

# SENATE BILL NO. 304

April 27, 2023, Introduced by Senators ALBERT, HOITENGA and BELLINO and referred to the Committee on Appropriations.

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, 11s, 15, 20,  
20d, 20f, 21h, 22a, 22b, 22c, 22d, 22m, 24, 24a, 25f, 25g, 26a,  
26b, 26c, 26d, 27a, 27b, 27c, 28, 31a, 31c, 31d, 31f, 31j, 31n,  
31p, 31aa, 32d, 32n, 32p, 35a, 39, 39a, 41, 51a, 51c, 51d, 51e,  
51g, 53a, 54, 54b, 54d, 56, 61a, 61b, 61c, 61d, 61i, 62, 65, 67,  
74, 81, 94, 94a, 95b, 97, 97b, 97e, 98, 98c, 99h, 99s, 104, 104h,  
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, 388.1611s, 388.1615, 388.1620, 388.1620d, 388.1620f, 388.1621h, 388.1622a, 388.1622b, 388.1622c, 388.1622d, 388.1622m, 388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1626a, 388.1626b, 388.1626c, 388.1626d, 388.1627a, 388.1627b, 388.1627c, 388.1628, 388.1631a, 388.1631c, 388.1631d, 388.1631f, 388.1631j, 388.1631n, 388.1631p, 388.1631aa, 388.1632d, 388.1632n, 388.1632p, 388.1635a, 388.1639, 388.1639a, 388.1641, 388.1651a, 388.1651c, 388.1651d, 388.1651e, 388.1651g, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1656, 388.1661a, 388.1661b, 388.1661c, 388.1661d, 388.1661i, 388.1662, 388.1665, 388.1667, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1695b, 388.1697, 388.1697b, 388.1697e, 388.1698, 388.1698c, 388.1699h, 388.1699s, 388.1704, 388.1704h, 388.1707, 388.1747, 388.1747a, 388.1747b, 388.1747c, 388.1747e, 388.1752a, and 388.1752b), section 4 as amended by 2021 PA 48, sections 6, 6a, 11a, 11j, 11k, 11m, 11s, 15, 20, 20d, 20f, 21h, 22a, 22c, 22d, 22m, 24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 28, 31a, 31d, 31j, 31n, 31p, 32d, 32p, 35a, 39, 41, 51d, 51g, 54b, 54d, 61a, 61b, 61c, 61d, 62, 65, 67, 74, 81, 94, 94a, 95b, 97, 98, 99h, 99s, 104, 104h, 107, 147, 147a, 147b, 147e, 152a, and 152b as amended and sections 27a, 27b, 27c, 31aa, 32n, 51e, 61i, 97b, 97e, and 98c as added by 2022 PA 144, sections 11, 22b, 31f, 39a, 51a, 51c, 53a, 54, and 147c as amended by 2023 PA 3, and section 31c as added and section 56 as amended by 2022 PA 212, and by adding sections 22e, 31k, 32w, and 35k.

**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 grade 8~~  
 3 ~~or in grades K to 6 in a district maintaining classes above grade 8~~  
 4 ~~or a child enrolled and in regular attendance in a publicly funded~~

1 ~~prekindergarten setting.~~

2       (1) ~~(2)~~—"Extended school year" means an educational program  
3 conducted by a district in which pupils must be enrolled but not  
4 necessarily in attendance on the pupil membership count day in an  
5 extended year program. The mandatory clock hours must be completed  
6 by each pupil not more than 365 calendar days after the pupil's  
7 first day of classes for the school year prescribed. The department  
8 shall prescribe pupil, personnel, and other reporting requirements  
9 for the educational program.

10       (2) ~~(3)~~—"Fiscal year" means the state fiscal year that  
11 commences October 1 and continues through September 30.

12       (3) ~~(4)~~—"High school equivalency certificate" means a  
13 certificate granted for the successful completion of a high school  
14 equivalency test.

15       (4) ~~(5)~~—"High school equivalency test" means the G.E.D. test  
16 developed by the GED Testing Service, the HISET exam ~~developed by~~  
17 ~~Educational Testing Service (ETS),~~ **administered by PSI Services,** or  
18 another comparable test approved by the department of labor and  
19 economic opportunity.

