In order to receive funds under this section, a district
24 or public school academy must allow access for the department or
25 the department's designee to audit all records related to the
26 program for which it receives those funds. The district or public
27 school academy shall reimburse the state for all disallowances
28 found in the audit.

29 (11) Subject to subsections (6), (7), and (8), for schools in

1 which more than 40% of pupils are identified as at-risk, a district
2 or public school academy may use the funds it receives under this
3 section to implement tier 1, evidence-based practices in schoolwide
4 reforms that are guided by the district's comprehensive needs
5 assessment and are included in the district improvement plan.
6 Schoolwide reforms must include parent and community supports,
7 activities, and services, that may include the pathways to
8 potential program created by the department of health and human
9 services or the communities in schools program. As used in this
10 subsection, "tier 1, evidence-based practices" means research based
11 instruction and classroom interventions that are available to all
12 learners and effectively meet the needs of most pupils.

13 (12) A district or public school academy that receives funds
14 under this section may use ~~up to 7.5% of~~ those funds to provide
15 research based professional development and to implement a coaching
16 model that supports the multi-tiered system of supports framework.
17 Professional development may be provided to district and school
18 leadership and teachers and must be aligned to professional
19 learning standards; integrated into district, school building, and
20 classroom practices; and solely related to the following:

21 (a) Implementing the multi-tiered system of supports required
22 in subsection (3) with fidelity and utilizing the data from that
23 system to inform curriculum and instruction.

24 (b) Implementing section 1280f of the revised school code, MCL
25 380.1280f, as required under subsection (3), with fidelity.

26 (13) A district or public school academy that receives funds
27 under ~~this section~~ **subsection (4) or (16)** may use funds received
28 under ~~this section to~~ **subsection (4) or (16) for** support
29 ~~instructional or behavioral coaches. Funds used for this purpose~~

~~are not subject to the cap under subsection (12).~~ **staff providing services to at-risk pupils.**

(14) If necessary, and before any proration required under section 296, the department shall prorate payments under this section, except payments under subsection (7), (8), or (16), by reducing the amount of the allocation as otherwise calculated under this section by an equal percentage per district.

(15) If a district is dissolved pursuant to section 12 of the revised school code, MCL 380.12, the intermediate district to which the dissolved district was constituent shall determine the estimated number of pupils that are economically disadvantaged and that are enrolled in each of the other districts within the intermediate district and provide that estimate to the department for the purposes of distributing funds under this section within 60 days after the district is declared dissolved.

(16) From the ~~funds~~ **state school aid fund money** allocated under subsection (1), there is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed \$12,000,000.00 for payments to districts and public school academies that otherwise received an allocation under this subsection for ~~2019-2020~~ **2020-2021** and whose allocation under this section for ~~2019-2020~~ **2020-2021**, excluding any payments under subsection (7) or (8), would have been more than the district's or public school academy's allocation under this section for ~~2020-2021~~ **2021-2022** as calculated under subsection (4) only and as adjusted under subsection (14). The allocation for each district or public school academy under this subsection is an amount equal to its allocation under this section for ~~2019-2020~~ **2020-2021** minus its allocation as otherwise calculated under subsection (4) for ~~2020-2021~~ **2021-2022** as adjusted by subsection (14), using in those

calculations the 2017-2018 number of pupils determined to be economically disadvantaged. However, if the allocation as otherwise calculated under this subsection would have been less than \$0.00, the allocation under this subsection is \$0.00. If necessary, and before any proration required under section 296, the department shall prorate payments under this subsection by reducing the amount of the allocation as otherwise calculated under this subsection by an equal percentage per district or public school academy. Any unexpended funds under this subsection are to be distributed through payments made under subsection (4) as provided under subsection (4), but those funds must not be factored into calculating payments under this subsection.

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

(18) The department shall collaborate with the department of health and human services to prioritize assigning Pathways to Potential ~~Success~~-**success** coaches to elementary schools that have a high percentage of pupils in grades K to 3 who are not proficient in English language arts, based upon state assessments for pupils in those grades.

(19) As used in this section:

(a) "At-risk pupil" means a pupil in grades ~~K~~-**pre-K** to 12 for whom the district has documentation that the pupil meets any of the following criteria:

(i) The pupil is economically disadvantaged.

(ii) The pupil is an English language learner.

(iii) The pupil is chronically absent as defined by and reported to the center.

1 (iv) The pupil is a victim of child abuse or neglect.

2 (v) The pupil is a pregnant teenager or teenage parent.

3 (vi) The pupil has a family history of school failure,
4 incarceration, or substance abuse.

5 (vii) The pupil is an immigrant who has immigrated within the
6 immediately preceding 3 years.

7 (viii) The pupil did not complete high school in 4 years and is
8 still continuing in school as identified in the Michigan cohort
9 graduation and dropout report.

10 (ix) For pupils for whom the results of the state summative
11 assessment have been received, is a pupil who did not achieve
12 proficiency on the English language arts, mathematics, science, or
13 social studies content area assessment.

14 (x) Is a pupil who is at risk of not meeting the district's or
15 public school academy's core academic curricular objectives in
16 English language arts or mathematics, as demonstrated on local
17 assessments.

18 (b) "Economically disadvantaged" means a pupil who has been
19 determined eligible for free or reduced-price meals as determined
20 under the Richard B. Russell national school lunch act, 42 USC 1751
21 to 1769j; who is in a household receiving supplemental nutrition
22 assistance program or temporary assistance for needy families
23 assistance; or who is homeless, migrant, or in foster care, as
24 reported to the center.

25 (c) "English language learner" means limited English
26 proficient pupils who speak a language other than English as their
27 primary language and have difficulty speaking, reading, writing, or
28 understanding English as reported to the center.

29 (d) "Statewide weighted average foundation allowance" means

the number that is calculated by adding together the result of each district's or public school academy's foundation allowance, not to exceed the target foundation allowance for the current fiscal year, or per-pupil payment calculated under section 20 multiplied by the number of pupils in membership in that district or public school academy, and then dividing that total by the statewide number of pupils in membership.

Sec. 31d. (1) From the appropriations in section 11, there is allocated an amount not to exceed ~~\$23,144,000.00~~ **\$23,838,400.00** for 2020-2021 **and there is allocated an amount not to exceed \$23,838,400.00 for 2021-2022** for the purpose of making payments to districts and other eligible entities under this section.

(2) The amounts allocated from state sources under this section are used to pay the amount necessary to reimburse districts for 6.0127% of the necessary costs of the state mandated portion of lunch programs provided by those districts. The department shall calculate the amount due to each district under this section using the methods of calculation adopted by the Michigan supreme court in the consolidated cases known as *Durant v State of Michigan*, 456 Mich 175 (1997).

(3) The payments made under this section include all state payments made to districts so that each district receives at least 6.0127% of the necessary costs of operating the state mandated portion of the lunch program in a fiscal year.

(4) The payments made under this section to districts and other eligible entities that are not required under section 1272a of the revised school code, MCL 380.1272a, to provide a lunch program must ~~, except for in 2020-2021,~~ be in an amount not to exceed \$10.00 per eligible pupil plus 5 cents for each free lunch

1 and 2 cents for each reduced price lunch provided, as determined by
 2 the department. ~~For 2020-2021 only, the amount described in this~~
 3 ~~subsection is not to exceed \$10.00 per eligible pupil plus 5 cents~~
 4 ~~for each lunch provided, as determined by the department.~~

5 (5) From the federal funds appropriated in section 11, there
 6 is allocated for 2020-2021 all available federal funding, estimated
 7 at ~~\$545,000,000.00~~ **\$800,000,000.00**, and there is allocated for
 8 **2021-2022 all available federal funding, estimated at**
 9 **\$545,000,000.00** for child nutrition programs and, for 2020-2021,
 10 all available federal funding, estimated at ~~\$5,000,000.00~~
 11 **\$15,712,000.00 for food distribution programs, \$50,000,000.00 for**
 12 **the child nutrition program pandemic electronic benefit transfer**
 13 **cost reimbursement program, \$50,000,000.00 for child nutrition**
 14 **program emergency operational cost reimbursement programs, and**
 15 **\$259,600.00 for commodity supplemental fund programs, and, for**
 16 **2021-2022, all available federal funding, estimated at**
 17 **\$11,000,000.00**, for food distribution programs.

18 (6) Notwithstanding section 17b, the department shall make
 19 payments to eligible entities other than districts under this
 20 section on a schedule determined by the department.

21 (7) In purchasing food for a lunch program funded under this
 22 section, a district or other eligible entity shall give preference
 23 to food that is grown or produced by Michigan businesses if it is
 24 competitively priced and of comparable quality.

25 Sec. 31f. (1) From the ~~appropriations~~ **state school aid fund**
 26 **money appropriated** in section 11, there is allocated an amount not
 27 to exceed ~~\$4,500,000.00~~ **\$11,900,000.00** for 2020-2021 and there is
 28 **allocated an amount not to exceed \$11,900,000.00 for 2021-2022** for
 29 the purpose of making payments to districts to reimburse for the

1 cost of providing breakfast.

2 (2) The funds allocated under this section for school
3 breakfast programs are made available to all eligible applicant
4 districts that meet all of the following criteria:

5 (a) The district participates in the federal school breakfast
6 program and meets all standards as prescribed by 7 CFR parts 210,
7 220, 225, 226, and 245.

8 (b) Each breakfast eligible for payment meets the federal
9 standards described in subdivision (a).

10 (3) The payment for a district under this section is at a per
11 meal rate equal to the lesser of the district's actual cost or 100%
12 of the statewide average cost of a meal served, as determined and
13 approved by the department, less federal reimbursement, participant
14 payments, and other state reimbursement. The department shall
15 determine the statewide average cost using costs as reported in a
16 manner approved by the department for the preceding school year.

17 (4) Notwithstanding section 17b, the department may make
18 payments under this section pursuant to an agreement with the
19 department.

20 (5) In purchasing food for a school breakfast program funded
21 under this section, a district shall give preference to food that
22 is grown or produced by Michigan businesses if it is competitively
23 priced and of comparable quality.

24 Sec. 31j. (1) From the general fund money appropriated in
25 section 11, there is allocated an amount not to exceed \$200,000.00
26 and from the state school aid fund money appropriated in section
27 11, there is allocated an amount not to exceed \$1,800,000.00 for
28 ~~2020-2021~~**2021-2022** for a program to support districts and sponsors
29 of child care centers in the purchase of locally grown fruits and

1 vegetables as described in this section.

2 (2) Funding retained by districts and the sponsors of child
3 care centers that administer the program must not exceed 10%, and
4 funding retained by the department for administration must not
5 exceed 6%. A district or the sponsor of a child care center may
6 enter into a memorandum of understanding with the department or
7 another district or sponsor of a child care center, or both, to
8 administer the program. If the department administers the program
9 for a district or the sponsor of a child care center, the
10 department may retain up to 10% of that district's or sponsor's
11 funding for administration or may distribute some or all of that
12 10% to project partners as appropriate.

13 (3) The department shall develop and implement a competitive
14 grant program for districts and sponsors of child care centers to
15 assist in paying for the costs incurred by the district or the
16 sponsor of the child care center to purchase or increase purchases
17 of whole or minimally processed fruits, vegetables, and legumes
18 grown in this state. The maximum amount that may be drawn down on a
19 grant to a district or the sponsor of a child care center is based
20 on the number of meals served by the district during the previous
21 school year under the Richard B. Russell national school lunch act,
22 42 USC 1751 to 1769j, or meals served by the sponsor of the child
23 care center in the previous school year. The department shall
24 collaborate with the Michigan department of agriculture and rural
25 development to provide training to newly participating schools and
26 sponsors of child care centers and electronic information on
27 Michigan agriculture.

28 (4) The goals of the program under this section include
29 improving daily nutrition and eating habits for children through

the school and child care settings while investing in Michigan's agricultural and related food business economy.

(5) A district or the sponsor of a child care center that receives a grant under this section shall use those funds for the costs incurred by the district or the sponsor to purchase whole or minimally processed fruits, vegetables, and legumes that meet all of the following:

(a) Were purchased for ~~the 2020-2021 fiscal year, including purchases to launch meals in August 2020 and September 2020.~~ **use in school meals served between September 1, 2021 through August 30, 2022.**

(b) Are grown in this state and, if minimally processed, are also processed in this state.

(c) Are used for meals that are served as part of the United States Department of Agriculture's child nutrition programs.

(6) For Michigan-grown fruits, vegetables, and legumes that satisfy the requirements of subsection (5), the department shall make matching reimbursements in an amount not to exceed 10 cents for every school meal that is served as part of the United States Department of Agriculture's child nutrition programs and that uses Michigan-grown fruits, vegetables, and legumes.

(7) A district or the sponsor of a child care center that receives a grant for reimbursement under this section shall use the grant to purchase whole or minimally processed fruits, vegetables, and legumes that are grown in this state and, if minimally processed, are also processed in this state.

(8) In awarding grants under this section, the department shall work ~~in conjunction with districts and sponsors of child care centers,~~ in consultation with Michigan-based farm to school

1 resource organizations, to develop scoring criteria that assess an
2 applicant's ability to procure Michigan-grown products, prepare and
3 menu Michigan-grown products, promote and market Michigan-grown
4 products, and submit letters of intent from districts or the
5 sponsors of child care centers on plans for educational activities
6 that promote the goals of the program.

7 (9) The department shall give preference to districts or
8 sponsors of child care centers that propose educational activities
9 that meet 1 or more of the following: promote healthy food
10 activities; have clear educational objectives; involve parents or
11 the community; connect to a school's or child care center's farm-
12 to-school or farm-to-early-child-care procurement activities; and
13 market and promote the program, leading to increased pupil
14 knowledge and consumption of Michigan-grown products. The
15 department shall give stronger weighting and consideration to
16 applications with robust marketing and promotional activities.

17 (10) In awarding grants, the department shall also consider
18 all of the following:

19 (a) The percentage of children who qualify for free or reduced
20 price school meals under the Richard B. Russell national school
21 lunch act, 42 USC 1751 to 1769j.

22 (b) The variety of school or child care center sizes and
23 geographic locations within the identified prosperity regions.

24 (c) The existing or future collaboration opportunities between
25 more than 1 district or child care center.

26 (11) As a condition of receiving a grant under this section, a
27 district or the sponsor of a child care center shall provide or
28 direct its vendors to provide to the department copies of monthly
29 receipts that show the quantity of different Michigan-grown fruits,

vegetables, and legumes purchased, the amount of money spent on each of these products, the name and Michigan location of the farm that grew the products, and the methods or plans to market and promote the program. The district or the sponsor of a child care center also shall provide to the department monthly ~~lunch~~ **United States Department of Agriculture child nutrition reimbursable meal** numbers and ~~lunch~~ participation rates and ~~calendars or~~ **must retain** monthly menus noting when and how Michigan-grown products were used in meals. The district or the sponsor of the child care center and school or child care center food service director or directors also shall agree to respond to brief online surveys and to provide a report that shows the percentage relationship of Michigan spending compared to total food spending. Not later than 60 days after the end of the school year in which funds under this section were received, each district or each sponsor of a child care center shall submit a report to the department on outcomes and related measurements for economic development and children's nutrition and readiness to learn. The report must include at least both of the following:

(a) The extent to which farmers and related businesses, including distributors and processors, saw an increase in market opportunities and income generation through sales of Michigan or local products to districts and sponsors of child care centers. All of the following apply for purposes of this subdivision:

(i) The data used to determine the amount of this increase are the total dollar amount of Michigan or local fruits, vegetables, and legumes purchased by schools and sponsors of child care centers, along with the number of different types of products purchased; school and child care center food purchasing trends

1 identified along with products that are of new and growing interest
2 among food service directors; the number of businesses impacted;
3 and the percentage of total food budget spent on Michigan-grown
4 fruits, vegetables, and legumes.

5 (ii) The district or the sponsor of a child care center shall
6 use purchasing data collected for the program and surveys of school
7 and child care food service directors on the impact and success of
8 the program as the source for the data described in subparagraph
9 (i).

10 (b) The ability to which pupils can access a variety of
11 healthy Michigan-grown foods through schools and child care centers
12 and increase their consumption of those foods. All of the following
13 apply for purposes of this subdivision:

14 (i) The data used to determine whether this subdivision is met
15 are the number of pupils exposed to Michigan-grown fruits,
16 vegetables, and legumes at schools and child care centers; the
17 variety of products served; new items taste-tested or placed on
18 menus; and the increase in pupil willingness to try new local
19 healthy foods.

20 (ii) The district or the sponsor of a child care center shall
21 use purchasing data collected for the project, meal count and
22 enrollment numbers, school menu calendars, and surveys of school
23 and child care food service directors as the source for the data
24 described in subparagraph (i).

25 (12) The department shall compile the reports provided by
26 districts and sponsors of child care centers under subsection (11)
27 into 1 legislative report. The department shall provide this report
28 not later than November 1, ~~2021~~**2022** to the house and senate
29 subcommittees responsible for state school aid, the house and

1 senate fiscal agencies, and the state budget director.

2 (13) Notwithstanding section 17b, the department shall make
3 payments under this section on a schedule determined by the
4 department.

5 Sec. 31m. (1) The school mental health and support services
6 fund is created as a separate account within the state school aid
7 fund.

8 (2) The state treasurer may receive money or other assets from
9 any source for deposit into the school mental health and support
10 services fund. The state treasurer shall direct the investment of
11 the school mental health and support services fund and shall credit
12 to the school mental health and support services fund interest and
13 earnings from the school mental health and support services fund.

14 (3) Money available in the school mental health and support
15 services fund ~~shall~~**must** not be expended without a specific
16 appropriation.

17 (4) Money in the school mental health and support services
18 fund at the close of the fiscal year ~~shall remain in the school~~
19 ~~mental health and support services fund and shall not lapse~~**lapses**
20 to the state school aid fund. ~~or to the general fund.~~ The
21 department of treasury shall be the administrator of the school
22 mental health and support services fund for auditing purposes.

23 (5) For the fiscal year ending September 30, 2018,
24 \$30,000,000.00 from the state school aid fund shall be deposited
25 into the school mental health and support services fund to be used
26 to support efforts to improve mental health and support services
27 for K-12 pupils in this state, including, but not limited to,
28 improved access to counseling services, educational awareness
29 programs, and enhanced mental health and clinical services.

1 Sec. 31n. (1) From the state school aid fund money
2 appropriated in section 11, there is allocated for ~~2020-2021-2021-~~
3 **2022** for the purposes of this section an amount not to exceed
4 ~~\$55,600,000.00~~ **\$47,600,000.00** and from the general fund money
5 appropriated in section 11, there is allocated for ~~2020-2021-2021-~~
6 **2022** for the purposes of this section an amount not to exceed
7 \$1,300,000.00. The department and the department of health and
8 human services shall continue a program to distribute this funding
9 to add licensed behavioral health providers for general education
10 pupils, and shall continue to seek federal Medicaid match funding
11 for all eligible mental health and support services.

12 (2) The department and the department of health and human
13 services shall maintain an advisory council for programs funded
14 under this section. The advisory council shall define goals for
15 implementation of programs funded under this section, and shall
16 provide feedback on that implementation. At a minimum, the advisory
17 council shall consist of representatives of state associations
18 representing school health, school mental health, school
19 counseling, education, health care, and other organizations,
20 representatives from the department and the department of health
21 and human services, and a representative from the school safety
22 task force created under Executive Order No. 2018-5. The department
23 and department of health and human services, working with the
24 advisory council, shall determine an approach to increase capacity
25 for mental health and support services in schools for general
26 education pupils, and shall determine where that increase in
27 capacity qualifies for federal Medicaid match funding.

28 (3) The advisory council shall develop a fiduciary agent
29 checklist for intermediate districts to facilitate development of a

1 plan to submit to the department and to the department of health
 2 and human services. The department and department of health and
 3 human services shall determine the requirements and format for
 4 intermediate districts to submit a plan for possible funding under
 5 subsection ~~(5)~~.—**(6)**. The department shall make applications for
 6 funding for this program available to districts and intermediate
 7 districts not later than December 1, ~~2020~~**2021** for the ~~2020~~**2021**
 8 **2021-2022** fiscal year and shall award the funding not later than
 9 February 1, ~~2021~~**2022** for the ~~2020~~**2021**~~2021-2022~~ fiscal year.

10 (4) The department of health and human services shall seek to
 11 amend the state Medicaid plan or obtain appropriate Medicaid
 12 waivers as necessary for the purpose of generating additional
 13 Medicaid match funding for school mental health and support
 14 services for general education pupils. The intent is that a
 15 successful state plan amendment or other Medicaid match mechanisms
 16 will result in additional federal Medicaid match funding for both
 17 the new funding allocated under this section and for any expenses
 18 already incurred by districts and intermediate districts for mental
 19 health and support services for general education pupils.

20 (5) From the state school aid fund money allocated under
 21 subsection (1), there is allocated for ~~2020-2021~~**2021-2022** an
 22 amount not to exceed \$9,300,000.00 to be distributed to the network
 23 of child and adolescent health centers to place a licensed master's
 24 level behavioral health provider in schools that do not currently
 25 have services available to general education students. Child and
 26 adolescent health centers that are part of the network described in
 27 this subsection shall provide a commitment to maintain services and
 28 implement all available federal Medicaid match methodologies. The
 29 department of health and human services shall use all existing or

1 additional federal Medicaid match opportunities to maximize funding
2 allocated under this subsection. The department shall provide funds
3 under this subsection to child and adolescent health centers that
4 are part of the network described in this subsection in the same
5 proportion that funding under section 31a(7) is provided to child
6 and adolescent health centers that are part of the network
7 described in this subsection and that are located and operating in
8 those districts. A payment from funding allocated under this
9 subsection must not be paid to an entity that is not part of the
10 network described in this subsection.

11 (6) From the state school aid fund money allocated under
12 subsection (1), there is allocated for ~~2020-2021~~**2021-2022** an
13 amount not to exceed ~~\$45,800,000.00~~**\$37,800,000.00** to be
14 distributed to intermediate districts for the provision of mental
15 health and support services to general education students. **If a**
16 **district or intermediate district is not able to procure the**
17 **services of a licensed master's level behavioral health provider,**
18 **the district or intermediate district shall notify the department**
19 **and the department of health and human services and, if the**
20 **department and department of health and human services verify that**
21 **the district or intermediate district attempted to procure services**
22 **from a master's level behavioral health provider and was not able**
23 **to do so, then the district or intermediate district may instead**
24 **procure services from a provider with less than a master's degree**
25 **in behavioral health. To be able to use the exemption in the**
26 **immediately preceding sentence, the district or intermediate**
27 **district must submit evidence satisfactory to the department and**
28 **department of health and human services demonstrating that the**
29 **district or intermediate district took measures to procure the**

1 **services of a licensed master's level behavioral health provider**
2 **but was unable to do so, and the department and department of**
3 **health and human services must be able to verify this evidence.**

4 From the funds allocated under this subsection, the department
5 shall distribute ~~\$817,800.00~~ **\$675,000.00** for ~~2020-2021~~ **2021-2022** to
6 each intermediate district that submits a plan approved by the
7 department and the department of health and human services. The
8 department and department of health and human services shall work
9 cooperatively in providing oversight and assistance to intermediate
10 districts during the plan submission process and shall monitor the
11 program upon implementation. An intermediate district shall use
12 funds awarded under this subsection to provide funding to its
13 constituent districts, including public school academies that are
14 considered to be constituent districts under section 705(7) of the
15 revised school code, MCL 380.705, for the provision of mental
16 health and support services to general education students. In
17 addition to the criteria identified under subsection (7), an
18 intermediate district shall consider geography, cost, or other
19 challenges when awarding funding to its constituent districts. ~~For~~
20 ~~2020-2021 only, even if grants under this subsection have already~~
21 ~~been received by constituent districts of an intermediate district~~
22 ~~under this subsection, the intermediate district may award~~
23 ~~additional grants to its constituent districts from funding~~
24 ~~allocated through the amendatory act that added this sentence,~~
25 ~~based on applications as described in subsection (7) that have~~
26 ~~already been submitted for the fiscal year, and, if a constituent~~
27 ~~district did not apply for initial grants as described in~~
28 ~~subsection (7) before the effective date of the amendatory act that~~
29 ~~added this sentence and asks to apply for the additional grants~~

~~described in this sentence, the intermediate district must allow the constituent district to submit an application for the additional grant funding.~~ **Districts receiving funding under this subsection are encouraged to provide suicide prevention and awareness education and counseling.** If funding awarded to an intermediate district remains after funds are provided by the intermediate district to its constituent districts, the intermediate district may hire or contract for experts to provide mental health and support services to general education students residing within the boundaries of the intermediate district, including, but not limited to, expanding, hiring, or contracting for staff and experts to provide those services directly or to increase access to those services through coordination with outside mental health agencies; **and the intermediate district is encouraged to provide suicide prevention and awareness education and counseling.**

(7) A district requesting funds under this section from the intermediate district in which it is located shall submit an application for funding for the provision of mental health and support services to general education pupils. A district receiving funding from the application process described in this subsection shall provide services to nonpublic students upon request. An intermediate district shall not discriminate against an application submitted by a public school academy simply on the basis of the applicant being a public school academy. The department shall approve grant applications based on the following criteria:

(a) The district's commitment to maintain mental health and support services delivered by licensed providers into future fiscal years.

1 (b) The district's commitment to work with its intermediate
2 district to use funding it receives under this section that is
3 spent by the district for general education pupils toward
4 participation in federal Medicaid match methodologies. A district
5 must provide a local match of at least 20% of the funding allocated
6 to the district under section 31n.

7 (c) The district's commitment to adhere to any local funding
8 requirements determined by the department and the department of
9 health and human services.

10 (d) The extent of the district's existing partnerships with
11 community health care providers or the ability of the district to
12 establish such partnerships.

13 (e) The district's documentation of need, including gaps in
14 current mental health and support services for the general
15 education population.

16 (f) The district's submission of a formal plan of action
17 identifying the number of schools and students to be served.

18 (g) Whether the district will participate in ongoing
19 trainings.

20 (h) Whether the district will submit an annual report to the
21 state.

22 (i) Whether the district demonstrates a willingness to work
23 with the state to establish program and service delivery
24 benchmarks.

25 (j) Whether the district has developed a school safety plan or
26 is in the process of developing a school safety plan.

27 (k) Any other requirements determined by the department or the
28 department of health and human services.

29 (8) Funding under this section, including any federal Medicaid

1 funds that are generated, must not be used to supplant existing
2 services.

3 (9) Both of the following are allocated to the department of
4 health and human services from the general fund money allocated
5 under subsection (1):

6 (a) For ~~2020-2021~~, **2021-2022**, an amount not to exceed
7 \$1,000,000.00 for the purpose of upgrading technology and systems
8 infrastructure and other administrative requirements to support the
9 programs funded under this section.

10 (b) For ~~2020-2021~~, **2021-2022**, an amount not to exceed
11 \$300,000.00 for the purpose of administering the programs under
12 this section and working on generating additional Medicaid funds as
13 a result of programs funded under this section.

14 (10) From the state school aid fund money allocated under
15 subsection (1), there is allocated for ~~2020-2021~~ **2021-2022** an
16 amount not to exceed \$500,000.00 to intermediate districts on an
17 equal per intermediate district basis for the purpose of
18 administering programs funded under this section.

19 (11) The department and the department of health and human
20 services shall work with the advisory council to develop proposed
21 measurements of outcomes and performance. Those measurements must
22 include, at a minimum, the number of pupils served, the number of
23 schools served, and where those pupils and schools were located.
24 The department and the department of health and human services
25 shall compile data necessary to measure outcomes and performance,
26 and districts and intermediate districts receiving funding under
27 this section shall provide data requested by the department and
28 department of health and human services for the measurement of
29 outcomes and performance. The department and department of health

1 and human services shall provide an annual report not later than
2 December 1 of each year to the house and senate appropriations
3 subcommittees on ~~state~~-school aid and health and human services, to
4 the house and senate fiscal agencies, and to the state budget
5 director. At a minimum, the report must include measurements of
6 outcomes and performance, proposals to increase efficacy and
7 usefulness, proposals to increase performance, and proposals to
8 expand coverage.

9 (12) ~~Beginning with 2018-2019, a~~ **A** district or intermediate
10 district that receives funding directly or indirectly under this
11 section may carry over any unexpended funds received under this
12 section for up to 2 fiscal years beyond the fiscal year in which
13 the funds were received.

14 **Sec. 31o. (1) From the state school aid fund money**
15 **appropriated in section 11, there is allocated for 2021-2022 an**
16 **amount not to exceed \$240,000,000.00 for payments to eligible**
17 **districts for the purpose of increasing the number of school**
18 **psychologists, school social workers, school counselors, and school**
19 **nurses serving students in this state.**

20 (2) Except as otherwise provided in this subsection, to
21 receive funding under this section, a district must apply for the
22 funding in a form and manner prescribed by the department. In its
23 application for funding under this section, a district must pledge
24 and provide assurances to the department that it will fully
25 annually fund all staff that are supported with funding under this
26 section in an ongoing manner after the third year it receives
27 funding under this section.

28 (3) The department shall award funding to districts with the
29 greatest need for additional school psychologists, school social

1 workers, school counselors, or school nurses. To determine the
2 districts with the greatest needs under this subsection, the
3 department shall consider the physical and mental health services
4 available at the district and how close an applicant district is to
5 meeting the following recommended staff-to-student ratios:

6 (a) 1 school psychologist for every 500 full-time equated
7 pupils counted in the district.

8 (b) 1 school social worker for every 250 full-time equated
9 pupils counted in the district.

10 (c) 1 school counselor for every 250 full-time equated pupils
11 counted in the district.

12 (d) 1 school nurse for every 750 full-time equated pupils
13 counted in the district.

14 (4) To be eligible for funding under this section, a district
15 must hire additional school psychologists, school social workers,
16 school counselors, or school nurses by March 1, 2022 and must
17 maintain support for the new staff in an ongoing manner. As
18 determined by the department, staff hired and supported by funding
19 under this section must meet all applicable state and federal laws,
20 rules, and license requirements to be considered a school
21 psychologist, school social worker, school counselor, or school
22 nurse.

23 (5) Subject to subsection (6), payments to eligible districts
24 must be made as follows:

25 (a) In the first year funds are distributed from this section,
26 the department shall provide payments to eligible districts equal
27 to 100% of the annual cost of newly hired school psychologists,
28 school social workers, school counselors, or school nurses. The
29 amount paid to the eligible district must be the lesser of the

1 actual cost of the employee, as determined by the department, or
2 the median wage for an equivalent employee working in a school
3 setting, as determined by the department, using wage data from the
4 Bureau of Labor Statistics that is specific to this state.

5 (b) In the second year funds are distributed under this
6 section, the department shall pay eligible districts 66% of the
7 amount paid to the eligible district under subdivision (a).

8 (c) In the third year funds are distributed under this
9 section, the department shall pay eligible districts 33% of the
10 amount paid to the eligible district under subdivision (a).

11 (6) If, after awarding funding under subsection (3) and
12 calculating payment amounts under subsection (5), the department
13 determines that the amount allocated in subsection (1) is
14 insufficient to fully fund payments under this section, the
15 department shall prorate payments to eligible districts on an equal
16 percentage basis.

17 (7) The funds allocated under this section for 2021-2022 are a
18 work project appropriation, and any unexpended funds for 2021-2022
19 are carried forward into 2022-2023. The purpose of the work project
20 is to increase the number of school psychologists, school social
21 workers, school counselors, and school nurses in school buildings.
22 The estimated completion date of the work project is September 30,
23 2024.

24 (8) Notwithstanding section 17b, the department shall make
25 payments under this section on a schedule determined by the
26 department.

27 Sec. 31p. (1) From the state school aid fund money
28 appropriated under section 11, there is allocated for 2020-2021 an
29 amount not to exceed \$5,400,000.00 for grants to intermediate

1 districts to implement a TRAILS program as described in subsection
2 (2).

3 (2) Intermediate districts receiving funding under this
4 section must use the funding to implement a TRAILS program within
5 the boundaries of the intermediate district. The TRAILS program
6 described in this subsection must improve youth access to evidence-
7 based mental health services by training school mental health
8 professionals in effective practices, such as cognitive behavioral
9 therapy and mindfulness.

10 (3) The department shall establish a grant process to
11 distribute funds under this section.

12 (4) The department shall award, in an equal amount, grants
13 under this section to each intermediate district that has an
14 approved grant application for funding under this section.

15 (5) Notwithstanding section 17b, the department shall make
16 payments under this section on a schedule determined by the
17 department.

18 (6) The funds allocated under this section for 2020-2021 are a
19 work project appropriation, and any unexpended funds for 2020-2021
20 are carried forward into 2021-2022. The purpose of the work project
21 is to continue support for the TRAILS program. The estimated
22 completion date of the work project is September 30, 2024.

23 Sec. 32d. (1) From the ~~funds~~ **state school aid fund money**
24 appropriated in section 11, there is allocated to eligible
25 intermediate districts and consortia of intermediate districts for
26 great start readiness programs an amount not to exceed
27 ~~\$249,600,000.00~~ **\$297,120,000.00** for ~~2020-2021.~~ **2021-2022.** In
28 addition, from the federal funds appropriated in section 11, there
29 is allocated to eligible intermediate districts and consortia of

1 **intermediate districts for great start readiness programs an amount**
 2 **not to exceed \$121,000,000.00 for 2021-2022 from the coronavirus**
 3 **state fiscal recovery funds under the American rescue plan act of**
 4 **2021, title IX, subtitle M of Public Law 117-2.** An intermediate
 5 district or consortium shall use funds allocated under this section
 6 for great start readiness programs to provide part-day, school-day,
 7 or GSRP/Head Start blended comprehensive free compensatory
 8 classroom programs designed to improve the readiness and subsequent
 9 achievement of educationally disadvantaged children who meet the
 10 participant eligibility and prioritization guidelines as defined by
 11 the department. For a child to be eligible to participate in a
 12 program under this section, the child must be at least 4, but less
 13 than 5, years of age as of September 1 of the school year in which
 14 the program is offered and must meet those eligibility and
 15 prioritization guidelines. A child who is not 4 years of age as of
 16 September 1, but who will be 4 years of age not later than December
 17 1, is eligible to participate if the child's parent or legal
 18 guardian seeks a waiver from the September 1 eligibility date by
 19 submitting a request for enrollment in a program to the responsible
 20 intermediate district, if the program has capacity on or after
 21 September 1 of the school year, and if the child meets eligibility
 22 and prioritization guidelines.

23 (2) From the ~~funds~~**state school aid fund money** allocated under
 24 subsection (1), an amount not to exceed ~~\$247,600,000.00~~
 25 **\$295,120,000.00 and from the federal funds allocated under**
 26 **subsection (1), an amount not to exceed \$121,000,000.00** is
 27 allocated to intermediate districts or consortia of intermediate
 28 districts based on the formula in section 39. An intermediate
 29 district or consortium of intermediate districts receiving funding

under this section shall act as the fiduciary for the great start readiness programs. **An intermediate district or consortium of intermediate districts receiving funding under this section may collaborate with local governments to identify children eligible for programs funded under this section and may contract with local governments to provide services.** In order to be eligible to receive funds allocated under this subsection from an intermediate district or consortium of intermediate districts, a district, a consortium of districts, **a local government**, or a public or private for-profit or nonprofit legal entity or agency must comply with this section and section 39. **The funds allocated under this subsection for 2021-2022 are a work project appropriation, and any unexpended funds for 2021-2022 are carried forward into 2022-2023. The purpose of the work project is to continue to improve access to preschool programming for economically disadvantaged children. The estimated completion date of the work project described in the immediately preceding sentence is September 30, 2023.**

(3) In addition to the allocation under subsection (1), from the general fund money appropriated under section 11, there is allocated an amount not to exceed \$350,000.00 for ~~2020-2021-2021-~~ **2022** for a competitive grant to continue a longitudinal evaluation of children who have participated in great start readiness programs. ~~This evaluation must include, to the extent, for 2020-2021, that data from the kindergarten readiness assessment are available, a comparative analysis of the relationship between great start readiness programs and performance on the kindergarten readiness assessment funded under section 104. The evaluation must use children wait-listed under this section for comparison, must include a determination of the specific great start readiness~~

~~program in which the kindergarten students were enrolled and attended in the previous school year, and must, to the extent, for 2020-2021, that data from the Michigan kindergarten entry observation tool are available, analyze Michigan kindergarten entry observation tool scores for students taking the Michigan kindergarten entry observation tool each year and produce a report as required under section 104. The performance data on the kindergarten readiness assessment must be submitted to the center at the same time as the fall Michigan student data system collection. The responsibility for the analysis required under this subsection may be added to the requirements that the department currently has with its competitively designated current grantee.~~

(4) To be eligible for funding under this section, a program must prepare children for success in school through comprehensive part-day, school-day, or GSRP/Head Start blended programs that contain all of the following program components, as determined by the department:

(a) Participation in a collaborative recruitment and enrollment process to assure that each child is enrolled in the program most appropriate to his or her needs and to maximize the use of federal, state, and local funds.

(b) An age-appropriate educational curriculum that is in compliance with the early childhood standards of quality for prekindergarten children adopted by the state board, including, at least, the Connect4Learning curriculum.

(c) Nutritional services for all program participants supported by federal, state, and local resources as applicable.

(d) Physical and dental health and developmental screening services for all program participants.

1 (e) Referral services for families of program participants to
2 community social service agencies, including mental health
3 services, as appropriate.

4 (f) Active and continuous involvement of the parents or
5 guardians of the program participants.

6 (g) A plan to conduct and report annual great start readiness
7 program evaluations and continuous improvement plans using criteria
8 approved by the department.

9 (h) Participation in a school readiness advisory committee
10 convened as a workgroup of the great start collaborative that
11 provides for the involvement of classroom teachers, parents or
12 guardians of program participants, and community, volunteer, and
13 social service agencies and organizations, as appropriate. The
14 advisory committee annually shall review and make recommendations
15 regarding the program components listed in this subsection. The
16 advisory committee also shall make recommendations to the great
17 start collaborative regarding other community services designed to
18 improve all children's school readiness.

19 (i) The ongoing articulation of the kindergarten and first
20 grade programs offered by the program provider.

21 (j) Participation in this state's great start to quality
22 process with a rating of at least 3 stars.

23 (5) An application for funding under this section must provide
24 for the following, in a form and manner determined by the
25 department:

26 (a) Ensure compliance with all program components described in
27 subsection (4).

28 (b) Except as otherwise provided in this subdivision, ~~ex~~
29 ~~section,~~ ensure that at least 90% of the children participating in

1 an eligible great start readiness program for whom the intermediate
 2 district is receiving funds under this section are children who
 3 live with families with a household income that is equal to or less
 4 than 250% of the federal poverty guidelines. If the intermediate
 5 district determines that all eligible children are being served and
 6 that there are no children on the waiting list who live with
 7 families with a household income that is equal to or less than 250%
 8 of the federal poverty guidelines, the intermediate district may
 9 then enroll children who live with families with a household income
 10 that is equal to or less than 300% of the federal poverty
 11 guidelines. The enrollment process must consider income and risk
 12 factors, such that children determined with higher need are
 13 enrolled before children with lesser need. For purposes of this
 14 subdivision, ~~and subsection (27),~~ all age-eligible children served
 15 in foster care or who are experiencing homelessness or who have
 16 individualized education programs recommending placement in an
 17 inclusive preschool setting are considered to live with families
 18 with household income equal to or less than 250% of the federal
 19 poverty guidelines regardless of actual family income and are
 20 prioritized for enrollment within the lowest quintile.

21 (c) Ensure that the applicant only uses qualified personnel
 22 for this program, as follows:

23 (i) Teachers possessing proper training. A lead teacher must
 24 have a valid teaching certificate **recognized by any state** with an
 25 early childhood ~~(ZA or ZS)~~ **or lower elementary** endorsement or a
 26 bachelor's or higher degree in child development or early childhood
 27 education with specialization in preschool teaching. **A lead teacher**
 28 **who meets the requirements of this subparagraph through a teaching**
 29 **certificate recognized by another state must demonstrate compliance**

1 with standards applying to all applicable criminal history,
2 criminal records, and unprofessional conduct checks described in
3 sections 1230, 1230a, and 1230b of the revised school code, MCL
4 380.1230, 380.1230a, and 380.1230b. However, if an applicant
5 demonstrates to the department that it is unable to fully comply
6 with this subparagraph after making reasonable efforts to comply,
7 teachers **or paraprofessionals with at least 5 years of experience**
8 **as a paraprofessional in a great start readiness program classroom**
9 who have significant but incomplete training in early childhood
10 education or child development may be used if the applicant
11 provides to the department, and the department approves, a plan for
12 each teacher to come into compliance with the standards in this
13 subparagraph. A teacher's compliance plan must be completed within
14 ~~2~~**3** years of the date of employment. Progress toward completion of
15 the compliance plan consists of at least 2 courses per calendar
16 year.

17 (ii) Paraprofessionals possessing proper training in early
18 childhood education, including an ~~associate's~~**associate** degree in
19 early childhood education or child development or the equivalent,
20 or a child development associate (CDA) credential. However, if an
21 applicant demonstrates to the department that it is unable to fully
22 comply with this subparagraph after making reasonable efforts to
23 comply, the applicant may use paraprofessionals who have completed
24 at least 1 course that earns college credit in early childhood
25 education or child development if the applicant provides to the
26 department, and the department approves, a plan for each
27 paraprofessional to come into compliance with the standards in this
28 subparagraph. A paraprofessional's compliance plan must be
29 completed within ~~2~~**3** years of the date of employment. Progress

1 toward completion of the compliance plan consists of at least 2
2 courses or 60 clock hours of training per calendar year.

3 (d) Include a program budget that contains only those costs
4 that are not reimbursed or reimbursable by federal funding, that
5 are clearly and directly attributable to the great start readiness
6 program, and that would not be incurred if the program were not
7 being offered. Eligible costs include transportation costs. The
8 program budget must indicate the extent to which these funds will
9 supplement other federal, state, local, or private funds. An
10 applicant shall not use funds received under this section to
11 supplant any federal funds received by the applicant to serve
12 children eligible for a federally funded preschool program that has
13 the capacity to serve those children.

14 (6) For a grant recipient that enrolls pupils in a school-day
15 program funded under this section, each child enrolled in the
16 school-day program is counted as described in section 39 for
17 purposes of determining the amount of the grant award.

18 (7) For a grant recipient that enrolls pupils in a GSRP/Head
19 Start blended program, the grant recipient shall ensure that all
20 Head Start and GSRP policies and regulations are applied to the
21 blended slots, with adherence to the highest standard from either
22 program, to the extent allowable under federal law.

23 (8) An intermediate district or consortium of intermediate
24 districts receiving a grant under this section shall designate an
25 early childhood coordinator, and may provide services directly or
26 may contract with 1 or more districts or public or private for-
27 profit or nonprofit providers that ~~, except as otherwise provided~~
28 ~~in this section,~~ meet all requirements of subsections (4) and (5).

29 (9) An intermediate district or consortium of intermediate

1 districts may retain for administrative services provided by the
2 intermediate district or consortium of intermediate districts an
3 amount not to exceed 4% of the grant amount. Expenses incurred by
4 subrecipients engaged by the intermediate district or consortium of
5 intermediate districts for directly running portions of the program
6 are considered program costs or a contracted program fee for
7 service. Subrecipients operating with a federally approved indirect
8 rate for other early childhood programs may include indirect costs,
9 not to exceed the federal 10% de minimis.

10 (10) An intermediate district or consortium of intermediate
11 districts may expend not more than 2% of the total grant amount for
12 outreach, recruiting, and public awareness of the program.

13 (11) ~~Except as otherwise provided in this section, each~~ **Each**
14 grant recipient shall enroll children identified under subsection
15 (5)(b) according to how far the child's household income is below
16 250% of the federal poverty guidelines by ranking each applicant
17 child's household income from lowest to highest and dividing the
18 applicant children into quintiles based on how far the child's
19 household income is below 250% of the federal poverty guidelines,
20 and then enrolling children in the quintile with the lowest
21 household income before enrolling children in the quintile with the
22 next lowest household income until slots are completely filled. If
23 the grant recipient determines that all eligible children are being
24 served and that there are no children on the waiting list who live
25 with families with a household income that is equal to or less than
26 250% of the federal poverty guidelines, the grant recipient may
27 then enroll children who live with families with a household income
28 that is equal to or less than 300% of the federal poverty
29 guidelines. The enrollment process must consider income and risk

1 factors, such that children determined with higher need are
2 enrolled before children with lesser need. For purposes of this
3 subsection, ~~and subsection (27),~~ all age-eligible children served
4 in foster care or who are experiencing homelessness or who have
5 individualized education programs recommending placement in an
6 inclusive preschool setting are considered to live with families
7 with household income equal to or less than 250% of the federal
8 poverty guidelines regardless of actual family income and are
9 prioritized for enrollment within the lowest quintile.

10 (12) An intermediate district or consortium of intermediate
11 districts receiving a grant under this section shall allow parents
12 of eligible children who are residents of the intermediate district
13 or within the consortium to choose a program operated by or
14 contracted with another intermediate district or consortium of
15 intermediate districts and shall enter into a written agreement
16 regarding payment, in a manner prescribed by the department.

17 (13) An intermediate district or consortium of intermediate
18 districts receiving a grant under this section shall conduct a
19 local process to contract with interested and eligible public and
20 private for-profit and nonprofit community-based providers that
21 meet all requirements of subsection (4) for at least 30% of its
22 total allocation. For the purposes of this 30% allocation, an
23 intermediate district or consortium of intermediate districts may
24 count children served by a Head Start grantee or delegate in a
25 blended Head Start and great start readiness school-day program.
26 Children served in a program funded only through Head Start are not
27 counted toward this 30% allocation. The intermediate district or
28 consortium shall report to the department, in a manner prescribed
29 by the department, a detailed list of community-based providers by

1 provider type, including private for-profit, private nonprofit,
2 community college or university, Head Start grantee or delegate,
3 and district or intermediate district, and the number and
4 proportion of its total allocation allocated to each provider as
5 subrecipient. If the intermediate district or consortium is not
6 able to contract for at least 30% of its total allocation, the
7 grant recipient shall notify the department and, if the department
8 verifies that the intermediate district or consortium attempted to
9 contract for at least 30% of its total allocation and was not able
10 to do so, then the intermediate district or consortium may retain
11 and use all of its allocation as provided under this section. To be
12 able to use this exemption, the intermediate district or consortium
13 shall demonstrate to the department that the intermediate district
14 or consortium increased the percentage of its total allocation for
15 which it contracts with a community-based provider and the
16 intermediate district or consortium shall submit evidence
17 satisfactory to the department, and the department must be able to
18 verify this evidence, demonstrating that the intermediate district
19 or consortium took measures to contract for at least 30% of its
20 total allocation as required under this subsection, including, but
21 not limited to, at least all of the following measures:

22 (a) The intermediate district or consortium notified each
23 nonparticipating licensed child care center located in the service
24 area of the intermediate district or consortium regarding the
25 center's eligibility to participate, in a manner prescribed by the
26 department.

27 (b) The intermediate district or consortium provided to each
28 nonparticipating licensed child care center located in the service
29 area of the intermediate district or consortium information

1 regarding great start readiness program requirements and a
2 description of the application and selection process for community-
3 based providers.

4 (c) The intermediate district or consortium provided to the
5 public and to participating families a list of community-based
6 great start readiness program subrecipients with a great start to
7 quality rating of at least 3 stars.

8 (14) If an intermediate district or consortium of intermediate
9 districts receiving a grant under this section fails to submit
10 satisfactory evidence to demonstrate its effort to contract for at
11 least 30% of its total allocation, as required under subsection
12 (13), the department shall reduce the allocation to the
13 intermediate district or consortium by a percentage equal to the
14 difference between the percentage of an intermediate district's or
15 consortium's total allocation awarded to community-based providers
16 and 30% of its total allocation.

17 (15) In order to assist intermediate districts and consortia
18 in complying with the requirement to contract with community-based
19 providers for at least 30% of their total allocation, the
20 department shall do all of the following:

21 (a) Ensure that a great start resource center or the
22 department provides each intermediate district or consortium
23 receiving a grant under this section with the contact information
24 for each licensed child care center located in the service area of
25 the intermediate district or consortium by March 1 of each year.

26 (b) Provide, or ensure that an organization with which the
27 department contracts provides, a community-based provider with a
28 validated great start to quality rating within 90 days of the
29 provider's having submitted a request and self-assessment.

1 (c) Ensure that all intermediate district, district, community
2 college or university, Head Start grantee or delegate, private for-
3 profit, and private nonprofit providers are subject to a single
4 great start to quality rating system. The rating system must ensure
5 that regulators process all prospective providers at the same pace
6 on a first-come, first-served basis and must not allow 1 type of
7 provider to receive a great start to quality rating ahead of any
8 other type of provider.

9 (d) Not later than March 1 of each year, compile the results
10 of the information reported by each intermediate district or
11 consortium under subsection (13) and report to the legislature a
12 list by intermediate district or consortium with the number and
13 percentage of each intermediate district's or consortium's total
14 allocation allocated to community-based providers by provider type,
15 including private for-profit, private nonprofit, community college
16 or university, Head Start grantee or delegate, and district or
17 intermediate district.

18 (16) A recipient of funds under this section shall report to
19 the center in a form and manner prescribed by the center the
20 information necessary to derive the number of children
21 participating in the program who meet the program eligibility
22 criteria under subsection (5)(b), ~~subject to subsection (27),~~ the
23 number of eligible children not participating in the program and on
24 a waitlist, and the total number of children participating in the
25 program by various demographic groups and eligibility factors
26 necessary to analyze equitable and priority access to services for
27 the purposes of subsection (3).

28 (17) As used in this section:

29 (a) "GSRP/Head Start blended program" ~~, except as otherwise~~

~~provided in this section,~~ means a part-day program funded under this section and a Head Start program, which are combined for a school-day program.

(b) "Federal poverty guidelines" means the guidelines published annually in the Federal Register by the United States Department of Health and Human Services under its authority to revise the poverty line under 42 USC 9902.

(c) "Part-day program" ~~, except as otherwise provided in this section,~~ means a program that operates at least 4 days per week, 30 weeks per year, for at least 3 hours of teacher-child contact time per day but for fewer hours of teacher-child contact time per day than a school-day program.

(d) "School-day program" ~~, except as otherwise provided in this section,~~ means a program that operates for at least the same length of day as a district's first grade program for a minimum of 4 days per week, 30 weeks per year. A classroom that offers a school-day program must enroll all children for the school day to be considered a school-day program.

(18) An intermediate district or consortium of intermediate districts receiving funds under this section shall establish and charge tuition according to a sliding scale of tuition rates based upon household income for children participating in an eligible great start readiness program who live with families with a household income that is more than 250% ~~, but, for 2020-2021 only,~~ ~~who live with families with a household income that is more than 400%~~ of the federal poverty guidelines to be used by all of its providers, as approved by the department.

(19) From the amount allocated in subsection (2), there is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed

1 \$10,000,000.00 for reimbursement of transportation costs for
2 children attending great start readiness programs funded under this
3 section. To receive reimbursement under this subsection, not later
4 than November 1 of each year, a program funded under this section
5 that provides transportation shall submit to the intermediate
6 district that is the fiscal agent for the program a projected
7 transportation budget. The amount of the reimbursement for
8 transportation under this subsection is no more than the projected
9 transportation budget or \$300.00 multiplied by the number of
10 children funded for the program under this section. If the amount
11 allocated under this subsection is insufficient to fully reimburse
12 the transportation costs for all programs that provide
13 transportation and submit the required information, the department
14 shall prorate the reimbursement in an equal amount per child
15 funded. The department shall make payments to the intermediate
16 district that is the fiscal agent for each program, and the
17 intermediate district shall then reimburse the program provider for
18 transportation costs as prescribed under this subsection.

19 (20) Subject to, and from the funds allocated under,
20 subsection (19), the department shall reimburse a program for
21 transportation costs related to parent- or guardian-accompanied
22 transportation provided by transportation service companies, buses,
23 or other public transportation services. To be eligible for
24 reimbursement under this subsection, a program must submit to the
25 intermediate district or consortia of intermediate districts all of
26 the following:

27 (a) The names of families provided with transportation support
28 along with a documented reason for the need for transportation
29 support and the type of transportation provided.

1 (b) Financial documentation of actual transportation costs
2 incurred by the program, including, but not limited to, receipts
3 and mileage reports, as determined by the department.

4 (c) Any other documentation or information determined
5 necessary by the department.

6 (21) The department shall implement a process to review and
7 approve age-appropriate comprehensive classroom level quality
8 assessments for GSRP grantees that support the early childhood
9 standards of quality for prekindergarten children adopted by the
10 state board. The department shall make available to intermediate
11 districts at least 2 classroom level quality assessments that were
12 approved in 2018.

13 (22) An intermediate district that is a GSRP grantee may
14 approve the use of a supplemental curriculum that aligns with and
15 enhances the age-appropriate educational curriculum in the
16 classroom. If the department objects to the use of a supplemental
17 curriculum approved by an intermediate district, the superintendent
18 shall establish a review committee independent of the department.
19 The review committee shall meet within 60 days of the department
20 registering its objection in writing and provide a final
21 determination on the validity of the objection within 60 days of
22 the review committee's first meeting.

23 (23) The department shall implement a process to evaluate and
24 approve age-appropriate educational curricula that are in
25 compliance with the early childhood standards of quality for
26 prekindergarten children adopted by the state board.

27 (24) From the funds allocated under subsection (1), there is
28 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
29 \$2,000,000.00 for payments to intermediate districts or consortia

1 of intermediate districts for professional development and training
 2 materials for educators in programs implementing new curricula **or**
 3 **child assessment tools approved for use in the great start**
 4 **readiness program.**

5 (25) A great start readiness program or a GSRP/Head Start
 6 blended program funded under this section is permitted to utilize
 7 AmeriCorps Pre-K Reading Corps members in classrooms implementing
 8 research-based early literacy intervention strategies.

9 ~~(26) For the 2020-2021 program year only, the hours, days, and~~
 10 ~~weeks specified within the definitions under subsection (17)(a),~~
 11 ~~(c), and (d) do not apply to all grantees and subrecipients under~~
 12 ~~this section. However, for the 2020-2021 fiscal year only, grantees~~
 13 ~~and subrecipients shall, at a minimum, provide pandemic learning~~
 14 ~~and programming on-site, at a different location, in-person,~~
 15 ~~online, digitally, by other remote means, in a synchronous or~~
 16 ~~asynchronous format, or through any combination therein that~~
 17 ~~results in an amount of hours, days, and weeks necessary to deliver~~
 18 ~~the educational or course content that would have been delivered in~~
 19 ~~a year in which pandemic learning was not provided and that~~
 20 ~~complies with requirements developed by the department. The~~
 21 ~~department shall publish uniform guidance concerning requirements~~
 22 ~~under this subsection for age appropriate instruction that is~~
 23 ~~provided online, digitally, or by other remote means as part of~~
 24 ~~pandemic learning and programming provided under this subsection.~~
 25 ~~As used in this subsection, "pandemic learning" means a mode of~~
 26 ~~instruction provided as a result of the COVID-19 pandemic.~~

27 ~~(27) For the 2020-2021 program year only, household income~~
 28 ~~eligibility thresholds requiring household incomes that are equal~~
 29 ~~to or less than 250% of the federal poverty guidelines under~~

~~subsections (5) (b) and (11) do not apply for all grantees and subrecipients under this section. However, for the 2020-2021 program year, all grantees and subrecipients must continue to enroll children in the quintile with the lowest household income first before enrolling the next quintile and must implement the ranking process described in subsection (11) by first enrolling children from households with incomes that are equal to or less than 250% of the federal poverty guidelines, then enrolling children from households with incomes that are equal to an amount that is greater than 250% but less than or equal to 300% of the federal poverty guidelines, then enrolling children from households with incomes equal to an amount that is greater than 300% but less than or equal to 350% of the federal poverty guidelines, and then continuing enrollment in an order increasing in percentage from a percentage greater than 350% in relation to the federal poverty guidelines until all available slots are filled.~~

~~(28) For the 2020-2021 program year only, intermediate districts will be awarded funding based on the total allocation under subsection (1) and the funding must be allocated to intermediate districts as prescribed under section 39. To receive funding as described in this subsection, an intermediate district must complete the department's process for accepting funds and implement its existing local process for funding current subrecipients under this section, including, but not limited to, adding any necessary new subrecipients and implementation of the program. Intermediate districts described in this subsection must report the children served under this section to the center for data-tracking purposes. The data described in this subsection must not be used to determine funding for the 2020-2021 program year or~~

1 ~~hold harmless funding levels for 2021-2022. Hold harmless funding~~
2 ~~for 2021-2022 must be determined based on the 2019-2020 final~~
3 ~~allocations under this section. Both of the following apply for the~~
4 ~~2020-2021 program year:~~

5 ~~(a) An intermediate district and its subrecipients under this~~
6 ~~section must conform to typical expenditures related to the~~
7 ~~operation of great start readiness programs to ensure the stability~~
8 ~~of the programs, including, but not limited to, ongoing program and~~
9 ~~staff costs.~~

10 ~~(b) Funding remaining after serving all eligible children, in~~
11 ~~accordance with subsections (5)(b) and (11), subject to subsection~~
12 ~~(27), or remaining from other program savings due to pandemic~~
13 ~~learning must be used for the betterment of the program under this~~
14 ~~section and must be approved by the department. Intermediate~~
15 ~~districts and subrecipients under this section may only spend in~~
16 ~~accordance with the provisions of this subdivision if the~~
17 ~~intermediate district or subrecipient has demonstrated to the~~
18 ~~satisfaction of the department that no eligible children are on~~
19 ~~waitlists for the programs operated by the intermediate district or~~
20 ~~subrecipients under this section.~~

21 Sec. 32p. (1) From the ~~appropriation~~ **state school aid fund**
22 **money appropriated** in section 11, there is allocated an amount not
23 to exceed \$13,400,000.00 to intermediate districts for ~~2020-2021~~
24 **2021-2022** for the purpose of providing early childhood funding to
25 intermediate districts to support the goals and outcomes under
26 subsection (2) and subsection (4), and to provide early childhood
27 programs for children from birth through age 8. The funding
28 provided to each intermediate district under this section is
29 determined by the distribution formula established by the

1 department's office of great start to provide equitable funding
2 statewide. In order to receive funding under this section, each
3 intermediate district must provide an application to the office of
4 great start not later than September 15 of the immediately
5 preceding fiscal year indicating the strategies planned to be
6 provided.

7 (2) Each intermediate district or consortium of intermediate
8 districts that receives funding under this section shall convene a
9 local great start collaborative and a parent coalition **that**
10 **includes an active partnership with at least 1 community-based**
11 **organization.** The goal of each great start collaborative and parent
12 coalition is to ensure the coordination and expansion of local
13 early childhood infrastructure and programs that allow every child
14 in the community to achieve the following outcomes:

15 (a) Children born healthy.

16 (b) Children healthy, thriving, and developmentally on track
17 from birth to ~~third~~-grade 3.

18 (c) Children developmentally ready to succeed in school at the
19 time of school entry.

20 (d) Children prepared to succeed in fourth grade and beyond by
21 reading proficiently by the end of third grade.

22 (3) Each local great start collaborative and parent coalition
23 shall convene workgroups to make recommendations about community
24 services designed to achieve the outcomes described in subsection
25 (2) and to ensure that its local great start system includes the
26 following supports for children from birth through age 8:

27 (a) Physical health.

28 (b) Social-emotional health.

29 (c) Family supports and basic needs.

1 (d) Parent education.

2 (e) Early education, including the child's development of
3 skills linked to success in foundational literacy, and care.

4 (4) From the funds allocated in subsection (1), at least
5 \$2,500,000.00 must be used for the purpose of providing home visits
6 to at-risk children and their families. The home visits must be
7 conducted as part of a locally coordinated, family-centered,
8 evidence-based, data-driven home visit strategic plan that is
9 approved by the department. The goals of the home visits funded
10 under this subsection are to improve school readiness using
11 evidence-based methods, including a focus on developmentally
12 appropriate outcomes for early literacy, to improve positive
13 parenting practices, and to improve family economic self-
14 sufficiency while reducing the impact of high-risk factors through
15 community resources and referrals. The department shall coordinate
16 the goals of the home visit strategic plans approved under this
17 subsection with other state agency home visit programs in a way
18 that strengthens Michigan's home visiting infrastructure and
19 maximizes federal funds available for the purposes of at-risk
20 family home visits. The coordination among departments and agencies
21 is intended to avoid duplication of state services and spending,
22 and should emphasize efficient service delivery of home visiting
23 programs.

24 (5) Not later than December 1 of each year, each intermediate
25 district shall provide a report to the department detailing the
26 strategies actually implemented during the immediately preceding
27 school year and the families and children actually served. At a
28 minimum, the report must include an evaluation of the services
29 provided with additional funding under subsection (4) for home

1 visits, using the goals identified in subsection (4) as the basis
2 for the evaluation, including the degree to which school readiness
3 was improved, the degree to which positive parenting practices were
4 improved, the degree to which there was improved family economic
5 self-sufficiency, and the degree to which community resources and
6 referrals were utilized. The department shall compile and summarize
7 these reports and submit its summary to the house and senate
8 appropriations subcommittees on school aid and to the house and
9 senate fiscal agencies not later than February 15 of each year.

10 (6) An intermediate district or consortium of intermediate
11 districts that receives funding under this section may carry over
12 any unexpended funds received under this section into the next
13 fiscal year and may expend those unused funds through June 30 of
14 the next fiscal year. However, an intermediate district or
15 consortium of intermediate districts that receives funding for the
16 purposes described in subsection (2) in fiscal year ~~2020-2021-2021-~~
17 **2022** shall not carry over into the next fiscal year any amount
18 exceeding ~~30%-20%~~ of the amount awarded to the intermediate
19 district or consortium in the ~~2020-2021-2021-2022~~ fiscal year. It
20 is intended that the amount carried over from funding awarded for
21 the purposes described in subsection (2) ~~in fiscal year 2021-2022~~
22 ~~not exceed 20% of the amount awarded in that fiscal year and the~~
23 ~~amount carried over from funding awarded for the purposes described~~
24 ~~in subsection (2) in fiscal year 2022-2023~~ not exceed 15% of the
25 amount awarded in that fiscal year. A recipient of a grant shall
26 return any unexpended grant funds to the department in the manner
27 prescribed by the department not later than September 30 of the
28 next fiscal year after the fiscal year in which the funds are
29 received.

1 Sec. 35a. (1) From the appropriations in section 11, there is
 2 allocated for ~~2020-2021-2021-2022~~ for the purposes of this section
 3 an amount not to exceed ~~\$55,400,000.00~~ **\$57,400,000.00** from the
 4 state school aid fund and there is allocated for ~~2020-2021-2021-~~
 5 **2022** for the purposes of subsection (8) an amount not to exceed
 6 \$2,773,000.00 from the general fund. ~~The~~ **Excluding staff or**
 7 **contracted employees funded under subsection (8), the**
 8 superintendent shall designate staff or contracted employees funded
 9 under this section as critical shortage. Programs funded under this
 10 section are intended to ensure that this state will be a top 10
 11 state in grade 4 reading proficiency by 2025 according to the
 12 National Assessment of Educational Progress (NAEP). **By December 31,**
 13 **2021, the superintendent of public instruction shall do both of the**
 14 **following:**

15 (a) Report in person to the house and senate appropriations
 16 subcommittees on school aid regarding progress on the goal
 17 described in this subsection and be available for questioning as
 18 prescribed through a process developed by the chairs of the house
 19 and senate appropriations subcommittees on school aid.

20 (b) Submit a written report to the house and senate
 21 appropriations subcommittees on school aid regarding progress on
 22 the goal described in this subsection.

23 (2) A district that receives funds under subsection (5) may
 24 spend up to 5% of those funds for professional development for
 25 educators in a department-approved research-based training program
 26 related to current state literacy standards for pupils in grades
 27 pre-K to 3. The professional development must also include training
 28 in the use of screening and diagnostic tools, progress monitoring,
 29 and intervention methods used to address barriers to learning and

1 delays in learning that are diagnosed through the use of these
2 tools.

3 (3) A district that receives funds under subsection (5) may
4 use up to 5% of those funds to administer department-approved
5 screening and diagnostic tools to monitor the development of early
6 literacy and early reading skills of pupils in grades pre-K to 3
7 and to support research-based professional development for
8 educators in administering screening and diagnostic tools and in
9 data interpretation of the results obtained through the use of
10 those tools for the purpose of implementing a multi-tiered system
11 of support to improve reading proficiency among pupils in grades
12 pre-K to 3. A department-approved screening and diagnostic tool
13 administered by a district using funding under this section must
14 include all of the following components: phonemic awareness,
15 phonics, fluency, and comprehension. Further, all of the following
16 sub-skills must be assessed within each of these components:

17 (a) Phonemic awareness - segmentation, blending, and sound
18 manipulation (deletion and substitution).

19 (b) Phonics - decoding (reading) and encoding (spelling).

20 (c) Fluency - reading rate, accuracy, and expression.

21 (d) Comprehension - making meaning of text.

22 (4) From the allocation under subsection (1), there is
23 allocated an amount not to exceed \$31,500,000.00 for ~~2020-2021~~
24 **2021-2022** for the purpose of providing early literacy coaches at
25 intermediate districts to assist teachers in developing and
26 implementing instructional strategies for pupils in grades pre-K to
27 3 so that pupils are reading at grade level by the end of grade 3.
28 All of the following apply to funding under this subsection:

29 (a) The department shall develop an application process

1 consistent with the provisions of this subsection. An application
2 must provide assurances that literacy coaches funded under this
3 subsection are knowledgeable about at least the following:

4 (i) Current state literacy standards for pupils in grades pre-K
5 to 3.

6 (ii) Implementing an instructional delivery model based on
7 frequent use of formative, screening, and diagnostic tools, known
8 as a multi-tiered system of support, to determine individual
9 progress for pupils in grades pre-K to 3 so that pupils are reading
10 at grade level by the end of grade 3.

11 (iii) The use of data from diagnostic tools to determine the
12 necessary additional supports and interventions needed by
13 individual pupils in grades pre-K to 3 in order to be reading at
14 grade level.

15 (b) From the allocation under this subsection, the department
16 shall award grants to intermediate districts for the support of
17 early literacy coaches. The department shall provide this funding
18 in the following manner:

19 (i) The department shall award each intermediate district grant
20 funding to support the cost of 1 early literacy coach in an equal
21 amount per early literacy coach, not to exceed \$112,500.00.

22 (ii) After distribution of the grant funding under subparagraph
23 (i), the department shall distribute the remainder of grant funding
24 for additional early literacy coaches in an amount not to exceed
25 \$112,500.00 per early literacy coach. The number of funded early
26 literacy coaches for each intermediate district is based on the
27 percentage of the total statewide number of pupils in grades K to 3
28 who meet the income eligibility standards for the federal free and
29 reduced-price lunch programs who are enrolled in districts in the

1 intermediate district.

2 (c) If an intermediate district that receives funding under
3 this subsection uses an assessment tool that screens for ~~signs~~
4 **characteristics** of dyslexia, the intermediate district shall use
5 the assessment results from that assessment tool to identify pupils
6 who demonstrate ~~signs~~ **characteristics** of dyslexia.

7 (5) From the allocation under subsection (1), there is
8 allocated an amount not to exceed \$19,900,000.00 for ~~2020-2021~~
9 **2021-2022** to districts that provide additional instructional time
10 to those pupils in grades pre-K to 3 ~~, or, for 2020-2021 only,~~
11 ~~those pupils in grades pre-K to 12,~~ who have been identified by
12 using department-approved screening and diagnostic tools as needing
13 additional supports and interventions in order to be reading at
14 grade level by the end of grade 3. ~~, or, for 2020-2021 only,~~
15 ~~reading at the applicable grade level.~~ Additional instructional
16 time may be provided before, during, and after regular school hours
17 or as part of a year-round balanced school calendar. All of the
18 following apply to funding under this subsection:

19 (a) In order to be eligible to receive funding, a district
20 ~~shall~~ **must** demonstrate to the satisfaction of the department that
21 the district has done all of the following:

22 (i) Implemented a multi-tiered system of support instructional
23 delivery model that is an evidence-based model that uses data-
24 driven problem solving to integrate academic and behavioral
25 instruction and that uses intervention delivered to all pupils in
26 varying intensities based on pupil needs. The multi-tiered system
27 of supports must provide at least all of the following essential
28 components:

29 (A) Team-based leadership.

1 (B) A tiered delivery system.

2 (C) Selection and implementation of instruction,
3 interventions, and supports.

4 (D) A comprehensive screening and assessment system.

5 (E) Continuous data-based decision making.

6 (ii) Used department-approved research-based diagnostic tools
7 to identify individual pupils in need of additional instructional
8 time.

9 (iii) Used a reading instruction method that focuses on the 5
10 fundamental building blocks of reading: phonics, phonemic
11 awareness, fluency, vocabulary, and comprehension and content
12 knowledge.

13 (iv) Provided teachers of pupils in grades pre-K to 3 with
14 research-based professional development in diagnostic data
15 interpretation.

16 (v) Complied with the requirements under section 1280f of the
17 revised school code, MCL 380.1280f.

18 (b) The department shall distribute funding allocated under
19 this subsection to eligible districts on an equal per-first-grade-
20 pupil basis.

21 (c) If the funds allocated under this subsection are
22 insufficient to fully fund the payments under this subsection,
23 payments under this subsection are prorated on an equal per-pupil
24 basis based on grade 1 pupils.

25 (6) Not later than September 1 of each year, a district that
26 receives funding under subsection (5) in conjunction with the
27 Michigan student data system, if possible, shall provide to the
28 department a report that includes at least both of the following,
29 in a form and manner prescribed by the department:

(a) For pupils in grades pre-K to 3, ~~or pre-K to 12, as applicable,~~ the **teachers**, pupils, schools, and grades served with funds under this section and the categories of services provided.

(b) For pupils in grades pre-K to 3, ~~or pre-K to 12, as applicable,~~ pupil proficiency and growth data that allows analysis both in the aggregate and by each of the following subgroups, as applicable:

(i) School.

(ii) Grade level.

(iii) Gender.

(iv) Race.

(v) Ethnicity.

(vi) Economically disadvantaged status.

(vii) Disability.

(viii) Pupils identified as having reading deficiencies.

(7) From the allocation under subsection (1), there is allocated an amount not to exceed ~~\$4,000,000.00~~ **\$6,000,000.00** for ~~2020-2021~~ **2021-2022** to an intermediate district in which the combined total number of pupils in membership of all of its constituent districts is the fewest among all intermediate districts. All of the following apply to the funding under this subsection:

(a) Funding under this subsection must be used by the intermediate district, in partnership with an association that represents intermediate district administrators in this state, to implement all of the following:

(i) Literacy essentials teacher and principal training modules.

(ii) Face-to-face and online professional learning of literacy essentials teacher and principal training modules for literacy

1 coaches, principals, and teachers.

2 (iii) The placement of regional lead literacy coaches to
3 facilitate professional learning for early literacy coaches. These
4 regional lead literacy coaches shall provide support for new
5 literacy coaches, building teachers, and administrators and shall
6 facilitate regional data collection to evaluate the effectiveness
7 of statewide literacy coaches funded under this section.

8 (iv) Provide \$500,000.00 from this subsection for literacy
9 training, modeling, coaching, and feedback for district principals
10 or chief administrators, as applicable. The training described in
11 this subparagraph must use the pre-K and K to 3 essential
12 instructional practices in literacy created by the general
13 education leadership network as the framework for all training
14 provided under this subparagraph.

15 (v) **Job-embedded professional learning opportunities for**
16 **mathematics teachers through mathematics instructional coaching.**
17 **Funding must be used for professional learning for coaches,**
18 **professional developers, administrators, and teachers; coaching for**
19 **early mathematics educators; the development of statewide and**
20 **regional professional learning networks in mathematics**
21 **instructions; and the development and support of digital**
22 **professional learning modules.**

23 (b) Not later than September 1 of each year, the intermediate
24 district described in this subsection, in consultation with grant
25 recipients, shall submit a report to the chairs of the senate and
26 house appropriations subcommittees on ~~state~~-school aid, the chairs
27 of the senate and house standing committees responsible for
28 education legislation, the house and senate fiscal agencies, and
29 the state budget director. The report described under this

1 subdivision must include student achievement results in English
2 language arts **and mathematics** and survey results with feedback from
3 parents and teachers regarding the initiatives implemented under
4 this subsection.

5 (c) Up to 2% of funds allocated under this subsection may be
6 used by the association representing intermediate district
7 administrators that is in partnership with the intermediate
8 district specified in this subsection to administer this
9 subsection.

10 (8) From the general fund money allocated in subsection (1),
11 the department shall allocate the amount of \$2,773,000.00 for ~~2020-~~
12 ~~2021-~~**2021-2022** to the Michigan Education Corps for the PreK Reading
13 Corps, the K3 Reading Corps, and the Math Corps. All of the
14 following apply to funding under this subsection:

15 (a) By September 1 of the current fiscal year, the Michigan
16 Education Corps shall provide a report concerning its use of the
17 funding to the senate and house appropriations subcommittees on
18 state school aid, the senate and house fiscal agencies, and the
19 senate and house caucus policy offices on outcomes and performance
20 measures of the Michigan Education Corps, including, but not
21 limited to, the degree to which the Michigan Education Corps'
22 replication of the PreK Reading Corps, the K3 Reading Corps, and
23 the Math Corps programs is demonstrating sufficient efficacy and
24 impact. The report must include data pertaining to at least all of
25 the following:

26 (i) The current impact of the programs on this state in terms
27 of numbers of children and schools receiving support. This portion
28 of the report must specify the number of children tutored,
29 including dosage and completion, and the demographics of those

1 children.

2 (ii) Whether the assessments and interventions are implemented
3 with fidelity. This portion of the report must include details on
4 the total number of assessments and interventions completed and the
5 range, mean, and standard deviation.

6 (iii) Whether the literacy or math improvement of children
7 participating in the programs is consistent with expectations. This
8 portion of the report must detail at least all of the following:

9 (A) Growth rate by grade or age level, in comparison to
10 targeted growth rate.

11 (B) Average linear growth rates.

12 (C) Exit rates.

13 (D) Percentage of children who exit who also meet or exceed
14 spring benchmarks.

15 (iv) The impact of the programs on organizations and
16 stakeholders, including, but not limited to, school administrators,
17 internal coaches, and AmeriCorps members.

18 (b) If the department determines that the Michigan Education
19 Corps has misused the funds allocated under this subsection, the
20 Michigan Education Corps shall reimburse this state for the amount
21 of state funding misused.

22 (c) The department may not reserve any portion of the
23 allocation provided under this subsection for an evaluation of the
24 Michigan Education Corps, the Michigan Education Corps' funding, or
25 the Michigan Education Corps' programming unless agreed to in
26 writing by the Michigan Education Corps. The department shall award
27 the entire \$2,773,000.00 allocated under this subsection to the
28 Michigan Education Corps and shall not condition the awarding of
29 this funding on the implementation of an independent evaluation.

1 (9) If a district or intermediate district expends any funding
2 received under subsection (4) or (5) for professional development
3 in research-based effective reading instruction, the district or
4 intermediate district shall select a professional development
5 program from the list described under subdivision (a). All of the
6 following apply to the requirement under this subsection:

7 (a) The department shall issue a request for proposals for
8 professional development programs in research-based effective
9 reading instruction to develop an initial approved list of
10 professional development programs in research-based effective
11 reading instruction. The department shall make the initial approved
12 list public and shall determine if it will, on a rolling basis,
13 approve any new proposals submitted for addition to its initial
14 approved list.

15 (b) To be included as an approved professional development
16 program in research-based effective reading instruction under
17 subdivision (a), an applicant must demonstrate to the department in
18 writing the program's competency in all of the following topics:

19 (i) Understanding of phonemic awareness, phonics, fluency,
20 vocabulary, and comprehension.

21 (ii) Appropriate use of assessments and differentiated
22 instruction.

23 (iii) Selection of appropriate instructional materials.

24 (iv) Application of research-based instructional practices.

25 (c) As used in this subsection, "effective reading
26 instruction" means reading instruction scientifically proven to
27 result in improvement in pupil reading skills.

28 (10) Notwithstanding section 17b, the department shall make
29 payments made under subsections (7) and (8) on a schedule

1 determined by the department.

2 Sec. 35b. (1) From the general fund money appropriated in
3 section 11, there is allocated for ~~2020-2021~~**2021-2022** an amount
4 not to exceed \$250,000.00 for a grant to be distributed by the
5 department to the Children's Choice Initiative for a program to use
6 a multisensory structured language education method to improve
7 reading proficiency rates and to comply with section 1280f of the
8 revised school code, MCL 380.1280f.

9 (2) Grant funds awarded under this section must be expended
10 for the following purposes:

11 (a) Professional development including training staff and
12 tutors in a multisensory, sequential, systematic education
13 approach.

14 (b) Additional instructional time before, during, or after
15 school for pupils in grades K to 3 identified as having an early
16 literacy delay or reading deficiency using a multisensory,
17 sequential, systematic education approach.

18 (3) Not later than December 1, 2021, an entity that receives
19 grant funds under this section shall report to the house and senate
20 appropriations subcommittees on school aid, the house and senate
21 fiscal agencies, and the state budget director on all of the
22 following for the grant funds awarded under this section:

23 (a) The number of staff and tutors trained.

24 (b) The number of pupils in grades K to 3 identified as having
25 an early literacy delay or reading deficiency served.

26 (c) The number of hours of added instructional time provided
27 to pupils served.

28 (d) Pupil reading proficiency and growth data of pupils served
29 necessary to evaluate the effectiveness of the program.

1 Sec. 35d. (1) From the general fund money appropriated under
2 section 11, for ~~2020-2021~~, **2021-2022**, there is allocated an amount
3 not to exceed \$500,000.00 for the department to provide grants to
4 districts and intermediate districts for the purchase of 1 or more
5 components or trainings through an eligible 1-on-1 tutoring program
6 for children with dyslexia from a provider of an eligible 1-on-1
7 tutoring program for children with dyslexia as provided under this
8 section.

9 (2) A provider that provides programming that meets all of the
10 following is considered to be a provider of an eligible 1-on-1
11 tutoring program for purposes of this section:

12 (a) Allows teachers to incorporate the 5 components essential
13 to an effective reading program into their daily lessons. The 5
14 components described in this subdivision are phonemic awareness,
15 phonics, vocabulary, fluency, and comprehension.

16 (b) Trains educators to teach reading using a proven,
17 multisensory approach.

18 (c) Educates teachers on how to explicitly and effectively
19 teach reading to beginning readers.

20 (d) Breaks reading and spelling down into smaller skills
21 involving letters and sounds, and then builds on these skills over
22 time.

23 (e) Uses multisensory teaching strategies to teach reading by
24 using sight, hearing, touch, and movement to help students connect
25 and learn the concepts being taught.

26 (3) Districts and intermediate districts may apply to the
27 department for grants to purchase components or training through an
28 eligible 1-on-1 tutoring program from a provider of an eligible 1-
29 on-1 tutoring program, and, upon receiving an application but

1 except as otherwise provided in this subsection, the department
2 shall make payments to districts and intermediate districts for
3 those purchases. The department shall make payments under this
4 section on a first-come, first-served basis until funds are
5 depleted.

6 Sec. 35e. (1) From the general fund money appropriated under
7 section 11, there is allocated an amount not to exceed
8 \$1,000,000.00 for ~~2020-2021~~**2021-2022** for a grant to be distributed
9 by the department to an organization to provide early literacy and
10 academic support to at-need youth in this state.

11 (2) To qualify for a grant under this section, an organization
12 must be exempt from federal income tax under section 501(c)(3) of
13 the internal revenue code, 26 USC 501, and must be affiliated and
14 in good standing with a national congressionally chartered
15 organization's standards under 36 USC 20101 to 240112, and must
16 meet both of the following:

17 (a) Is facility-based and provides proven and tested
18 recreational, educational, and character building programs for
19 children ages 6 to 18.

20 (b) Provides after-school and summer programs in at least 25
21 communities statewide, with youth development services available at
22 least 20 hours per week during the school year and 30 hours per
23 week during summer programming.

24 (3) A grant recipient under this section shall administer an
25 early learning literacy program targeted at students in grades K-3.
26 At least 60% of the participants in the program must qualify for
27 free or reduced-priced lunch. Each entity receiving funds to
28 implement the program shall report to the department on the number
29 of children served, the types of services, and the outcome of those

1 services.

2 (4) Notwithstanding section 17b, the department shall make
3 grant payments under this section on a schedule determined by the
4 department.

5 Sec. 35f. From the general fund money appropriated in section
6 11, there is allocated for ~~2020-2021~~**2021-2022** an amount not to
7 exceed \$500,000.00 for the department to award to the Chaldean
8 community foundation. The Chaldean community foundation shall use
9 funds received under this section to support and expand early
10 childhood learning opportunities, improve early literacy
11 achievement, increase high school graduation rates for new
12 Americans, and assist with diploma acquisition, skills training,
13 and postsecondary education.

14 **Sec. 35g. (1) From the state school aid fund money**
15 **appropriated in section 11, there is allocated an amount not to**
16 **exceed \$1,000,000.00 for 2021-2022 for competitive grants to**
17 **eligible districts that have established innovative community**
18 **libraries.**

19 (2) A district that has established an innovative community
20 library that meets all of the following is an eligible district
21 under this section:

22 (a) The library provides for the engagement and connection of
23 readers.

24 (b) The library provides for resources that are used to
25 further reading skills.

26 (c) The library provides for the involvement of community
27 volunteers and donations.

28 (3) An eligible district may partner with an existing library
29 to provide an innovative community library described in subsection

1 (2) .

2 (4) For the purpose of this section, an innovative community
3 library described in subsection (2) does not need to be in a
4 physical building.

5 (5) To receive funding under this section, an eligible
6 district must apply for the funding to the department's innovation
7 council, in a form and manner prescribed by the department's
8 innovation council, by not later than March 15, 2022. The
9 department's innovation council must develop an application process
10 for the submission of applications for funding under this section
11 by not later than December 15, 2021. The department's innovation
12 council must score applications and award up to 20 grants under
13 this section based on the following criteria by not later than July
14 15, 2022:

15 (a) How the innovative community library has addressed early
16 childhood literacy gaps.

17 (b) How community partners of the innovative community library
18 have engaged in addressing literacy gaps.

19 (c) How the innovative community library has connected
20 different readers together.

21 (d) How the innovative community library will promote its
22 approach to other districts or communities in addressing early
23 literacy gaps.

24 (6) The grant awards under subsection (5) must be ranked in a
25 manner in which there are 2 first-place grant awards, 2 second-
26 place grant awards, 2 third-place grant awards, 2 fourth-place
27 grant awards, 2 fifth-place grant awards, 2 sixth-place grant
28 awards, 2 seventh-place grant awards, 2 eighth-place grant awards,
29 2 ninth-place grant awards, and 2 tenth-place grant awards. The

1 first-place grant awards described in this subsection must receive
2 the highest award of funding under this section and the amount of
3 funding awarded under this section must decline sequentially with
4 each numerical-place award described in this subsection, with the
5 lowest award of funding under this section going to the tenth-place
6 grant award recipients.

7 (7) Notwithstanding section 17b, subject to subsection (5),
8 the department shall make payments to eligible districts under this
9 section on a schedule determined by the department.