20       (5) ~~(6)~~—"High school equivalency test preparation program"  
21 means a program that has high school level courses in English  
22 language arts, social studies, science, and mathematics and that  
23 prepares an individual to successfully complete a high school  
24 equivalency test.

25       (6) ~~(7)~~—"High school pupil" means a pupil in membership in  
26 grades 7 to 12, except in a district not maintaining grades above  
27 grade 8.

28       Sec. 6. (1) "Center program" means a program operated by a  
29 district or by an intermediate district for special education

pupils from several districts in programs for pupils with autism spectrum disorder, pupils with severe cognitive impairment, pupils with moderate cognitive impairment, pupils with severe multiple impairments, pupils with hearing impairment, pupils with visual impairment, and pupils with physical impairment or other health impairment. Programs for pupils with emotional impairment housed in buildings that do not serve regular education pupils also qualify. Unless otherwise approved by the department, a center program either serves all constituent districts within an intermediate district or serves several districts with less than 50% of the pupils residing in the operating district. In addition, special education center program pupils placed part-time in noncenter programs to comply with the least restrictive environment provisions of section 1412 of the individuals with disabilities education act, 20 USC 1412, may be considered center program pupils for pupil accounting purposes for the time scheduled in either a center program or a noncenter program.

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

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

(4) "Membership", except as otherwise provided in this article, means for a district, a public school academy, or an intermediate district the sum of the product of .90 times the

1 number of full-time equated pupils in grades K to 12 actually  
2 enrolled and in regular daily attendance in the district, public  
3 school academy, or intermediate district on the pupil membership  
4 count day for the current school year, plus the product of .10  
5 times the final audited count from the supplemental count day of  
6 full-time equated pupils in grades K to 12 actually enrolled and in  
7 regular daily attendance in the district, public school academy, or  
8 intermediate district for the immediately preceding school year. A  
9 district's, public school academy's, or intermediate district's  
10 membership is adjusted as provided under section 25e for pupils who  
11 enroll after the pupil membership count day in a strict discipline  
12 academy operating under sections 1311b to 1311m of the revised  
13 school code, MCL 380.1311b to 380.1311m. All pupil counts used in  
14 this subsection are as determined by the department and calculated  
15 by adding the number of pupils registered for attendance plus  
16 pupils received by transfer and minus pupils lost as defined by  
17 rules promulgated by the superintendent, and as corrected by a  
18 subsequent department audit. The amount of the foundation allowance  
19 for a pupil in membership is determined under section 20. In making  
20 the calculation of membership, all of the following, as applicable,  
21 apply to determining the membership of a district, a public school  
22 academy, or an intermediate district:

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

28 (b) If a pupil is educated in a district other than the  
29 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

1 of the revised school code, MCL 380.553a, a pupil's participation  
2 in the cyber school's educational program is considered regular  
3 daily attendance, and for a district or public school academy, a  
4 pupil's participation in a virtual course as that term is defined  
5 in section 21f is considered regular daily attendance. Beginning  
6 July 1, 2021, this subdivision is subject to section 8c. It is the  
7 intent of the legislature that the immediately preceding sentence  
8 apply retroactively and is effective July 1, 2021. For the purposes  
9 of this subdivision, for a pupil enrolled in a cyber school, all of  
10 the following apply with regard to the participation requirement as  
11 described in this subdivision:

12 (i) Except as otherwise provided in this subdivision, the pupil  
13 shall participate in each scheduled course on pupil membership  
14 count day or supplemental count day, as applicable. If the pupil is  
15 absent on pupil membership count day or supplemental count day, as  
16 applicable, the pupil must attend and participate in class during  
17 the next 10 consecutive school days if the absence was unexcused,  
18 or during the next 30 calendar days if the absence was excused.

19 (ii) For a pupil who is not learning sequentially, 1 or more of  
20 the following must be met on pupil membership count day or  
21 supplemental count day, as applicable, for each scheduled course to  
22 satisfy the participation requirement under this subdivision:

23 (A) The pupil attended a live lesson from the teacher.

24 (B) The pupil logged into a lesson or lesson activity and the  
25 login can be documented.

26 (C) The pupil and teacher engaged in a subject-oriented  
27 telephone conversation.

28 (D) There is documentation of an email dialogue between the  
29 pupil and teacher.

1 (E) There is documentation of activity or work between the  
2 learning coach and pupil.