10 Sec. 39. (1) An eligible applicant receiving funds under
11 section 32d shall submit an application, in a form and manner
12 prescribed by the department, by a date specified by the department
13 in the immediately preceding fiscal year. An eligible applicant is
14 not required to amend the applicant's current accounting cycle or
15 adopt this state's fiscal year accounting cycle in accounting for
16 financial transactions under this section. The application must
17 include all of the following:

18 (a) The estimated total number of children in the community
19 who meet the criteria of section 32d, as provided to the applicant
20 by the department utilizing the most recent population data
21 available from the American Community Survey conducted by the
22 United States Census Bureau. The department shall ensure that it
23 provides updated American Community Survey population data at least
24 once every 3 years.

25 (b) The estimated number of children in the community who meet
26 the criteria of section 32d and are being served exclusively by
27 Head Start programs operating in the community.

28 (c) The number of children whom the applicant has the capacity
29 to serve who meet the criteria of section 32d including a

1 verification of physical facility and staff resources capacity.

2 (2) After notification of funding allocations, an applicant
3 receiving funds under section 32d shall also submit an
4 implementation plan for approval, in a form and manner prescribed
5 by the department, by a date specified by the department, that
6 details how the applicant complies with the program components
7 established by the department pursuant to section 32d.

8 (3) The initial allocation to each eligible applicant under
9 section 32d is the lesser of the following:

10 (a) The sum of the number of children served in a school-day
11 program in the preceding school year multiplied by ~~\$7,250.00~~
12 **\$8,700.00** and the number of children served in a GSRP/Head Start
13 blended program or a part-day program in the preceding school year
14 multiplied by ~~\$3,625.00~~ **\$4,350.00**.

15 (b) The sum of the number of children the applicant has the
16 capacity to serve in the current school year in a school-day
17 program multiplied by ~~\$7,250.00~~ **\$8,700.00** and the number of
18 children served in a GSRP/Head Start blended program or a part-day
19 program the applicant has the capacity to serve in the current
20 school year multiplied by ~~\$3,625.00~~ **\$4,350.00**.

21 (4) If funds remain after the allocations under subsection
22 (3), the department shall distribute the remaining funds to each
23 intermediate district or consortium of intermediate districts that
24 serves less than the state percentage benchmark determined under
25 subsection (5). The department shall distribute these remaining
26 funds to each eligible applicant based upon each applicant's
27 proportionate share of the remaining unserved children necessary to
28 meet the statewide percentage benchmark in intermediate districts
29 or consortia of intermediate districts serving less than the

1 statewide percentage benchmark. When all applicants have been given
2 the opportunity to reach the statewide percentage benchmark, the
3 statewide percentage benchmark may be reset, as determined by the
4 department, until greater equity of opportunity to serve eligible
5 children across all intermediate school districts has been
6 achieved.

7 (5) For the purposes of subsection (4), the department shall
8 calculate a percentage of children served by each intermediate
9 district or consortium of intermediate districts by adding the
10 number of children served in the immediately preceding year by that
11 intermediate district or consortium with the number of eligible
12 children under section 32d served exclusively by head start, as
13 reported in a form and manner prescribed by the department, within
14 the intermediate district or consortia service area and dividing
15 that total by the total number of children within the intermediate
16 district or consortium of intermediate districts who meet the
17 criteria of section 32d as determined by the department utilizing
18 the most recent population data available from the American
19 Community Survey conducted by the United States Census Bureau. The
20 department shall compare the resulting percentage of eligible
21 children served to a statewide percentage benchmark to determine if
22 the intermediate district or consortium is eligible for additional
23 funds under subsection (4). The statewide percentage benchmark is
24 ~~60%.100%.~~

25 (6) If, taking into account the total amount to be allocated
26 to the applicant as calculated under this section, an applicant
27 determines that it is able to include additional eligible children
28 in the great start readiness program without additional funds under
29 section 32d, the applicant may include additional eligible children

1 but does not receive additional funding under section 32d for those
2 children.

3 (7) The department shall review the program components under
4 section 32d and under this section at least biennially. The
5 department also shall convene a committee of internal and external
6 stakeholders at least once every 5 years to ensure that the funding
7 structure under this section reflects current system needs under
8 section 32d.

9 (8) **For the 2020-2021 program year only, the number of**
10 **children reported on the application described in subsection**
11 **(1) (a), (b), and (c) must not be used by the department for the**
12 **purpose of calculating hold harmless funding levels for 2021-2022.**
13 **Hold harmless funding for 2021-2022 must be determined based on the**
14 **2019-2020 final allocations calculated and paid under section 32d**
15 **in 2019-2020.**

16 (9) ~~(8)~~ As used in this section, "GSRP/Head Start blended
17 program", "part-day program", and "school-day program" mean those
18 terms as defined in section 32d. ~~as, for 2020-2021, impacted by~~
19 ~~section 32d(26).~~

20 Sec. 39a. (1) From the federal funds appropriated in section
21 11, there is allocated for 2020-2021 to districts, intermediate
22 districts, and other eligible entities all available federal
23 funding, estimated at ~~\$749,200,000.00~~ **\$752,300,000.00 and there is**
24 **allocated for 2021-2022 to districts, intermediate districts, and**
25 **other eligible entities all available federal funding, estimated at**
26 **\$752,300,000.00, for the federal programs under the no child left**
27 **behind act of 2001, Public Law 107-110, or the every student**
28 **succeeds act, Public Law 114-95. These funds are allocated as**
29 **follows:**

1 (a) An amount estimated at \$1,200,000.00 for 2020-2021 **and**
2 **estimated at \$1,200,000.00 for 2021-2022** to provide students with
3 drug- and violence-prevention programs and to implement strategies
4 to improve school safety, funded from DED-OESE, drug-free schools
5 and communities funds.

6 (b) An amount estimated at \$100,000,000.00 for 2020-2021 **and**
7 **estimated at \$100,000,000.00 for 2021-2022** for the purpose of
8 preparing, training, and recruiting high-quality teachers and class
9 size reduction, funded from DED-OESE, improving teacher quality
10 funds.

11 (c) An amount estimated at \$11,000,000.00 for 2020-2021 **and**
12 **estimated at \$13,000,000.00 for 2021-2022** for programs to teach
13 English to limited English proficient (LEP) children, funded from
14 DED-OESE, language acquisition state grant funds.

15 (d) An amount estimated at \$2,800,000.00 for 2020-2021 **and**
16 **estimated at \$2,800,000.00 for 2021-2022** for rural and ~~low-income~~
17 **low-income** schools, funded from DED-OESE, rural and low income
18 school funds.

19 (e) An amount estimated at \$535,000,000.00 for 2020-2021 **and**
20 **estimated at \$535,000,000.00 for 2021-2022** to provide supplemental
21 programs to enable educationally disadvantaged children to meet
22 challenging academic standards, funded from DED-OESE, title I,
23 disadvantaged children funds.

24 (f) An amount estimated at \$9,200,000.00 for 2020-2021 **and**
25 **estimated at \$9,200,000.00 for 2021-2022** for the purpose of
26 identifying and serving migrant children, funded from DED-OESE,
27 title I, migrant education funds.

28 (g) An amount estimated at \$39,000,000.00 for 2020-2021 **and**
29 **estimated at \$39,000,000.00 for 2021-2022** for the purpose of

1 providing high-quality extended learning opportunities, after
 2 school and during the summer, for children in low-performing
 3 schools, funded from DED-OESE, twenty-first century community
 4 learning center funds.

5 (h) An amount estimated at \$14,000,000.00 for 2020-2021 **and**
 6 **estimated at \$14,000,000.00 for 2021-2022** to help support local
 7 school improvement efforts, funded from DED-OESE, title I, local
 8 school improvement grants.

9 (i) An amount estimated at \$35,000,000.00 for 2020-2021 **and**
 10 **estimated at \$35,000,000.00 for 2021-2022** to improve the academic
 11 achievement of students, funded from DED-OESE, title IV, student
 12 support and academic enrichment grants.

13 (j) **An amount estimated at \$3,100,000.00 for 2020-2021 and**
 14 **estimated at \$3,100,000.00 for 2021-2022 for literacy programs that**
 15 **advance literacy skills for students from birth through grade 12,**
 16 **including, but not limited to, English-proficient students and**
 17 **students with disabilities, funded from DED-OESE, striving readers**
 18 **comprehensive literacy program.**

19 (2) From the federal funds appropriated in section 11, there
 20 is allocated to districts, intermediate districts, and other
 21 eligible entities all available federal funding, estimated at
 22 ~~\$55,000,000.00~~ **\$77,867,000.00** for 2020-2021 **and estimated at**
 23 **\$56,500,000.00 for 2021-2022** for the following programs that are
 24 funded by federal grants:

25 (a) An amount estimated at ~~\$3,000,000.00~~ **\$24,367,000.00** for
 26 2020-2021 **and estimated at \$3,000,000.00 for 2021-2022** to provide
 27 services to homeless children and youth, funded from DED-OVAE,
 28 homeless children and youth funds.

29 (b) An amount estimated at \$24,000,000.00 for 2020-2021 **and**

1 **estimated at \$24,000,000.00 for 2021-2022** for providing career and
2 technical education services to pupils, funded from DED-OVAE, basic
3 grants to states.

4 (c) An amount estimated at \$14,000,000.00 for 2020-2021 **and**
5 **estimated at \$14,000,000.00 for 2021-2022** for the Michigan charter
6 school subgrant program, funded from DED-OII, public charter
7 schools program funds.

8 (d) An amount estimated at \$14,000,000.00 for 2020-2021 **and**
9 **estimated at \$14,000,000.00 for 2021-2022** for the purpose of
10 promoting and expanding high-quality preschool services, funded
11 from HHS-OCC, preschool development funds.

12 (e) **An amount estimated at \$1,500,000.00 for 2020-2021 and**
13 **estimated at \$1,500,000.00 for 2021-2022 for the purpose of**
14 **addressing priority substance abuse treatment, prevention, and**
15 **mental health needs, funded from HHS-SAMHSA.**

16 (3) The department shall distribute all federal funds
17 allocated under this section in accordance with federal law and
18 with flexibility provisions outlined in Public Law 107-116, and in
19 the education flexibility partnership act of 1999, Public Law 106-
20 25. Notwithstanding section 17b, the department shall make payments
21 of federal funds to districts, intermediate districts, and other
22 eligible entities under this section on a schedule determined by
23 the department.

24 (4) For the purposes of applying for federal grants
25 appropriated under this article, the department shall allow an
26 intermediate district to submit a consortium application on behalf
27 of 2 or more districts with the agreement of those districts as
28 appropriate according to federal rules and guidelines.

29 (5) For the purposes of funding federal title I grants under

1 this article, in addition to any other federal grants for which the
 2 strict discipline academy is eligible, the department shall
 3 allocate to a strict discipline academy out of title I, part A an
 4 amount equal to what the strict discipline academy would have
 5 received if included and calculated under title I, part D, or what
 6 it would receive under the formula allocation under title I, part
 7 A, whichever is greater.

8 (6) As used in this section:

9 (a) "DED" means the United States Department of Education.

10 (b) "DED-OESE" means the DED Office of Elementary and
 11 Secondary Education.

12 (c) "DED-OII" means the DED Office of Innovation and
 13 Improvement.

14 (d) "DED-OVAE" means the DED Office of Vocational and Adult
 15 Education.

16 (e) "HHS" means the United States Department of Health and
 17 Human Services.

18 (f) "HHS-OCC" means the HHS Office of Child Care.

19 (g) **"HHS-SAMHSA" means the HHS Substance Abuse and Mental**
 20 **Health Services Project.**

21 Sec. 41. (1) For a district to be eligible to receive funding
 22 under this section, the district must administer to English
 23 language learners the English language proficiency assessment known
 24 as the "WIDA ACCESS for English language learners" or the "WIDA
 25 Alternate ACCESS". From the ~~appropriation~~ **state school aid fund**
 26 **money appropriated** in section 11, there is allocated an amount not
 27 to exceed ~~\$13,000,000.00~~ **\$25,200,000.00** for ~~2020-2021~~ **2021-2022** for
 28 payments to eligible districts for services for English language
 29 learners who have been administered the WIDA ACCESS for English

1 language learners.

2 (2) The department shall distribute funding allocated under
3 subsection (1) to eligible districts based on the number of full-
4 time equivalent English language learners as follows:

5 (a) ~~\$900.00~~ **\$935.00** per full-time equivalent English language
6 learner who has been assessed under the WIDA ACCESS for English
7 language learners or the WIDA Alternate ACCESS with a WIDA ACCESS
8 or WIDA Alternate ACCESS composite score between 1.0 and 1.9, or
9 less, as applicable to each assessment.

10 (b) ~~\$620.00~~ **\$645.00** per full-time equivalent English language
11 learner who has been assessed under the WIDA ACCESS for English
12 language learners or the WIDA Alternate ACCESS with a WIDA ACCESS
13 or WIDA Alternate ACCESS composite score between 2.0 and 2.9, or
14 less, as applicable to each assessment.

15 (c) ~~\$100.00~~ **\$105.00** per full-time equivalent English language
16 learner who has been assessed under the WIDA ACCESS for English
17 language learners or the WIDA Alternate ACCESS with a WIDA ACCESS
18 or WIDA Alternate ACCESS composite score between 3.0 and 3.9, or
19 less, as applicable to each assessment.

20 (3) If funds allocated under subsection (1) are insufficient
21 to fully fund the payments as prescribed under subsection (2), the
22 department shall prorate payments on an equal percentage basis,
23 with the same percentage proration applied to all funding
24 categories.

25 (4) Each district receiving funds under subsection (1) shall
26 submit to the department by July 15 of each fiscal year a report,
27 not to exceed 10 pages, on the usage by the district of funds under
28 subsection (1) in a form and manner determined by the department,
29 including a brief description of each program conducted or services

performed by the district using funds under subsection (1) and the amount of funds under subsection (1) allocated to each of those programs or services. If a district does not comply with this subsection, the department shall withhold an amount equal to the August payment due under this section until the district complies with this subsection. If the district does not comply with this subsection by the end of the fiscal year, the withheld funds are forfeited to the school aid fund.

(5) In order to receive funds under subsection (1), a district must allow access for the department or the department's designee to audit all records related to the program for which it receives those funds. The district shall reimburse this state for all disallowances found in the audit.

(6) Beginning July 1, 2020, and every 3 years thereafter, the department shall review the per-pupil distribution under subsection (2), to ensure that funding levels are appropriate and make recommendations for adjustments to the members of the senate and house subcommittees on K-12 school aid appropriations.

Sec. 51a. (1) From the ~~appropriation~~ **state school aid fund money** in section 11, there is allocated an amount not to exceed ~~\$1,023,996,100.00~~ **\$1,079,296,100.00** for ~~2019-2020~~ **2020-2021** and there is allocated an amount not to exceed ~~\$1,079,296,100.00~~ **\$1,123,696,100.00** for ~~2020-2021~~ **2021-2022** from state sources and all available federal funding under sections ~~611-1411~~ to ~~619-1419~~ of part B of the individuals with disabilities education act, 20 USC 1411 to 1419, estimated at ~~\$370,000,000.00~~ **\$456,752,000.00** for ~~2019-2020~~ **2020-2021** and ~~\$375,000,000.00~~ **\$380,000,000.00** for ~~2020-2021~~ **2021-2022**, plus any carryover federal funds from previous year appropriations. The allocations under this subsection are for

the purpose of reimbursing districts and intermediate districts for special education programs, services, and special education personnel as prescribed in article 3 of the revised school code, MCL 380.1701 to 380.1761; net tuition payments made by intermediate districts to the Michigan Schools for the Deaf and Blind; and special education programs and services for pupils who are eligible for special education programs and services according to statute or rule. For meeting the costs of special education programs and services not reimbursed under this article, a district or intermediate district may use money in general funds or special education funds, not otherwise restricted, or contributions from districts to intermediate districts, tuition payments, gifts and contributions from individuals or other entities, or federal funds that may be available for this purpose, as determined by the intermediate district plan prepared under article 3 of the revised school code, MCL 380.1701 to 380.1761. Notwithstanding section 17b, the department shall make payments of federal funds to districts, intermediate districts, and other eligible entities under this section on a schedule determined by the department.

(2) From the funds allocated under subsection (1), there is allocated the amount necessary, estimated at ~~\$286,900,000.00~~ **\$319,000,000.00** for ~~2019-2020-2020-2021~~ and estimated at ~~\$307,500,000.00~~ **\$332,000,000.00** for ~~2020-2021, 2021-2022~~, for payments toward reimbursing districts and intermediate districts for 28.6138% of total approved costs of special education, excluding costs reimbursed under section 53a, and 70.4165% of total approved costs of special education transportation. Allocations under this subsection are made as follows:

(a) The department shall calculate the initial amount

1 allocated to a district under this subsection toward fulfilling the
 2 specified percentages by multiplying the district's special
 3 education pupil membership, excluding pupils described in
 4 subsection (11), times the foundation allowance under section 20 of
 5 the pupil's district of residence, **plus the amount of the**
 6 **district's per-pupil allocation under section 20m**, not to exceed
 7 the target foundation allowance for the current fiscal year, or,
 8 for a special education pupil in membership in a district that is a
 9 public school academy, times an amount equal to the amount per
 10 membership pupil calculated under section 20(6). For an
 11 intermediate district, the amount allocated under this subdivision
 12 toward fulfilling the specified percentages is an amount per
 13 special education membership pupil, excluding pupils described in
 14 subsection (11), and is calculated in the same manner as for a
 15 district, using the foundation allowance under section 20 of the
 16 pupil's district of residence, not to exceed the target foundation
 17 allowance for the current fiscal year, **and that district's per-**
 18 **pupil allocation under section 20m.**

19 (b) After the allocations under subdivision (a), the
 20 department shall pay a district or intermediate district for which
 21 the payments calculated under subdivision (a) do not fulfill the
 22 specified percentages the amount necessary to achieve the specified
 23 percentages for the district or intermediate district.

24 (3) From the funds allocated under subsection (1), there is
 25 allocated for ~~2019-2020~~ **2020-2021** an amount not to exceed
 26 \$1,000,000.00 and there is allocated for ~~2020-2021~~ **2021-2022** an
 27 amount not to exceed \$1,000,000.00 to make payments to districts
 28 and intermediate districts under this subsection. If the amount
 29 allocated to a district or intermediate district for a fiscal year

1 under subsection (2)(b) is less than the sum of the amounts
2 allocated to the district or intermediate district for 1996-97
3 under sections 52 and 58, there is allocated to the district or
4 intermediate district for the fiscal year an amount equal to that
5 difference, adjusted by applying the same proration factor that was
6 used in the distribution of funds under section 52 in 1996-97 as
7 adjusted to the district's or intermediate district's necessary
8 costs of special education used in calculations for the fiscal
9 year. This adjustment is to reflect reductions in special education
10 program operations or services between 1996-97 and subsequent
11 fiscal years. The department shall make adjustments for reductions
12 in special education program operations or services in a manner
13 determined by the department and shall include adjustments for
14 program or service shifts.

15 (4) If the department determines that the sum of the amounts
16 allocated for a fiscal year to a district or intermediate district
17 under subsection (2)(a) and (b) is not sufficient to fulfill the
18 specified percentages in subsection (2), then the department shall
19 pay the shortfall to the district or intermediate district during
20 the fiscal year beginning on the October 1 following the
21 determination and shall adjust payments under subsection (3) as
22 necessary. If the department determines that the sum of the amounts
23 allocated for a fiscal year to a district or intermediate district
24 under subsection (2)(a) and (b) exceeds the sum of the amount
25 necessary to fulfill the specified percentages in subsection (2),
26 then the department shall deduct the amount of the excess from the
27 district's or intermediate district's payments under this article
28 for the fiscal year beginning on the October 1 following the
29 determination and shall adjust payments under subsection (3) as

1 necessary. However, if the amount allocated under subsection (2)(a)
 2 in itself exceeds the amount necessary to fulfill the specified
 3 percentages in subsection (2), there is no deduction under this
 4 subsection.

5 (5) State funds are allocated on a total approved cost basis.
 6 Federal funds are allocated under applicable federal requirements.

7 (6) From the amount allocated in subsection (1), there is
 8 allocated an amount not to exceed \$2,200,000.00 for ~~2019-2020-2020-~~
 9 **2021** and there is allocated an amount not to exceed \$2,200,000.00
 10 for ~~2020-2021-2021-2022~~ to reimburse 100% of the net increase in
 11 necessary costs incurred by a district or intermediate district in
 12 implementing the revisions in the administrative rules for special
 13 education that became effective on July 1, 1987. As used in this
 14 subsection, "net increase in necessary costs" means the necessary
 15 additional costs incurred solely because of new or revised
 16 requirements in the administrative rules minus cost savings
 17 permitted in implementing the revised rules. The department shall
 18 determine net increase in necessary costs in a manner specified by
 19 the department.

20 (7) For purposes of ~~sections 51a~~ **this section and sections 51b**
 21 to 58, all of the following apply:

22 (a) "Total approved costs of special education" are determined
 23 in a manner specified by the department and may include indirect
 24 costs, but must not exceed 115% of approved direct costs for
 25 section 52 and section 53a programs. The total approved costs
 26 include salary and other compensation for all approved special
 27 education personnel for the program, including payments for Social
 28 Security and Medicare and public school employee retirement system
 29 contributions. The total approved costs do not include salaries or

1 other compensation paid to administrative personnel who are not
2 special education personnel as that term is defined in section 6 of
3 the revised school code, MCL 380.6. Costs reimbursed by federal
4 funds, other than those federal funds included in the allocation
5 made under this article, are not included. Special education
6 approved personnel not utilized full time in the evaluation of
7 students or in the delivery of special education programs,
8 ancillary, and other related services are reimbursed under this
9 section only for that portion of time actually spent providing
10 these programs and services, with the exception of special
11 education programs and services provided to youth placed in child
12 caring institutions or juvenile detention programs approved by the
13 department to provide an on-grounds education program.

14 (b) Beginning with the 2004-2005 fiscal year, a district or
15 intermediate district that employed special education support
16 services staff to provide special education support services in
17 2003-2004 or in a subsequent fiscal year and that in a fiscal year
18 after 2003-2004 receives the same type of support services from
19 another district or intermediate district shall report the cost of
20 those support services for special education reimbursement purposes
21 under this article. This subdivision does not prohibit the transfer
22 of special education classroom teachers and special education
23 classroom aides if the pupils counted in membership associated with
24 those special education classroom teachers and special education
25 classroom aides are transferred and counted in membership in the
26 other district or intermediate district in conjunction with the
27 transfer of those teachers and aides.

28 (c) If the department determines before bookclosing for a
29 fiscal year that the amounts allocated for that fiscal year under

1 subsections (2), (3), (6), and (11) and sections 53a, 54, and 56
2 will exceed expenditures for that fiscal year under subsections
3 (2), (3), (6), and (11) and sections 53a, 54, and 56, then for a
4 district or intermediate district whose reimbursement for that
5 fiscal year would otherwise be affected by subdivision (b),
6 subdivision (b) does not apply to the calculation of the
7 reimbursement for that district or intermediate district and the
8 department shall calculate reimbursement for that district or
9 intermediate district in the same manner as it was for 2003-2004.
10 If the amount of the excess allocations under subsections (2), (3),
11 (6), and (11) and sections 53a, 54, and 56 is not sufficient to
12 fully fund the calculation of reimbursement to those districts and
13 intermediate districts under this subdivision, then the department
14 shall prorate calculations and resulting reimbursement under this
15 subdivision on an equal percentage basis. Beginning in 2015-2016,
16 the amount of reimbursement under this subdivision for a fiscal
17 year must not exceed \$2,000,000.00 for any district or intermediate
18 district.

19 (d) Reimbursement for ancillary and other related services, as
20 **that term is** defined by R 340.1701c of the Michigan Administrative
21 Code, is not provided when those services are covered by and
22 available through private group health insurance carriers or
23 federal reimbursed program sources unless the department and
24 district or intermediate district agree otherwise and that
25 agreement is approved by the state budget director. Expenses, other
26 than the incidental expense of filing, must not be borne by the
27 parent. In addition, the filing of claims must not delay the
28 education of a pupil. A district or intermediate district is
29 responsible for payment of a deductible amount and for an advance

1 payment required until the time a claim is paid.

2 (e) Beginning with calculations for 2004-2005, if an
3 intermediate district purchases a special education pupil
4 transportation service from a constituent district that was
5 previously purchased from a private entity; if the purchase from
6 the constituent district is at a lower cost, adjusted for changes
7 in fuel costs; and if the cost shift from the intermediate district
8 to the constituent does not result in any net change in the revenue
9 the constituent district receives from payments under sections 22b
10 and 51c, then upon application by the intermediate district, the
11 department shall direct the intermediate district to continue to
12 report the cost associated with the specific identified special
13 education pupil transportation service and shall adjust the costs
14 reported by the constituent district to remove the cost associated
15 with that specific service.

16 (8) A pupil who is enrolled in a full-time special education
17 program conducted or administered by an intermediate district or a
18 pupil who is enrolled in the Michigan Schools for the Deaf and
19 Blind is not included in the membership count of a district, but is
20 counted in membership in the intermediate district of residence.

21 (9) Special education personnel transferred from 1 district to
22 another to implement the revised school code are entitled to the
23 rights, benefits, and tenure to which the person would otherwise be
24 entitled had that person been employed by the receiving district
25 originally.

26 (10) If a district or intermediate district uses money
27 received under this section for a purpose other than the purpose or
28 purposes for which the money is allocated, the department may
29 require the district or intermediate district to refund the amount

1 of money received. The department shall deposit money that is
 2 refunded in the state treasury to the credit of the state school
 3 aid fund.

4 (11) From the funds allocated in subsection (1), there is
 5 allocated the amount necessary, estimated at ~~\$3,100,000.00~~
 6 **\$2,400,000.00** for ~~2019-2020~~**2020-2021** and estimated at
 7 ~~\$3,000,000.00~~**\$2,900,000.00** for ~~2020-2021~~**2021-2022**, to pay the
 8 foundation allowances for pupils described in this subsection. The
 9 department shall calculate the allocation to a district under this
 10 subsection by multiplying the number of pupils described in this
 11 subsection who are counted in membership in the district times the
 12 sum of the foundation allowance under section 20 of the pupil's
 13 district of residence, **plus the amount of the district's per-pupil**
 14 **allocation under section 20m**, not to exceed the target foundation
 15 allowance for the current fiscal year, or, for a pupil described in
 16 this subsection who is counted in membership in a district that is
 17 a public school academy, times an amount equal to the amount per
 18 membership pupil under section 20(6). The department shall
 19 calculate the allocation to an intermediate district under this
 20 subsection in the same manner as for a district, using the
 21 foundation allowance under section 20 of the pupil's district of
 22 residence not to exceed the target foundation allowance for the
 23 current fiscal year **and that district's per-pupil allocation under**
 24 **section 20m**. This subsection applies to all of the following
 25 pupils:

26 (a) Pupils described in section 53a.

27 (b) Pupils counted in membership in an intermediate district
 28 who are not special education pupils and are served by the
 29 intermediate district in a juvenile detention or child caring

1 facility.

2 (c) Pupils with an emotional impairment counted in membership
3 by an intermediate district and provided educational services by
4 the department of health and human services.

5 (12) If it is determined that funds allocated under subsection
6 (2) or (11) or under section 51c will not be expended, funds up to
7 the amount necessary and available may be used to supplement the
8 allocations under subsection (2) or (11) or under section 51c in
9 order to fully fund those allocations. After payments under
10 subsections (2) and (11) and section 51c, the department shall
11 expend the remaining funds from the allocation in subsection (1) in
12 the following order:

13 (a) 100% of the reimbursement required under section 53a.

14 (b) 100% of the reimbursement required under subsection (6).

15 (c) 100% of the payment required under section 54.

16 (d) 100% of the payment required under subsection (3).

17 (e) 100% of the payments under section 56.

18 (13) The allocations under subsections (2), (3), and (11) are
19 allocations to intermediate districts only and are not allocations
20 to districts, but instead are calculations used only to determine
21 the state payments under section 22b.

22 (14) If a public school academy that is not a cyber school, as
23 that term is defined in section 551 of the revised school code, MCL
24 380.551, enrolls under this section a pupil who resides outside of
25 the intermediate district in which the public school academy is
26 located and who is eligible for special education programs and
27 services according to statute or rule, or who is a child with
28 ~~disabilities~~, **a disability**, as **that term is** defined under the
29 individuals with disabilities education act, Public Law 108-446,

1 the intermediate district in which the public school academy is
2 located and the public school academy shall enter into a written
3 agreement with the intermediate district in which the pupil resides
4 for the purpose of providing the pupil with a free appropriate
5 public education, and the written agreement must include at least
6 an agreement on the responsibility for the payment of the added
7 costs of special education programs and services for the pupil. If
8 the public school academy that enrolls the pupil does not enter
9 into an agreement under this subsection, the public school academy
10 shall not charge the pupil's resident intermediate district or the
11 intermediate district in which the public school academy is located
12 the added costs of special education programs and services for the
13 pupil, and the public school academy is not eligible for any
14 payouts based on the funding formula outlined in the resident or
15 nonresident intermediate district's plan. If a pupil is not
16 enrolled in a public school academy under this subsection, the
17 provision of special education programs and services and the
18 payment of the added costs of special education programs and
19 services for a pupil described in this subsection are the
20 responsibility of the district and intermediate district in which
21 the pupil resides.

22 (15) For the purpose of receiving its federal allocation under
23 part B of the individuals with disabilities education act, Public
24 Law 108-446, a public school academy that is a cyber school, as
25 that term is defined in section 551 of the revised school code, MCL
26 380.551, and is in compliance with section 553a of the revised
27 school code, MCL 380.553a, directly receives the federal allocation
28 under part B of the individuals with disabilities education act,
29 Public Law 108-446, from the intermediate district in which the

cyber school is located, as the subrecipient. If the intermediate district does not distribute the funds described in this subsection to the cyber school by the part B application due date of July 1, the department may distribute the funds described in this subsection directly to the cyber school according to the formula prescribed in 34 CFR 300.705 and 34 CFR 300.816.

(16) For a public school academy that is a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, and is in compliance with section 553a of the revised school code, MCL 380.553a, that enrolls a pupil under this section, the intermediate district in which the cyber school is located shall ensure that the cyber school complies with sections 1701a, 1703, 1704, 1751, 1752, 1756, and 1757 of the revised school code, MCL 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756, and 380.1757; applicable rules; and the individuals with disabilities education act, Public Law 108-446.

(17) For the purposes of this section, the department or the center shall only require a district or intermediate district to report information that is not already available from the financial information database maintained by the center.

Sec. 51c. As required by the court in the consolidated cases known as *Durant v State of Michigan*, 456 Mich 175 (1997), from the allocation under section 51a(1), there is allocated for ~~2019-2020~~ **2020-2021** and for ~~2020-2021, 2021-2022~~, the amount necessary, estimated at ~~\$678,600,000.00~~ **\$702,500,000.00** for ~~2019-2020-2020-~~ **2021** and ~~\$713,400,000.00~~ **\$733,400,000.00** for ~~2020-2021, 2021-2022~~, for payments to reimburse districts for 28.6138% of total approved costs of special education excluding costs reimbursed under section 53a, and 70.4165% of total approved costs of special education

1 transportation. Funds allocated under this section that are not
 2 expended in the fiscal year for which they were allocated, as
 3 determined by the department, may be used to supplement the
 4 allocations under sections 22a and 22b to fully fund those
 5 allocations for the same fiscal year. For each fund transfer as
 6 described in the immediately preceding sentence that occurs, the
 7 state budget director shall send notification of the transfer to
 8 the house and senate appropriations subcommittees on state school
 9 aid and the house and senate fiscal agencies by not later than 14
 10 calendar days after the transfer occurs.

11 Sec. 51d. (1) From the federal funds appropriated in section
 12 11, there is allocated for 2020-2021 **all available federal funding,**
 13 **estimated at \$83,195,000.00, and there is allocated for 2021-2022**
 14 **all available federal funding, estimated at \$71,000,000.00, for**
 15 **special education programs and services that are funded by federal**
 16 **grants. The department shall distribute all federal funds allocated**
 17 **under this section in accordance with federal law. Notwithstanding**
 18 **section 17b, the department shall make payments of federal funds to**
 19 **districts, intermediate districts, and other eligible entities**
 20 **under this section on a schedule determined by the department.**

21 (2) From the federal funds allocated under subsection (1), the
 22 following amounts are allocated: ~~for 2020-2021:~~

23 (a) ~~An~~ **For 2020-2021, an amount estimated at \$19,822,000.00**
 24 **for handicapped infants and toddlers, funded from DED-OSERS,**
 25 **handicapped infants and toddlers funds. For 2021-2022, an amount**
 26 **estimated at \$14,000,000.00 for handicapped infants and toddlers,**
 27 **funded from DED-OSERS, handicapped infants and toddlers funds.**

28 (b) ~~An~~ **For 2020-2021, an amount estimated at \$20,373,000.00**
 29 **for preschool grants under Public Law 94-142, funded from DED-**

1 **OSERS, handicapped preschool incentive funds. For 2021-2022, an**
 2 amount estimated at \$14,000,000.00 for preschool grants ~~(Public Law~~
 3 ~~94-142)~~, **under Public Law 94-142**, funded from DED-OSERS,
 4 handicapped preschool incentive funds.

5 (c) ~~An~~ **For 2020-2021 and for 2021-2022, an** amount estimated at
 6 \$43,000,000.00 for special education programs funded by DED-OSERS,
 7 handicapped program, individuals with disabilities act funds.

8 (3) As used in this section, "DED-OSERS" means the United
 9 States Department of Education Office of Special Education and
 10 Rehabilitative Services.

11 Sec. 51f. (1) From the funds appropriated under section 11,
 12 there is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed
 13 ~~\$60,207,000.00~~ **\$90,207,000.00** for payments to districts and
 14 intermediate districts to increase the level of reimbursement of
 15 costs associated with providing special education services required
 16 under state and federal law.

17 (2) A district's or intermediate district's allocation under
 18 this section is equal to the level percentage multiplied by each
 19 district's or intermediate district's costs reported to the center
 20 on the special education actual cost report, known as "SE-4096" as
 21 referred to under section 18(6), as approved by the department.

22 (3) The total reimbursement under this section and under
 23 section 51c must not exceed the total reported costs for a district
 24 or intermediate district.

25 (4) For ~~2020-2021~~, **2021-2022**, the level percentage is
 26 estimated at ~~2.0%~~ **3.0%**.

27 (5) For the purposes of this section, "level percentage" means
 28 the percentage calculated by dividing the allocation in subsection
 29 (1) by the total of costs reported to the center on the special

1 education actual cost report, known as "SE-4096" as referred to
2 under section 18(6), as approved by the department.

3 **Sec. 51g. From the general fund money appropriated in section**
4 **11, \$3,000,000.00 is allocated to an association for administrators**
5 **of special education services to develop content for use by special**
6 **education students, teachers, and others. Any content that is**
7 **developed as described in this section must be accessible**
8 **throughout this state. Funds received by an association under this**
9 **section may be used to support the development of assessment tools**
10 **to measure the needs of students with special education needs in**
11 **remote learning environments and the effectiveness of various**
12 **educational methods and tools, in collaboration with the**
13 **department. Funds under this section may also be utilized to**
14 **identify any available federal funds for research related to**
15 **special education in remote learning.**

16 **Sec. 53a. (1) For districts, reimbursement for pupils**
17 **described in subsection (2) is 100% of the total approved costs of**
18 **operating special education programs and services approved by the**
19 **department and included in the intermediate district plan adopted**
20 **under article 3 of the revised school code, MCL 380.1701 to**
21 **380.1761, minus the district's foundation allowance calculated**
22 **under section 20 and minus the district's per-pupil allocation**
23 **under section 20m. For intermediate districts, the department shall**
24 **calculate reimbursement for pupils described in subsection (2) in**
25 **the same manner as for a district, using the foundation allowance**
26 **under section 20 of the pupil's district of residence, not to**
27 **exceed the target foundation allowance under section 20 for the**
28 **current fiscal year plus the amount of the district's per-pupil**
29 **allocation under section 20m.**

1 (2) Reimbursement under subsection (1) is for the following
2 special education pupils:

3 (a) Pupils assigned to a district or intermediate district
4 through the community placement program of the courts or a state
5 agency, if the pupil was a resident of another intermediate
6 district at the time the pupil came under the jurisdiction of the
7 court or a state agency.

8 (b) Pupils who are residents of institutions operated by the
9 department of health and human services.

10 (c) Pupils who are former residents of department of community
11 health institutions for the developmentally disabled who are placed
12 in community settings other than the pupil's home.

13 (d) Pupils enrolled in a department-approved on-grounds
14 educational program longer than 180 days, but not longer than 233
15 days, at a residential child care institution, if the child care
16 institution offered in 1991-92 an on-grounds educational program
17 longer than 180 days but not longer than 233 days.

18 (e) Pupils placed in a district by a parent for the purpose of
19 seeking a suitable home, if the parent does not reside in the same
20 intermediate district as the district in which the pupil is placed.

21 (3) Only those costs that are clearly and directly
22 attributable to educational programs for pupils described in
23 subsection (2), and that would not have been incurred if the pupils
24 were not being educated in a district or intermediate district, are
25 reimbursable under this section.

26 (4) The costs of transportation are funded under this section
27 and are not reimbursed under section 58.

28 (5) The department shall not allocate more than \$10,500,000.00
29 of the allocation for ~~2020-2021~~**2021-2022** in section 51a(1) under

1 this section.

2 Sec. 54. Each intermediate district receives an amount ~~per-~~
 3 ~~pupil~~ **per pupil** for each pupil in attendance at the Michigan
 4 Schools for the Deaf and Blind. The amount is proportionate to the
 5 total instructional cost at each school. The department shall not
 6 allocate more than \$1,688,000.00 of the allocation for ~~2020-2021~~
 7 **2021-2022** in section 51a(1) under this section.

8 Sec. 54b. (1) From the general fund money appropriated in
 9 section 11, there is allocated an amount not to exceed
 10 \$1,600,000.00 for ~~2020-2021~~ **2021-2022** to continue the
 11 implementation of the recommendations of the special education
 12 reform task force published in January 2016.

13 (2) The department shall use funds allocated under this
 14 section for the purpose of piloting statewide implementation of the
 15 Michigan Integrated Behavior and Learning Support Initiative
 16 (MiBLSI), a nationally recognized program that includes positive
 17 behavioral intervention and supports and provides a statewide
 18 structure to support local initiatives for an integrated behavior
 19 and reading program. With the assistance of the intermediate
 20 districts involved in MiBLSI, the department shall identify a
 21 number of intermediate districts to participate in the pilot that
 22 is sufficient to ensure that MiBLSI can be implemented statewide
 23 with fidelity and sustainability. In addition, the department shall
 24 identify an intermediate district to act as a fiscal agent for
 25 these funds.

26 Sec. 54d. (1) From the ~~appropriations~~ **state school aid fund**
 27 **money appropriated** in section 11, there is allocated an amount not
 28 to exceed ~~\$7,150,000.00~~ **\$14,150,000.00** for ~~2020-2021~~ **2021-2022** to
 29 intermediate districts for the purpose of providing state early on

1 services programs for children from birth to 3 years of age with a
2 developmental delay or a disability, or both, and their families,
3 as described in the early on Michigan state plan, as approved by
4 the department.

5 (2) To be eligible to receive grant funding under this
6 section, each intermediate district must apply in a form and manner
7 determined by the department.

8 (3) The grant funding allocated under this section must be
9 used to increase early on services and resources available to
10 children that demonstrate developmental delays to help prepare them
11 for success as they enter school. State early on services include
12 evaluating and providing early intervention services for eligible
13 infants and toddlers and their families to address developmental
14 delays, including those affecting physical, cognitive,
15 communication, adaptive, social, or emotional development. Grant
16 funds must not be used to supplant existing services that are
17 currently being provided.

18 (4) The department shall distribute the funds allocated under
19 subsection (1) to intermediate districts according to the
20 department's early on funding formula utilized to distribute the
21 federal award to Michigan under part C of the individuals with
22 disabilities education act, **Public Law 108-446**. Funds received
23 under this section must not supplant existing funds or resources
24 allocated for early on early intervention services. An intermediate
25 district receiving funds under this section shall maximize the
26 capture of Medicaid funds to support early on early intervention
27 services to the extent possible.

28 (5) Each intermediate district that receives funds under this
29 section shall report data and other information to the department

1 in a form, manner, and frequency prescribed by the department to
 2 allow for monitoring and evaluation of the program and to ensure
 3 that the children described in subsection (1) received appropriate
 4 levels and types of services delivered by qualified personnel,
 5 based on the individual needs of the children and their families.

6 (6) Notwithstanding section 17b, the department shall make
 7 payments under this section on a schedule determined by the
 8 department.

9 **(7) Grant funds awarded and allocated to an intermediate**
 10 **district under this section must be expended by the grant recipient**
 11 **before June 30 of the fiscal year immediately following the fiscal**
 12 **year in which the funds were received.**

13 Sec. 55. (1) From the general fund money appropriated in
 14 section 11, there is allocated an amount not to exceed \$250,000.00
 15 for ~~2020-2021~~**2021-2022** to the Conductive Learning Center located
 16 at Aquinas College. This funding must be used to support the
 17 operational costs of the conductive education model taught at the
 18 Conductive Learning Center to maximize the independence and
 19 mobility of children and adults with neuromotor disabilities. The
 20 conductive education model funded under this section must be based
 21 on the concept of neuroplasticity and the ability of people to
 22 learn and improve when they are motivated, regardless of the
 23 severity of their disability.

24 (2) Notwithstanding section 17b, the department shall
 25 distribute the funding allocated under this section to the
 26 Conductive Learning Center not later than December 1, ~~2020~~**2021**.

27 Sec. 56. (1) For the purposes of this section:

28 (a) "Membership" means for a particular fiscal year the total
 29 membership ~~for the immediately preceding fiscal year~~ of the

1 intermediate district and the districts constituent to the
 2 intermediate district, **except that if a district has elected not to**
 3 **come under part 30 of the revised school code, MCL 380.1711 to**
 4 **380.1741, membership of the district is not included in the**
 5 **membership of the intermediate district.**

6 (b) "Millage levied" means the millage levied for special
 7 education under part 30 of the revised school code, MCL 380.1711 to
 8 380.1741, including a levy for debt service obligations.

9 (c) "Taxable value" means the total taxable value of the
 10 districts constituent to an intermediate district, except that if a
 11 district has elected not to come under part 30 of the revised
 12 school code, MCL 380.1711 to 380.1741, ~~membership and taxable value~~
 13 ~~of the district are~~ **is** not included in the ~~membership and taxable~~
 14 ~~value of the intermediate district.~~

15 (2) From the allocation under section 51a(1), there is
 16 allocated ~~\$40,008,100.00 for 2019-2020 and~~ an amount not to exceed
 17 \$40,008,100.00 for 2020-2021 **and an amount not to exceed**
 18 **\$40,008,100.00 for 2021-2022** to reimburse intermediate districts
 19 levying millages for special education under part 30 of the revised
 20 school code, MCL 380.1711 to 380.1741. The purpose, use, and
 21 expenditure of the reimbursement are limited as if the funds were
 22 generated by these millages and governed by the intermediate
 23 district plan adopted under article 3 of the revised school code,
 24 MCL 380.1701 to 380.1761. As a condition of receiving funds under
 25 this section, an intermediate district distributing any portion of
 26 special education millage funds to its constituent districts must
 27 submit for departmental approval and implement a distribution plan.

28 ~~(3) Except as otherwise provided in this subsection,~~
 29 ~~reimbursement for those millages levied in 2018-2019 is made in~~

~~2019-2020 at an amount per 2018-2019 membership pupil computed by subtracting from \$201,700.00 the 2018-2019 taxable value behind each membership pupil and multiplying the resulting difference by the 2018-2019 millage levied, and then subtracting from that amount the 2018-2019 local community stabilization share revenue for special education purposes behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362. Reimbursement in 2019-2020 for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection (5) is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate district.~~

(3) ~~(4)~~ Except as otherwise provided in this subsection, reimbursement for those millages levied in 2019-2020 is made in 2020-2021 at an amount per 2019-2020 membership pupil computed by subtracting from ~~\$209,000.00~~ **\$208,800.00** the 2019-2020 taxable value behind each membership pupil and multiplying the resulting difference by the 2019-2020 millage levied, and then subtracting from that amount the 2019-2020 local community stabilization share revenue for special education purposes behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362. Reimbursement in 2020-2021 for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection (5) is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate district.

(4) Except as otherwise provided in this subsection, reimbursement for those millages levied in 2020-2021 is made in 2021-2022 at an amount per 2020-2021 membership pupil computed by

1 subtracting from \$215,900.00 the 2020-2021 taxable value behind
2 each membership pupil and multiplying the resulting difference by
3 the 2020-2021 millage levied, and then subtracting from that amount
4 the 2020-2021 local community stabilization share revenue for
5 special education purposes behind each membership pupil for
6 reimbursement of personal property exemption loss under the local
7 community stabilization authority act, 2014 PA 86, MCL 123.1341 to
8 123.1362. Reimbursement in 2021-2022 for an intermediate district
9 whose 2017-2018 allocation was affected by the operation of
10 subsection (5) is an amount equal to 102.5% of the 2017-2018
11 allocation to that intermediate district.

12 (5) The department shall ensure that the amount paid to a
13 single intermediate district under this section does not exceed
14 62.9% of the total amount allocated under subsection (2).

15 (6) The department shall ensure that the amount paid to a
16 single intermediate district under this section is not less than
17 75% of the amount allocated to the intermediate district under this
18 section for the immediately preceding fiscal year.

19 (7) From the state school aid fund money appropriated in
20 section 11, there is allocated an amount not to exceed
21 \$34,200,000.00 for 2021-2022 to provide payments to intermediate
22 districts levying millages for special education under part 30 of
23 the revised school code, MCL 380.1711 to 380.1741. The purpose,
24 use, and expenditure of the payments under this subsection are
25 limited as if the funds were generated by these millages and
26 governed by the intermediate district plan adopted under article 3
27 of the revised school code, MCL 380.1701 to 380.1761. The
28 department shall provide a payment under this subsection to each
29 intermediate district described in this subsection as follows:

1 (a) Except as otherwise provided in this subsection, for an
2 intermediate district with a 2020-2021 3-year average special
3 education millage revenue per pupil that is less than \$251.00 and
4 that is levying at least 46.2% but less than 60.0% of its maximum
5 millage rate allowed under section 1724a of the revised school
6 code, MCL 380.1724a, an amount computed by subtracting from \$251.00
7 the 2020-2021 3-year average special education millage revenue per
8 pupil, and then multiplying that amount by the 2020-2021 3-year
9 average membership, and then subtracting from that amount the
10 amount allocated under subsection (2) for 2021-2022. If the
11 calculation under this subdivision results in an amount below 0,
12 there is no payment under this subdivision.

13 (b) Except as otherwise provided in this subsection, for an
14 intermediate district with a 2020-2021 3-year average special
15 education millage revenue per pupil that is less than \$281.00 and
16 that is levying at least 60.0% of its maximum millage rate allowed
17 under section 1724a of the revised school code, MCL 380.1724a, an
18 amount computed by subtracting from \$281.00 the 2020-2021 3-year
19 average special education millage revenue per pupil, and then
20 multiplying that amount by the 2020-2021 3-year average membership,
21 and then subtracting from that amount the amount allocated under
22 subsection (2) for 2021-2022. If the calculation under this
23 subdivision results in an amount below 0, there is no payment under
24 this subdivision.

25 (8) As used in subsection (7):

26 (a) "2020-2021 3-year average membership" means the 3-year
27 average pupil membership for 2018-2019, 2019-2020, and 2020-2021.

28 (b) "2020-2021 3-year average special education millage
29 revenue per pupil" means the 3-year average taxable value per mill

1 **levied behind each membership pupil for 2018-2019, 2019-2020, and**
2 **2020-2021 multiplied by the 2020-2021 millage levied.**

3 Sec. 61a. (1) From the state school aid fund money
4 appropriated in section 11, there is allocated an amount not to
5 exceed \$37,611,300.00 for ~~2020-2021~~**2021-2022** to reimburse on an
6 added cost basis districts, except for a district that served as
7 the fiscal agent for a vocational education consortium in the 1993-
8 94 school year and that has a foundation allowance as calculated
9 under section 20 greater than the minimum foundation allowance
10 under that section, and secondary area vocational-technical
11 education centers for secondary-level career and technical
12 education programs according to rules approved by the
13 superintendent. Applications for participation in the programs must
14 be submitted in the form prescribed by the department. The
15 department shall determine the added cost for each career and
16 technical education program area. The department shall prioritize
17 the allocation of added cost funds based on the capital and program
18 expenditures needed to operate the career and technical education
19 programs provided; the number of pupils enrolled; the advancement
20 of pupils through the instructional program; the existence of an
21 articulation agreement with at least 1 postsecondary institution
22 that provides pupils with opportunities to earn postsecondary
23 credit during the pupil's participation in the career and technical
24 education program and transfers those credits to the postsecondary
25 institution upon completion of the career and technical education
26 program; and the program rank in student placement, job openings,
27 and wages, and shall ensure that the allocation does not exceed 75%
28 of the added cost of any program. Notwithstanding any rule or
29 department determination to the contrary, when determining a

district's allocation or the formula for making allocations under this section, the department shall include the participation of pupils in grade 9 in all of those determinations and in all portions of the formula. With the approval of the department, the board of a district maintaining a secondary career and technical education program may offer the program for the period from the close of the school year until September 1. The program shall use existing facilities and must be operated as prescribed by rules promulgated by the superintendent.

(2) Except for a district that served as the fiscal agent for a vocational education consortium in the 1993-94 school year, the department shall reimburse districts and intermediate districts for local career and technical education administration, shared time career and technical education administration, and career education planning district career and technical education administration. The superintendent shall adopt guidelines for the definition of what constitutes administration and shall make reimbursement pursuant to those guidelines. The department shall not distribute more than \$800,000.00 of the allocation in subsection (1) under this subsection.

(3) A career and technical education program funded under this section may provide an opportunity for participants who are eligible to be funded under section 107 to enroll in the career and technical education program funded under this section if the participation does not occur during regular school hours.

Sec. 61b. (1) From the funds appropriated under section 11, there is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed \$8,000,000.00 from the state school aid fund appropriation for CTE ~~early/middle~~ **early middle** college and CTE dual enrollment programs

1 authorized under this section and for planning grants for the
2 development or expansion of CTE ~~early/middle~~**early middle** college
3 programs. The purpose of these programs is to increase the number
4 of Michigan residents with high-quality degrees or credentials, and
5 to increase the number of students who are college and career ready
6 upon high school graduation.

7 (2) From the funds allocated under subsection (1), the
8 department shall allocate an amount as determined under this
9 subsection to each intermediate district serving as a fiscal agent
10 for state-approved CTE ~~early/middle~~**early middle** college and CTE
11 dual enrollment programs in each of the career education planning
12 districts identified by the department. An intermediate district
13 shall not use more than 5% of the funds allocated under this
14 subsection for administrative costs for serving as the fiscal
15 agent.

16 (3) To be an eligible fiscal agent, an intermediate district
17 must agree to do all of the following in a form and manner
18 determined by the department:

19 (a) Distribute funds to eligible CTE ~~early/middle~~**early middle**
20 college and CTE dual enrollment programs in a career education
21 planning district as described in this section.

22 (b) Collaborate with the career and educational advisory
23 council in the workforce development board service delivery area to
24 develop 1 regional strategic plan under subsection (4) that aligns
25 CTE programs and services into an efficient and effective delivery
26 system for high school students. The department will align career
27 education planning districts, workforce development board service
28 delivery areas, and intermediate districts for the purpose of
29 creating 1 regional strategic plan for each workforce development

board service delivery area.

(c) Implement a regional process to rank career clusters in the workforce development board service delivery area as described under subsection (4). Regional processes must be approved by the department before the ranking of career clusters.

(d) Report CTE ~~early/middle~~ **early middle** college and CTE dual enrollment program and student data and information as prescribed by the department and the center.

(e) The local education agency responsible for student reporting in the Michigan student data system (MSDS) will report the total number of college credits the student earned, at the time of high school graduation, as determined by the department and the center.

(f) The local education agency will report each award outcome in the Michigan student data system (MSDS) that the CTE early middle college student attained. For purposes of this subsection, an on-track CTE early middle college graduate is a graduate who obtained their high school diploma and at least 1 of the following:

(i) An associate's degree.

(ii) 60 transferrable college credits.

(iii) Professional certification.

(iv) A Michigan Early Middle College Association certificate.

(v) Participation in a registered apprenticeship.

(4) A regional strategic plan must be approved by the career and educational advisory council before submission to the department. A regional strategic plan must include, but is not limited to, the following:

(a) An identification of regional employer need based on a ranking of all career clusters in the workforce development board

service delivery area ranked by 10-year **projections of annual** job openings ~~projections~~ and median wage for each standard occupational code in each career cluster as obtained from the United States Bureau of Labor Statistics. Standard occupational codes within high-ranking clusters also may be further ranked by median wage **and annual job openings**. The career and educational advisory council located in the workforce development board service delivery area shall review the rankings and modify them if necessary to accurately reflect employer demand for talent in the workforce development board service delivery area. A career and educational advisory council shall document that it has conducted this review and certify that it is accurate. These career cluster rankings must be determined and updated once every 4 years.

(b) An identification of educational entities in the workforce development board service delivery area that will provide eligible CTE ~~early/middle~~ **early middle** college and CTE dual enrollment programs including districts, intermediate districts, postsecondary institutions, and noncredit occupational training programs leading to an industry-recognized credential.

(c) A strategy to inform parents and students of CTE ~~early/middle~~ **early middle** college and CTE dual enrollment programs in the workforce development board service delivery area.

(d) Any other requirements as defined by the department.

(5) An eligible CTE program is a program that meets all of the following:

(a) Has been identified in the highest 5 career cluster rankings in any of the 16 workforce development board service delivery area strategic plans jointly approved by the department of labor and economic opportunity and the department.

(b) Has a coherent sequence of courses that will allow a student to earn a high school diploma and achieve at least 1 of the following **outcomes defined in subsection (3)(f)** in a specific career cluster. ÷

~~(i) An associate degree.~~

~~(ii) An industry recognized technical certification approved by the department of labor and economic opportunity.~~

~~(iii) Up to 60 transferable college credits.~~

~~(iv) Participation in a registered apprenticeship, pre-apprenticeship, or apprentice readiness program.~~

(c) Is aligned with the Michigan merit curriculum.

(d) Has an articulation **or a college credit** agreement with at least 1 postsecondary institution that provides students with opportunities to receive postsecondary credits during the student's participation in the CTE ~~early/middle~~ **early middle** college or CTE dual enrollment program and transfers those credits to the postsecondary institution upon completion of the CTE ~~early/middle~~ **early middle** college or CTE dual enrollment program.

(e) Provides instruction that is supervised, directed, or coordinated by an appropriately certificated CTE teacher or, for concurrent enrollment courses, a postsecondary faculty member.

(f) Provides for highly integrated student support services that include at least the following:

(i) Teachers as academic advisors.

(ii) Supervised course selection.

(iii) Monitoring of student progress and completion.

(iv) Career planning services provided by a local one-stop service center as described in the Michigan works one-stop service center system act, 2006 PA 491, MCL 408.111 to 408.135, or by a

1 high school counselor or advisor.

2 (g) Has courses that are taught on a college campus, are
3 college courses offered at the high school and taught by college
4 faculty, or are courses taught in combination with online
5 instruction.

6 (6) The department shall distribute funds to eligible CTE
7 ~~early/middle~~**early middle** college and CTE dual enrollment programs
8 as follows:

9 (a) The department shall determine statewide average CTE costs
10 per pupil for each CIP code program by calculating statewide
11 average costs for each CIP code program for the 3 most recent
12 fiscal years.

13 (b) The distribution to each eligible CTE ~~early/middle~~**early**
14 **middle** college or CTE dual enrollment program is the product of 50%
15 of CTE costs per pupil times the pupil enrollment of each eligible
16 CTE ~~early/middle~~**early middle** college or CTE dual enrollment
17 program in the immediately preceding school year.

18 (7) In order to receive funds under this section, a CTE
19 ~~early/middle~~**early middle** college or CTE dual enrollment program
20 shall furnish to the intermediate district that is the fiscal agent
21 identified in subsection (2), in a form and manner determined by
22 the department, all information needed to administer this program
23 and meet federal reporting requirements; shall allow the department
24 or the department's designee to review all records related to the
25 program for which it receives funds; and shall reimburse the state
26 for all disallowances found in the review, as determined by the
27 department.

28 (8) There is allocated for ~~2020-2021~~**2021-2022** from the funds
29 under subsection (1) an amount not to exceed \$500,000.00 from the

1 state school aid fund allocation for grants to intermediate
2 districts or consortia of intermediate districts for the purpose of
3 planning for new or expanded ~~early/middle~~**early middle** college
4 programs. Applications for grants must be submitted in a form and
5 manner determined by the department. The amount of a grant under
6 this subsection must not exceed \$50,000.00. To be eligible for a
7 grant under this subsection, an intermediate district or consortia
8 of intermediate districts must provide matching funds equal to the
9 grant received under this subsection. Notwithstanding section 17b,
10 the department shall make payments under this subsection in the
11 manner determined by the department.

12 (9) Funds distributed under this section may be used to fund
13 program expenditures that would otherwise be paid from foundation
14 allowances. A program receiving funding under section 61a may
15 receive funding under this section for allowable costs that exceed
16 the reimbursement the program received under section 61a. The
17 combined payments received by a program under section 61a and this
18 section must not exceed the total allowable costs of the program. A
19 program provider shall not use more than 5% of the funds allocated
20 under this section to the program for administrative costs.

21 (10) If the allocation under subsection (1) is insufficient to
22 fully fund payments as otherwise calculated under this section, the
23 department shall prorate payments under this section on an equal
24 percentage basis.

25 (11) If pupils enrolled in a career cluster in an eligible CTE
26 ~~early/middle~~**early middle** college or CTE dual enrollment program
27 qualify to be reimbursed under this section, those pupils continue
28 to qualify for reimbursement until graduation, even if the career
29 cluster is no longer identified as being in the highest 5 career

1 cluster rankings.

2 (12) As used in this section:

3 (a) "Allowable costs" means those costs directly attributable
4 to the program as jointly determined by the department of labor and
5 economic opportunity and the department.

6 (b) "Career and educational advisory council" means an
7 advisory council to the local workforce development boards located
8 in a workforce development board service delivery area consisting
9 of educational, employer, labor, and parent representatives.

10 (c) "CIP" means classification of instructional programs.

11 (d) "CTE" means career and technical education programs.

12 (e) "CTE dual enrollment program" means a 4-year high school
13 program of postsecondary courses offered by eligible postsecondary
14 educational institutions that leads to an industry-recognized
15 certification or degree.

16 (f) "~~Early/middle~~ **Early middle** college program" means a 5-year
17 high school program.

18 (g) "Eligible postsecondary educational institution" means
19 that term as defined in section 3 of the career and technical
20 preparation act, 2000 PA 258, MCL 388.1903.

21 Sec. 61c. (1) From the general fund ~~appropriation money~~
22 **appropriated** in section 11, there is allocated for ~~2018-2019-2021-~~
23 **2022** an amount not to exceed ~~\$2,500,000.00~~ **\$7,500,000.00** to
24 eligible career education planning districts for the CTE skilled
25 trades initiative described in subsections (2) to (5). To be
26 eligible to receive funding under this section, at least 50% of the
27 area served by a CEPD must be located in an intermediate district
28 that did not levy a vocational education millage in ~~2018-~~ **2021**.

29 (2) To receive funding under subsection (1), each eligible

1 CEPD ~~shall~~**must** apply in a form and manner ~~determined~~**prescribed** by
2 the department. Funding to each eligible CEPD ~~shall~~**must** be equal
3 to the quotient of the allocation under subsection (1) and the sum
4 of the number of career education planning districts applying for
5 funding under subsection (1) that are located in an intermediate
6 district that did not levy a vocational education millage in
7 ~~2018-2021~~.

8 (3) At least 50% of the funding allocated to each eligible
9 CEPD ~~shall~~**must** be used to update equipment in current CTE programs
10 that have been identified in the highest 5 career cluster rankings
11 in any of the 10 regional strategic plans jointly approved by the
12 Michigan talent investment agency in the department of ~~talent and~~
13 ~~economic development~~**labor and economic opportunity** and the
14 department, for training on new equipment, for professional
15 development relating to computer science or coding, or for new and
16 emerging certified CTE programs to allow CEPD administrators to
17 provide programming in communities that will enhance economic
18 development. The funding for equipment should be used to support
19 and enhance community areas that have sustained job growth, and act
20 as a commitment to build a more qualified and skilled workforce. In
21 addition, each CEPD is encouraged to explore the option of leasing
22 equipment from local private industry to encourage the use of the
23 most advanced equipment.

24 (4) The allocation of funds at the local level ~~shall~~**must** be
25 determined by CEPD administrators using data from the state,
26 region, and local sources to make well-informed decisions on
27 program equipment improvements. Grants awarded by CEPD
28 administrators for capital infrastructure ~~shall~~**must** be used to
29 ensure that CTE programs can deliver educational programs in high-

1 wage, high-skill, and high-demand occupations. Each CEPD shall
2 continue to ensure that program advisory boards make
3 recommendations on needed improvements for equipment that support
4 job growth and job skill development and retention for both the
5 present and the future.

6 (5) Not later than September 15 of each fiscal year, each CEPD
7 receiving funding shall annually report to the department, the
8 senate and house appropriations subcommittees on ~~state~~-school aid,
9 ~~and~~ the senate and house fiscal agencies, and legislature on
10 equipment purchased under subsection (1). In addition, the report
11 ~~shall~~**must** identify growth data on program involvement, retention,
12 and development of student skills.

13 (6) As used in this section:

14 (a) "CEPD" means a career education planning district
15 described in this section.

16 (b) "CTE" means career and technical education.

17 Sec. 61d. (1) From the appropriation in section 11, there is
18 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
19 \$5,000,000.00 from the state school aid fund for additional
20 payments to districts for career and technical education programs
21 for the purpose of increasing the number of Michigan residents with
22 high-quality degrees or credentials, and to increase the number of
23 pupils who are college- and career-ready upon high school
24 graduation.

25 (2) The department shall calculate payments to districts under
26 this section in the following manner:

27 (a) A payment of \$35.00 multiplied by the number of pupils in
28 grades 9 to 12 who are counted in membership in the district and
29 are enrolled in at least 1 career and technical education program.

1 (b) An additional payment of \$35.00 multiplied by the number
2 of pupils in grades 9 to 12 who are counted in membership in the
3 district and are enrolled in at least 1 career and technical
4 education program that provides instruction in critical skills and
5 high-demand career fields.

6 (3) If the allocation under subsection (1) is insufficient to
7 fully fund payments under subsection (2), the department shall
8 prorate payments under this section on an equal per-pupil basis.

9 (4) As used in this section:

10 (a) "Career and technical education program" means a state-
11 approved career and technical education program, as determined by
12 the department.

13 (b) "Career and technical education program that provides
14 instruction in critical skills and high-demand career field" means
15 a career and technical education program classified under any of
16 the following 2-digit classification of instructional programs
17 (CIP) codes:

18 (i) 01, which refers to "agriculture, agriculture operations,
19 and related sciences".

20 (ii) 03, which refers to "natural resources and conservation".

21 (iii) 10 through 11, which refers to "communications
22 technologies/technicians and support services" and "computer and
23 information sciences and support services".

24 (iv) 14 through 15, which refers to "engineering" and
25 "engineering technologies and engineering-related fields".

26 (v) 26, which refers to "biological and biomedical sciences".

27 (vi) 46 through 48, which refers to "construction trades",
28 "mechanic and repair technologies/technicians", and "precision
29 production".

1 (vii) 51, which refers to "health professions and related
2 programs".

3 Sec. 62. (1) For the purposes of this section:

4 (a) "Membership" means for a particular fiscal year the total
5 membership ~~for the immediately preceding fiscal year~~ of the
6 intermediate district and the districts constituent to the
7 intermediate district or the total membership ~~for the immediately~~
8 ~~preceding fiscal year~~ of the area vocational-technical program,
9 **except that if a district has elected not to come under sections**
10 **681 to 690 of the revised school code, MCL 380.681 to 380.690, the**
11 **membership of that district are not included in the membership of**
12 **the intermediate district. However, the membership of a district**
13 **that has elected not to come under sections 681 to 690 of the**
14 **revised school code, MCL 380.681 to 380.690, is included in the**
15 **membership of the intermediate district if the district meets both**
16 **of the following:**

17 (i) The district operates the area vocational-technical
18 education program pursuant to a contract with the intermediate
19 district.

20 (ii) The district contributes an annual amount to the operation
21 of the program that is commensurate with the revenue that would
22 have been raised for operation of the program if millage were
23 levied in the district for the program under sections 681 to 690 of
24 the revised school code, MCL 380.681 to 380.690.

25 (b) "Millage levied" means the millage levied for area
26 vocational-technical education under sections 681 to 690 of the
27 revised school code, MCL 380.681 to 380.690, including a levy for
28 debt service obligations incurred as the result of borrowing for
29 capital outlay projects and in meeting capital projects fund

1 requirements of area vocational-technical education.

2 (c) "Taxable value" means the total taxable value of the
3 districts constituent to an intermediate district or area
4 vocational-technical education program, except that if a district
5 has elected not to come under sections 681 to 690 of the revised
6 school code, MCL 380.681 to 380.690, the ~~membership and~~ taxable
7 value of that district ~~are~~**is** not included in the ~~membership and~~
8 taxable value of the intermediate district. However, the ~~membership~~
9 ~~and~~ taxable value of a district that has elected not to come under
10 sections 681 to 690 of the revised school code, MCL 380.681 to
11 380.690, ~~are~~**is** included in the ~~membership and~~ taxable value of the
12 intermediate district if the district meets both of the following:

13 (i) The district operates the area vocational-technical
14 education program pursuant to a contract with the intermediate
15 district.

16 (ii) The district contributes an annual amount to the operation
17 of the program that is commensurate with the revenue that would
18 have been raised for operation of the program if millage were
19 levied in the district for the program under sections 681 to 690 of
20 the revised school code, MCL 380.681 to 380.690.

21 (2) From the appropriation in section 11, there is allocated
22 an amount not to exceed \$9,190,000.00 each fiscal year for ~~2019-~~
23 ~~2020 and for 2020-2021~~ **and for 2021-2022** to reimburse intermediate
24 districts and area vocational-technical education programs
25 established under section 690(3) of the revised school code, MCL
26 380.690, levying millages for area vocational-technical education
27 under sections 681 to 690 of the revised school code, MCL 380.681
28 to 380.690. The purpose, use, and expenditure of the reimbursement
29 are limited as if the funds were generated by those millages.

(3) Reimbursement for those millages levied in ~~2018-2019~~ **2019-2020** is made in ~~2019-2020~~ **2020-2021** at an amount per ~~2018-2019~~ **2019-2020** membership pupil computed by subtracting from ~~\$210,800.00~~ **\$218,700.00** the ~~2018-2019~~ **2019-2020** taxable value behind each membership pupil and multiplying the resulting difference by the ~~2018-2019~~ **2019-2020** millage levied, and then subtracting from that amount the ~~2018-2019~~ **2019-2020** local community stabilization share revenue for area vocational technical education behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362.

(4) Reimbursement for those millages levied in ~~2019-2020~~ **2020-2021** is made in ~~2020-2021~~ **2021-2022** at an amount per ~~2019-2020~~ **2020-2021** membership pupil computed by subtracting from ~~\$218,800.00~~ **\$224,800.00** the ~~2019-2020~~ **2020-2021** taxable value behind each membership pupil and multiplying the resulting difference by the ~~2019-2020~~ **2020-2021** millage levied, and then subtracting from that amount the ~~2019-2020~~ **2020-2021** local community stabilization share revenue for area vocational technical education behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362.

(5) The department shall ensure that the amount paid to a single intermediate district under this section does not exceed 38.4% of the total amount allocated under subsection (2).

(6) The department shall ensure that the amount paid to a single intermediate district under this section is not less than 75% of the amount allocated to the intermediate district under this section for the immediately preceding fiscal year.

1 Sec. 65. (1) From the appropriation under section 11, there is
2 allocated an amount not to exceed \$400,000.00 for ~~2020-2021-2021-~~
3 **2022** for a pre-college engineering K-12 educational program that is
4 focused on the development of a diverse future Michigan workforce,
5 that serves multiple communities within southeast Michigan, that
6 enrolls pupils from multiple districts, and that received funds
7 appropriated for this purpose in the appropriations act that
8 provided the Michigan strategic fund budget for 2014-2015.

9 (2) To be eligible for funding under this section, a program
10 must have the ability to expose pupils to, and motivate and prepare
11 pupils for, science, technology, engineering, and mathematics
12 careers and postsecondary education with special attention given to
13 groups of pupils who are at-risk and underrepresented in technical
14 professions and careers.

15 Sec. 67. (1) From the general fund money appropriated in
16 section 11, there is allocated an amount not to exceed
17 \$3,000,000.00 for ~~2020-2021-2021-2022~~ for college access programs.
18 The programs funded under this section are intended to inform
19 students of college and career options and to provide resources
20 intended to increase the number of pupils who are adequately
21 prepared with the information needed to make informed decisions on
22 college and career. The funds appropriated under this section are
23 intended to be used to increase the number of Michigan residents
24 with high-quality degrees or credentials. Funds appropriated under
25 this section must not be used to supplant funding for counselors
26 already funded by districts.

27 (2) The department of labor and economic opportunity shall
28 administer funds allocated under this section in collaboration with
29 the Michigan college access network. These funds may be used for

1 any of the following purposes:

2 (a) Michigan college access network operations, programming,
3 and services to local college access networks.

4 (b) Local college access networks, which are community-based
5 college access/success partnerships committed to increasing the
6 college participation and completion rates within geographically
7 defined communities through a coordinated strategy.

8 (c) The Michigan college advising program, a program intended
9 to place trained, recently graduated college advisors in high
10 schools that serve significant numbers of low-income and first-
11 generation college-going pupils. State funds used for this purpose
12 may not exceed 33% of the total funds available under this
13 subsection.

14 (d) Subgrants of up to \$5,000.00 to districts with
15 comprehensive high schools that establish a college access team and
16 implement specific strategies to create a college-going culture in
17 a high school in a form and manner approved by the Michigan college
18 access network and the department of labor and economic
19 opportunity.

20 (e) The Michigan college access portal, an online one-stop
21 portal to help pupils and families plan and apply for college.

22 (f) Public awareness and outreach campaigns to encourage low-
23 income and first-generation college-going pupils to take necessary
24 steps toward college and to assist pupils and families in
25 completing a timely and accurate free application for federal
26 student aid.

27 (g) Subgrants to postsecondary institutions to recruit, hire,
28 and train college student mentors and college advisors to assist
29 high school pupils in navigating the postsecondary planning and

1 enrollment process.

2 (3) For the purposes of this section, "college" means any
3 postsecondary educational opportunity that leads to a career,
4 including, but not limited to, a postsecondary degree, industry-
5 recognized technical certification, or registered apprenticeship.

6 Sec. 67a. (1) From the general fund money appropriated under
7 section 11, there is allocated an amount not to exceed \$50,000.00
8 for ~~2020-2021~~ **2021-2022** for a grant to be distributed by the
9 department to an organization to provide industrial and
10 technological education and workforce preparation for students and
11 professional development opportunities and support for teachers.

12 (2) Notwithstanding section 17b, the department shall make
13 grant payments under this section on a schedule determined by the
14 department.

15 **Sec. 67b. From the general fund money appropriated in section**
16 **11, there is allocated an amount not to exceed \$2,000,000.00 for**
17 **2021-2022 to the SME Education Foundation's Partnership Response**
18 **Initiative. The SME Education Foundation's Partnership Response**
19 **Initiative shall use the funding it receives under this section to**
20 **provide high schools in this state with cost-effective and tailored**
21 **engineering/manufacturing programs that provide equipment,**
22 **curricula, professional development, scholarships, and STEM-focused**
23 **curricular activities to students enrolled in and teachers teaching**
24 **in the high schools of this state.**

25 Sec. 74. (1) From the ~~amount appropriated~~ **state school aid**
26 **fund money appropriated** in section 11, there is allocated an amount
27 not to exceed ~~\$3,814,500.00~~ **\$3,805,800.00** for ~~2020-2021~~ **2021-2022**
28 for the purposes of this section.

29 (2) From the allocation in subsection (1), there is allocated

for ~~2020-2021~~ **2021-2022** the amount necessary for payments to state supported colleges or universities and intermediate districts providing school bus driver safety instruction under section 51 of the pupil transportation act, 1990 PA 187, MCL 257.1851. The department shall make payments in an amount determined by the department not to exceed the actual cost of instruction and driver compensation for each public or nonpublic school bus driver attending a course of instruction. For the purpose of computing compensation, the hourly rate allowed each school bus driver must not exceed the hourly rate received for driving a school bus. The department shall make reimbursement compensating the driver during the course of instruction to the college or university or intermediate district providing the course of instruction.

(3) From the allocation in subsection (1), there is allocated for ~~2020-2021~~ **2021-2022** the amount necessary to pay the reasonable costs of nonspecial education auxiliary services transportation provided under section 1323 of the revised school code, MCL 380.1323. Districts funded under this subsection do not receive funding under any other section of this article for nonspecial education auxiliary services transportation.

(4) From the funds allocated in subsection (1), there is allocated an amount not to exceed ~~\$1,789,500.00~~ **\$1,780,800.00** for ~~2020-2021~~ **2021-2022** for reimbursement to districts and intermediate districts for costs associated with the inspection of school buses and pupil transportation vehicles by the department of state police as required under section 715a of the Michigan vehicle code, 1949 PA 300, MCL 257.715a, and section 39 of the pupil transportation act, 1990 PA 187, MCL 257.1839. The department of state police shall prepare a statement of costs attributable to each district

for which bus inspections are provided and submit it to the department and to an intermediate district serving as fiduciary in a time and manner determined jointly by the department and the department of state police. Upon review and approval of the statement of cost, the department shall forward to the designated intermediate district serving as fiduciary the amount of the reimbursement on behalf of each district and intermediate district for costs detailed on the statement within 45 days after receipt of the statement. The designated intermediate district shall make payment in the amount specified on the statement to the department of state police within 45 days after receipt of the statement. The total reimbursement of costs under this subsection must not exceed the amount allocated under this subsection. Notwithstanding section 17b, the department shall make payments to eligible entities under this subsection on a schedule prescribed by the department.

Sec. 81. (1) From the ~~appropriation~~**state school aid fund money appropriated** in section 11, there is allocated for 2020-2021 to the intermediate districts the sum necessary, but not to exceed \$69,138,000.00, **and there is allocated for 2021-2022 to the intermediate districts the sum necessary, but not to exceed \$71,903,600.00** to provide state aid to intermediate districts under this section.

(2) The amount allocated under this section **for 2020-2021** to each intermediate district is an amount equal to 100% of the amount allocated to the intermediate district under this section for 2019-2020. **The amount allocated under this section for 2021-2022 to each intermediate district is an amount equal to 104% of the amount allocated to the intermediate district under this section for 2020-2021.** An intermediate district shall use funding provided under

1 this section to comply with requirements of this article and the
2 revised school code that are applicable to intermediate districts,
3 and for which funding is not provided elsewhere in this article,
4 and to provide technical assistance to districts as authorized by
5 the intermediate school board.

6 (3) Intermediate districts receiving funds under this section
7 shall collaborate with the department to develop expanded
8 professional development opportunities for teachers to update and
9 expand their knowledge and skills needed to support the Michigan
10 merit curriculum.

11 (4) From the allocation in subsection (1), there is allocated
12 to an intermediate district, formed by the consolidation or
13 annexation of 2 or more intermediate districts or the attachment of
14 a total intermediate district to another intermediate district or
15 the annexation of all of the constituent K-12 districts of a
16 previously existing intermediate district which has disorganized,
17 an additional allotment of \$3,500.00 each fiscal year for each
18 intermediate district included in the new intermediate district for
19 3 years following consolidation, annexation, or attachment.

20 (5) In order to receive funding under this section, an
21 intermediate district shall do all of the following:

22 (a) Demonstrate to the satisfaction of the department that the
23 intermediate district employs at least 1 person who is trained in
24 pupil accounting and auditing procedures, rules, and regulations.

25 (b) Demonstrate to the satisfaction of the department that the
26 intermediate district employs at least 1 person who is trained in
27 rules, regulations, and district reporting procedures for the
28 individual-level student data that serves as the basis for the
29 calculation of the district and high school graduation and dropout

1 rates.

2 (c) Comply with sections 1278a and 1278b of the revised school
3 code, MCL 380.1278a and 380.1278b.

4 (d) Furnish data and other information required by state and
5 federal law to the center and the department in the form and manner
6 specified by the center or the department, as applicable.

7 (e) Comply with section 1230g of the revised school code, MCL
8 380.1230g.

9 (f) Provide advice, guidance, and leadership to assist all
10 districts located within its geographic boundaries to assist in the
11 preparedness and response efforts toward addressing COVID-19. At a
12 minimum, this must include the coordination and collaboration with
13 any local public health agency that has jurisdiction within the
14 intermediate district's geographic boundaries and may include the
15 coordination of bulk purchasing of personal protective equipment,
16 technology, or other products or services necessary for students to
17 return to school. An intermediate district shall ensure that all
18 districts located within its geographic boundaries have equitable
19 access to the intermediate district's coordination activities and
20 services, intermediate district-wide or regional meetings,
21 regularly scheduled superintendent meetings, programming, events,
22 or other coordination or collaboration activities. In ensuring that
23 all districts located within the geographic boundaries of the
24 intermediate district have equitable access to services, meetings,
25 programming, events, or activities as described in the immediately
26 preceding sentence, the intermediate district shall ensure that
27 districts that are public school academies that are located within
28 its geographic boundaries are not excluded from said services,
29 meetings, programming, events, or activities if districts that are

1 not public school academies that are located within the geographic
2 boundaries of the intermediate district are not excluded.

3 Sec. 94. (1) From the general fund money appropriated in
4 section 11, there is allocated to the department for ~~2020-2021~~
5 **2021-2022** an amount not to exceed \$1,200,000.00 for efforts to
6 increase the number of pupils who participate and succeed in
7 advanced placement and international baccalaureate programs, and to
8 support the college-level examination program (CLEP).

9 (2) From the funds allocated under this section, the
10 department shall award funds to cover all or part of the costs of
11 advanced placement test fees or international baccalaureate test
12 fees and international baccalaureate registration fees for low-
13 income pupils who take an advanced placement or an international
14 baccalaureate test and CLEP fees for low-income pupils who take a
15 CLEP test.

16 (3) The department shall only award funds under this section
17 if the department determines that all of the following criteria are
18 met:

19 (a) Each pupil for whom payment is made meets eligibility
20 requirements of the federal advanced placement test fee program
21 under section 1701 of the no child left behind act of 2001, Public
22 Law 107-110, or under a corresponding provision of the every
23 student succeeds act, Public Law 114-95.

24 (b) The tests are administered by the college board, the
25 international baccalaureate organization, or another test provider
26 approved by the department.

27 (c) The pupil for whom payment is made pays at least \$5.00
28 toward the cost of each test for which payment is made.

29 (4) The department shall establish procedures for awarding

1 funds under this section.

2 (5) Notwithstanding section 17b, the department shall make
3 payments under this section on a schedule determined by the
4 department.

5 Sec. 94a. (1) There is created within the state budget office
6 in the department of technology, management, and budget the center
7 for educational performance and information. The center shall do
8 all of the following:

9 (a) Coordinate the collection of all data required by state
10 and federal law from districts, intermediate districts, and
11 postsecondary institutions.

12 (b) Create, maintain, and enhance this state's P-20
13 longitudinal data system and ensure that it meets the requirements
14 of subsection (4).

15 (c) Collect data in the most efficient manner possible in
16 order to reduce the administrative burden on reporting entities,
17 including, but not limited to, electronic transcript services.

18 (d) Create, maintain, and enhance this state's web-based
19 educational portal to provide information to school leaders,
20 teachers, researchers, and the public in compliance with all
21 federal and state privacy laws. Data must include, but are not
22 limited to, all of the following:

23 (i) Data sets that link teachers to student information,
24 allowing districts to assess individual teacher impact on student
25 performance and consider student growth factors in teacher and
26 principal evaluation systems.

27 (ii) Data access or, if practical, data sets, provided for
28 regional data hubs that, in combination with local data, can
29 improve teaching and learning in the classroom.

1 (iii) Research-ready data sets for researchers to perform
2 research that advances this state's educational performance.

3 (e) Provide data in a useful manner to allow state and local
4 policymakers to make informed policy decisions.

5 (f) Provide public reports to the residents of this state to
6 allow them to assess allocation of resources and the return on
7 their investment in the education system of this state.

8 (g) Other functions as assigned by the state budget director.

9 (2) Each state department, officer, or agency that collects
10 information from districts, intermediate districts, or
11 postsecondary institutions as required under state or federal law
12 shall make arrangements with the center to ensure that the state
13 department, officer, or agency is in compliance with subsection
14 (1). This subsection does not apply to information collected by the
15 department of treasury under the uniform budgeting and accounting
16 act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal
17 finance act, 2001 PA 34, MCL 141.2101 to 141.2821; the school bond
18 qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to
19 388.1939; or section 1351a of the revised school code, MCL
20 380.1351a.

21 (3) The center may enter into any interlocal agreements
22 necessary to fulfill its functions.

23 (4) The center shall ensure that the P-20 longitudinal data
24 system required under subsection (1)(b) meets all of the following:

25 (a) Includes data at the individual student level from
26 preschool through postsecondary education and into the workforce.

27 (b) Supports interoperability by using standard data
28 structures, data formats, and data definitions to ensure linkage
29 and connectivity in a manner that facilitates the exchange of data

1 among agencies and institutions within the state and between
2 states.

3 (c) Enables the matching of individual teacher and student
4 records so that an individual student may be matched with those
5 teachers providing instruction to that student.

6 (d) Enables the matching of individual teachers with
7 information about their certification and the institutions that
8 prepared and recommended those teachers for state certification.

9 (e) Enables data to be easily generated for continuous
10 improvement and decision-making, including timely reporting to
11 parents, teachers, and school leaders on student achievement.

12 (f) Ensures the reasonable quality, validity, and reliability
13 of data contained in the system.

14 (g) Provides this state with the ability to meet federal and
15 state reporting requirements.

16 (h) For data elements related to preschool through grade 12
17 and postsecondary, meets all of the following:

18 (i) Contains a unique statewide student identifier that does
19 not permit a student to be individually identified by users of the
20 system, except as allowed by federal and state law.

21 (ii) Contains student-level enrollment, demographic, and
22 program participation information.

23 (iii) Contains student-level information about the points at
24 which students exit, transfer in, transfer out, drop out, or
25 complete education programs.

26 (iv) Has the capacity to communicate with higher education data
27 systems.

28 (i) For data elements related to preschool through grade 12
29 only, meets all of the following:

(i) Contains yearly test records of individual students for assessments approved by DED-OESE for accountability purposes under section 1111(b) of the elementary and secondary education act of 1965, 20 USC 6311, including information on individual students not tested, by grade and subject.