3 (F) An alternate form of attendance as determined and agreed  
4 upon by the cyber school and the pupil membership auditor was met.

5 (iii) For a pupil using sequential learning, the participation  
6 requirement under this subdivision is satisfied if either of the  
7 following occurs:

8 (A) Except as otherwise provided in this sub-subparagraph, the  
9 pupil and the teacher of record or mentor complete a 2-way  
10 interaction for 1 course during the week on which pupil membership  
11 count day or supplemental count day, as applicable, occurs, and the  
12 3 consecutive weeks following that week. However, if a school break  
13 is scheduled during any of the weeks described in this sub-  
14 subparagraph that is 4 or more days in length or instruction has  
15 been canceled districtwide during any of the weeks described in  
16 this sub-subparagraph for 3 or more school days, the district is  
17 not required to ensure that the pupil and the teacher of record or  
18 mentor completed a 2-way interaction for that week. As used in this  
19 sub-subparagraph:

20 (I) "2-way interaction" means the communication that occurs  
21 between the teacher of record or mentor and pupil, where 1 party  
22 initiates communication and a response from the other party follows  
23 that communication. Responses as described in this sub-sub-  
24 subparagraph must be to the communication initiated by the teacher  
25 of record or mentor, and not some other action taken. This  
26 interaction may occur through, but is not limited to, means such as  
27 email, telephone, instant messaging, or face-to-face conversation.  
28 A parent- or legal-guardian-facilitated 2-way interaction is  
29 considered a 2-way interaction if the pupil is in any of grades K



1 to 5 and does not yet possess the skills necessary to participate  
2 in 2-way interactions unassisted. The interactions described in  
3 this sub-sub-subparagraph must relate to a virtual course on the  
4 pupil's schedule and pertain to course content or progress.

5 (II) "Mentor" means a professional employee of the district  
6 who monitors the pupil's progress, ensures the pupil has access to  
7 needed technology, is available for assistance, and ensures access  
8 to the teacher of record. A mentor may also be the teacher of  
9 record if the mentor meets the definition of a teacher of record  
10 under this sub-subparagraph and the district is the provider for  
11 the course.

12 (III) "Teacher of record" means a teacher to whom all of the  
13 following apply:

14 (1) He or she is responsible for providing instruction,  
15 determining instructional methods for each pupil, diagnosing  
16 learning needs, assessing pupil learning, prescribing intervention  
17 strategies and modifying lessons, reporting outcomes, and  
18 evaluating the effects of instruction and support strategies. The  
19 teacher of record may coordinate the distribution and assignment of  
20 the responsibilities described in this sub-sub-sub-subparagraph  
21 with other teachers participating in the instructional process for  
22 a course.

23 (2) He or she is certified for the grade level or is working  
24 under a valid substitute permit, authorization, or approval issued  
25 by the department.

26 (3) He or she has a personnel identification code provided by  
27 the center.

28 (IV) "Week" means a period that starts on Wednesday and ends  
29 the following Tuesday.

1 (B) The pupil completes a combination of 1 or more of the  
2 following activities for each scheduled course on pupil membership  
3 count day or supplemental count day, as applicable:

4 (I) Documented attendance in a virtual course where  
5 synchronous, live instruction occurred with the teacher.

6 (II) Documented completion of a course assignment.

7 (III) Documented completion of a course lesson or lesson  
8 activity.

9 (IV) Documented pupil access to an ongoing lesson, which does  
10 not include a login.

11 (V) Documented physical attendance on pupil membership count  
12 day or supplemental count day, as applicable, in each scheduled  
13 course, if the pupil will attend at least 50% of the instructional  
14 time for each scheduled course on-site, face-to-face with the  
15 teacher of record. As used in this sub-sub-subparagraph, "teacher  
16 of record" means that term as defined in subparagraph (iii) (A).

17 (iv) For purposes of subparagraph (iii), each scheduled course  
18 currently being attempted by the pupil, rather than every course on  
19 the pupil's schedule for the entire term, is considered a part of  
20 each scheduled course for the pupil.