(ii) Contains student-level transcript information, including information on courses completed and grades earned.

(iii) Contains student-level college readiness test scores.

(j) For data elements related to postsecondary education only:

(i) Contains data that provide information regarding the extent to which individual students transition successfully from secondary school to postsecondary education, including, but not limited to, all of the following:

(A) Enrollment in remedial coursework.

(B) Completion of 1 year's worth of college credit applicable to a degree within 2 years of enrollment.

(ii) Contains data that provide other information determined necessary to address alignment and adequate preparation for success in postsecondary education.

(5) From the general fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$16,848,900.00~~ **\$18,802,500.00** for ~~2020-2021-2021-2022~~ to the department of technology, management, and budget to support the operations of the center. In addition, from the federal funds appropriated in section 11, there is allocated for ~~2020-2021-2021-2022~~ the amount necessary, estimated at \$193,500.00, to support the operations of the center and to establish a P-20 longitudinal data system necessary for state and federal reporting purposes. The center shall cooperate with the department to ensure that this state is in

1 compliance with federal law and is maximizing opportunities for
2 increased federal funding to improve education in this state.

3 (6) From the funds allocated in subsection (5), the center may
4 use an amount determined by the center for competitive grants for
5 ~~2020-2021-2021-2022~~ to support collaborative efforts on the P-20
6 longitudinal data system. All of the following apply to grants
7 awarded under this subsection:

8 (a) The center shall award competitive grants to eligible
9 intermediate districts or a consortium of intermediate districts
10 based on criteria established by the center.

11 (b) Activities funded under the grant must support the P-20
12 longitudinal data system portal and may include portal hosting,
13 hardware and software acquisition, maintenance, enhancements, user
14 support and related materials, and professional learning tools and
15 activities aimed at improving the utility of the P-20 longitudinal
16 data system.

17 (c) An applicant that received a grant under this subsection
18 for the immediately preceding fiscal year has priority for funding
19 under this section. However, after 3 fiscal years of continuous
20 funding, an applicant is required to compete openly with new
21 applicants.

22 (7) Funds allocated under this section that are not expended
23 in the fiscal year in which they were allocated may be carried
24 forward to a subsequent fiscal year and are appropriated for the
25 purposes for which the funds were originally allocated.

26 (8) The center may bill departments as necessary in order to
27 fulfill reporting requirements of state and federal law. The center
28 may also enter into agreements to supply custom data, analysis, and
29 reporting to other principal executive departments, state agencies,

1 local units of government, and other individuals and organizations.
2 The center may receive and expend funds in addition to those
3 authorized in subsection (5) to cover the costs associated with
4 salaries, benefits, supplies, materials, and equipment necessary to
5 provide such data, analysis, and reporting services.

6 (9) As used in this section, ÷

7 ~~(a) "DED-OESE" means the United States Department of Education~~
8 ~~Office of Elementary and Secondary Education.~~

9 ~~(b) "State education agency" means the department.~~

10 **Sec. 94c. (1) From the general fund money appropriated in**
11 **section 11, there is allocated an amount not to exceed**
12 **\$1,500,000.00 for 2021-2022 to the department to select a vendor**
13 **through a competitive bid process to do all of the following:**

14 (a) **Develop a strategy to streamline** the reporting that
15 districts and intermediate districts are required to submit under
16 state law. Districts or intermediate districts are not required to
17 produce or report any data under this subdivision that are not
18 already otherwise required to be produced or reported under state
19 law.

20 (b) Develop **recommendations for** an annual process to measure
21 and compare noninstructional staffing and spending by districts and
22 intermediate districts and propose options to help districts and
23 intermediate districts optimize noninstructional spending over
24 time. Districts and intermediate districts are not required to
25 modify their spending due to the operation of this subdivision. As
26 used in this subdivision, "noninstructional spending" does not
27 include facility costs, leases, rental payments, or other capital
28 costs.

29 (c) Subject to subsection (2), develop **recommendations for** an

1 information technology strategy for the K to 12 system and identify
2 a short list of information technology systems that districts and
3 intermediate districts may choose from that meet both of the
4 following:

5 (i) Are aligned to the information technology strategy
6 described in this subdivision.

7 (ii) Can be used by districts and intermediate districts in
8 transition as existing information technology systems are retired.

9 (2) A district or intermediate district is not required to
10 select for use an information technology system described in
11 subsection (1)(c) due to the operation of subsection (1)(c).

12 (3) This section does not impose any new or additional
13 reporting requirements upon districts and intermediate districts,
14 and a district or intermediate district must not be subject to new
15 or additional reporting requirements due to the operation of this
16 section.

17 (4) The center, to the extent practicable, shall provide data
18 requested by the vendor selected under subsection (1) to the
19 vendor.

20 (5) In its evaluation of vendors through the competitive bid
21 process under subsection (1), the department shall consider at
22 least all of the following criteria:

23 (a) The vendor's knowledge of this state's K to 12 system.

24 (b) The vendor's knowledge of center and National Center for
25 Education Statistics (NCES) data.

26 (c) The vendor's knowledge of existing K to 12 reports.

27 (d) The vendor's knowledge of existing K to 12 technology
28 systems.

29 (e) The vendor's knowledge of reporting, information

1 technology, and benchmarking best practices.

2 (f) The vendor's expertise in providing advice to this state's
3 K to 12 systems on efficiency measures.

4 Sec. 94d. (1) From the state school aid fund money
5 appropriated in section 11, there is allocated an amount not to
6 exceed \$1,500,000.00 for 2021-2022 for the purposes of this
7 section.

8 (2) Funds under this section must be used to create and
9 support a task force that will develop a comprehensive multi-year
10 plan to attract, prepare, and retain qualified personnel for
11 children with disabilities. The task force described in this
12 subsection shall provide all of the following:

13 (a) An identification of the barriers to attracting and
14 training qualified personnel to work with children with
15 disabilities.

16 (b) An analysis of current educator preparation processes,
17 including the degree to which they meet the needs of special
18 education students and whether the preparation process could be
19 streamlined to increase the number of qualified personnel entering
20 the field of special education.

21 (c) An analysis of attrition rates for qualified personnel
22 leaving the field of special education and recommendations for ways
23 that this state or districts could better retain talent.

24 (d) An analysis of this state's licensing requirements and
25 whether they could be streamlined to increase the number of
26 qualified personnel entering the field of special education.

27 (e) Policy changes that should be enacted into law to address
28 the barriers identified in this subsection, with specific changes
29 to applicable state laws or applicable state rules.

1 (3) The task force described in subsection (2) must include
2 representation from all special education stakeholder communities,
3 including, but not limited to, teachers, school administrators,
4 parents of special education students, students, educator
5 preparation programs, the department, the legislative branch, the
6 executive branch, the business community, and special education
7 advocacy groups.

8 (4) The department shall identify an intermediate district
9 that will serve as the fiscal agent for the funding under this
10 section.

11 (5) Notwithstanding section 17b, the department shall make
12 payments under this section on a schedule determined by the
13 department.

14 (6) It is the intent of the legislature that the funding under
15 this section support the task force described in subsection (2) for
16 3 years.

17 (7) The funds allocated under this section for 2021-2022 are a
18 work project appropriation, and any unexpended funds for 2021-2022
19 do not lapse to the state school aid fund and are carried forward
20 into 2022-2023. The purpose of the work project is to continue
21 support for the task force described in subsection (2). The
22 estimated completion date of the work project is September 30,
23 2024.

24 Sec. 95b. (1) From the general fund money appropriated under
25 section 11, there is allocated an amount not to exceed
26 \$2,000,000.00 for **2021-2022 for** the model value-added growth and
27 projection analytics system. The department shall continue the
28 model value-added growth and projection analytics system and
29 incorporate that model into its reporting requirements under the

1 every student succeeds act, Public Law 114-95. ~~It is the intent of~~
2 ~~the legislature to fund the model under this section for 2021-2022~~
3 ~~only if at least 50% of districts that are not public school~~
4 ~~academies opt in to student-teacher linkages provided by the model~~
5 ~~value-added growth and projection analytics system and there is~~
6 ~~verification that the value-added reporting platform continued~~
7 ~~hosting and delivery of historical reporting as determined based on~~
8 ~~the report under subsection (5).~~ The model described in this
9 subsection must do at least all of the following:

10 (a) Utilize existing assessments and any future assessments
11 that are suitable for measuring student growth.

12 (b) Report student growth measures at the district, school,
13 teacher, and subgroup levels.

14 (c) Recognize the growth of tested students, including those
15 who may have missing assessment data.

16 (d) Include all available prior standardized assessment data
17 that meet inclusion criteria across grades, subjects, and state and
18 local assessments.

19 (e) Allow student growth results to be disaggregated.

20 (f) Provide individual student projections showing the
21 probability of a student reaching specific performance levels on
22 future assessments. Given school closures and extended
23 cancellations related to COVID-19, the data under this subdivision
24 may be used to inform decisions about student placement or students
25 that could benefit from additional supports or interventions.

26 (g) Demonstrate any prior success with this state's
27 assessments through the Michigan council of educator effectiveness
28 teacher evaluation pilot.

29 (h) Demonstrate prior statewide implementation in at least 2

1 other states for at least 10 years.

2 (i) Have a native roster verification system built into the
3 value-added reporting platform that has been implemented statewide
4 in at least 2 other states.

5 (j) Have a "help/contact us" ticketing system built into the
6 value-added reporting platform.

7 (k) Given school closures that have occurred pursuant to an
8 executive order issued by the governor, the value-added reporting
9 platform must provide continued hosting and delivery of reporting
10 and offer the department additional supports in the areas of
11 research, analysis, web reporting, and training.

12 (l) The department and the platform vendor shall provide
13 statewide training for educators to understand the reporting that
14 details the impact to student learning and growth.

15 (2) The department shall provide internet-based electronic
16 student growth and projection reporting based on the model under
17 subsection (1) to educators at the school, district, and state
18 levels. The model must include role-based permissions that allow
19 educators to access information about the performance of the
20 students within their immediate responsibility in accordance with
21 applicable privacy laws.

22 (3) The model under subsection (1) must not be a mandatory
23 part of teacher evaluation or educator pay-for-performance systems.

24 (4) The model under subsection (1) must be a model that
25 received funding under this section in 2018-2019.

26 (5) By March 31, ~~2021~~, **2022**, the department shall work with
27 the center to provide a report to the senate and house
28 appropriations subcommittees on ~~state~~-school aid and the senate and
29 house fiscal agencies regarding the number of districts that are

1 not public school academies that opted in to student-teacher
2 linkages in their use of the model value-added growth and
3 projection analytics system under this section. The report under
4 this subsection must also include verification that the value-added
5 reporting platform continued hosting and delivery of historical
6 reporting and specify any additional research and analysis offered
7 to the department.

8 **Sec. 97. (1) For 2021-2022, from the state school aid fund**
9 **money appropriated under section 11, there is allocated an amount**
10 **not to exceed \$7,500,000.00 and from the general fund money**
11 **appropriated under section 11, there is allocated an amount not to**
12 **exceed \$2,500,000.00 for competitive grants to public schools,**
13 **nonpublic schools, districts, and intermediate districts to**
14 **purchase technology equipment, upgrade hardening measures, or**
15 **conduct school building safety assessments to improve the safety**
16 **and security of school buildings, pupils or students, and school**
17 **staff with the goal of creating a safer school environment through**
18 **equipment and technology enhancements. The department of state**
19 **police, grants and community services division, shall administer**
20 **the grant program described in this subsection. All grants under**
21 **this subsection must be funded on a reimbursement-only basis.**
22 **Grants under this subsection must not exceed \$50,000.00 for each**
23 **public school or nonpublic school and \$250,000.00 for each district**
24 **or intermediate district.**

25 **(2) All of the following apply to the application process for**
26 **funding under subsection (1):**

27 **(a) To receive funding under subsection (1), a public school,**
28 **nonpublic school, district, or intermediate district shall submit**
29 **an application for funding under subsection (1) directly to the**

1 department of state police, grants and community services division.

2 (b) An application from a district or intermediate district
3 under this subsection must be for 1 or more buildings that have
4 some or all of pre-K to grade 12 classrooms and pupils.

5 (c) An applicant may submit only 1 application.

6 (d) An individual public school may submit its own application
7 but must not also be included in its district's application if the
8 district submits an application under this subsection.

9 (e) The department of state police shall award grants to
10 applicants based on eligibility, the project description, and
11 whether the project reflects the highest security need of the
12 applicant within grant funding constraints, the budget narrative,
13 the budget, project goals, objectives, and performance measures.

14 (f) The department of state police shall give priority to all
15 of the following applicants:

16 (i) Applicants seeking funding for projects that involve
17 multiple agencies working in partnership.

18 (ii) Applicants seeking funding for proposals that seek to
19 secure exterior access points of school buildings.

20 (iii) Applicants that did not receive a school safety grant in
21 the past.

22 (iv) Applicants that did not receive a grant under section 1001
23 of article XX of 2018 PA 207 or under section 115 of 2018 PA 618.

24 (g) To be awarded a grant, an applicant must demonstrate proof
25 that the public school, nonpublic school, district, or intermediate
26 district has an emergency operation plan that was updated after
27 August 1, 2017 to align with the state emergency operations plan
28 guidance and statewide school safety information policy developed
29 under section 1308 of the revised school code, MCL 380.1308.

1 (h) The department of state police shall issue grant guidance
2 and application materials, including required performance measures,
3 not later than February 1, 2022.

4 (3) The department of state police shall not award funding
5 under subsection (1) to a public school, nonpublic school,
6 district, or intermediate district in relation to the same school
7 building more than once. If a district submits an application under
8 subsection (2) relating to a school building and a public school
9 within that district also submits an application for funding in
10 relation to that same school building, the department of state
11 police shall not allocate funding under subsection (1) twice for
12 that school building. If a public school, nonpublic school,
13 district, or intermediate district submits more than 1 application,
14 the department of state police shall first consider the most recent
15 application submitted in considering funding under subsection (1).

16 (4) Eligible expenses for reimbursement under subsection (1)
17 must be consistent with the recommendations of the school safety
18 task force created by Executive Order No. 2018-5. The department of
19 state police shall list the eligible expenses in the grant guidance
20 and application materials described under subsection (2). The
21 following items are not eligible expenses for which grant funds
22 under subsection (1) may be applied:

23 (a) Weapons, including tasers.

24 (b) Personal body armor for routine use.

25 (c) Construction of new facilities.

26 (d) Costs in applying for the grant, such as consultants and
27 grant writers.

28 (e) Expenses incurred before the date of the award or after
29 the end of the performance period of the grant award.

1 (f) Personnel costs or operation costs related to a capital
2 improvement.

3 (g) Indirect costs or indirect administrative expenses.

4 (h) Travel.

5 (i) Contributions or donations.

6 (j) Management or administrative training and conferences,
7 except as otherwise preapproved by the department of state police.

8 (k) Management studies or research and development.

9 (l) Memberships and dues, except for a specific requirement of
10 the project that has been preapproved by the department of state
11 police.

12 (m) Vehicles, watercraft, or aircraft, including unmanned or
13 remotely piloted aircraft and vehicles.

14 (n) Service contracts and training beyond the performance
15 period of the grant award.

16 (o) Food, refreshments, and snacks.

17 (5) A grantee under section 1001 of article XX of 2018 PA 207
18 that is a public school, nonpublic school, district, or
19 intermediate district or a grantee under section 115 of 2018 PA 618
20 that is a public school, nonpublic school, district, or
21 intermediate district is not prohibited from applying for, and
22 receiving, a grant award under this section.

23 (6) The department of state police shall begin issuing awards
24 for grants under subsection (1) not later than May 1, 2022. A
25 project that is awarded a grant under this section must be
26 completed by July 1, 2023.

27 (7) The department of state police shall report on grant
28 activities under this section, including available performance
29 outcomes as identified in individual grant agreements, to the

1 senate and house appropriations subcommittees on state police, the
2 senate and house fiscal agencies, and the state budget office by
3 August 1, 2023.

4 (8) The funds allocated for school safety grants under this
5 section for 2021-2022 are a work project appropriation, and any
6 unexpended funds for 2021-2022 do not lapse to the state school aid
7 fund or general fund and are carried forward into 2022-2023. The
8 purpose of the work project is to continue promoting safer school
9 environments. The estimated completion date of the work project is
10 July 1, 2023.

11 (9) The department of state police shall ensure that a grant
12 to a nonpublic school under this section is funded from the general
13 fund money allocated under this section.

14 Sec. 97a. From the general fund money appropriated in section
15 11, there is allocated an amount not to exceed \$1,947,000.00 for
16 2021-2022 for Michigan Virtual University to support Navigate 360.

17 Sec. 98. (1) From the general fund money appropriated in
18 section 11, there is allocated an amount not to exceed
19 \$7,500,000.00 for ~~2020-2021~~ **2021-2022** for the purposes described in
20 this section. The Michigan Virtual University shall provide a
21 report to the legislature not later than November 1 of each year
22 that includes its mission, its plans, and proposed benchmarks it
23 must meet, including a plan to achieve the organizational
24 priorities identified in this section, in order to receive full
25 funding for ~~2021-2022.~~ **2022-2023**. Not later than March 1 of each
26 year, the Michigan Virtual University shall provide an update to
27 the house and senate appropriations subcommittees on school aid to
28 show the progress being made to meet the benchmarks identified.

29 (2) The Michigan Virtual University shall operate the Michigan

1 Virtual Learning Research Institute. The Michigan Virtual Learning
2 Research Institute shall do all of the following:

3 (a) Support and accelerate innovation in education through the
4 following activities:

5 (i) Test, evaluate, and recommend as appropriate new
6 technology-based instructional tools and resources.

7 (ii) Research, design, and recommend virtual education delivery
8 models for use by pupils and teachers that include age-appropriate
9 multimedia instructional content.

10 (iii) Research, develop, and recommend annually to the
11 department criteria by which cyber schools and virtual course
12 providers should be monitored and evaluated to ensure a quality
13 education for their pupils.

14 (iv) Based on pupil completion and performance data reported to
15 the department or the center from cyber schools and other virtual
16 course providers operating in this state, analyze the effectiveness
17 of virtual learning delivery models in preparing pupils to be
18 college- and career-ready and publish a report that highlights
19 enrollment totals, completion rates, and the overall impact on
20 pupils. The Michigan Virtual Learning Research Institute shall
21 submit the report to the house and senate appropriations
22 subcommittees on ~~state~~-school aid, the state budget director, the
23 house and senate fiscal agencies, the department, districts, and
24 intermediate districts not later than March 31 of each year.

25 (v) Provide an extensive professional development program to
26 at least 30,000 educational personnel, including teachers, school
27 administrators, and school board members, that focuses on the
28 effective integration of virtual learning into curricula and
29 instruction. The Michigan Virtual Learning Research Institute is

1 encouraged to work with the MiSTEM ~~advisory council created under~~
2 **described in** section 99s to coordinate professional development of
3 teachers in applicable fields. In addition, the Michigan Virtual
4 Learning Research Institute and external stakeholders are
5 encouraged to coordinate with the department for professional
6 development in this state. Not later than December 1 of each year,
7 the Michigan Virtual Learning Research Institute shall submit a
8 report to the house and senate appropriations subcommittees on
9 ~~state~~ school aid, the state budget director, the house and senate
10 fiscal agencies, and the department on the number of teachers,
11 school administrators, and school board members who have received
12 professional development services from the Michigan Virtual
13 University. The report must also identify barriers and other
14 opportunities to encourage the adoption of virtual learning in the
15 public education system.

16 (vi) Identify and share best practices for planning,
17 implementing, and evaluating virtual and blended education delivery
18 models with intermediate districts, districts, and public school
19 academies to accelerate the adoption of innovative education
20 delivery models statewide.

21 (b) Provide leadership for this state's system of virtual
22 learning education by doing the following activities:

23 (i) Develop and report policy recommendations to the governor
24 and the legislature that accelerate the expansion of effective
25 virtual learning in this state's schools.

26 (ii) Provide a clearinghouse for research reports, academic
27 studies, evaluations, and other information related to virtual
28 learning.

29 (iii) Promote and distribute the most current instructional

1 design standards and guidelines for virtual teaching.

2 (iv) In collaboration with the department and interested
3 colleges and universities in this state, support implementation and
4 improvements related to effective virtual learning instruction.

5 (v) Pursue public/private partnerships that include districts
6 to study and implement competency-based technology-rich virtual
7 learning models.

8 (vi) Create a statewide network of school-based mentors serving
9 as liaisons between pupils, virtual instructors, parents, and
10 school staff, as provided by the department or the center, and
11 provide mentors with research-based training and technical
12 assistance designed to help more pupils be successful virtual
13 learners.

14 (vii) Convene focus groups and conduct annual surveys of
15 teachers, administrators, pupils, parents, and others to identify
16 barriers and opportunities related to virtual learning.

17 (viii) Produce an annual consumer awareness report for schools
18 and parents about effective virtual education providers and
19 education delivery models, performance data, cost structures, and
20 research trends.

21 (ix) Provide an internet-based platform that educators can use
22 to create student-centric learning tools and resources for sharing
23 in the state's open educational resource repository and facilitate
24 a user network that assists educators in using the content creation
25 platform and state repository for open educational resources. As
26 part of this initiative, the Michigan Virtual University shall work
27 collaboratively with districts and intermediate districts to
28 establish a plan to make available virtual resources that align to
29 Michigan's K-12 curriculum standards for use by students,

1 educators, and parents.

2 (x) Create and maintain a public statewide catalog of virtual
3 learning courses being offered by all public schools and community
4 colleges in this state. The Michigan Virtual Learning Research
5 Institute shall identify and develop a list of nationally
6 recognized best practices for virtual learning and use this list to
7 support reviews of virtual course vendors, courses, and
8 instructional practices. The Michigan Virtual Learning Research
9 Institute shall also provide a mechanism for intermediate districts
10 to use the identified best practices to review content offered by
11 constituent districts. The Michigan Virtual Learning Research
12 Institute shall review the virtual course offerings of the Michigan
13 Virtual University, and make the results from these reviews
14 available to the public as part of the statewide catalog. The
15 Michigan Virtual Learning Research Institute shall ensure that the
16 statewide catalog is made available to the public on the Michigan
17 Virtual University website and shall allow the ability to link it
18 to each district's website as provided for in section 21f. The
19 statewide catalog must also contain all of the following:

20 (A) The number of enrollments in each virtual course in the
21 immediately preceding school year.

22 (B) The number of enrollments that earned 60% or more of the
23 total course points for each virtual course in the immediately
24 preceding school year.

25 (C) The pass rate for each virtual course.

26 (xi) Support registration, payment services, and transcript
27 functionality for the statewide catalog and train key stakeholders
28 on how to use new features.

29 (xii) Collaborate with key stakeholders to examine district

1 level accountability and teacher effectiveness issues related to
2 virtual learning under section 21f and make findings and
3 recommendations publicly available.

4 (xiii) Provide a report on the activities of the Michigan
5 Virtual Learning Research Institute.

6 (3) To further enhance its expertise and leadership in virtual
7 learning, the Michigan Virtual University shall continue to operate
8 the Michigan Virtual School as a statewide laboratory and quality
9 model of instruction by implementing virtual and blended learning
10 solutions for Michigan schools in accordance with the following
11 parameters:

12 (a) The Michigan Virtual School must maintain its
13 accreditation status from recognized national and international
14 accrediting entities.

15 (b) The Michigan Virtual University shall use no more than
16 \$1,000,000.00 of the amount allocated under this section to
17 subsidize the cost paid by districts for virtual courses.

18 (c) In providing educators responsible for the teaching of
19 virtual courses as provided for in this section, the Michigan
20 Virtual School shall follow the requirements to request and assess,
21 and the department of state police shall provide, a criminal
22 history check and criminal records check under sections 1230 and
23 1230a of the revised school code, MCL 380.1230 and 380.1230a, in
24 the same manner as if the Michigan Virtual School were a school
25 district under those sections.

26 (4) From the funds allocated under subsection (1), the
27 Michigan Virtual University shall allocate up to \$500,000.00 to
28 support the expansion of new online and blended educator
29 professional development programs.

1 (5) If the course offerings are included in the statewide
2 catalog of virtual courses under subsection (2)(b)(x), the Michigan
3 Virtual School operated by the Michigan Virtual University may
4 offer virtual course offerings, including, but not limited to, all
5 of the following:

6 (a) Information technology courses.

7 (b) College level equivalent courses, as **that term is** defined
8 in section 1471 of the revised school code, MCL 380.1471.

9 (c) Courses and dual enrollment opportunities.

10 (d) Programs and services for at-risk pupils.

11 (e) High school equivalency test preparation courses for
12 adjudicated youth.

13 (f) Special interest courses.

14 (g) Professional development programs for teachers, school
15 administrators, other school employees, and school board members.

16 (6) If a home-schooled or nonpublic school student is a
17 resident of a district that subscribes to services provided by the
18 Michigan Virtual School, the student may use the services provided
19 by the Michigan Virtual School to the district without charge to
20 the student beyond what is charged to a district pupil using the
21 same services.

22 (7) Not later than December 1 of each fiscal year, the
23 Michigan Virtual University shall provide a report to the house and
24 senate appropriations subcommittees on ~~state~~-school aid, the state
25 budget director, the house and senate fiscal agencies, and the
26 department that includes at least all of the following information
27 related to the Michigan Virtual School for the preceding state
28 fiscal year:

29 (a) A list of the districts served by the Michigan Virtual

1 School.

2 (b) A list of virtual course titles available to districts.

3 (c) The total number of virtual course enrollments and
4 information on registrations and completions by course.

5 (d) The overall course completion rate percentage.

6 (8) In addition to the information listed in subsection (7),
7 the report under subsection (7) must also include a plan to serve
8 at least 600 schools with courses from the Michigan Virtual School
9 or with content available through the internet-based platform
10 identified in subsection (2) (b) (ix).

11 (9) The governor may appoint an advisory group for the
12 Michigan Virtual Learning Research Institute established under
13 subsection (2). The members of the advisory group serve at the
14 pleasure of the governor and without compensation. The purpose of
15 the advisory group is to make recommendations to the governor, the
16 legislature, and the president and board of the Michigan Virtual
17 University that will accelerate innovation in this state's
18 education system in a manner that will prepare elementary and
19 secondary students to be career and college ready and that will
20 promote the goal of increasing the percentage of residents of this
21 state with high-quality degrees and credentials to at least 60% by
22 2025.

23 (10) Not later than November 1 of each year, the Michigan
24 Virtual University shall submit to the house and senate
25 appropriations subcommittees on ~~state~~-school aid, the state budget
26 director, and the house and senate fiscal agencies a detailed
27 budget for that fiscal year that includes a breakdown on its
28 projected costs to deliver virtual educational services to
29 districts and a summary of the anticipated fees to be paid by

1 districts for those services. Not later than March 1 each year, the
2 Michigan Virtual University shall submit to the house and senate
3 appropriations subcommittees on ~~state~~-school aid, the state budget
4 director, and the house and senate fiscal agencies a breakdown on
5 its actual costs to deliver virtual educational services to
6 districts and a summary of the actual fees paid by districts for
7 those services based on audited financial statements for the
8 immediately preceding fiscal year.

9 (11) As used in this section:

10 (a) "Blended learning" means a hybrid instructional delivery
11 model where pupils are provided content, instruction, and
12 assessment, in part at a supervised educational facility away from
13 home where the pupil and a teacher with a valid Michigan teaching
14 certificate are in the same physical location and in part through
15 internet-connected learning environments with some degree of pupil
16 control over time, location, and pace of instruction.

17 (b) "Cyber school" means a full-time instructional program of
18 virtual courses for pupils that may or may not require attendance
19 at a physical school location.

20 (c) "Virtual course" means a course of study that is capable
21 of generating a credit or a grade and that is provided in an
22 interactive learning environment in which the majority of the
23 curriculum is delivered using the internet and in which pupils are
24 separated from their instructor or teacher of record by time or
25 location, or both.

26 **Sec. 98b. (1) In order to receive state aid under this article**
27 **for 2021-2022, a district must do all of the following:**

28 (a) **By not later than the first meeting of the board that**
29 **occurs in February of 2022 and by not later than the last day of**

1 the 2021-2022 school year, the district superintendent or chief
2 administrator of the district, as applicable, shall present both of
3 the following at a public meeting of the board:

4 (i) Subject to state and federal privacy laws, the results from
5 benchmark assessments and local benchmark assessments, as
6 applicable, administered under section 104a.

7 (ii) For each school operated by the district, each school's
8 progress toward meeting the educational goals described in
9 subdivision (d).

10 (b) The district shall ensure that the information presented
11 under subdivision (a) is disaggregated by grade level, by student
12 demographics, and by the mode of instruction received by the pupils
13 to which the information applies.

14 (c) The information presented under subdivision (a) must also
15 be compiled into a report that the district shall make available
16 through the transparency reporting link located on the district's
17 website.

18 (d) The district shall ensure that, by not later than
19 September 15, 2021, each school building leader of each school
20 operated by the district, in conjunction with all teachers and
21 school administrators of the school, establishes educational goals
22 expected to be achieved for the 2021-2022 school year for the
23 school. The goals described in this subdivision must specify which
24 educational goals are expected to be achieved by not later than the
25 middle of the school year and which goals are expected to be
26 achieved by not later than the last day of the 2021-2022 school
27 year. All the following apply to the educational goals described in
28 this subdivision:

29 (i) The goals must include increased pupil achievement or, if

1 growth can be validly and reliably measured using a benchmark
2 assessment or benchmark assessments or a local benchmark
3 assessment, growth on a benchmark assessment or benchmark
4 assessments or a local benchmark assessment described in
5 subparagraph (ii) in the aggregate and for all subgroups of pupils
6 broken down by grade level, student demographics, and mode of
7 instruction.

8 (ii) The goals must include an assurance that the district
9 shall select a benchmark assessment or benchmark assessments or a
10 local benchmark assessment that are aligned to state standards and
11 an assurance that the district shall administer the benchmark
12 assessment or benchmark assessments or local benchmark assessment
13 to all pupils as prescribed under section 104a to determine whether
14 pupils are making meaningful progress toward mastery of these
15 standards.

16 (iii) The goals must be measurable through a benchmark
17 assessment or benchmark assessments or a local benchmark assessment
18 described in subparagraph (ii).

19 (iv) For districts that provided instruction under an approved
20 extended COVID-19 learning plan under section 98a, the goals must
21 correlate to the educational goals that were included in the
22 district's COVID-19 learning plan under section 98a for the 2020-
23 2021 school year.

24 (e) In implementing a benchmark assessment system under
25 section 104a, the district ensures that it is in compliance with
26 section 104a(1)(f).

27 (2) The department shall create a statewide uniform template
28 for districts to utilize in the development of educational goals
29 under subsection (1)(d) and shall make this template available to

1 all districts by not later than June 30, 2022.

2 (3) By not later than June 15, 2022, subject to state and
3 federal privacy laws, the superintendent of public instruction
4 shall submit a report to the house and senate appropriations
5 subcommittees on school aid and the house and senate standing
6 committees on education that includes the results of benchmark
7 assessments administered under section 104a that the superintendent
8 of public instruction has received from districts. All of the
9 following apply to the data included in the report described in
10 this subsection:

11 (a) It must be disaggregated by grade level, student
12 demographics, and the modes of instruction received by pupils.

13 (b) It must be broken down so as to show a comparison of
14 growth among pupils within a grade level, within certain student
15 demographics, and based on the modes of instruction received by the
16 pupils.

17 (4) If requested to do so by the chairs of the house and
18 senate appropriations subcommittees on school aid and the chairs of
19 the house and senate standing committees on education, the
20 superintendent of public instruction shall present his or her
21 report submitted under subsection (3) in person to the house and
22 senate appropriations subcommittees on school aid and the house and
23 senate standing committees on education.

24 Sec. 99h. (1) From the state school aid fund money
25 appropriated in section 11, there is allocated an amount not to
26 exceed ~~\$4,400,000.00~~ **\$4,723,200.00** for ~~2020-2021~~ **2021-2022** for
27 competitive grants to districts and intermediate districts, and
28 from the general fund money appropriated in section 11, there is
29 allocated ~~\$300,000.00~~ **\$600,000.00** for ~~2020-2021~~ **2021-2022** for

1 competitive grants to nonpublic schools, that provide pupils in
2 grades pre-K to 12 with expanded opportunities to improve
3 mathematics, science, and technology skills by participating in
4 events hosted by a science and technology development program known
5 as FIRST (for inspiration and recognition of science and
6 technology) Robotics, including JR FIRST Lego League, FIRST Lego
7 League, FIRST Tech challenge, and FIRST Robotics competition, or
8 other competitive robotics programs, including VEX, **Square One**, and
9 those hosted by the Robotics Education and Competition (REC)
10 Foundation. Programs funded under this section are intended to
11 increase the number of pupils demonstrating proficiency in science
12 and mathematics on the state assessments and to increase the number
13 of pupils who are college- and career-ready upon high school
14 graduation. Notwithstanding section 17b, the department shall make
15 grant payments to districts, nonpublic schools, and intermediate
16 districts under this section on a schedule determined by the
17 department. The department shall set maximum grant awards for each
18 different level of programming and competition in a manner that
19 both maximizes the number of teams that will be able to receive
20 funds and expands the geographical distribution of teams.

21 (2) A district, nonpublic school, or intermediate district
22 applying for a grant under this section shall submit an application
23 in a form and manner prescribed by the department. To be eligible
24 for a grant, a district, nonpublic school, or intermediate district
25 must demonstrate in its application that the district, nonpublic
26 school, or intermediate district has established a partnership for
27 the purposes of the robotics program with at least 1 sponsor,
28 business entity, higher education institution, or technical school,
29 shall submit a spending plan, and shall provide a local in-kind or

1 cash match from other private or local funds of at least 25% of the
2 cost of the robotics program award.

3 (3) The department shall distribute the grant funding under
4 this section for the following purposes:

5 (a) Grants to districts, nonpublic schools, or intermediate
6 districts to pay for stipends not to exceed \$1,500.00 per building
7 for coaching.

8 (b) Grants to districts, nonpublic schools, or intermediate
9 districts for event registrations, materials, travel costs, and
10 other expenses associated with the preparation for and attendance
11 at robotics events and competitions.

12 (c) Grants to districts, nonpublic schools, or intermediate
13 districts for awards to teams that advance to the next levels of
14 competition as determined by the department. The department shall
15 determine an equal amount per team for those teams that advance.

16 (4) The funds allocated under this section for ~~2020-2021-2021-~~
17 ~~2022~~ are a work project appropriation, and any unexpended funds for
18 ~~2020-2021-2021-2022~~ are carried forward into ~~2021-2022.~~ **2022-2023.**
19 The purpose of the work project is to continue support of FIRST
20 Robotics and must not be used to support other robotics
21 competitions. The estimated completion date of the work project is
22 September 30, 2023.

23 (5) A nonpublic school that receives a grant under this
24 section may use the funds for either robotics or Science Olympiad
25 programs.

26 (6) To be eligible to receive funds under this section, a
27 nonpublic school must be a nonpublic school registered with the
28 department and must meet all applicable state reporting
29 requirements for nonpublic schools.

1 Sec. 99s. (1) From the funds appropriated under section 11,
2 there is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
3 \$7,634,300.00 from the state school aid fund appropriation and an
4 amount not to exceed \$300,000.00 from the general fund
5 appropriation for Michigan science, technology, engineering, and
6 mathematics (MiSTEM) programs. In addition, from the federal funds
7 appropriated in section 11, there is allocated to the department
8 for ~~2020-2021~~**2021-2022** an amount estimated at \$235,000.00 from
9 DED-OESE, title II, mathematics and science partnership grants. The
10 MiSTEM network may receive funds from private sources. If the
11 MiSTEM network receives funds from private sources, the MiSTEM
12 network shall expend those funds in alignment with the statewide
13 STEM strategy. Programs funded under this section are intended to
14 increase the number of pupils demonstrating proficiency in science
15 and mathematics on the state assessments, to increase the number of
16 pupils who are college- and career-ready upon high school
17 graduation, and to promote certificate and degree attainment in
18 STEM fields. Notwithstanding section 17b, the department shall make
19 payments under this section on a schedule determined by the
20 department.

21 ~~(2) All of the following apply to the MiSTEM advisory council:~~

22 ~~(a) The MiSTEM advisory council is created. The MiSTEM~~
23 ~~advisory council shall provide to the governor, legislature,~~
24 ~~department of labor and economic opportunity, and department~~
25 ~~recommendations designed to improve and promote innovation in STEM~~
26 ~~education and to prepare students for careers in science,~~
27 ~~technology, engineering, and mathematics.~~

28 ~~(b) The MiSTEM advisory council created under subdivision (a)~~
29 ~~consists of the following members:~~

~~(i) The governor shall appoint 11 voting members who are representative of business sectors that are important to Michigan's economy and rely on a STEM-educated workforce, nonprofit organizations and associations that promote STEM education, K-12 and postsecondary education entities involved in STEM-related career education, or other sectors as considered appropriate by the governor. Each of these members serves at the pleasure of the governor and for a term determined by the governor.~~

~~(ii) The senate majority leader shall appoint 2 members of the senate to serve as nonvoting, ex-officio members of the MiSTEM advisory council, including 1 majority party member and 1 minority party member.~~

~~(iii) The speaker of the house of representatives shall appoint 2 members of the house of representatives to serve as nonvoting, ex-officio members of the MiSTEM advisory council, including 1 majority party member and 1 minority party member.~~

~~(iv) The governor shall appoint 1 state officer or employee to serve as a nonvoting, ex-officio member of the MiSTEM advisory council.~~

~~(c) Each member of the MiSTEM advisory council serves without compensation.~~

(2) ~~(d)~~ The MiSTEM advisory council annually shall review and make recommendations to the governor, the legislature, and the department concerning changes to the statewide strategy adopted by the council for delivering STEM education-related opportunities to pupils. The MiSTEM advisory council shall use funds received under this subsection to ensure that its members or their designees are trained in the Change the Equation STEMworks rating system program for the purpose of rating STEM programs.

1 (3) The MiSTEM ~~advisory~~ council shall make specific funding
2 recommendations for the funds allocated under subsection (4) by
3 December 15 of each fiscal year. Each specific funding
4 recommendation must be for a program approved by the MiSTEM
5 ~~advisory~~ council. All of the following apply:

6 (a) To be eligible for MiSTEM ~~advisory~~ council approval as
7 described in this subsection, a program must satisfy all of the
8 following:

9 (i) Align with this state's academic standards.

10 (ii) Have STEMworks certification.

11 (iii) Provide project-based experiential learning, student
12 programming, or educator professional learning experiences.

13 (iv) Focus predominantly on classroom-based STEM experiences or
14 professional learning experiences.

15 (b) The MiSTEM ~~advisory~~ council shall approve programs that
16 represent all network regions and include a diverse array of
17 options for students and educators and at least 1 program in each
18 of the following areas:

19 (i) Robotics.

20 (ii) Computer science or coding.

21 (iii) Engineering or bioscience.

22 (c) The MiSTEM ~~advisory~~ council is encouraged to work with the
23 MiSTEM network to develop locally and regionally developed programs
24 and professional learning experiences for the programs on the list
25 of approved programs.

26 (d) If the MiSTEM ~~advisory~~ council is unable to make specific
27 funding recommendations by December 15 of a fiscal year, the
28 department shall award and distribute the funds allocated under
29 subsection (4) on a competitive grant basis that at least follows

1 the statewide STEM strategy plan and rating system recommended by
 2 the MiSTEM ~~advisory~~ council. Each grant must provide STEM
 3 education-related opportunities for pupils.

4 (e) The MiSTEM ~~advisory~~ council shall work with the ~~executive~~
 5 ~~director of the MiSTEM network~~ **department of labor and economic**
 6 **opportunity** to implement the statewide STEM strategy adopted by the
 7 MiSTEM ~~advisory~~ council.

8 (4) ~~From~~ **Except as otherwise provided in this subsection, from**
 9 the state school aid fund money allocated under subsection (1),
 10 there is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed
 11 \$3,050,000.00 for the purpose of funding programs under this
 12 section for ~~2020-2021~~ **2021-2022** as recommended by the MiSTEM
 13 ~~advisory~~ council. **However, from the allocation under this**
 14 **subsection, the MiSTEM council shall recommend and the department**
 15 **shall award \$350,000.00 in grants to intermediate districts to**
 16 **implement fabrication laboratories (Fab Labs). The MiSTEM council**
 17 **shall recommend and the department shall only award 10 grants**
 18 **described in the immediately preceding sentence in an amount not to**
 19 **exceed \$35,000.00 each.**

20 (5) From the state school aid fund money allocated under
 21 subsection (1), there is allocated an amount not to exceed
 22 \$3,834,300.00 for ~~2020-2021~~ **2021-2022** to support the activities and
 23 programs of the MiSTEM network regions. In addition, from the
 24 federal funds allocated under subsection (1), there is allocated
 25 for ~~2020-2021~~ **2021-2022** an amount estimated at \$235,000.00 from
 26 DED-OESE, title II, mathematics and science partnership grants, for
 27 the purposes of this subsection. From the money allocated under
 28 this subsection, the department shall award the fiscal agent for
 29 each MiSTEM network region \$200,000.00 for the base operations of

each region. The department shall distribute the remaining funds to each fiscal agent in an equal amount per pupil, based on the number of K to 12 pupils enrolled in districts within each region in the immediately preceding fiscal year.

(6) A MiSTEM network region shall do all of the following:

(a) Collaborate with the career and educational advisory council that is located in the MiSTEM region to develop a regional strategic plan for STEM education that creates a robust regional STEM culture, that empowers STEM teachers, that integrates business and education into the STEM network, and that ensures high-quality STEM experiences for pupils. At a minimum, a regional STEM strategic plan should do all of the following:

(i) Identify regional employer need for STEM.

(ii) Identify processes for regional employers and educators to create guided pathways for STEM careers that include internships or externships, apprenticeships, and other experiential engagements for pupils.

(iii) Identify educator professional ~~development~~ **learning** opportunities, including internships or externships and apprenticeships, that integrate this state's science standards into high-quality STEM experiences that engage pupils.

(b) Facilitate regional STEM events such as educator and employer networking and STEM career fairs to raise STEM awareness.

(c) Contribute to the MiSTEM website and engage in other MiSTEM network functions to further the mission of STEM in this state in coordination with the MiSTEM ~~advisory~~ council and ~~its executive director~~. **the department of labor and economic opportunity.**

(d) Facilitate application and implementation of state and

1 federal funds under this subsection and any other grants or funds
2 for the MiSTEM network region.

3 (e) Work with districts to provide STEM programming and
4 professional learning.

5 (f) Coordinate recurring discussions and work with the career
6 and educational advisory council to ensure that feedback and best
7 practices are being shared, including funding, program,
8 professional learning opportunities, and regional strategic plans.

9 (7) From the state school aid fund money allocated under
10 subsection (1), the department shall distribute for ~~2020-2021-2021-~~
11 **2022** an amount not to exceed \$750,000.00, in a form and manner
12 determined by the department, to those network regions able to
13 ~~provide curriculum and professional development support to assist~~
14 ~~districts in implementing the Michigan merit curriculum components~~
15 ~~for mathematics and science.~~ **further the statewide STEM strategy**
16 **recommended by the MiSTEM council.**

17 (8) In order to receive state or federal funds under
18 subsection (5) or (7), or to receive funds from private sources as
19 authorized under subsection (1), a grant recipient must allow
20 access for the department or the department's designee to audit all
21 records related to the program for which it receives those funds.
22 The grant recipient shall reimburse the state for all disallowances
23 found in the audit.

24 (9) In order to receive state funds under subsection (5) or
25 (7), a grant recipient must provide at least a 10% local match from
26 local public or private resources for the funds received under this
27 subsection.

28 (10) Not later than July 1 of each year, a MiSTEM network
29 region that receives funds under subsection (5) shall report to the

1 executive director of the MiSTEM network in a form and manner
2 prescribed by the executive director on performance measures
3 developed by the MiSTEM network regions and approved by the
4 executive director. The performance measures must be designed to
5 ensure that the activities of the MiSTEM network are improving
6 student academic outcomes.

7 (11) Not more than 5% of a MiSTEM network region grant under
8 subsection (5) or (7) may be retained by a fiscal agent for serving
9 as the fiscal agent of a MiSTEM network region.

10 (12) From the general fund money allocated under subsection
11 (1), there is allocated an amount not to exceed \$300,000.00 to the
12 department of labor and economic opportunity to support the
13 ~~functions of the executive director and executive assistant~~ **staff**
14 for the MiSTEM network, and for administrative, training, and
15 travel costs related to the MiSTEM ~~advisory~~ council. The ~~executive~~
16 ~~director and executive assistant~~ **staff** for the MiSTEM network shall
17 do all of the following:

18 (a) Serve as a liaison among and between the department, the
19 department of labor and economic opportunity, the MiSTEM ~~advisory~~
20 council, the governor's ~~future talent council,~~ **workforce**
21 **development board**, the MiSTEM regions, and any other relevant
22 organization or entity in a manner that creates a robust statewide
23 STEM culture, that empowers STEM teachers, that integrates business
24 and education into the STEM network, and that ensures high-quality
25 STEM experiences for pupils.

26 (b) Coordinate the implementation of a marketing campaign,
27 including, but not limited to, a website that includes dashboards
28 of outcomes, to build STEM awareness and communicate STEM needs and
29 opportunities to pupils, parents, educators, and the business

1 community.

2 (c) Work with the department and the MiSTEM ~~advisory~~ council
3 to coordinate, award, and monitor MiSTEM state and federal grants
4 to the MiSTEM network regions and conduct reviews of grant
5 recipients, including, but not limited to, pupil experience and
6 feedback.

7 (d) Report to the governor, the legislature, the department,
8 and the MiSTEM ~~advisory~~ council annually on the activities and
9 performance of the MiSTEM network regions.

10 (e) Coordinate recurring discussions and work with regional
11 staff to ensure that a network or loop of feedback and best
12 practices are shared, including funding, programming, professional
13 learning opportunities, discussion of MiSTEM strategic vision, and
14 regional objectives.

15 (f) Coordinate major grant application efforts with the MiSTEM
16 ~~advisory~~ council to assist regional staff with grant applications
17 on a local level. The MiSTEM ~~advisory~~ council shall leverage
18 private and nonprofit relationships to coordinate and align private
19 funds in addition to funds appropriated under this section.

20 (g) Train state and regional staff in the STEMworks rating
21 system, in collaboration with the MiSTEM ~~advisory~~ council and the
22 department.

23 (h) Hire MiSTEM network region staff in collaboration with the
24 network region fiscal agent.

25 (13) As used in this section:

26 (a) "Career and educational advisory council" means an
27 advisory council to the local workforce development boards located
28 in a prosperity region consisting of educational, employer, labor,
29 and parent representatives.

(b) "DED" means the United States Department of Education.

(c) "DED-OESE" means the DED Office of Elementary and Secondary Education.

(d) "MiSTEM Council" means the Michigan Science, Technology, Engineering, and Mathematics Education Advisory Council created as an advisory body within the department of labor and economic opportunity by Executive Reorganization Order No. 2019-3, MCL 125.1998.

(e) ~~(d)~~ "STEM" means science, technology, engineering, and mathematics delivered in an integrated fashion using cross-disciplinary learning experiences that can include language arts, performing and fine arts, and career and technical education.

Sec. 99t. (1) From the general fund appropriation under section 11, there is allocated an amount not to exceed \$1,000,000.00 for ~~2020-2021~~ **2021-2022** to purchase statewide access to an online algebra tool that meets all of the following:

(a) Provides students statewide with complete access to videos aligned with state standards including study guides and workbooks that are aligned with the videos.

(b) Provides students statewide with access to a personalized online algebra learning tool including adaptive diagnostics.

(c) Provides students statewide with dynamic algebra practice assessments that emulate the state assessment with immediate feedback and help solving problems.

(d) Provides students statewide with online access to algebra help 24 hours a day and 7 days a week from study experts, teachers, and peers on a moderated social networking platform.

(e) Provides an online algebra professional development network for teachers.

(f) Is already provided under a statewide contract in at least 1 other state that has a population of at least 18,000,000 but not 2 more than 19,000,000 according to the most recent decennial census 3 and is offered in that state in partnership with a public 4 university. 5

(2) The department shall purchase the online algebra tool that 6 was chosen under this section in 2016-2017. 7

(3) A grantee receiving funding under this section shall 8 comply with the requirements of section 19b. 9

Sec. 99u. (1) From the general fund money appropriated under 10 section 11, there is allocated for ~~2020-2021~~**2021-2022** an amount 11 not to exceed \$1,500,000.00 to a provider that is a provider of 12 both of the following: 13

(a) An online mathematics tool that meets all of the 14 following: 15

(i) Provides students statewide with complete access to 16 mathematics support aligned with state standards through a program 17 that has all of the following elements: 18

(A) Student motivation. 19

(B) Valid and reliable assessments. 20

(C) Personalized learning pathways. 21

(D) Highly qualified, live teachers available all day and all 22 year. 23

(E) Twenty-four-hour reporting. 24

(F) Content built for rigorous mathematics. 25

(ii) Has a record of improving student mathematics scores in at 26 least 5 other states. 27

(iii) Received funding under this section in 2017-2018. 28

(b) A program that provides explicit, targeted literacy 29

instruction within an individualized learning path that continually adjusts to a pupil's needs. A program described in this subdivision that is funded under this subsection must be funded through a grant to a provider described in this subsection that also promotes literacy through the teaching of critical language and literacy concepts, such as reading and listening comprehension, basic vocabulary, academic language, grammar, phonological awareness, phonics, and fluency.

(2) A grantee that receives funding under this section shall comply with the requirements of section 19b.

(3) Notwithstanding section 17b, the department shall make payments under this section by not later than December 1, ~~2020-2021~~.

Sec. 99w. (1) From the general fund money appropriated under section 11, there is allocated an amount not to exceed \$400,000.00 for ~~2020-2021~~ **2021-2022** to facilitate a culture of health and physical activity as part of daily life. Funding under this section must be a grant to the Michigan Fitness Foundation to work with the department to invest in a physical education curriculum. Funding under this section may support staff, evaluation, assessment, technology, meetings, training, travel, materials, and other administrative expenses in support of an updated physical education curriculum. Funding under this section may be used as matching dollars to qualify for federal and private resources to support physical education.

~~(2) An entity that received funding under this section for 2018-2019 may expend those funds through September 30, 2021.~~

(2) ~~(3)~~ Notwithstanding section 17b, the department shall make payments under this section by not later than December 1,

1 ~~2020-2021.~~

2 Sec. 99x. (1) From the general fund money appropriated under
3 section 11, there is allocated for ~~2020-2021-2021-2022~~ an amount
4 not to exceed \$1,000,000.00 for Teach for America to host a summer
5 training institute in the city of Detroit, recruit teachers into a
6 master teacher fellowship, and retain a committed alumni community.
7 A program funded under this section must provide coaching and
8 professional development, with the goal to produce highly effective
9 teachers that move pupils beyond their growth benchmarks.

10 (2) Notwithstanding section 17b, the department shall make
11 payments under this section by not later than December 1,
12 ~~2020-2021.~~

13 Sec. 99aa. (1) From the state school aid fund money
14 appropriated in section 11, there is allocated an amount not to
15 exceed \$1,500,000.00 for 2021-2022 to 1 eligible intermediate
16 district to provide opportunities for high school students with
17 disabilities to train for, gain, and maintain competitive
18 employment.

19 (2) An intermediate district that has partnered with Project
20 SEARCH to provide the opportunities described in subsection (1) is
21 an eligible intermediate district under this section.

22 (3) The funds allocated under this section for 2021-2022 are a
23 work project appropriation, and any unexpended funds for 2021-2022
24 are carried forward into 2022-2023. The purpose of the work project
25 is to provide for the continuation of opportunities for high school
26 students with disabilities as described in subsection (1). The
27 estimated completion date of the work project is September 30,
28 2023.

29 Sec. 99bb. (1) From the general fund money appropriated in

1 section 11, there is allocated an amount not to exceed
2 \$3,750,000.00 for 2021-2022 to the State Alliance of Michigan YMCAs
3 for competitive grants to eligible districts, intermediate
4 districts, and nonpublic schools to provide students in grades 6 to
5 12 with hands-on civics and model-government programs that offer
6 statewide engagement with peers across this state for the purpose
7 of expanding those students' opportunities to improve their social
8 studies knowledge, thinking skills, and intellectual processes and
9 dispositions required for active engagement in fulfilling
10 responsibilities of civic participation.

11 (2) In making grant payments to eligible districts,
12 intermediate districts, and nonpublic schools under this section,
13 the State Alliance of Michigan YMCAs shall set a maximum grant
14 award for each grant recipient in a manner that accomplishes both
15 of the following:

16 (a) Maximizes the geographical distribution of grant
17 recipients that will be able to participate in offering programs
18 described in this section.

19 (b) Prioritizes funding levels for grant recipients based on
20 geographic location, with consideration given to the travel that
21 will be required of grant recipients for statewide events and
22 conferences.

23 (3) Maximum grant award amounts under subsection (2) do not
24 have to be the same for all grant recipients.

25 (4) To receive a grant award under this section, a district,
26 intermediate district, or nonpublic school must submit an
27 application for the grant award in a form and manner prescribed by
28 the State Alliance of Michigan YMCAs.

29 (5) A district, intermediate district, or nonpublic school to

1 which all of the following apply is an eligible district,
2 intermediate district, or nonpublic school under this section:

3 (a) Has established a relationship with at least 1 elected
4 official who serves the community in which the district,
5 intermediate district, or nonpublic school is located.

6 (b) Submits a spending plan with its application for a grant
7 award under this section.

8 (c) Pledges to provide a local in-kind or cash match from
9 other private or local funds of at least 10% of the grant award it
10 receives under this section.

11 (d) For a nonpublic school, is registered as a nonpublic
12 school with the department and must meet all applicable state
13 reporting requirements for nonpublic schools.

14 (6) An eligible district, intermediate district, or nonpublic
15 school that receives a grant award under this section shall only
16 use the funding for the following purposes:

17 (a) To pay Civic Health Champion stipends for up to 1 teacher
18 advisor per school operated by the district, intermediate district,
19 or nonpublic school. Each stipend to a teacher advisor under this
20 subdivision must not be in an amount exceeding \$1,500.00.

21 (b) Event registrations, materials, travel costs, and other
22 expenses associated with the preparation for and attendance to
23 associated mock-government conferences and events.

24 (c) Awards to students who advance to national mock government
25 events and competitions, as determined by the State Alliance of
26 Michigan YMCAs. For the purpose of determining the amount of an
27 award under this subdivision to a student described in this
28 subdivision, the State Alliance of Michigan YMCAs shall determine
29 an equal amount per student for each eligible district,

1 intermediate district, or nonpublic school.

2 (7) The funds allocated under this section for 2021-2022 are a
3 work project appropriation, and any unexpended funds for 2021-2022
4 are carried forward to 2022-2023. The purpose of the work project
5 is to continue the support of civics-education experiences. The
6 estimated completion date of the work project is September 30,
7 2023.

8 (8) It is the intent of the legislature that programs
9 implemented from the funding allocated under this section increase
10 the number of students who engage with the pillars of responsible
11 citizenship and engage, beyond the classroom, in civic
12 perspectives, inquiry, public discourse, and decision making.

13 Sec. 101. (1) To be eligible to receive state aid under this
14 article, not later than the fifth Wednesday after the pupil
15 membership count day and not later than the fifth Wednesday after
16 the supplemental count day, each district superintendent shall
17 submit and certify to the center and the intermediate
18 superintendent, in the form and manner prescribed by the center,
19 the number of pupils enrolled and in regular daily attendance, ~~or,~~
20 ~~for 2020-2021 only, the number of pupils engaged in pandemic~~
21 ~~learning for fall 2020 or the number of pupils engaged in pandemic~~
22 ~~learning for spring 2021, as applicable, or, for a district that~~
23 ~~operates as a cyber school, as that term is defined in section 551~~
24 ~~of the revised school code, MCL 380.551, the number of pupils~~
25 ~~enrolled and in regular daily attendance, including identification~~
26 ~~of tuition-paying pupils, in the district as of the pupil~~
27 ~~membership count day and as of the supplemental count day, as~~
28 ~~applicable, for the current school year. In addition, a district~~
29 ~~maintaining school during the entire year shall submit and certify~~

1 to the center and the intermediate superintendent, in the form and
 2 manner prescribed by the center, the number of pupils enrolled and
 3 in regular daily attendance in the district ~~or, for 2020-2021 only,~~
 4 ~~the number of pupils engaged in pandemic learning for fall 2020 or~~
 5 ~~the number of pupils engaged in pandemic learning for spring 2021,~~
 6 ~~as applicable, or, for a district that operates as a cyber school,~~
 7 ~~as that term is defined in section 551 of the revised school code,~~
 8 ~~MCL 380.551, the number of pupils enrolled and in regular daily~~
 9 ~~attendance,~~ for the current school year pursuant to rules
 10 promulgated by the superintendent. Not later than the sixth
 11 Wednesday after the pupil membership count day and not later than
 12 the sixth Wednesday after the supplemental count day, the district
 13 shall resolve any pupil membership conflicts with another district,
 14 correct any data issues, and recertify the data in a form and
 15 manner prescribed by the center and file the certified data with
 16 the intermediate superintendent. If a district fails to submit and
 17 certify the attendance data, as required under this subsection, the
 18 center shall notify the department and the department shall
 19 withhold state aid due to be distributed under this article from
 20 the defaulting district immediately, beginning with the next
 21 payment after the failure and continuing with each payment until
 22 the district complies with this subsection. If a district does not
 23 comply with this subsection by the end of the fiscal year, the
 24 district forfeits the amount withheld. A person who willfully
 25 falsifies a figure or statement in the certified and sworn copy of
 26 enrollment is subject to penalty as prescribed by section 161. ~~As~~
 27 ~~used in this subsection, "pupils engaged in pandemic learning for~~
 28 ~~spring 2021" means that term as defined in section 6a.~~

29 (2) To be eligible to receive state aid under this article,

not later than the twenty-fourth Wednesday after the pupil membership count day and not later than the twenty-fourth Wednesday after the supplemental count day, an intermediate district shall submit to the center, in a form and manner prescribed by the center, the audited enrollment and attendance data as described in subsection (1) for the pupils of its constituent districts and of the intermediate district. If an intermediate district fails to submit the audited data as required under this subsection, the department shall withhold state aid due to be distributed under this article from the defaulting intermediate district immediately, beginning with the next payment after the failure and continuing with each payment until the intermediate district complies with this subsection. If an intermediate district does not comply with this subsection by the end of the fiscal year, the intermediate district forfeits the amount withheld.

(3) Except as otherwise provided in subsections (11) ~~, and~~ (12) ~~, and (13)~~, all of the following apply to the provision of pupil instruction:

(a) Except as otherwise provided in this section, each district shall provide at least 1,098 hours and 180 days of pupil instruction. If a collective bargaining agreement that provides a complete school calendar was in effect for employees of a district as of June 24, 2014, and if that school calendar is not in compliance with this subdivision, then this subdivision does not apply to that district until after the expiration of that collective bargaining agreement. A district may apply for a waiver under subsection (9) from the requirements of this subdivision.

(b) Except as otherwise provided in this article, a district failing to comply with the required minimum hours and days of pupil

1 instruction under this subsection forfeits from its total state aid
2 allocation an amount determined by applying a ratio of the number
3 of hours or days the district was in noncompliance in relation to
4 the required minimum number of hours and days under this
5 subsection. Not later than **the first business day in** August, ~~1,~~the
6 board of each district shall either certify to the department that
7 the district was in full compliance with this section regarding the
8 number of hours and days of pupil instruction in the previous
9 school year, or report to the department, in a form and manner
10 prescribed by the center, each instance of noncompliance. If the
11 district did not provide at least the required minimum number of
12 hours and days of pupil instruction under this subsection, the
13 department shall make the deduction of state aid in the following
14 fiscal year from the first payment of state school aid. A district
15 is not subject to forfeiture of funds under this subsection for a
16 fiscal year in which a forfeiture was already imposed under
17 subsection (6).

18 (c) Hours or days lost because of strikes or teachers'
19 conferences are not counted as hours or days of pupil instruction.

20 (d) Except as otherwise provided in subdivisions (e) ~~, and~~
21 (f), ~~and (h),~~ if a district does not have at least 75% of the
22 district's membership in attendance on any day of pupil
23 instruction, the department shall pay the district state aid in
24 that proportion of 1/180 that the actual percent of attendance
25 bears to 75%.

26 (e) If a district adds 1 or more days of pupil instruction to
27 the end of its instructional calendar for a school year to comply
28 with subdivision (a) because the district otherwise would fail to
29 provide the required minimum number of days of pupil instruction

1 even after the operation of subsection (4) due to conditions not
2 within the control of school authorities, then subdivision (d) does
3 not apply for any day of pupil instruction that is added to the end
4 of the instructional calendar. Instead, for any of those days, if
5 the district does not have at least 60% of the district's
6 membership in attendance on that day, the department shall pay the
7 district state aid in that proportion of 1/180 that the actual
8 percentage of attendance bears to 60%. For any day of pupil
9 instruction added to the instructional calendar as described in
10 this subdivision, the district shall report to the department the
11 percentage of the district's membership that is in attendance, in
12 the form and manner prescribed by the department.

13 (f) At the request of a district that operates a department-
14 approved alternative education program and that does not provide
15 instruction for pupils in all of grades K to 12, the superintendent
16 shall grant a waiver from the requirements of subdivision (d). The
17 waiver must provide that an eligible district is subject to the
18 proration provisions of subdivision (d) only if the district does
19 not have at least 50% of the district's membership in attendance on
20 any day of pupil instruction. In order to be eligible for this
21 waiver, a district must maintain records to substantiate its
22 compliance with the following requirements:

23 (i) The district offers the minimum hours of pupil instruction
24 as required under this section.

25 (ii) For each enrolled pupil, the district uses appropriate
26 academic assessments to develop an individual education plan that
27 leads to a high school diploma.

28 (iii) The district tests each pupil to determine academic
29 progress at regular intervals and records the results of those

1 tests in that pupil's individual education plan.

2 (g) All of the following apply to a waiver granted under
3 subdivision (f):

4 (i) If the waiver is for a blended model of delivery, a waiver
5 that is granted for the 2011-2012 fiscal year or a subsequent
6 fiscal year remains in effect unless it is revoked by the
7 superintendent.

8 (ii) If the waiver is for a 100% online model of delivery and
9 the educational program for which the waiver is granted makes
10 educational services available to pupils for a minimum of at least
11 1,098 hours during a school year and ensures that each pupil
12 participates in the educational program for at least 1,098 hours
13 during a school year, a waiver that is granted for the 2011-2012
14 fiscal year or a subsequent fiscal year remains in effect unless it
15 is revoked by the superintendent.

16 (iii) A waiver that is not a waiver described in subparagraph
17 (i) or (ii) is valid for 3 fiscal years, unless it is revoked by the
18 superintendent, and must be renewed at the end of the 3-year period
19 to remain in effect.

20 ~~(h) For the 2020-2021 school year only, subdivision (d) does~~
21 ~~not apply for any day of pupil instruction. However, for the 2020-~~
22 ~~2021 school year only, a district shall ensure that 1 2-way~~
23 ~~interaction occurs between a pupil enrolled in the district and the~~
24 ~~pupil's teacher or at least 1 of the pupil's teachers or another~~
25 ~~district employee who has responsibility for the pupil's learning,~~
26 ~~grade progression, or academic progress during each month of the~~
27 ~~school year for at least 75% of pupils enrolled in the district. As~~
28 ~~used in the immediately preceding sentence, "school year" means a~~
29 ~~period comprising at least 9 calendar months that are chosen by a~~

~~district and that are designated as part of the district's 2020-2021 school year. If a district does not ensure that the interactions required under this subdivision occur for at least 75% of pupils enrolled in the district as required under this subdivision, the department shall pay the district state aid in that proportion of 1/9 that the actual percentage of interaction during each month bears to 75%. As used in this subdivision, "2-way interaction" means a communication that occurs between a pupil and the pupil's teacher or at least 1 of the pupil's teachers or another district employee who has responsibility for the pupil's learning, grade progression, or academic progress, where 1 party initiates communication and a response from the other party follows that communication, and that is relevant to course progress or course content for at least 1 of the courses in which the pupil is enrolled or relevant to the pupil's overall academic progress or grade progression. Responses, as described in this subdivision, must be to communication initiated by the teacher, by another district employee who has responsibility for the pupil's learning, grade progression, or academic progress, or by the pupil, and not some other action taken. The communication described in this subdivision may occur through, but is not limited to, any of the following means:~~

~~(i) Electronic mail.~~

~~(ii) Telephone.~~

~~(iii) Instant messaging.~~

~~(iv) Face-to-face conversation.~~

(h) ~~(i)~~ The superintendent shall promulgate rules for the implementation of this subsection.

(4) Except as otherwise provided in this subsection, the first

1 6 days or the equivalent number of hours for which pupil
2 instruction is not provided because of conditions not within the
3 control of school authorities, such as severe storms, fires,
4 epidemics, utility power unavailability, water or sewer failure, or
5 health conditions as defined by the city, county, or state health
6 authorities, are counted as hours and days of pupil instruction.
7 With the approval of the superintendent of public instruction, the
8 department shall count as hours and days of pupil instruction for a
9 fiscal year not more than 3 additional days or the equivalent
10 number of additional hours for which pupil instruction is not
11 provided in a district due to unusual and extenuating occurrences
12 resulting from conditions not within the control of school
13 authorities such as those conditions described in this subsection.
14 Subsequent such hours or days are not counted as hours or days of
15 pupil instruction.

16 (5) A district does not forfeit part of its state aid
17 appropriation because it adopts or has in existence an alternative
18 scheduling program for pupils in kindergarten if the program
19 provides at least the number of hours required under subsection (3)
20 for a full-time equated membership for a pupil in kindergarten as
21 provided under section 6(4).

22 (6) In addition to any other penalty or forfeiture under this
23 section, if at any time the department determines that 1 or more of
24 the following have occurred in a district, the district forfeits in
25 the current fiscal year beginning in the next payment to be
26 calculated by the department a proportion of the funds due to the
27 district under this article that is equal to the proportion below
28 the required minimum number of hours and days of pupil instruction
29 under subsection (3), as specified in the following:

1 (a) The district fails to operate its schools for at least the
2 required minimum number of hours and days of pupil instruction
3 under subsection (3) in a school year, including hours and days
4 counted under subsection (4).

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

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

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

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

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

1 number of hours of pupil instruction to be considered a full-time
2 equivalent pupil.

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

16 (e) In grades 7 through 12, instructional time that is part of
17 a Junior Reserve Officer Training Corps (JROTC) program is
18 considered to be pupil instruction time regardless of whether the
19 instructor is a certificated teacher if all of the following are
20 met:

21 (i) The instructor has met all of the requirements established
22 by the United States Department of Defense and the applicable
23 branch of the armed services for serving as an instructor in the
24 Junior Reserve Officer Training Corps program.

25 (ii) The board of the district or intermediate district
26 employing or assigning the instructor complies with the
27 requirements of sections 1230 and 1230a of the revised school code,
28 MCL 380.1230 and 380.1230a, with respect to the instructor to the
29 same extent as if employing the instructor as a regular classroom

1 teacher.

2 (8) Except as otherwise provided in subsections (11) ~~and~~
3 (12), ~~and (13)~~, the department shall apply the guidelines under
4 subsection (7) in calculating the full-time equivalency of pupils.

5 (9) Upon application by the district for a particular fiscal
6 year, the superintendent shall waive for a district the minimum
7 number of hours and days of pupil instruction requirement of
8 subsection (3) for a department-approved alternative education
9 program or another innovative program approved by the department,
10 including a 4-day school week. If a district applies for and
11 receives a waiver under this subsection and complies with the terms
12 of the waiver, the district is not subject to forfeiture under this
13 section for the specific program covered by the waiver. If the
14 district does not comply with the terms of the waiver, the amount
15 of the forfeiture is calculated based upon a comparison of the
16 number of hours and days of pupil instruction actually provided to
17 the minimum number of hours and days of pupil instruction required
18 under subsection (3). A district shall report pupils enrolled in a
19 department-approved alternative education program under this
20 subsection to the center in a form and manner determined by the
21 center. All of the following apply to a waiver granted under this
22 subsection:

23 (a) If the waiver is for a blended model of delivery, a waiver
24 that is granted for the 2011-2012 fiscal year or a subsequent
25 fiscal year remains in effect unless it is revoked by the
26 superintendent.

27 (b) If the waiver is for a 100% online model of delivery and
28 the educational program for which the waiver is granted makes
29 educational services available to pupils for a minimum of at least

1 1,098 hours during a school year and ensures that each pupil is on
2 track for course completion at proficiency level, a waiver that is
3 granted for the 2011-2012 fiscal year or a subsequent fiscal year
4 remains in effect unless it is revoked by the superintendent.

5 (c) A waiver that is not a waiver described in subdivision (a)
6 or (b) is valid for 3 fiscal years, unless it is revoked by the
7 superintendent, and must be renewed at the end of the 3-year period
8 to remain in effect.

9 (10) A district may count up to 38 hours of professional
10 development for teachers as hours of pupil instruction. All of the
11 following apply to the counting of professional development as
12 pupil instruction under this subsection:

13 (a) If the professional development exceeds 5 hours in a
14 single day, that day may be counted as a day of pupil instruction.

15 (b) At least 8 hours of the professional development counted
16 as hours of pupil instruction under this subsection must be
17 recommended by a districtwide professional development advisory
18 committee appointed by the district board. The advisory committee
19 must be composed of teachers employed by the district who represent
20 a variety of grades and subject matter specializations, including
21 special education; nonteaching staff; parents; and administrators.
22 The majority membership of the committee must be composed of
23 teaching staff.

24 (c) Professional development provided online is allowable and
25 encouraged, as long as the instruction has been approved by the
26 district. The department shall issue a list of approved online
27 professional development providers that must include the Michigan
28 Virtual School.

29 (d) Professional development may only be counted as hours of

1 pupil instruction under this subsection for the pupils of those
2 teachers scheduled to participate in the professional development.

3 (e) The professional development must meet all of the
4 following to be counted as pupil instruction under this subsection:

5 (i) Be aligned to the school or district improvement plan for
6 the school or district in which the professional development is
7 being provided.

8 (ii) Be linked to 1 or more criteria in the evaluation tool
9 developed or adopted by the district or intermediate district under
10 section 1249 of the revised school code, MCL 380.1249.

11 (iii) Has been approved by the department as counting for state
12 continuing education clock hours. The number of hours of
13 professional development counted as hours of pupil instruction
14 under this subsection may not exceed the number of state continuing
15 education clock hours for which the professional development was
16 approved.

17 (iv) Not more than a combined total of 10 hours of the
18 professional development takes place before the first scheduled day
19 of school for the school year ending in the fiscal year and after
20 the last scheduled day of school for that school year.

21 (v) Not more than 10 hours of the professional development
22 takes place in a single month.

23 (vi) At least 75% of teachers scheduled to participate in the
24 professional development are in attendance.

25 (11) Subsections (3) and (8) do not apply to a school of
26 excellence that is a cyber school, as that term is defined in
27 section 551 of the revised school code, MCL 380.551, and is in
28 compliance with section 553a of the revised school code, MCL
29 380.553a.

1 (12) Subsections (3) and (8) do not apply to eligible pupils
2 enrolled in a dropout recovery program that meets the requirements
3 of section 23a. As used in this subsection, "eligible pupil" means
4 that term as defined in section 23a.

5 ~~(13) For the 2020-2021 school year only, the minimum number of~~
6 ~~hours and days of pupil instruction requirement under subsection~~
7 ~~(3) is waived for each district that, at a minimum, provides pupil~~
8 ~~instruction for the 2020-2021 school year at school, at a different~~
9 ~~location, in person, online, digitally, by other remote means, in a~~
10 ~~synchronous or asynchronous format, or through any combination~~
11 ~~therein that results in an amount of hours and days necessary to~~
12 ~~deliver the educational or course content that would have been~~
13 ~~delivered in 180 days and 1,098 hours in a school year in which~~
14 ~~pandemic learning was not provided and that would have led to~~
15 ~~course completion. As used in this subsection, "pandemic learning"~~
16 ~~means a mode of pupil instruction provided as a result of the~~
17 ~~COVID-19 pandemic.~~

18 **(13)** ~~(14)~~ At least every 2 years the superintendent shall
19 review the waiver standards set forth in the pupil accounting and
20 auditing manuals to ensure that the waiver standards and waiver
21 process continue to be appropriate and responsive to changing
22 trends in online learning. The superintendent shall solicit and
23 consider input from stakeholders as part of this review.

24 Sec. 104. (1) In order to receive state aid under this
25 article, a district shall comply with sections 1249, 1278a, 1278b,
26 1279g, and 1280b of the revised school code, MCL 380.1249,
27 380.1278a, 380.1278b, 380.1279g, and 380.1280b, and 1970 PA 38, MCL
28 388.1081 to 388.1086. Subject to subsection (2), from the state
29 school aid fund money appropriated in section 11, there is

1 allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed
 2 ~~\$31,009,400.00~~ **\$29,509,400.00** for payments on behalf of districts
 3 for costs associated with complying with those provisions of law.
 4 In addition, from the federal funds appropriated in section 11,
 5 there is allocated for ~~2020-2021~~ **2021-2022** an amount estimated at
 6 \$6,250,000.00 funded from DED-OESE, title VI, state assessment
 7 funds, and from DED-OSERS, ~~section 504 of~~ part B of the individuals
 8 with disabilities education act, ~~Public Law 94-142,~~ **20 USC 1411 to**
 9 **1419**, plus any carryover federal funds from previous year
 10 appropriations, for the purposes of complying with the every
 11 student succeeds act, Public Law 114-95.

12 (2) The results of each test administered as part of the
 13 Michigan student test of educational progress (M-STEP), including
 14 tests administered to high school students, must include an item
 15 analysis that lists all items that are counted for individual pupil
 16 scores and the percentage of pupils choosing each possible
 17 response. The department shall work with the center to identify the
 18 number of students enrolled at the time assessments are given by
 19 each district. In calculating the percentage of pupils assessed for
 20 a district's scorecard, the department shall use only the number of
 21 pupils enrolled in the district at the time the district
 22 administers the assessments and shall exclude pupils who enroll in
 23 the district after the district administers the assessments.

24 (3) The department shall distribute federal funds allocated
 25 under this section in accordance with federal law and with
 26 flexibility provisions outlined in Public Law 107-116, and in the
 27 education flexibility partnership act of 1999, Public Law 106-25.

28 ~~(4) From the funds allocated in subsection (1), there is~~
 29 ~~allocated an amount not to exceed \$1,500,000.00 to an intermediate~~

~~district described in this subsection for, except as otherwise provided in this subsection, statewide implementation of the Michigan kindergarten entry observation tool (MKEO), utilizing the Maryland-Ohio observational tool, also referred to as the Kindergarten Readiness Assessment, as piloted under this subsection in 2017-2018 and implemented in 2018-2019 and 2019-2020. The funding in this subsection is allocated to an intermediate district in prosperity region 9 with at least 3,000 kindergarten pupils enrolled in its constituent districts. An intermediate district described in this subsection is not required to carry out the statewide implementation of the Michigan kindergarten entry observation tool (MKEO), as described in this subsection, for the fall of 2020. It is the intent of the legislature to account for health, safety, and welfare concerns related to the COVID-19 pandemic by temporarily suspending the requirement for statewide implementation of the Michigan kindergarten entry observation tool (MKEO) under this subsection for the fall of 2020. All of the following apply to the implementation of the kindergarten entry observation tool under this subsection:~~

~~(a) The department, in collaboration with all intermediate districts, shall ensure that the Michigan kindergarten entry observation tool is administered in each kindergarten classroom to either the full census of kindergarten pupils enrolled in the classroom or to a representative sample of not less than 35% of the total kindergarten pupils enrolled in each classroom. If a district elects to administer the Michigan kindergarten entry observation tool to a random sample of pupils within each classroom, the district's intermediate district shall select the pupils who will receive the assessment based on the same random method. Beginning~~

1 ~~in 2021, the observation tool must be administered within 45 days~~
2 ~~after the start of the school year.~~

3 ~~(b) The intermediate district that receives funding under this~~
4 ~~subsection, in collaboration with all other intermediate districts,~~
5 ~~shall implement a "train the trainer" professional development~~
6 ~~model on the usage of the Michigan kindergarten entry observation~~
7 ~~tool. This training model must provide training to intermediate~~
8 ~~district staff so that they may provide similar training for staff~~
9 ~~of their constituent districts. This training model must also~~
10 ~~ensure that the tool produces reliable data and that there are a~~
11 ~~sufficient number of trainers to train all kindergarten teachers~~
12 ~~statewide.~~

13 ~~(c) By March 1, 2022, and each year thereafter, the department~~
14 ~~and the intermediate district that receives funding under this~~
15 ~~subsection shall report to the house and senate appropriations~~
16 ~~subcommittees on state school aid, the house and senate fiscal~~
17 ~~agencies, and the state budget director on the results of the~~
18 ~~statewide implementation, including, but not limited to, an~~
19 ~~evaluation of the demonstrated readiness of kindergarten pupils~~
20 ~~statewide and the effectiveness of state and federal early~~
21 ~~childhood programs that are designed for school readiness under~~
22 ~~this state's authority, including the great start readiness program~~
23 ~~and the great start readiness/Head Start blended program, as~~
24 ~~referenced under section 32d. By September 1, 2022, and each year~~
25 ~~thereafter, the department and the center shall provide a method~~
26 ~~for districts and public school academies with kindergarten~~
27 ~~enrollment to look up and verify their student enrollment data for~~
28 ~~pupils who were enrolled in a publicly funded early childhood~~
29 ~~program in the year before kindergarten, including the individual~~

~~great start readiness program, individual great start readiness/Head Start blended program, individual title I preschool program, individual section 31a preschool program, individual early childhood special education program, or individual developmental kindergarten or program for young 5-year-olds in which each tested child was enrolled. A participating district shall analyze the data to determine whether high-performing children were enrolled in any specific early childhood program and, if so, report that finding to the department and to the intermediate district that receives funding under this subsection.~~

~~(d) The department shall approve the language and literacy domain within the Kindergarten Readiness Assessment for use by districts as an initial assessment that may be delivered to all kindergarten pupils to assist with identifying any possible area of concern for a pupil in English language arts.~~

~~(e) As used in this subsection:~~

~~(i) "Kindergarten" includes a classroom for young 5-year-olds, commonly referred to as "young 5s" or "developmental kindergarten".~~

~~(ii) "Representative sample" means a sample capable of producing valid and reliable assessment information on all or major subgroups of kindergarten pupils in a district.~~

~~(4) (5)~~—The department may recommend, but may not require, districts to allow pupils to use an external keyboard with tablet devices for online M-STEP testing, including, but not limited to, open-ended test items such as constructed response or equation builder items.

~~(5) (6)~~—Notwithstanding section 17b, the department shall make payments on behalf of districts, intermediate districts, and other eligible entities under this section on a schedule determined by

1 the department.

2 (6) ~~(7)~~ From the allocation in subsection (1), there is
3 allocated an amount not to exceed \$500,000.00 for ~~2020-2021-2021-~~
4 **2022** for the operation of an online reporting tool to provide
5 student-level assessment data in a secure environment to educators,
6 parents, and pupils immediately after assessments are scored. The
7 department and the center shall ensure that any data collected by
8 the online reporting tool do not provide individually identifiable
9 student data to the federal government.

10 ~~(8) In order to receive state aid under this article for 2020-~~
11 ~~2021, a district shall meet both of the following requirements:~~

12 ~~(a) Within the first 9 weeks of the 2020-2021 school year, the~~
13 ~~district shall administer 1 or more benchmark assessments provided~~
14 ~~by a provider approved under subsection (9), benchmark assessments~~
15 ~~described in subsection (10), or local benchmark assessments, or~~
16 ~~any combination thereof, to all pupils in grades K to 8 to measure~~
17 ~~proficiency in reading and mathematics.~~

18 ~~(b) In addition to the benchmark assessment or benchmark~~
19 ~~assessments administered under subdivision (a), by not later than~~
20 ~~the last day of the 2020-2021 school year, the district shall~~
21 ~~administer 1 or more benchmark assessments provided by a provider~~
22 ~~approved under subsection (9), benchmark assessments described in~~
23 ~~subsection (10), or local benchmark assessments, or any combination~~
24 ~~thereof, to all pupils in grades K to 8 to measure proficiency in~~
25 ~~reading and mathematics.~~

26 ~~(9) The department shall approve at least 4 but not more than~~
27 ~~5 providers of benchmark assessments for the purposes of subsection~~
28 ~~(8). The department shall inform districts of all of the providers~~
29 ~~approved under this subsection in an equitable manner. The~~

~~benchmark assessments provided for the purposes of subsection (8) by approved providers under this subsection, with the exclusion of the benchmark assessment described in subsection (14), must meet all of the following:~~

~~(a) Be 1 of the most commonly administered benchmark assessments in this state.~~

~~(b) Be aligned to the content standards of this state.~~

~~(c) Complement the state's summative assessment system.~~

~~(d) Be internet-delivered and include a standards-based remote, in-person, or both remote and in-person assessment using a computer-adaptive model to target the instructional level of each pupil.~~

~~(e) Provide information on pupil achievement with regard to learning content required in a given year or grade span.~~

~~(f) Provide immediate feedback to pupils and teachers.~~

~~(g) Be nationally normed.~~

~~(h) Provide multiple measures of growth and provide for multiple testing opportunities.~~

~~(10) A district may administer 1 or more of the following benchmark assessments toward meeting the requirement under subsection (8):~~

~~(a) A benchmark assessment in reading for students in grades K to 9 that contains progress monitoring tools and enhanced diagnostic assessments.~~

~~(b) A benchmark assessment in math for students in grades K to 8 that contains progress monitoring tools.~~

~~(11) To the extent practicable, if a district administers a benchmark assessment or benchmark assessments under this section, the district shall administer the same benchmark assessment or~~

~~benchmark assessments provided by a provider approved under subsection (9), benchmark assessment or benchmark assessments described in subsection (10), or local benchmark assessment or local benchmark assessments that it administered to pupils in previous school years, as applicable.~~

~~(12) By not later than June 30, 2021, a district shall send the aggregate district-level data from a benchmark assessment or benchmark assessments, excluding data from a local benchmark assessment or local benchmark assessments, administered under this section to a regional data hub that is part of the Michigan data hub network that shall compile the data and send it to the center. Not later than September 1, 2021, the department and the center shall provide a report to the governor and the senate and house standing committees responsible for education legislation identifying the number and percentage of pupils in this state who are significantly behind grade level as determined by the department and the center based on the data provided to the center under this subsection. The benchmark assessment data under this subsection may also be used to measure pupils' growth based on their performance on state summative assessments to identify districts and schools where pupil achievement has increased or decreased. However, the benchmark assessment data under this subsection must not be utilized for the state accountability system. It is the intent of the legislature that the benchmark assessment data under this subsection be primarily utilized to determine the loss of learning, if any, resulting from the COVID-19 pandemic. After the administration of statewide assessments resumes, the department shall also provide a report to the governor and the senate and house standing committees responsible for~~

1 ~~education legislation identifying the specific pupil groups whose~~
2 ~~expected trajectory toward grade-level proficiency were most~~
3 ~~impacted by school closures that occurred pursuant to the COVID-19~~
4 ~~pandemic.~~

5 ~~(13) If a district administers a benchmark assessment or~~
6 ~~benchmark assessments under this section, the district shall~~
7 ~~provide each pupil's data from the benchmark assessment or~~
8 ~~benchmark assessments, as available, to the pupil's parent or legal~~
9 ~~guardian within 30 days of administering the benchmark assessment~~
10 ~~or benchmark assessments.~~

11 ~~(14) The department shall make 1 of the benchmark assessments~~
12 ~~provided by a provider approved under subsection (9) available to~~
13 ~~districts at no cost to the districts. The benchmark assessment~~
14 ~~described in this subsection must meet all of the following:~~

15 ~~(a) Be aligned to the content standards of this state.~~

16 ~~(b) Complement the state's summative assessment system.~~

17 ~~(c) Be internet delivered and include a standards-based~~
18 ~~assessment.~~

19 ~~(d) Provide information on pupil achievement with regard to~~
20 ~~learning content required in a given year or grade span.~~

21 ~~(e) Provide timely feedback to pupils and teachers.~~

22 ~~(f) Be nationally normed.~~

23 ~~(g) Provide information to educators about student growth and~~
24 ~~allow for multiple testing opportunities.~~

25 ~~(15) If a local benchmark assessment or local benchmark~~
26 ~~assessments are administered under subsection (8), the district~~
27 ~~shall report to the department and the center, in a form and manner~~
28 ~~prescribed by the center, the local benchmark assessment or local~~
29 ~~benchmark assessments that were administered and how that~~

~~assessment or those assessments measure changes, including any losses, as applicable, in learning, and the district's plan for addressing any losses in learning.~~

~~(16) From the general fund money appropriated in section 11, there is allocated for 2020-2021 an amount not to exceed \$150,000.00 to a higher education institution or other entity that is not a state governmental entity that has expertise in conducting a study described in this subsection to conduct a study that, at a minimum, accomplishes all of the following:~~

~~(a) Provides for an assessment of the distance-learning programs utilized in this state that were effective at meeting educational goals and attainment.~~

~~(b) Provides for an assessment of how the programs described in subdivision (a) operated.~~

~~(c) Provides for an assessment of the best practices implemented by the programs described in subdivision (a) that should be replicated by schools engaged in distance learning.~~

~~(d) Notes distance-learning models that were ineffective in achieving educational goals.~~

~~(7) (17) As used in this section:~~

~~(a) "DED" means the United States Department of Education.~~

~~(b) "DED-OESE" means the DED Office of Elementary and Secondary Education.~~

~~(c) "DED-OSERS" means the DED Office of Special Education and Rehabilitative Services.~~

Sec. 104a. (1) From the federal fund money allocated under section 11n awarded to this state from the governor's emergency education relief (GEER) fund under the coronavirus response and relief supplemental appropriations act, 2021, division M of Public

1 Law 116-260, there is allocated for 2020-2021 an amount not to
2 exceed \$2,572,000.00, and from the federal fund money allocated
3 under section 11n awarded to this state from the elementary and
4 secondary school emergency relief (ESSER) fund under the
5 coronavirus response and relief supplemental appropriations act,
6 2021, division M of Public Law 116-260, there is allocated for
7 2020-2021 an amount not to exceed \$4,949,300.00, and from the state
8 school aid fund money appropriated under section 11, there is
9 allocated for 2020-2021 an amount not to exceed \$4,197,900.00 to
10 districts to begin implementation of a benchmark assessment system
11 for the 2021-2022 school year. All of the following apply to the
12 benchmark assessment system described in this subsection:

13 (a) The system must provide for all of the following:

14 (i) That, within the first 9 weeks of the 2021-2022 school
15 year, the district shall administer 1 or more benchmark assessments
16 provided by a provider approved under ~~section 104(9)~~, **subsection**
17 **(4)**, benchmark assessments described in subdivision (b), or local
18 benchmark assessments, or any combination thereof, to all pupils in
19 grades K to 8 to measure proficiency in reading and mathematics.