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

24 (i) If operations begin before the pupil membership count day  
25 for the fiscal year, membership is the average number of full-time  
26 equated pupils in grades K to 12 actually enrolled and in regular  
27 daily attendance on the pupil membership count day for the current  
28 school year and on the supplemental count day for the current  
29 school year, as determined by the department and calculated by

1 adding the number of pupils registered for attendance on the pupil  
2 membership count day plus pupils received by transfer and minus  
3 pupils lost as defined by rules promulgated by the superintendent,  
4 and as corrected by a subsequent department audit, plus the final  
5 audited count from the supplemental count day for the current  
6 school year, and dividing that sum by 2.

7 (ii) If operations begin after the pupil membership count day  
8 for the fiscal year and not later than the supplemental count day  
9 for the fiscal year, membership is the final audited count of the  
10 number of full-time equated pupils in grades K to 12 actually  
11 enrolled and in regular daily attendance on the supplemental count  
12 day for the current school year.

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

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

26 (l) To be counted in membership, a pupil must meet the minimum  
27 age requirement to be eligible to attend school under section 1147  
28 of the revised school code, MCL 380.1147, and must be less than 20  
29 years of age on September 1 of the school year except as follows:

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

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

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

12 (B) Had dropped out of school.

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

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

22 (m) An individual who has achieved a high school diploma is  
23 not counted in membership. An individual who has achieved a high  
24 school equivalency certificate is not counted in membership unless  
25 the individual is a student with a disability as that term is  
26 defined in R 340.1702 of the Michigan Administrative Code. An  
27 individual participating in a job training program funded under  
28 former section 107a or a jobs program funded under former section  
29 107b, administered by the department of labor and economic

1 opportunity, or participating in any successor of either of those 2  
2 programs, is not counted in membership.

3 (n) If a pupil counted in membership in a public school  
4 academy is also educated by a district or intermediate district as  
5 part of a cooperative education program, the pupil is counted in  
6 membership only in the public school academy unless a written  
7 agreement signed by all parties designates the party or parties in  
8 which the pupil is counted in membership, and the instructional  
9 time scheduled for the pupil in the district or intermediate  
10 district is included in the full-time equated membership  
11 determination under subdivision (q) and section 101. However, for  
12 pupils receiving instruction in both a public school academy and in  
13 a district or intermediate district but not as a part of a  
14 cooperative education program, the following apply:

15 (i) If the public school academy provides instruction for at  
16 least 1/2 of the class hours required under section 101, the public  
17 school academy receives as its prorated share of the full-time  
18 equated membership for each of those pupils an amount equal to 1  
19 times the product of the hours of instruction the public school  
20 academy provides divided by the number of hours required under  
21 section 101 for full-time equivalency, and the remainder of the  
22 full-time membership for each of those pupils is allocated to the  
23 district or intermediate district providing the remainder of the  
24 hours of instruction.

25 (ii) If the public school academy provides instruction for less  
26 than 1/2 of the class hours required under section 101, the  
27 district or intermediate district providing the remainder of the  
28 hours of instruction receives as its prorated share of the full-  
29 time equated membership for each of those pupils an amount equal to

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

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

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

13 (q) The number of class hours used to calculate full-time  
14 equated memberships must be consistent with section 101. In  
15 determining full-time equated memberships for pupils who are  
16 enrolled in a postsecondary institution or for pupils engaged in an  
17 internship or work experience under section 1279h of the revised  
18 school code, MCL 380.1279h, a pupil is not considered to be less  
19 than a full-time equated pupil solely because of the effect of his  
20 or her postsecondary enrollment or engagement in the internship or  
21 work experience, including necessary travel time, on the number of  
22 class hours provided by the district to the pupil.

23 (r) Full-time equated memberships for pupils in kindergarten  
24 are determined by dividing the number of instructional hours  
25 scheduled and provided per year per kindergarten pupil by the same  
26 number used for determining full-time equated memberships for  
27 pupils in grades 1 to 12. However, to the extent allowable under  
28 federal law, for a district or public school academy that provides  
29 evidence satisfactory to the department that it used federal title

1 I money in the 2 immediately preceding school fiscal years to fund  
2 full-time kindergarten, full-time equated memberships for pupils in  
3 kindergarten are determined by dividing the number of class hours  
4 scheduled and provided per year per kindergarten pupil by a number  
5 equal to 1/2 the number used for determining full-time equated  
6 memberships for pupils in grades 1 to 12. The change in the  
7 counting of full-time equated memberships for pupils in  
8 kindergarten that took effect for 2012-2013 is not a mandate.