20 (ii) That, in addition to the benchmark assessment or benchmark
21 assessments administered under subparagraph (i), by not later than
22 the last day of the 2021-2022 school year, the district shall
23 administer 1 or more benchmark assessments provided by a provider
24 approved under ~~section 104(9)~~, **subsection (4)**, benchmark
25 assessments described in subdivision (b), or local benchmark
26 assessments, or any combination thereof, to all pupils in grades K
27 to 8 to measure proficiency in reading and mathematics.

28 (b) A district may administer 1 or more of the following
29 benchmark assessments toward meeting the requirements under

1 subdivision (a):

2 (i) A benchmark assessment in reading for students in grades K
3 to 9 that contains progress monitoring tools and enhanced
4 diagnostic assessments.

5 (ii) A benchmark assessment in math for students in grades K to
6 8 that contains progress monitoring tools.

7 (c) The system must provide that, to the extent practicable,
8 if a district administers a benchmark assessment or benchmark
9 assessments under this section, the district shall administer the
10 same benchmark assessment or benchmark assessments provided by a
11 provider approved under ~~section 104(9)~~, **subsection (4)**, benchmark
12 assessment or benchmark assessments described in subdivision (b),
13 or local benchmark assessment or local benchmark assessments that
14 it administered to pupils in previous school years, as applicable.

15 (d) The system must provide that, if a district administers a
16 benchmark assessment or benchmark assessments under this section,
17 the district shall provide each pupil's data from the benchmark
18 assessment or benchmark assessments, as available, to the pupil's
19 parent or legal guardian within 30 days of administering the
20 benchmark assessment or benchmark assessments.

21 (e) The system must provide that, if a local benchmark
22 assessment or local benchmark assessments are administered under
23 subdivision (a), the district shall report to the department and
24 the center, in a form and manner prescribed by the center, the
25 local benchmark assessment or local benchmark assessments that were
26 administered and how that assessment or those assessments measure
27 changes, including any losses, as applicable, in learning, and the
28 district's plan for addressing any losses in learning.

29 (f) The system must provide that, by not later than 30 days

1 after a benchmark assessment or benchmark assessments are
2 administered as described in this subsection, the district shall
3 send benchmark assessment data, excluding data from a local
4 benchmark assessment, as applicable, aggregated by grade level,
5 **student demographic subgroups, and mode of instruction** to the
6 department. If available, the data described in this subdivision
7 must include information concerning pupil growth from fall 2020 to
8 fall 2021.

9 (2) To receive funding under this section, a district must
10 apply for the funding in a form and manner prescribed by the
11 department.

12 (3) The department shall pay an amount equal to \$12.50 per
13 membership pupil in grades K to 8 in the district to each district
14 that applies for funding under this section.

15 (4) **The department shall approve at least 4 but not more than**
16 **6 providers of benchmark assessments for the purposes of this**
17 **section. The department shall inform districts of all of the**
18 **providers approved under this subsection in an equitable manner.**
19 **The benchmark assessments provided for the purposes of this section**
20 **by approved providers under this subsection, with the exclusion of**
21 **the benchmark assessment described in subsection (5) must meet all**
22 **of the following:**

23 (a) Be aligned to the content standards of this state.

24 (b) Complement the state's summative assessment system.

25 (c) Be internet-delivered and include a standards-based
26 remote, in-person, or both remote and in-person assessment using a
27 computer-adaptive model to target the instructional level of each
28 pupil.

29 (d) Provide information on pupil achievement with regard to

1 learning content required in a given year or grade span.

2 (e) Provide immediate feedback to pupils and teachers.

3 (f) Be nationally normed.

4 (g) Provide multiple measures of growth and provide for
5 multiple testing opportunities.

6 (h) Be 1 of the most commonly administered benchmark
7 assessments in this state.

8 (5) ~~(4)~~—The department shall make 1 of the benchmark
9 assessments provided by a provider approved under ~~section 104(9)~~
10 **subsection (4)** available to districts at no cost to the districts
11 for purposes of meeting the requirements under this section. The
12 benchmark assessment described in this subsection must meet all of
13 the following:

14 (a) Be aligned to the content standards of this state.

15 (b) Complement the state's summative assessment system.

16 (c) Be internet-delivered and include a standards-based
17 assessment.

18 (d) Provide information on pupil achievement with regard to
19 learning content required in a given year or grade span.

20 (e) Provide timely feedback to pupils and teachers.

21 (f) Be nationally normed.

22 (g) Provide information to educators about student growth and
23 allow for multiple testing opportunities.

24 (6) ~~(5)~~—By not later than December 31, 2021, the department
25 shall submit a report to the house and senate appropriations
26 committees, the house and senate appropriations subcommittees on
27 school aid, and the house and senate fiscal agencies regarding the
28 benchmark assessment data received under this section,
29 disaggregated by grade level for each district. If information

1 concerning pupil growth is included in the data described in this
2 subsection, it must be incorporated in the report described in this
3 subsection.

4 Sec. 104c. (1) In order to receive state aid under this
5 article, a district shall administer the state assessments
6 described in this section.

7 (2) For the purposes of this section, the department shall
8 develop and administer the Michigan student test of educational
9 progress (M-STEP) assessments in English language arts and
10 mathematics. These assessments shall be aligned to state standards.

11 (3) For the purposes of this section, the department shall
12 implement a summative assessment system that is proven to be valid
13 and reliable for administration to pupils as provided under this
14 subsection. The summative assessment system must meet all of the
15 following requirements:

16 (a) The summative assessment system must measure student
17 proficiency on the current state standards, must measure student
18 growth for consecutive grade levels in which students are assessed
19 in the same subject area in both grade levels, and must be capable
20 of measuring individual student performance.

21 (b) The summative assessments for English language arts and
22 mathematics must be administered to all public school pupils in
23 grades 3 to 11, including those pupils as required by the federal
24 individuals with disabilities education act, Public Law 108-446,
25 and by title I of the federal every student succeeds act (ESSA),
26 Public Law 114-95.

27 (c) The summative assessments for science must be administered
28 to all public school pupils in at least grades 5 and 8, including
29 those pupils as required by the federal individuals with

1 disabilities education act, Public Law 108-446, and by title I of
2 the federal every student succeeds act (ESSA), Public Law 114-95.

3 (d) The summative assessments for social studies must be
4 administered to all public school pupils in at least grades 5 and
5 8, including those pupils as required by the federal individuals
6 with disabilities education act, Public Law 108-446, and by title I
7 of the federal every student succeeds act (ESSA), Public Law 114-
8 95.

9 (e) The content of the summative assessments must be aligned
10 to state standards.

11 (f) The pool of questions for the summative assessments must
12 be subject to a transparent review process for quality, bias, and
13 sensitive issues involving educator review and comment. The
14 department shall post samples from tests or retired tests featuring
15 questions from this pool for review by the public.

16 (g) The summative assessment system must ensure that students,
17 parents, and teachers are provided with reports that convey
18 individual student proficiency and growth on the assessment and
19 that convey individual student domain-level performance in each
20 subject area, including representative questions, and individual
21 student performance in meeting state standards.

22 (h) The summative assessment system must be capable of
23 providing, and the department shall ensure that students, parents,
24 teachers, administrators, and community members are provided with,
25 reports that convey aggregate student proficiency and growth data
26 by teacher, grade, school, and district.

27 (i) The summative assessment system must ensure the capability
28 of reporting the available data to support educator evaluations.

29 (j) The summative assessment system must ensure that the

1 reports provided to districts containing individual student data
2 are available within 60 days after completion of the assessments.

3 (k) The summative assessment system must ensure that access to
4 individually identifiable student data meets all of the following:

5 (i) Is in compliance with 20 USC 1232g, commonly referred to as
6 the family educational rights and privacy act of 1974.

7 (ii) Except as may be provided for in an agreement with a
8 vendor to provide assessment services, as necessary to support
9 educator evaluations pursuant to subdivision (i), or for research
10 or program evaluation purposes, is available only to the student;
11 to the student's parent or legal guardian; and to a school
12 administrator or teacher, to the extent that he or she has a
13 legitimate educational interest.

14 (l) The summative assessment system must ensure that the
15 assessments are pilot tested before statewide implementation.

16 (m) The summative assessment system must ensure that
17 assessments are designed so that the maximum total combined length
18 of time that schools are required to set aside for a pupil to
19 answer all test questions on all assessments that are part of the
20 system for the pupil's grade level does not exceed that maximum
21 total combined length of time for the previous statewide assessment
22 system or 9 hours, whichever is less. This subdivision does not
23 limit the amount of time a district may allow a pupil to complete a
24 test.

25 (n) The total cost of executing the summative assessment
26 system statewide each year, including, but not limited to, the cost
27 of contracts for administration, scoring, and reporting, must not
28 exceed an amount equal to 2 times the cost of executing the
29 previous statewide assessment after adjustment for inflation.

1 ~~(o) Beginning with the 2017-2018 school year, the~~**The**
 2 summative assessment system must not require more than 3 hours in
 3 duration, on average, for an individual pupil to complete the
 4 combined administration of the math and English language arts
 5 portions of the assessment for any 1 grade level.

6 (p) The summative assessments for English language arts and
 7 mathematics for pupils in grades 8 to 10 must be aligned to the
 8 college entrance test portion of the Michigan merit examination
 9 required under section 104b.

10 (4) The department shall offer benchmark assessments in the
 11 fall and spring of each school year to measure English language
 12 arts and mathematics in each of grades K to 2. Full implementation
 13 must occur not later than the 2019-2020 school year. These
 14 assessments are necessary to determine a pupil's proficiency level
 15 before grade 3. ~~and must meet the requirements under section~~
 16 ~~104d(4).~~

17 (5) This section does not prohibit districts from adopting
 18 interim assessments.

19 (6) As used in this section, "English language arts" means
 20 that term as defined in section 104b.

21 **Sec. 104h. (1) From the state school aid fund money**
 22 **appropriated under section 11, there is allocated for 2021-2022 an**
 23 **amount not to exceed \$11,500,000.00 to districts to begin**
 24 **implementation of a benchmark assessment system for the 2022-2023**
 25 **school year. All of the following apply to the benchmark assessment**
 26 **system described in this subsection:**

27 **(a) The system must provide for all of the following:**

28 **(i) That, within the first 9 weeks of the 2022-2023 school**
 29 **year, the district shall administer 1 or more benchmark assessments**

1 provided by a provider approved under subsection (6), benchmark
2 assessments described in subdivision (b), or local benchmark
3 assessments, or any combination thereof, to all pupils in grades K
4 to 8 to measure proficiency in reading and mathematics.

5 (ii) That, in addition to the benchmark assessment or benchmark
6 assessments administered under subparagraph (i), by not later than
7 the last day of the 2022-2023 school year, the district shall
8 administer 1 or more benchmark assessments provided by a provider
9 approved under subsection (6), benchmark assessments described in
10 subdivision (b), or local benchmark assessments, or any combination
11 thereof, to all pupils in grades K to 8 to measure proficiency in
12 reading and mathematics.

13 (b) A district may administer 1 or more of the following
14 benchmark assessments toward meeting the requirements under
15 subdivision (a):

16 (i) A benchmark assessment in reading for students in grades K
17 to 9 that contains progress monitoring tools and enhanced
18 diagnostic assessments.

19 (ii) A benchmark assessment in math for students in grades K to
20 8 that contains progress monitoring tools.

21 (c) The system must provide that, to the extent practicable,
22 if a district administers a benchmark assessment or benchmark
23 assessments under this section, the district shall administer the
24 same benchmark assessment or benchmark assessments provided by a
25 provider approved under subsection (6), benchmark assessment or
26 benchmark assessments described in subdivision (b), or local
27 benchmark assessment or local benchmark assessments that it
28 administered to pupils in previous school years, as applicable.

29 (d) The system must provide that, if a district administers a

1 benchmark assessment or benchmark assessments under this section,
2 the district shall provide each pupil's data from the benchmark
3 assessment or benchmark assessments, as available, to the pupil's
4 parent or legal guardian within 30 days of administering the
5 benchmark assessment or benchmark assessments.

6 (e) The system must provide that, if a local benchmark
7 assessment or local benchmark assessments are administered under
8 subdivision (a), the district shall report to the department and
9 the center, in a form and manner prescribed by the center, the
10 local benchmark assessment or local benchmark assessments that were
11 administered and how that assessment or those assessments measure
12 changes, including any losses, as applicable, in learning, and the
13 district's plan for addressing any losses in learning.

14 (f) The system must provide that, by not later than 30 days
15 after a benchmark assessment or benchmark assessments are
16 administered under subparagraph (1) (a) (ii), the district shall send
17 benchmark assessment data from all benchmark assessments
18 administered in the 2022-2023 school year, excluding data from a
19 local benchmark assessment, as applicable, aggregated by grade
20 level, student demographic subgroups, and mode of instruction to
21 the department. If available, the data described in this
22 subdivision must include information concerning pupil growth from
23 fall 2022 to spring 2023.

24 (2) To receive funding under this section, a district must
25 apply for the funding in a form and manner prescribed by the
26 department.

27 (3) The department shall pay an amount equal to \$12.50 per
28 membership pupil in grades K to 8 in the district to each district
29 that applies for funding under this section.

1 (4) The department shall make 1 of the benchmark assessments
2 provided by a provider approved under subsection (6) available to
3 districts at no cost to the districts for purposes of meeting the
4 requirements under this section. The benchmark assessment described
5 in this subsection must meet all of the following:

6 (a) Be aligned to the content standards of this state.

7 (b) Complement the state's summative assessment system.

8 (c) Be internet-delivered and include a standards-based
9 assessment.

10 (d) Provide information on pupil achievement with regard to
11 learning content required in a given year or grade span.

12 (e) Provide timely feedback to pupils and teachers.

13 (f) Be nationally normed.

14 (g) Provide information to educators about student growth and
15 allow for multiple testing opportunities.

16 (5) By not later than June 15, 2023, the department shall
17 submit a report to the house and senate appropriations committees,
18 the house and senate appropriations subcommittees on school aid,
19 and the house and senate fiscal agencies regarding the benchmark
20 assessment data received under this section, disaggregated by grade
21 level and demographic subgroup for each district. If information
22 concerning pupil growth is included in the data described in this
23 subsection, it must be incorporated in the report described in this
24 subsection.

25 (6) The department shall approve at least 4 but not more than
26 6 providers of benchmark assessments for the purposes of this
27 section. The department shall inform districts of all of the
28 providers approved under this subsection in an equitable manner.
29 The benchmark assessments, with the exclusion of the benchmark

1 assessment described in subsection (4), provided by approved
2 providers under this subsection must meet all of the following:

3 (a) Be 1 of the most commonly administered benchmark
4 assessments in this state.

5 (b) Be aligned to the content standards of this state.

6 (c) Complement the state's summative assessment system.

7 (d) Be internet-delivered and include a standards-based
8 remote, in-person, or both remote and in-person assessment using a
9 computer-adaptive model to target the instructional level of each
10 pupil.

11 (e) Provide information on pupil achievement with regard to
12 learning content required in a given year or grade span.

13 (f) Provide immediate feedback to pupils and teachers.

14 (g) Be nationally normed.

15 (h) Provide multiple measures of growth and provide for
16 multiple testing opportunities.

17 Sec. 105. (1) In order to avoid a penalty under this section,
18 and in order to count a nonresident pupil residing within the same
19 intermediate district in membership without the approval of the
20 pupil's district of residence, a district must comply with this
21 section.

22 (2) Except as otherwise provided in this section, a district
23 shall determine whether or not it will accept applications for
24 enrollment by nonresident applicants residing within the same
25 intermediate district for the next school year. If the district
26 determines to accept applications for enrollment of a number of
27 nonresidents, beyond those entitled to preference under this
28 section, the district shall use the following procedures for
29 accepting applications from and enrolling nonresidents:

1 (a) The district shall publish the grades, schools, and
2 special programs, if any, for which enrollment may be available to,
3 and for which applications will be accepted from, nonresident
4 applicants residing within the same intermediate district.

5 (b) If the district has a limited number of positions
6 available for nonresidents residing within the same intermediate
7 district in a grade, school, or program, all of the following apply
8 to accepting applications for and enrollment of nonresidents in
9 that grade, school, or program:

10 (i) The district shall do all of the following not later than
11 the second Friday in August:

12 (A) Provide notice to the general public that applications
13 will be taken for a period of at least 15 calendar days but not
14 more than 30 calendar days from nonresidents residing within the
15 same intermediate district for enrollment in that grade, school, or
16 program. The notice must identify the dates of the application
17 period and the place and manner for submitting applications.

18 (B) During the application period under sub-subparagraph (A),
19 accept applications from nonresidents residing within the same
20 intermediate district for enrollment in that grade, school, or
21 program.

22 (C) Within 15 calendar days after the end of the application
23 period under sub-subparagraph (A), ~~or, for 2020-2021 only, not~~
24 ~~later than October 13, 2020,~~ using the procedures and preferences
25 required under this section, determine which nonresident applicants
26 will be allowed to enroll in that grade, school, or program, using
27 the random draw system required under subsection ~~(14)~~ **(13)** as
28 necessary, and notify the parent or legal guardian of each
29 nonresident applicant of whether or not the applicant may enroll in

1 the district. The notification to parents or legal guardians of
 2 nonresident applicants accepted for enrollment must contain
 3 notification of the date by which the applicant must enroll in the
 4 district and procedures for enrollment. The date for enrollment
 5 must be no later than the end of the first week of school. ~~, or,~~
 6 ~~for 2020-2021 only, not later than October 13, 2020.~~

7 (ii) Beginning on the third Monday in August and not later than
 8 the end of the first week of school, ~~or, for 2020-2021 only, not~~
 9 ~~later than October 13, 2020,~~ if any positions become available in a
 10 grade, school, or program due to accepted applicants failing to
 11 enroll or to more positions being added, the district may enroll
 12 nonresident applicants from the waiting list maintained under
 13 subsection ~~(14),~~ **(13)**, offering enrollment in the order that
 14 applicants appear on the waiting list. If there are still positions
 15 available after enrolling all applicants from the waiting list who
 16 desire to enroll, the district may not fill those positions until
 17 the second semester or trimester enrollment under subsection (3),
 18 as provided under that subsection, or until the next school year.

19 (c) For a grade, school, or program that has an unlimited
 20 number of positions available for nonresidents residing within the
 21 same intermediate district, all of the following apply to
 22 enrollment of nonresidents in that grade, school, or program:

23 (i) The district may accept applications for enrollment in that
 24 grade, school, or program, and may enroll nonresidents residing
 25 within the same intermediate district in that grade, school, or
 26 program until the end of the first week of school. ~~or, for 2020-~~
 27 ~~2021 only, the district may enroll nonresidents residing within the~~
 28 ~~same intermediate district in that grade, school, or program until~~
 29 ~~October 13, 2020 if the application was received by the end of the~~

~~first week of school.~~ The district shall provide notice to the general public of the place and manner for submitting applications and, if the district has a limited application period, the notice must include the dates of the application period. The application period shall be at least a 15-calendar-day period.

(ii) Not later than the end of the first week of school, ~~or, for 2020-2021 only, not later than October 13, 2020,~~ the district shall notify the parent or legal guardian of each nonresident applicant who is accepted for enrollment that the applicant has been accepted for enrollment in the grade, school, or program and of the procedures for enrollment. The date for enrollment must be no later than the end of the first week of school. ~~or, for 2020-2021 only, not later than October 13, 2020.~~

(3) If a district determines during the first semester or trimester of a school year that it has positions available for enrollment of a number of nonresidents residing within the same intermediate district, beyond those entitled to preference under this section, for the second semester or trimester of the school year, the district may accept applications from and enroll nonresidents residing within the same intermediate district for the second semester or trimester using the following procedures:

(a) Not later than 2 weeks before the end of the first semester or trimester, the district shall publish the grades, schools, and special programs, if any, for which enrollment for the second semester or trimester may be available to, and for which applications will be accepted from, nonresident applicants residing within the same intermediate district.

(b) During the last 2 weeks of the first semester or trimester, the district shall accept applications from nonresidents

1 residing within the same intermediate district for enrollment for
2 the second semester or trimester in the available grades, schools,
3 and programs.

4 (c) By the beginning of the second semester or trimester,
5 using the procedures and preferences required under this section,
6 the district shall determine which nonresident applicants will be
7 allowed to enroll in the district for the second semester or
8 trimester and notify the parent or legal guardian of each
9 nonresident applicant residing within the same intermediate
10 district of whether or not the applicant may enroll in the
11 district. The notification to parents or legal guardians of
12 nonresident applicants accepted for enrollment must contain
13 notification of the date by which the applicant must enroll in the
14 district and procedures for enrollment. The date for enrollment
15 must be no later than the end of the first week of school.

16 (4) If deadlines similar to those described in subsection (2)
17 or (3) have been established in an intermediate district, and if
18 those deadlines are not later than the deadlines under subsection
19 (2) or (3), the districts within the intermediate district may use
20 those deadlines.

21 (5) A district offering to enroll nonresident applicants
22 residing within the same intermediate district may limit the number
23 of nonresident pupils it accepts in a grade, school, or program, at
24 its discretion, and may use that limit as the reason for refusal to
25 enroll an applicant.

26 (6) A nonresident applicant residing within the same
27 intermediate district must not be granted or refused enrollment
28 based on intellectual, academic, artistic, or other ability,
29 talent, or accomplishment, or lack thereof, or based on a mental or

1 physical disability, except that a district may refuse to admit a
2 nonresident applicant if the applicant does not meet the same
3 criteria, other than residence, that an applicant who is a resident
4 of the district must meet to be accepted for enrollment in a grade
5 or a specialized, magnet, or intra-district choice school or
6 program to which the applicant applies.

7 (7) A nonresident applicant residing within the same
8 intermediate district must not be granted or refused enrollment
9 based on age, except that a district may refuse to admit a
10 nonresident applicant applying for a program that is not
11 appropriate for the age of the applicant.

12 (8) A nonresident applicant residing within the same
13 intermediate district must not be granted or refused enrollment
14 based upon religion, race, color, national origin, sex, height,
15 weight, marital status, or athletic ability, or, generally, in
16 violation of any state or federal law prohibiting discrimination.

17 (9) Subject to subsection (10), a district may refuse to
18 enroll a nonresident applicant if any of the following are met:

19 (a) The applicant is, or has been within the preceding 2
20 years, suspended from another school.

21 (b) The applicant, at any time before enrolling under this
22 section, has been expelled from another school.

23 (c) The applicant, at any time before enrolling under this
24 section, has been convicted of a felony.

25 (10) If a district has counted a pupil in membership on either
26 the pupil membership count day or the supplemental count day, the
27 district shall not refuse to enroll or refuse to continue to enroll
28 that pupil for a reason specified in subsection (9). This
29 subsection does not prohibit a district from expelling a pupil

1 described in this subsection for disciplinary reasons.

2 (11) A district shall continue to allow a pupil who was
3 enrolled in and attended the district under this section in the
4 school year or semester or trimester immediately preceding the
5 school year or semester or trimester in question to enroll in the
6 district until the pupil graduates from high school. This
7 subsection does not prohibit a district from expelling a pupil
8 described in this subsection for disciplinary reasons.

9 (12) A district shall give preference for enrollment under
10 this section over all other nonresident applicants residing within
11 the same intermediate district to other school-age children who
12 reside in the same household as a pupil described in subsection
13 (11).

14 ~~(13) If a nonresident pupil was enrolled in and attending~~
15 ~~school in a district as a nonresident pupil in the 1995-96 school~~
16 ~~year and continues to be enrolled continuously each school year in~~
17 ~~that district, the district shall allow that nonresident pupil to~~
18 ~~continue to enroll in and attend school in the district until high~~
19 ~~school graduation, without requiring the nonresident pupil to apply~~
20 ~~for enrollment under this section. This subsection does not~~
21 ~~prohibit a district from expelling a pupil described in this~~
22 ~~subsection for disciplinary reasons.~~

23 (13) ~~(14)~~ If the number of qualified nonresident applicants
24 eligible for acceptance in a school, grade, or program does not
25 exceed the positions available for nonresident pupils in the
26 school, grade, or program, the school district shall accept for
27 enrollment all of the qualified nonresident applicants eligible for
28 acceptance. If the number of qualified nonresident applicants
29 residing within the same intermediate district eligible for

1 acceptance exceeds the positions available in a grade, school, or
2 program in a district for nonresident pupils, the district shall
3 use a random draw system, subject to the need to abide by state and
4 federal antidiscrimination laws and court orders and subject to
5 preferences allowed by this section. The district shall develop and
6 maintain a waiting list based on the order in which nonresident
7 applicants were drawn under this random draw system.

8 (14) ~~(15)~~—If a district, or the nonresident applicant,
9 requests the district in which a nonresident applicant resides to
10 supply information needed by the district for evaluating the
11 applicant's application for enrollment or for enrolling the
12 applicant, the district of residence shall provide that information
13 on a timely basis.

14 (15) ~~(16)~~—If a district is subject to a court-ordered
15 desegregation plan, and if the court issues an order prohibiting
16 pupils residing in that district from enrolling in another district
17 or prohibiting pupils residing in another district from enrolling
18 in that district, this section is subject to the court order.

19 (16) ~~(17)~~—This section does not require a district to provide
20 transportation for a nonresident pupil enrolled in the district
21 under this section or for a resident pupil enrolled in another
22 district under this section. However, at the time a nonresident
23 pupil enrolls in the district, a district shall provide to the
24 pupil's parent or legal guardian information on available
25 transportation to and from the school in which the pupil enrolls.

26 (17) ~~(18)~~—A district may participate in a cooperative
27 education program with 1 or more other districts or intermediate
28 districts whether or not the district enrolls any nonresidents
29 under this section.

1 (18) ~~(19)~~—A district that, under this section, enrolls a
 2 nonresident pupil who is eligible for special education programs
 3 and services according to statute or rule, or who is a child with
 4 ~~disabilities,~~ **a disability**, as **that term is** defined under the
 5 individuals with disabilities education act, Public Law 108-446, is
 6 considered to be the resident district of the pupil for the purpose
 7 of providing the pupil with a free appropriate public education.
 8 Consistent with state and federal law, that district is responsible
 9 for developing and implementing an individualized education program
 10 annually for a nonresident pupil described in this subsection.

11 (19) ~~(20)~~—If a district does not comply with this section, the
 12 district forfeits 5% of the total state school aid allocation to
 13 the district under this act.

14 (20) ~~(21)~~—Upon application by a district, the superintendent
 15 may grant a waiver for the district from a specific requirement
 16 under this section for not more than 1 year.

17 Sec. 105c. (1) In order to avoid a penalty under this section,
 18 and in order to count a nonresident pupil residing in a district
 19 located in a contiguous intermediate district in membership without
 20 the approval of the pupil's district of residence, a district must
 21 comply with this section.

22 (2) Except as otherwise provided in this section, a district
 23 shall determine whether or not it will accept applications for
 24 enrollment by nonresident applicants residing in a district located
 25 in a contiguous intermediate district for the next school year. If
 26 the district determines to accept applications for enrollment of a
 27 number of nonresidents under this section, beyond those entitled to
 28 preference under this section, the district shall use the following
 29 procedures for accepting applications from and enrolling

1 nonresidents under this section:

2 (a) The district shall publish the grades, schools, and
3 special programs, if any, for which enrollment may be available to,
4 and for which applications will be accepted from, nonresident
5 applicants residing in a district located in a contiguous
6 intermediate district.

7 (b) If the district has a limited number of positions
8 available for nonresidents residing in a district located in a
9 contiguous intermediate district in a grade, school, or program,
10 all of the following apply to accepting applications for and
11 enrollment of nonresidents under this section in that grade,
12 school, or program:

13 (i) The district shall do all of the following not later than
14 the second Friday in August:

15 (A) Provide notice to the general public that applications
16 will be taken for a period of at least 15 calendar days but not
17 more than 30 calendar days from nonresidents residing in a district
18 located in a contiguous intermediate district for enrollment in
19 that grade, school, or program. The notice must identify the dates
20 of the application period and the place and manner for submitting
21 applications.

22 (B) During the application period under sub-subparagraph (A),
23 accept applications from nonresidents residing in a district
24 located in a contiguous intermediate district for enrollment in
25 that grade, school, or program.

26 (C) Within 15 calendar days after the end of the application
27 period under sub-subparagraph (A), ~~or, for 2020-2021 only, not~~
28 ~~later than October 13, 2020,~~ using the procedures and preferences
29 required under this section, determine which nonresident applicants

1 will be allowed to enroll under this section in that grade, school,
 2 or program, using the random draw system required under subsection
 3 ~~(14)~~ **(13)** as necessary, and notify the parent or legal guardian of
 4 each nonresident applicant of whether or not the applicant may
 5 enroll in the district. The notification to parents or legal
 6 guardians of nonresident applicants accepted for enrollment under
 7 this section must contain notification of the date by which the
 8 applicant must enroll in the district and procedures for
 9 enrollment. The date for enrollment must be no later than the end
 10 of the first week of school. ~~or, for 2020-2021 only, not later than~~
 11 ~~October 13, 2020.~~

12 (ii) Beginning on the third Monday in August and not later than
 13 the end of the first week of school, ~~or, for 2020-2021 only, not~~
 14 ~~later than October 13, 2020,~~ if any positions become available in a
 15 grade, school, or program due to accepted applicants failing to
 16 enroll or to more positions being added, the district may enroll
 17 nonresident applicants from the waiting list maintained under
 18 subsection ~~(14)~~ **(13)**, offering enrollment in the order that
 19 applicants appear on the waiting list. If there are still positions
 20 available after enrolling all applicants from the waiting list who
 21 desire to enroll, the district may not fill those positions until
 22 the second semester or trimester enrollment under subsection (3),
 23 as provided under that subsection, or until the next school year.

24 (c) For a grade, school, or program that has an unlimited
 25 number of positions available for nonresidents residing in a
 26 district located in a contiguous intermediate district, all of the
 27 following apply to enrollment of nonresidents in that grade,
 28 school, or program under this section:

29 (i) The district may accept applications for enrollment in that

1 grade, school, or program, and may enroll nonresidents residing in
 2 a district located in a contiguous intermediate district in that
 3 grade, school, or program until the end of the first week of
 4 school. ~~or, for 2020-2021 only, the district may enroll~~
 5 ~~nonresidents residing in a district located in a contiguous~~
 6 ~~intermediate district in that grade, school, or program until~~
 7 ~~October 13, 2020 if the application was received by the end of the~~
 8 ~~first week of school.~~ The district shall provide notice to the
 9 general public of the place and manner for submitting applications
 10 and, if the district has a limited application period, the notice
 11 must include the dates of the application period. The application
 12 period must be at least a 15-calendar-day period.

13 (ii) Not later than the end of the first week of school, ~~or,~~
 14 ~~for 2020-2021 only, not later than October 13, 2020,~~ the district
 15 shall notify the parent or legal guardian of each nonresident
 16 applicant who is accepted for enrollment under this section that
 17 the applicant has been accepted for enrollment in the grade,
 18 school, or program and of the date by which the applicant must
 19 enroll in the district and the procedures for enrollment. The date
 20 for enrollment must be no later than the end of the first week of
 21 school. ~~or, for 2020-2021 only, not later than October 13, 2020.~~

22 (3) If a district determines during the first semester or
 23 trimester of a school year that it has positions available for
 24 enrollment of a number of nonresidents residing in a district
 25 located in a contiguous intermediate district, beyond those
 26 entitled to preference under this section, for the second semester
 27 or trimester of the school year, the district may accept
 28 applications from and enroll nonresidents residing in a district
 29 located in a contiguous intermediate district for the second

1 semester or trimester using the following procedures:

2 (a) Not later than 2 weeks before the end of the first
3 semester or trimester, the district shall publish the grades,
4 schools, and special programs, if any, for which enrollment for the
5 second semester or trimester may be available to, and for which
6 applications will be accepted from, nonresident applicants residing
7 in a district located in a contiguous intermediate district.

8 (b) During the last 2 weeks of the first semester or
9 trimester, the district shall accept applications from nonresidents
10 residing in a district located in a contiguous intermediate
11 district for enrollment for the second semester or trimester in the
12 available grades, schools, and programs.

13 (c) By the beginning of the second semester or trimester,
14 using the procedures and preferences required under this section,
15 the district shall determine which nonresident applicants will be
16 allowed to enroll under this section in the district for the second
17 semester or trimester and notify the parent or legal guardian of
18 each nonresident applicant residing in a district located in a
19 contiguous intermediate district of whether or not the applicant
20 may enroll in the district. The notification to parents or legal
21 guardians of nonresident applicants accepted for enrollment must
22 contain notification of the date by which the applicant must enroll
23 in the district and procedures for enrollment. The date for
24 enrollment must be no later than the end of the first week of
25 school.

26 (4) If deadlines similar to those described in subsection (2)
27 or (3) have been established in an intermediate district, and if
28 those deadlines are not later than the deadlines under subsection
29 (2) or (3), the districts within the intermediate district may use

1 those deadlines.

2 (5) A district offering to enroll nonresident applicants
3 residing in a district located in a contiguous intermediate
4 district may limit the number of those nonresident pupils it
5 accepts in a grade, school, or program, at its discretion, and may
6 use that limit as the reason for refusal to enroll an applicant
7 under this section.

8 (6) A nonresident applicant residing in a district located in
9 a contiguous intermediate district must not be granted or refused
10 enrollment based on intellectual, academic, artistic, or other
11 ability, talent, or accomplishment, or lack thereof, or based on a
12 mental or physical disability, except that a district may refuse to
13 admit a nonresident applicant under this section if the applicant
14 does not meet the same criteria, other than residence, that an
15 applicant who is a resident of the district must meet to be
16 accepted for enrollment in a grade or a specialized, magnet, or
17 intra-district choice school or program to which the applicant
18 applies.

19 (7) A nonresident applicant residing in a district located in
20 a contiguous intermediate district must not be granted or refused
21 enrollment under this section based on age, except that a district
22 may refuse to admit a nonresident applicant applying for a program
23 that is not appropriate for the age of the applicant.

24 (8) A nonresident applicant residing in a district located in
25 a contiguous intermediate district must not be granted or refused
26 enrollment under this section based upon religion, race, color,
27 national origin, sex, height, weight, marital status, or athletic
28 ability, or, generally, in violation of any state or federal law
29 prohibiting discrimination.

1 (9) Subject to subsection (10), a district may refuse to
2 enroll a nonresident applicant under this section if any of the
3 following are met:

4 (a) The applicant is, or has been within the preceding 2
5 years, suspended from another school.

6 (b) The applicant, at any time before enrolling under this
7 section, has been expelled from another school.

8 (c) The applicant, at any time before enrolling under this
9 section, has been convicted of a felony.

10 (10) If a district has counted a pupil in membership on either
11 the pupil membership count day or the supplemental count day, the
12 district shall not refuse to enroll or refuse to continue to enroll
13 that pupil for a reason specified in subsection (9). This
14 subsection does not prohibit a district from expelling a pupil
15 described in this subsection for disciplinary reasons.

16 (11) A district shall continue to allow a pupil who was
17 enrolled in and attended the district under this section in the
18 school year or semester or trimester immediately preceding the
19 school year or semester or trimester in question to enroll in the
20 district until the pupil graduates from high school. This
21 subsection does not prohibit a district from expelling a pupil
22 described in this subsection for disciplinary reasons.

23 (12) A district shall give preference for enrollment under
24 this section over all other nonresident applicants residing in a
25 district located in a contiguous intermediate district to other
26 school-age children who reside in the same household as a pupil
27 described in subsection (11).

28 ~~(13) If a nonresident pupil was enrolled in and attending~~
29 ~~school in a district as a nonresident pupil in the 1995-96 school~~

~~year and continues to be enrolled continuously each school year in that district, the district shall allow that nonresident pupil to continue to enroll in and attend school in the district until high school graduation, without requiring the nonresident pupil to apply for enrollment under this section. This subsection does not prohibit a district from expelling a pupil described in this subsection for disciplinary reasons.~~

(13) ~~(14)~~—If the number of qualified nonresident applicants eligible for acceptance under this section in a school, grade, or program does not exceed the positions available for nonresident pupils under this section in the school, grade, or program, the school district shall accept for enrollment all of the qualified nonresident applicants eligible for acceptance. If the number of qualified nonresident applicants residing in a district located in a contiguous intermediate district eligible for acceptance under this section exceeds the positions available in a grade, school, or program in a district for nonresident pupils, the district shall use a random draw system, subject to the need to abide by state and federal antidiscrimination laws and court orders and subject to preferences allowed by this section. The district shall develop and maintain a waiting list based on the order in which nonresident applicants were drawn under this random draw system.

(14) ~~(15)~~—If a district, or the nonresident applicant, requests the district in which a nonresident applicant resides to supply information needed by the district for evaluating the applicant's application for enrollment or for enrolling the applicant under this section, the district of residence shall provide that information on a timely basis.

(15) ~~(16)~~—If a district is subject to a court-ordered

1 desegregation plan, and if the court issues an order prohibiting
2 pupils residing in that district from enrolling in another district
3 or prohibiting pupils residing in another district from enrolling
4 in that district, this section is subject to the court order.

5 **(16)** ~~(17)~~—This section does not require a district to provide
6 transportation for a nonresident pupil enrolled in the district
7 under this section or for a resident pupil enrolled in another
8 district under this section. However, at the time a nonresident
9 pupil enrolls in the district, a district shall provide to the
10 pupil's parent or legal guardian information on available
11 transportation to and from the school in which the pupil enrolls.

12 **(17)** ~~(18)~~—A district may participate in a cooperative
13 education program with 1 or more other districts or intermediate
14 districts whether or not the district enrolls any nonresidents
15 pursuant to this section.

16 **(18)** ~~(19)~~—In order for a district or intermediate district to
17 enroll under this section a nonresident pupil who resides in a
18 district located in a contiguous intermediate district and who is
19 eligible for special education programs and services according to
20 statute or rule, or who is a child with disabilities, as defined
21 under the individuals with disabilities education act, Public Law
22 108-446, the enrolling district shall have a written agreement with
23 the resident district of the pupil for the purpose of providing the
24 pupil with a free appropriate public education. The written
25 agreement must include, but is not limited to, an agreement on the
26 responsibility for the payment of the added costs of special
27 education programs and services for the pupil. The written
28 agreement must address how the agreement must be amended in the
29 event of significant changes in the costs or level of special

1 education programs or services required by the pupil.

2 (19) ~~(20)~~—If a district does not comply with this section, the
3 district forfeits 5% of the total state school aid allocation to
4 the district under this act.

5 (20) ~~(21)~~—Upon application by a district, the superintendent
6 may grant a waiver for the district from a specific requirement
7 under this section for not more than 1 year.

8 (21) ~~(22)~~—This section is repealed if the final decision of a
9 court of competent jurisdiction holds that any portion of this
10 section is unconstitutional, ineffective, invalid, or in violation
11 of federal law.

12 (22) ~~(23)~~—As used in this section, "district located in a
13 contiguous intermediate district" means a district located in an
14 intermediate district that is contiguous to the intermediate
15 district in which a pupil's district of residence is located.

16 Sec. 107. (1) From the appropriation in section 11, there is
17 allocated an amount not to exceed \$30,000,000.00 for ~~2020-2021~~
18 **2021-2022** for adult education programs authorized under this
19 section. Except as otherwise provided under subsections (14) and
20 (15), funds allocated under this section are restricted for adult
21 education programs as authorized under this section only. A
22 recipient of funds under this section shall not use those funds for
23 any other purpose.

24 (2) To be eligible for funding under this section, an eligible
25 adult education provider shall employ certificated teachers and
26 qualified administrative staff and shall offer continuing education
27 opportunities for teachers to allow them to maintain certification.

28 (3) To be eligible to be a participant funded under this
29 section, an individual must be enrolled in an adult basic education

1 program, an adult secondary education program, an adult English as
2 a second language program, a high school equivalency test
3 preparation program, or a high school completion program, that
4 meets the requirements of this section, and for which instruction
5 is provided, and the individual must be at least 18 years of age **by**
6 **July 1 of the program year** and the individual's graduating class
7 must have graduated.

8 (4) By April 1 of each fiscal year, the intermediate districts
9 within a prosperity region or subregion shall determine which
10 intermediate district will serve as the prosperity region's or
11 subregion's fiscal agent for the next fiscal year and shall notify
12 the department in a form and manner determined by the department.
13 The department shall approve or disapprove of the prosperity
14 region's or subregion's selected fiscal agent. From the funds
15 allocated under subsection (1), an amount as determined under this
16 subsection is allocated to each intermediate district serving as a
17 fiscal agent for adult education programs in each of the prosperity
18 regions or subregions identified by the department. An intermediate
19 district shall not use more than 5% of the funds allocated under
20 this subsection for administration costs for serving as the fiscal
21 agent. The allocation provided to each intermediate district
22 serving as a fiscal agent ~~is an amount equal to what the~~
23 ~~intermediate district received in 2018-2019.~~ **must be calculated as**
24 **follows:**

25 (a) **Sixty percent of this portion of the funding must be**
26 **distributed based upon the proportion of the state population of**
27 **individuals between the ages of 18 and 24 that are not high school**
28 **graduates that resides in each of the prosperity regions or**
29 **subregions located within the intermediate district, as reported by**

1 the most recent 5-year estimates from the American Community Survey
2 (ACS) from the United States Census Bureau.

3 (b) Thirty-five percent of this portion of the funding must be
4 distributed based upon the proportion of the state population of
5 individuals age 25 or older who are not high school graduates that
6 resides in each of the prosperity regions or subregions located
7 within the intermediate district, as reported by the most recent 5-
8 year estimates from the American Community Survey (ACS) from the
9 United States Census Bureau.

10 (c) Five percent of this portion of the funding must be
11 distributed based upon the proportion of the state population of
12 individuals age 18 or older who lack basic English language
13 proficiency that resides in each of the prosperity regions or
14 subregions located within the intermediate district, as reported by
15 the most recent 5-year estimates from the American Community Survey
16 (ACS) from the United States Census Bureau.

17 (5) To be an eligible fiscal agent, an intermediate district
18 must agree to do the following in a form and manner determined by
19 the department:

20 (a) Distribute funds to adult education programs in a
21 prosperity region or subregion as described in this section.

22 (b) Collaborate with the career and educational advisory
23 council, which is an advisory council of the workforce development
24 boards located in the prosperity region or subregion, or its
25 successor, to develop a regional strategy that aligns adult
26 education programs and services into an efficient and effective
27 delivery system for adult education learners, with special
28 consideration for providing contextualized learning and career
29 pathways and addressing barriers to education and employment.

1 (c) Collaborate with the career and educational advisory
2 council, which is an advisory council of the workforce development
3 boards located in the prosperity region or subregion, or its
4 successor, to create a local process and criteria that will
5 identify eligible adult education providers to receive funds
6 allocated under this section based on location, demand for
7 services, past performance, quality indicators as identified by the
8 department, and cost to provide instructional services. The fiscal
9 agent shall determine all local processes, criteria, and provider
10 determinations. However, the local processes, criteria, and
11 provider services must be approved by the department before funds
12 may be distributed to the fiscal agent.

13 (d) Provide oversight to its adult education providers
14 throughout the program year to ensure compliance with the
15 requirements of this section.

16 (e) Report adult education program and participant data and
17 information as prescribed by the department.

18 (6) An adult basic education program, an adult secondary
19 education program, or an adult English as a second language program
20 operated on a year-round or school year basis may be funded under
21 this section, subject to all of the following:

22 (a) The program enrolls adults who are determined by a
23 department-approved assessment, in a form and manner prescribed by
24 the department, to be below twelfth grade level in reading or
25 mathematics, or both, or to lack basic English proficiency.

26 (b) The program tests individuals for eligibility under
27 subdivision (a) before enrollment and upon completion of the
28 program in compliance with the state-approved assessment policy.

29 (c) A participant in an adult basic education program is

1 eligible for reimbursement until 1 of the following occurs:

2 (i) The participant's reading and mathematics proficiency are
3 assessed at or above the ninth grade level.

4 (ii) The participant fails to show progress on 2 successive
5 assessments after having completed at least 450 hours of
6 instruction.

7 (d) A participant in an adult secondary education program is
8 eligible for reimbursement until 1 of the following occurs:

9 (i) The participant's reading and mathematics proficiency are
10 assessed above the twelfth grade level.

11 (ii) The participant fails to show progress on 2 successive
12 assessments after having at least 450 hours of instruction.

13 (e) A funding recipient enrolling a participant in an English
14 as a second language program is eligible for funding according to
15 subsection (9) until the participant meets 1 of the following:

16 (i) The participant is assessed as having attained basic
17 English proficiency as determined by a department-approved
18 assessment.

19 (ii) The participant fails to show progress on 2 successive
20 department-approved assessments after having completed at least 450
21 hours of instruction. The department shall provide information to a
22 funding recipient regarding appropriate assessment instruments for
23 this program.

24 (7) A high school equivalency test preparation program
25 operated on a year-round or school year basis may be funded under
26 this section, subject to all of the following:

27 (a) The program enrolls adults who do not have a high school
28 diploma or a high school equivalency certificate.

29 (b) The program administers a pre-test approved by the

1 department before enrolling an individual to determine the
2 individual's literacy levels, administers a high school equivalency
3 practice test to determine the individual's potential for success
4 on the high school equivalency test, and administers a post-test
5 upon completion of the program in compliance with the state-
6 approved assessment policy.

7 (c) A funding recipient receives funding according to
8 subsection (9) for a participant, and a participant may be enrolled
9 in the program until 1 of the following occurs:

10 (i) The participant achieves a high school equivalency
11 certificate.

12 (ii) The participant fails to show progress on 2 successive
13 department-approved assessments used to determine readiness to take
14 a high school equivalency test after having completed at least 450
15 hours of instruction.

16 (8) A high school completion program operated on a year-round
17 or school year basis may be funded under this section, subject to
18 all of the following:

19 (a) The program enrolls adults who do not have a high school
20 diploma.

21 (b) The program tests participants described in subdivision
22 (a) before enrollment and upon completion of the program in
23 compliance with the state-approved assessment policy.

24 (c) A funding recipient receives funding according to
25 subsection (9) for a participant in a course offered under this
26 subsection until 1 of the following occurs:

27 (i) The participant passes the course and earns a high school
28 diploma.

29 (ii) The participant fails to earn credit in 2 successive

1 semesters or terms in which the participant is enrolled after
2 having completed at least 900 hours of instruction.

3 (9) The department shall make payments to a funding recipient
4 under this section in accordance with all of the following:

5 (a) Statewide allocation criteria, including 3-year average
6 enrollments, census data, and local needs.

7 (b) Participant completion of the adult basic education
8 objectives by achieving an educational gain as determined by the
9 national reporting system levels; for achieving basic English
10 proficiency, as determined by the department; for achieving a high
11 school equivalency certificate or passage of 1 or more individual
12 high school equivalency tests; for attainment of a high school
13 diploma or passage of a course required for a participant to attain
14 a high school diploma; for enrollment in a postsecondary
15 institution, or for entry into or retention of employment, as
16 applicable.

17 (c) Participant completion of core indicators as identified in
18 the innovation and opportunity act.

19 (d) Allowable expenditures.

20 (10) A person who is not eligible to be a participant funded
21 under this section may receive adult education services upon the
22 payment of tuition. In addition, a person who is not eligible to be
23 served in a program under this section due to the program
24 limitations specified in subsection (6), (7), or (8) may continue
25 to receive adult education services in that program upon the
26 payment of tuition. The local or intermediate district conducting
27 the program shall determine the tuition amount.

28 (11) An individual who is an inmate in a state correctional
29 facility is not counted as a participant under this section.

1 (12) A funding recipient shall not commingle money received
2 under this section or from another source for adult education
3 purposes with any other funds and shall establish a separate ledger
4 account for funds received under this section. This subsection does
5 not prohibit a district from using general funds of the district to
6 support an adult education or community education program.

7 (13) A funding recipient receiving funds under this section
8 may establish a sliding scale of tuition rates based upon a
9 participant's family income. A funding recipient may charge a
10 participant tuition to receive adult education services under this
11 section from that sliding scale of tuition rates on a uniform
12 basis. The amount of tuition charged per participant must not
13 exceed the actual operating cost per participant minus any funds
14 received under this section per participant. A funding recipient
15 may not charge a participant tuition under this section if the
16 participant's income is at or below 200% of the federal poverty
17 guidelines published by the United States Department of Health and
18 Human Services.

19 (14) In order to receive funds under this section, a funding
20 recipient shall furnish to the department, in a form and manner
21 determined by the department, all information needed to administer
22 this program and meet federal reporting requirements; shall allow
23 the department or the department's designee to review all records
24 related to the program for which it receives funds; and shall
25 reimburse the state for all disallowances found in the review, as
26 determined by the department. In addition, a funding recipient
27 shall agree to pay to a career and technical education program
28 under section 61a the amount of funding received under this section
29 in the proportion of career and technical education coursework used

1 to satisfy adult basic education programming, as billed to the
2 funding recipient by programs operating under section 61a. In
3 addition to the funding allocated under subsection (1), there is
4 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
5 \$500,000.00 to reimburse funding recipients for administrative and
6 instructional expenses associated with commingling programming
7 under this section and section 61a. The department shall make
8 payments under this subsection to each funding recipient in the
9 same proportion as funding calculated and allocated under
10 subsection (4).

11 (15) From the amount appropriated in subsection (1), an amount
12 not to exceed \$4,000,000.00 is allocated for ~~2020-2021~~**2021-2022**
13 for grants to adult education or state-approved career technical
14 center programs that connect adult education participants with
15 employers as provided under this subsection. The department shall
16 determine the amount of the grant to each program under this
17 subsection, not to exceed \$350,000.00. To be eligible for funding
18 under this subsection, a program must provide a collaboration
19 linking adult education programs within the county, the area career
20 technical center, and local employers. To receive funding under
21 this subsection, an eligible program must satisfy all of the
22 following:

23 (a) Connect adult education participants directly with
24 employers by linking adult education, career and technical skills,
25 and workforce development.

26 (b) Require adult education staff to work with Michigan Works!
27 agency to identify a cohort of participants who are most prepared
28 to successfully enter the workforce. Except as otherwise provided
29 under this subdivision, participants identified under this

1 subsection must be dually enrolled in adult education programming
2 and in at least 1 state-approved technical course at the area
3 career and technical center. A program that links participants
4 identified under this subsection with adult education programming
5 and commercial driver license courses does not need to enroll the
6 participants in at least 1 state-approved technical course at the
7 area career and technical center to be considered an eligible
8 program under this subsection.

9 (c) Employ an individual staffed as an adult education
10 navigator who will serve as a caseworker for each participant
11 identified under subdivision (b). The navigator shall work with
12 adult education staff and potential employers to design an
13 educational program best suited to the personal and employment
14 needs of the participant and shall work with human service agencies
15 or other entities to address any barrier in the way of participant
16 access.

17 (16) Each program funded under subsection (15) will receive
18 funding for 3 years. After 3 years of operations and funding, a
19 program must reapply for funding.

20 (17) Not later than December 1 of each year, a program funded
21 under subsection (15) shall provide a report to the senate and
22 house appropriations subcommittees on school aid, to the senate and
23 house fiscal agencies, and to the state budget director identifying
24 the number of participants, graduation rates, and a measure of
25 transition to employment.

26 ~~(18) It is the intent of the legislature to implement a~~
27 ~~phased-in cap on the percentage of adult education participants~~
28 ~~under subsection (15) that may already have a high school diploma~~
29 ~~or a high school equivalency certificate at the time of~~

~~enrollment.~~ **A program receiving funding under subsection (15) must give program enrollment priority for 75% of participants to those who are concurrently enrolled and actively working toward obtaining a high school diploma or a high school equivalency certificate.**

(19) The department shall approve at least 3 high school equivalency tests and determine whether a high school equivalency certificate meets the requisite standards for high school equivalency in this state.

(20) As used in this section:

(a) "Career and educational advisory council" means an advisory council to the local workforce development boards located in a prosperity region consisting of educational, employer, labor, and parent representatives.

(b) "Career pathway" means a combination of rigorous and high-quality education, training, and other services that comply with all of the following:

(i) Aligns with the skill needs of industries in the economy of this state or in the regional economy involved.

(ii) Prepares an individual to be successful in any of a full range of secondary or postsecondary education options, including apprenticeships registered under the act of August 16, 1937,

~~(commonly known as the "national apprenticeship act")~~, **commonly referred to as the national apprenticeship act**, 29 USC 50 et seq.

(iii) Includes counseling to support an individual in achieving the individual's education and career goals.

(iv) Includes, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster.

(v) Organizes education, training, and other services to meet

1 the particular needs of an individual in a manner that accelerates
 2 the educational and career advancement of the individual to the
 3 extent practicable.

4 (vi) Enables an individual to attain a secondary school diploma
 5 or its recognized equivalent, and at least 1 recognized
 6 postsecondary credential.

7 (vii) Helps an individual enter or advance within a specific
 8 occupation or occupational cluster.

9 (c) "Department" means the department of labor and economic
 10 opportunity.

11 (d) "Eligible adult education provider" means a district,
 12 intermediate district, a consortium of districts, a consortium of
 13 intermediate districts, or a consortium of districts and
 14 intermediate districts that is identified as part of the local
 15 process described in subsection (5) (c) and approved by the
 16 department.

17 Sec. 147. (1) The allocation for ~~2020-2021~~**2021-2022** for the
 18 public school employees' retirement system pursuant to the public
 19 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301
 20 to 38.1437, is made using the individual projected benefit entry
 21 age normal cost method of valuation and risk assumptions adopted by
 22 the public school employees retirement board and the department of
 23 technology, management, and budget.

24 (2) The annual level percentage of payroll contribution rates
 25 for the ~~2020-2021~~**2021-2022** fiscal year, as determined by the
 26 retirement system, are estimated as follows:

27 (a) ~~For~~**Except as otherwise provided in this subdivision, for**
 28 public school employees who first worked for a public school
 29 reporting unit before July 1, 2010 and who are enrolled in the

1 health premium subsidy, the annual level percentage of payroll
2 contribution rate is estimated at ~~42.72%~~**43.28%** with ~~28.21%~~**28.23%**
3 paid directly by the employer. **For 2021-2022, if the retirement**
4 **system determines that the annual level percentage of payroll**
5 **contribution rate estimated in the immediately preceding sentence**
6 **needs to be adjusted, the annual level percentage of payroll**
7 **contribution rate estimations under this subdivision are the**
8 **estimations determined by the retirement system. If the retirement**
9 **system makes a determination as described in the immediately**
10 **preceding sentence, it shall issue its estimations publicly and**
11 **describe the need for the adjustment described in the immediately**
12 **preceding sentence.**

13 (b) ~~For~~**Except as otherwise provided in this subdivision, for**
14 public school employees who first worked for a public school
15 reporting unit on or after July 1, 2010 and who are enrolled in the
16 health premium subsidy, the annual level percentage of payroll
17 contribution rate is estimated at ~~39.76%~~**40.36%** with ~~25.25%~~**25.31%**
18 paid directly by the employer. **For 2021-2022, if the retirement**
19 **system determines that the annual level percentage of payroll**
20 **contribution rate estimated in the immediately preceding sentence**
21 **needs to be adjusted, the annual level percentage of payroll**
22 **contribution rate estimations under this subdivision are the**
23 **estimations determined by the retirement system. If the retirement**
24 **system makes a determination as described in the immediately**
25 **preceding sentence, it shall issue its estimations publicly and**
26 **describe the need for the adjustment described in the immediately**
27 **preceding sentence.**

28 (c) ~~For~~**Except as otherwise provided in this subdivision, for**
29 public school employees who first worked for a public school

1 reporting unit on or after July 1, 2010 and who participate in the
2 personal healthcare fund, the annual level percentage of payroll
3 contribution rate is estimated at ~~38.90%~~ **39.50%** with ~~24.39%~~ **24.45%**
4 paid directly by the employer. **For 2021-2022, if the retirement**
5 **system determines that the annual level percentage of payroll**
6 **contribution rate estimated in the immediately preceding sentence**
7 **needs to be adjusted, the annual level percentage of payroll**
8 **contribution rate estimations under this subdivision are the**
9 **estimations determined by the retirement system. If the retirement**
10 **system makes a determination as described in the immediately**
11 **preceding sentence, it shall issue its estimations publicly and**
12 **describe the need for the adjustment described in the immediately**
13 **preceding sentence.**

14 (d) ~~For~~ **Except as otherwise provided in this subdivision, for**
15 public school employees who first worked for a public school
16 reporting unit on or after September 4, 2012, who elect defined
17 contribution, and who participate in the personal healthcare fund,
18 the annual level percentage of payroll contribution rate is
19 estimated at ~~35.47%~~ **36.01%** with 20.96% paid directly by the
20 employer. **For 2021-2022, if the retirement system determines that**
21 **the annual level percentage of payroll contribution rate estimated**
22 **in the immediately preceding sentence needs to be adjusted, the**
23 **annual level percentage of payroll contribution rate estimations**
24 **under this subdivision are the estimations determined by the**
25 **retirement system. If the retirement system makes a determination**
26 **as described in the immediately preceding sentence, it shall issue**
27 **its estimations publicly and describe the need for the adjustment**
28 **described in the immediately preceding sentence.**

29 (e) ~~For~~ **Except as otherwise provided in this subdivision, for**

1 public school employees who first worked for a public school
2 reporting unit before July 1, 2010, who elect defined contribution,
3 and who are enrolled in the health premium subsidy, the annual
4 level percentage of payroll contribution rate is estimated at
5 ~~36.33%~~**36.87%** with 21.82% paid directly by the employer. **For 2021-**
6 **2022, if the retirement system determines that the annual level**
7 **percentage of payroll contribution rate estimated in the**
8 **immediately preceding sentence needs to be adjusted, the annual**
9 **level percentage of payroll contribution rate estimations under**
10 **this subdivision are the estimations determined by the retirement**
11 **system. If the retirement system makes a determination as described**
12 **in the immediately preceding sentence, it shall issue its**
13 **estimations publicly and describe the need for the adjustment**
14 **described in the immediately preceding sentence.**

15 (f) ~~For~~**Except as otherwise provided in this subdivision, for**
16 public school employees who first worked for a public school
17 reporting unit before July 1, 2010, who elect defined contribution,
18 and who participate in the personal healthcare fund, the annual
19 level percentage of payroll contribution rate is estimated at
20 ~~35.47%~~**36.01%** with 20.96% paid directly by the employer. **For 2021-**
21 **2022, if the retirement system determines that the annual level**
22 **percentage of payroll contribution rate estimated in the**
23 **immediately preceding sentence needs to be adjusted, the annual**
24 **level percentage of payroll contribution rate estimations under**
25 **this subdivision are the estimations determined by the retirement**
26 **system. If the retirement system makes a determination as described**
27 **in the immediately preceding sentence, it shall issue its**
28 **estimations publicly and describe the need for the adjustment**
29 **described in the immediately preceding sentence.**

1 (g) ~~For~~ **Except as otherwise provided in this subdivision, for**
2 public school employees who first worked for a public school
3 reporting unit before July 1, 2010 and who participate in the
4 personal healthcare fund, the annual level percentage of payroll
5 contribution rate is estimated at ~~41.86%~~ **42.42%** with ~~27.35%~~ **27.37%**
6 paid directly by the employer. **For 2021-2022, if the retirement**
7 **system determines that the annual level percentage of payroll**
8 **contribution rate estimated in the immediately preceding sentence**
9 **needs to be adjusted, the annual level percentage of payroll**
10 **contribution rate estimations under this subdivision are the**
11 **estimations determined by the retirement system. If the retirement**
12 **system makes a determination as described in the immediately**
13 **preceding sentence, it shall issue its estimations publicly and**
14 **describe the need for the adjustment described in the immediately**
15 **preceding sentence.**

16 (h) ~~For~~ **Except as otherwise provided in this subdivision, for**
17 public school employees who first worked for a public school
18 reporting unit after January 31, 2018 and who elect to become
19 members of the MPSERS plan, the annual level percentage of payroll
20 contribution rate is estimated at ~~41.67%~~ **42.21%** with 27.16% paid
21 directly by the employer. **For 2021-2022, if the retirement system**
22 **determines that the annual level percentage of payroll contribution**
23 **rate estimated in the immediately preceding sentence needs to be**
24 **adjusted, the annual level percentage of payroll contribution rate**
25 **estimations under this subdivision are the estimations determined**
26 **by the retirement system. If the retirement system makes a**
27 **determination as described in the immediately preceding sentence,**
28 **it shall issue its estimations publicly and describe the need for**
29 **the adjustment described in the immediately preceding sentence.**

1 (3) In addition to the employer payments described in
2 subsection (2), the employer shall pay the applicable contributions
3 to the Tier 2 plan, as determined by the public school employees
4 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

5 (4) The contribution rates in subsection (2) reflect an
6 amortization period of ~~18-17~~ years for ~~2020-2021-2021-2022~~. The
7 public school employees' retirement system board shall notify each
8 district and intermediate district by February 28 of each fiscal
9 year of the estimated contribution rate for the next fiscal year.

10 Sec. 147a. (1) From the appropriation in section 11, there is
11 allocated for 2020-2021 **an amount not to exceed \$100,000,000.00 and**
12 **for 2021-2022** an amount not to exceed \$100,000,000.00 for payments
13 to participating districts. A participating district that receives
14 money under this subsection shall use that money solely for the
15 purpose of offsetting a portion of the retirement contributions
16 owed by the district for the fiscal year in which it is received.
17 The amount allocated to each participating district under this
18 subsection is based on each participating district's percentage of
19 the total statewide payroll for all participating districts for the
20 immediately preceding fiscal year. As used in this subsection,
21 "participating district" means a district that is a reporting unit
22 of the Michigan public school employees' retirement system under
23 the public school employees retirement act of 1979, 1980 PA 300,
24 MCL 38.1301 to 38.1437, and that reports employees to the Michigan
25 public school employees' retirement system for the applicable
26 fiscal year.

27 (2) In addition to the allocation under subsection (1), from
28 the state school aid fund money appropriated under section 11,
29 there is allocated **an amount not to exceed \$190,430,000.00 for**

1 **2020-2021 and** an amount not to exceed ~~\$155,136,000.00~~
 2 **\$177,400,000.00** for ~~2020-2021-2021-2022~~ for payments to
 3 participating districts and intermediate districts and from the
 4 general fund money appropriated under section 11, there is
 5 allocated **an amount not to exceed \$70,000.00 for 2020-2021 and** an
 6 amount not to exceed ~~\$70,000.00-\$60,000.00~~ for ~~2020-2021-2021-2022~~
 7 for payments to participating district libraries. The amount
 8 allocated to each participating entity under this subsection is
 9 based on each participating entity's reported quarterly payroll for
 10 members that became tier 1 prior to February 1, 2018 for the
 11 current fiscal year. A participating entity that receives money
 12 under this subsection shall use that money solely for the purpose
 13 of offsetting a portion of the normal cost contribution rate. As
 14 used in this subsection:

15 (a) "District library" means a district library established
 16 under the district library establishment act, 1989 PA 24, MCL
 17 397.171 to 397.196.

18 (b) "Participating entity" means a district, intermediate
 19 district, or district library that is a reporting unit of the
 20 Michigan public school employees' retirement system under the
 21 public school employees retirement act of 1979, 1980 PA 300, MCL
 22 38.1301 to 38.1437, and that reports employees to the Michigan
 23 public school employees' retirement system for the applicable
 24 fiscal year.

25 Sec. 147b. (1) The MPERS retirement obligation reform reserve
 26 fund is created as a separate account within the state school aid
 27 fund.

28 (2) The state treasurer may receive money or other assets from
 29 any source for deposit into the MPERS retirement obligation reform

1 reserve fund. The state treasurer shall direct the investment of
 2 the MPSERS retirement obligation reform reserve fund. The state
 3 treasurer shall credit to the MPSERS retirement obligation reform
 4 reserve fund interest and earnings from the MPSERS retirement
 5 obligation reform reserve fund.

6 (3) Money available in the MPSERS retirement obligation reform
 7 reserve fund ~~shall~~**must** not be expended without a specific
 8 appropriation.

9 (4) Money in the MPSERS retirement obligation reform reserve
 10 fund at the close of the fiscal year ~~shall remain~~**remains** in the
 11 MPSERS retirement obligation reform reserve fund and ~~shall not~~**does**
 12 **not** lapse to the state school aid fund or to the general fund. The
 13 department of treasury ~~shall be~~**is** the administrator of the MPSERS
 14 retirement obligation reform reserve fund for auditing purposes.

15 (5) **For 2021-2022, \$560,000,000.00 from the state school aid**
 16 **fund must be deposited into the MPSERS retirement obligation reform**
 17 **reserve fund.**

18 Sec. 147c. From the state school aid fund money appropriated
 19 in section 11, there is allocated for ~~2020-2021~~**2021-2022** an amount
 20 not to exceed ~~\$1,219,300,000.00~~**\$1,328,500,000.00 and from the**
 21 **MPSERS retirement obligation reform reserve fund appropriated in**
 22 **section 11, there is allocated for 2021-2022 \$140,000,000.00 for**
 23 payments to districts and intermediate districts that are
 24 participating entities of the Michigan public school employees'
 25 retirement system. In addition, from the general fund money
 26 appropriated in section 11, there is allocated for ~~2020-2021~~**2021-**
 27 **2022** an amount not to exceed \$500,000.00 for payments to district
 28 libraries that are participating entities of the Michigan public
 29 school employees' retirement system. All of the following apply to

1 funding under this subsection:

2 (a) ~~For 2020-2021, Except as otherwise provided in this~~
3 **subdivision, for 2021-2022,** the amounts allocated under this
4 subsection are estimated to provide an average MPSERS rate cap per
5 pupil amount of ~~\$827.00~~ **\$911.00** and are estimated to provide a rate
6 cap per pupil for districts ranging between \$5.00 and
7 ~~\$4,000.00~~ **\$4,200.00. For 2021-2022, if the retirement system**
8 **determines the average MPSERS rate cap per pupil amount and rate**
9 **cap per pupil for districts estimated in the immediately preceding**
10 **sentence need to be adjusted, the estimated average MPSERS rate cap**
11 **per pupil amount and estimated rate cap per pupil for districts**
12 **under this subdivision are the estimations determined by the**
13 **retirement system. If the retirement system makes a determination**
14 **as described in the immediately preceding sentence, it shall issue**
15 **its estimations publicly and describe the need for the adjustment**
16 **described in the immediately preceding sentence.**

17 (b) Payments made under this subsection are equal to the
18 difference between the unfunded actuarial accrued liability
19 contribution rate as calculated pursuant to section 41 of the
20 public school employees retirement act of 1979, 1980 PA 300, MCL
21 38.1341, as calculated without taking into account the maximum
22 employer rate of 20.96% included in section 41 of the public school
23 employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the
24 maximum employer rate of 20.96% included in section 41 of the
25 public school employees retirement act of 1979, 1980 PA 300, MCL
26 38.1341.

27 (c) The amount allocated to each participating entity under
28 this subsection is based on each participating entity's proportion
29 of the total covered payroll for the immediately preceding fiscal

1 year for the same type of participating entities. A participating
2 entity that receives funds under this subsection shall use the
3 funds solely for the purpose of retirement contributions as
4 specified in subdivision (d).

5 (d) Each participating entity receiving funds under this
6 subsection shall forward an amount equal to the amount allocated
7 under subdivision (c) to the retirement system in a form, manner,
8 and time frame determined by the retirement system.

9 (e) Funds allocated under this subsection should be considered
10 when comparing a district's growth in total state aid funding from
11 1 fiscal year to the next.

12 (f) Not later than December 20, ~~2020~~, **2021**, the department
13 shall publish and post on its website an estimated MPERS rate cap
14 per pupil for each district.

15 (g) The office of retirement services shall first apply funds
16 allocated under this subsection to pension contributions and, if
17 any funds remain after that payment, shall apply those remaining
18 funds to other postemployment benefit contributions.

19 (h) As used in this section:

20 (i) "District library" means a district library established
21 under the district library establishment act, 1989 PA 24, MCL
22 397.171 to 397.196.

23 (ii) "MPERS rate cap per pupil" means an amount equal to the
24 quotient of the district's payment under this subsection divided by
25 the district's pupils in membership.

26 (iii) "Participating entity" means a district, intermediate
27 district, or district library that is a reporting unit of the
28 Michigan public school employees' retirement system under the
29 public school employees retirement act of 1979, 1980 PA 300, MCL

1 38.1301 to 38.1437, and that reports employees to the Michigan
 2 public school employees' retirement system for the applicable
 3 fiscal year.

4 (iv) "Retirement board" means the board that administers the
 5 retirement system under the public school employees retirement act
 6 of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

7 (v) "Retirement system" means the Michigan public school
 8 employees' retirement system under the public school employees
 9 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

10 Sec. 147e. (1) From the ~~appropriation~~ **state school aid fund**
 11 **money appropriated** in section 11, **there is allocated for 2020-2021**
 12 **an amount not to exceed \$33,800,000.00 and** there is allocated for
 13 ~~2020-2021-2021-2022~~ an amount not to exceed ~~\$51,400,000.00 from the~~
 14 ~~state school aid fund~~ **\$65,300,000.00** for payments to participating
 15 entities.

16 (2) The payment to each participating entity under this
 17 section is the sum of the amounts under this subsection as follows:

18 (a) An amount equal to the contributions made by a
 19 participating entity for the additional contribution made to a
 20 qualified participant's Tier 2 account in an amount equal to the
 21 contribution made by the qualified participant not to exceed 3% of
 22 the qualified participant's compensation as provided for under
 23 section 131(6) of the public school employees retirement act of
 24 1979, 1980 PA 300, MCL 38.1431.

25 (b) Beginning October 1, 2017, an amount equal to the
 26 contributions made by a participating entity for a qualified
 27 participant who is only a Tier 2 qualified participant under
 28 section 81d of the public school employees retirement act of 1979,
 29 1980 PA 300, MCL 38.1381d, not to exceed 4%, and, beginning

1 February 1, 2018, not to exceed 1%, of the qualified participant's
2 compensation.

3 (c) An amount equal to the increase in employer normal cost
4 contributions under section 41b(2) of the public school employees
5 retirement act of 1979, 1980 PA 300, MCL 38.1341b, for a member
6 that was hired after February 1, 2018 and chose to participate in
7 Tier 1, compared to the employer normal cost contribution for a
8 member under section 41b(1) of the public school employees
9 retirement act of 1979, 1980 PA 300, MCL 38.1341b.

10 (3) As used in this section:

11 (a) "Member" means that term as defined under the public
12 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301
13 to 38.1437.

14 (b) "Participating entity" means a district, intermediate
15 district, or community college that is a reporting unit of the
16 Michigan public school employees' retirement system under the
17 public school employees retirement act of 1979, 1980 PA 300, MCL
18 38.1301 to 38.1437, and that reports employees to the Michigan
19 public school employees' retirement system for the applicable
20 fiscal year.

21 (c) "Qualified participant" means that term as defined under
22 section 124 of the public school employees retirement act of 1979,
23 1980 PA 300, MCL 38.1424.

24 Sec. 152a. (1) As required by the court in the consolidated
25 cases known as *Adair v State of Michigan*, 486 Mich 468 (2010), from
26 the state school aid fund money appropriated in section 11, there
27 is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
28 \$38,000,500.00 to be used solely for the purpose of paying
29 necessary costs related to the state-mandated collection,

1 maintenance, and reporting of data to this state.

2 (2) From the allocation in subsection (1), the department
3 shall make payments to districts and intermediate districts in an
4 equal amount ~~per pupil~~ **per pupil** based on the total number of
5 pupils in membership in each district and intermediate district.
6 The department shall not make any adjustment to these payments
7 after the final installment payment under section 17b is made.

8 Sec. 152b. (1) From the general fund money appropriated under
9 section 11, there is allocated ~~an amount not to exceed~~
10 ~~\$2,500,000.00 for 2017-2018 and an amount not to exceed \$250,000.00~~
11 **\$1,000,000.00 for 2018-2019-2021-2022** to reimburse actual costs
12 incurred by nonpublic schools in complying with a health, safety,
13 or welfare requirement mandated by a law or administrative rule of
14 this state.

15 (2) By January 1 of each applicable fiscal year, the
16 department shall publish a form for reporting actual costs incurred
17 by a nonpublic school in complying with a health, safety, or
18 welfare requirement mandated under state law containing each
19 health, safety, or welfare requirement mandated by a law or
20 administrative rule of this state applicable to a nonpublic school
21 and with a reference to each relevant provision of law or
22 administrative rule for the requirement. The form shall be posted
23 on the department's website in electronic form.

24 (3) By June 30 of each applicable fiscal year, a nonpublic
25 school seeking reimbursement for actual costs incurred in complying
26 with a health, safety, or welfare requirement under a law or
27 administrative rule of this state during each applicable school
28 year shall submit a completed form described in subsection (2) to
29 the department. This section does not require a nonpublic school to

1 submit a form described in subsection (2). A nonpublic school is
2 not eligible for reimbursement under this section if the nonpublic
3 school does not submit the form described in subsection (2) in a
4 timely manner.

5 (4) By August 15 of each applicable fiscal year, the
6 department shall distribute funds to each nonpublic school that
7 submits a completed form described under subsection (2) in a timely
8 manner. The superintendent shall determine the amount of funds to
9 be paid to each nonpublic school in an amount that does not exceed
10 the nonpublic school's actual costs in complying with a health,
11 safety, or welfare requirement under a law or administrative rule
12 of this state. The superintendent shall calculate a nonpublic
13 school's actual cost in accordance with this section.

14 (5) If the funds allocated under this section are insufficient
15 to fully fund payments as otherwise calculated under this section,
16 the department shall distribute funds under this section on a
17 prorated or other equitable basis as determined by the
18 superintendent.

19 (6) The department may review the records of a nonpublic
20 school submitting a form described in subsection (2) only for the
21 limited purpose of verifying the nonpublic school's compliance with
22 this section. If a nonpublic school does not allow the department
23 to review records under this subsection, the nonpublic school is
24 not eligible for reimbursement under this section.

25 (7) The funds appropriated under this section are for purposes
26 related to education, are considered to be incidental to the
27 operation of a nonpublic school, are noninstructional in character,
28 and are intended for the public purpose of ensuring the health,
29 safety, and welfare of the children in nonpublic schools and to

1 reimburse nonpublic schools for costs described in this section.

2 (8) Funds allocated under this section are not intended to aid
3 or maintain any nonpublic school, support the attendance of any
4 student at a nonpublic school, employ any person at a nonpublic
5 school, support the attendance of any student at any location where
6 instruction is offered to a nonpublic school student, or support
7 the employment of any person at any location where instruction is
8 offered to a nonpublic school student.

9 (9) For purposes of this section, "actual cost" means the
10 hourly wage for the employee or employees performing a task or
11 tasks required to comply with a health, safety, or welfare
12 requirement under a law or administrative rule of this state
13 identified by the department under subsection (2) and is to be
14 calculated in accordance with the form published by the department
15 under subsection (2), which shall include a detailed itemization of
16 costs. The nonpublic school shall not charge more than the hourly
17 wage of its lowest-paid employee capable of performing a specific
18 task regardless of whether that individual is available and
19 regardless of who actually performs a specific task. Labor costs
20 under this subsection shall be estimated and charged in increments
21 of 15 minutes or more, with all partial time increments rounded
22 down. When calculating costs under subsection (4), fee components
23 shall be itemized in a manner that expresses both the hourly wage
24 and the number of hours charged. The nonpublic school may not
25 charge any applicable labor charge amount to cover or partially
26 cover the cost of health or fringe benefits. A nonpublic school
27 shall not charge any overtime wages in the calculation of labor
28 costs.

29 (10) For the purposes of this section, the actual cost

1 incurred by a nonpublic school for taking daily student attendance
2 shall be considered an actual cost in complying with a health,
3 safety, or welfare requirement under a law or administrative rule
4 of this state. Training fees, inspection fees, and criminal
5 background check fees are considered actual costs in complying with
6 a health, safety, or welfare requirement under a law or
7 administrative rule of this state.

8 (11) The funds allocated under this section for 2017-2018 are
9 a work project appropriation, and any unexpended funds for 2017-
10 2018 are carried forward into 2018-2019. The purpose of the work
11 project is to continue to reimburse nonpublic schools for actual
12 costs incurred in complying with a health, safety, or welfare
13 requirement mandated by a law or administrative rule of this state.
14 The estimated completion date of the work project is September 30,
15 ~~2020-2022~~.

16 (12) The funds allocated under this section for 2018-2019 are
17 a work project appropriation, and any unexpended funds for 2018-
18 2019 are carried forward into 2019-2020. The purpose of the work
19 project is to continue to reimburse nonpublic schools for actual
20 costs incurred in complying with a health, safety, or welfare
21 requirement mandated by a law or administrative rule of this state.
22 The estimated completion date of the work project is September 30,
23 ~~2020-2022~~.

24 (13) **The funds allocated under this section for 2021-2022 are**
25 **a work project appropriation, and any unexpended funds for 2021-**
26 **2022 are carried forward into 2022-2023. The purpose of the work**
27 **project is to continue to reimburse nonpublic schools for actual**
28 **costs incurred in complying with a health, safety, or welfare**
29 **requirement mandated by a law or administrative rule of this state.**

1 The estimated completion date of the work project is September 30,
2 2023.

3 (14) The department shall reimburse nonpublic schools for
4 actual costs incurred in complying with health, safety, or welfare
5 requirements under a law or administrative rule of this state from
6 2018-2019 through 2020-2021 using work project funds or, if those
7 funds are insufficient to fund reimbursements under this
8 subsection, from the allocation under subsection (1).

9 Enacting section 1. In accordance with section 30 of article
10 IX of the state constitution of 1963, total state spending on
11 school aid under article I of the state school aid act of 1979,
12 1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2020 PA 165,
13 2021 PA 3, and this amendatory act, from state sources for fiscal
14 year 2020-2021 is estimated at \$13,850,072,600.00 and state
15 appropriations for school aid to be paid to local units of
16 government for fiscal year 2020-2021 are estimated at
17 \$13,680,775,500.00. In accordance with section 30 of article IX of
18 the state constitution of 1963, total state spending on school aid
19 under article I of the state school aid act of 1979, 1979 PA 94,
20 MCL 388.1601 to 388.1772, as amended by this amendatory act, from
21 state sources for fiscal year 2021-2022 is estimated at
22 \$14,864,393,000.00 and state appropriations for school aid to be
23 paid to local units of government for fiscal year 2021-2022 are
24 estimated at \$14,668,145,400.00.

25 Enacting section 2. Sections 11d, 11p, 11q, 23b, 23c, 23e,
26 25j, 29a, 31k, 91a, 91c, 94b, 98d, 99i, 104d, 104f, 104g, and 105b
27 of the state school aid act of 1979, 1979 PA 94, MCL 388.1611d,
28 388.1611p, 388.1611q, 388.1623b, 388.1623c, 388.1623e, 388.1625j,
29 388.1629a, 388.1631k, 388.1691a, 388.1691c, 388.1694b, 388.1698d,

1 388.1699i, 388.1704d, 388.1704f, 388.1704g, and 388.1705b, are
2 repealed effective October 1, 2021.

3 Enacting section 3. (1) Except as otherwise provided in
4 subsection (2), this amendatory act takes effect October 1, 2021.

5 (2) Sections 6(8), 6a, 11, 11m, 11n, 11t, 22a, 22b, 24, 26c,
6 29a, 31d, 31f, 31p, 39(8), 39a, 51a, 51c, 51d, 56, 62, 81, 104a,
7 147a, and 147e, as amended by this amendatory act, take effect upon
8 enactment of this amendatory act.