9 (s) For a district or a public school academy that has pupils  
10 enrolled in a grade level that was not offered by the district or  
11 public school academy in the immediately preceding school year, the  
12 number of pupils enrolled in that grade level to be counted in  
13 membership is the average of the number of those pupils enrolled  
14 and in regular daily attendance on the pupil membership count day  
15 and the supplemental count day of the current school year.  
16 Membership is calculated by adding the number of pupils registered  
17 for attendance in that grade level on the pupil membership count  
18 day plus pupils received by transfer and minus pupils lost as  
19 defined by rules promulgated by the superintendent, and as  
20 corrected by subsequent department audit, plus the final audited  
21 count from the supplemental count day for the current school year,  
22 and dividing that sum by 2.

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

26 (u) If, as a result of a disciplinary action, a district  
27 determines through the district's alternative or disciplinary  
28 education program that the best instructional placement for a pupil  
29 is in the pupil's home or otherwise apart from the general school

1 population, if that placement is authorized in writing by the  
2 district superintendent and district alternative or disciplinary  
3 education supervisor, and if the district provides appropriate  
4 instruction as described in this subdivision to the pupil at the  
5 pupil's home or otherwise apart from the general school population,  
6 the district may count the pupil in membership on a pro rata basis,  
7 with the proration based on the number of hours of instruction the  
8 district actually provides to the pupil divided by the number of  
9 hours required under section 101 for full-time equivalency. For the  
10 purposes of this subdivision, a district is considered to be  
11 providing appropriate instruction if all of the following are met:

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

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

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

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

23 (v) If a pupil was enrolled in a public school academy on the  
24 pupil membership count day, if the public school academy's contract  
25 with its authorizing body is revoked or the public school academy  
26 otherwise ceases to operate, and if the pupil enrolls in a district  
27 within 45 days after the pupil membership count day, the department  
28 shall adjust the district's pupil count for the pupil membership  
29 count day to include the pupil in the count.



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

11 (x) If a district's membership for a particular fiscal year,  
12 as otherwise calculated under this subsection, would be less than  
13 1,550 pupils, the district has 4.5 or fewer pupils per square mile,  
14 as determined by the department, and the district does not receive  
15 funding under section 22d(2), the district's membership is  
16 considered to be the membership figure calculated under this  
17 subdivision. If a district educates and counts in its membership  
18 pupils in grades 9 to 12 who reside in a contiguous district that  
19 does not operate grades 9 to 12 and if 1 or both of the affected  
20 districts request the department to use the determination allowed  
21 under this sentence, the department shall include the square  
22 mileage of both districts in determining the number of pupils per  
23 square mile for each of the districts for the purposes of this  
24 subdivision. If a district has established a community engagement  
25 advisory committee in partnership with the department of treasury,  
26 is required to submit a deficit elimination plan or an enhanced  
27 deficit elimination plan under section 1220 of the revised school  
28 code, MCL 380.1220, and is located in a city with a population  
29 between 9,000 and 11,000, as determined by the department, that is

1 in a county with a population between 150,000 and 160,000, as  
2 determined by the department, the district's membership is  
3 considered to be the membership figure calculated under this  
4 subdivision. The membership figure calculated under this  
5 subdivision is the greater of the following:

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

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

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

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

28 (aa) For the first year in which a pupil is counted in  
29 membership on the pupil membership count day in a middle college

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

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

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

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

1 days after the end of the month. A district shall not report a  
2 pupil as being in full attendance for a month unless both of the  
3 following are met:

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

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

15 (ee) A pupil participating in a virtual course under section  
16 21f is counted in membership in the district enrolling the pupil.

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

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

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

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

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

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

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

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

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

1 options act, 1996 PA 160, MCL 388.513, or is an independent  
2 nonprofit degree-granting college or university.

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

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

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

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

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

1 school academy's membership for pupils counted under section 166b  
2 must not exceed 10%.

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

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

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

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

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

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

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

29 (b) A pupil receiving 1/2 or less of his or her instruction in

1 a district other than the pupil's district of residence.

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

3 (d) A pupil enrolled in a district other than the pupil's  
4 district of residence if the pupil is enrolled in accordance with  
5 section 105 or 105c.

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

20 (i) "At school" means in a classroom, elsewhere on school  
21 premises, on a school bus or other school-related vehicle, or at a  
22 school-sponsored activity or event whether or not it is held on  
23 school premises.

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

29 (f) A pupil whose district of residence changed after the



1 pupil membership count day and before the supplemental count day  
2 and who continues to be enrolled on the supplemental count day as a  
3 nonresident in the district in which he or she was enrolled as a  
4 resident on the pupil membership count day of the same school year.

5 (g) A pupil enrolled in an alternative education program  
6 operated by a district other than his or her district of residence  
7 who meets 1 or more of the following:

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

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

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

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

15 (h) A pupil enrolled in the Michigan Virtual School, for the  
16 pupil's enrollment in the Michigan Virtual School.

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

23 (j) An expelled pupil who has been denied reinstatement by the  
24 expelling district and is reinstated by another school board under  
25 section 1311 or 1311a of the revised school code, MCL 380.1311 and  
26 380.1311a.

27 (k) A pupil enrolled in a district other than the pupil's  
28 district of residence in a middle college program if the pupil's  
29 district of residence and the enrolling district are both

1 constituent districts of the same intermediate district.

2 (l) A pupil enrolled in a district other than the pupil's  
3 district of residence who attends a United States Olympic Education  
4 Center.

5 (m) A pupil enrolled in a district other than the pupil's  
6 district of residence under section 1148(2) of the revised school  
7 code, MCL 380.1148.

8 (n) A pupil who enrolls in a district other than the pupil's  
9 district of residence as a result of the pupil's school not making  
10 adequate yearly progress under the no child left behind act of  
11 2001, Public Law 107-110, or the every student succeeds act, Public  
12 Law 114-95.

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

19 (7) "Pupil membership count day" of a district or intermediate  
20 district means:

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

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

29 (i) Fourth Wednesday in July.

1           (ii) First Wednesday in October.

2           (iii) Second Wednesday in February.

3           (iv) Fourth Wednesday in April.

4           (8) "Pupils in grades K to 12 actually enrolled and in regular  
5 daily attendance" means, except as otherwise provided in this  
6 section, pupils in grades K to 12 in attendance and receiving  
7 instruction in all classes for which they are enrolled on the pupil  
8 membership count day or the supplemental count day, as applicable.

9 Except as otherwise provided in this section and subsection, a  
10 pupil who is absent from any of the classes in which the pupil is  
11 enrolled on the pupil membership count day or supplemental count  
12 day and who does not attend each of those classes during the 10  
13 consecutive school days immediately following the pupil membership  
14 count day or supplemental count day, except for a pupil who has  
15 been excused by the district, is not counted as 1.0 full-time  
16 equated membership. Except as otherwise provided in this section, a  
17 pupil who is excused from attendance on the pupil membership count  
18 day or supplemental count day and who fails to attend each of the  
19 classes in which the pupil is enrolled within 30 calendar days  
20 after the pupil membership count day or supplemental count day is  
21 not counted as 1.0 full-time equated membership. Except as  
22 otherwise provided in this section, in addition, a pupil who was  
23 enrolled and in attendance in a district, intermediate district, or  
24 public school academy before the pupil membership count day or  
25 supplemental count day of a particular year but was expelled or  
26 suspended on the pupil membership count day or supplemental count  
27 day is only counted as 1.0 full-time equated membership if the  
28 pupil resumed attendance in the district, intermediate district, or  
29 public school academy within 45 days after the pupil membership

count day or supplemental count day of that particular year. Except as otherwise provided in this section, 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 ~~either of the following, as applicable:~~

~~(a) 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, 2021-2022, and 2022-2023 school years.~~

~~(b) For the 2020-2021, 2021-2022, and 2022-2023 school years 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) "Rule" means a rule promulgated pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

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

(11) "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.

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

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

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

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

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

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

17           (17) "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           (18) "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           (19) "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 (20) "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. Except as otherwise provided in this act, in addition  
7 to the pupil membership count day, there is a supplemental pupil  
8 count of the number of full-time equated pupils in grades ~~K-12-K~~ to  
9 **12** actually enrolled and in regular daily attendance in a district  
10 or intermediate district on the second Wednesday in February or,  
11 for a district **or intermediate 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. For  
15 the purposes of this act, the day on which the supplemental pupil  
16 count is conducted is the supplemental count day.

17 Sec. 11. (1) ~~For the fiscal year ending September 30, 2022,~~  
18 ~~there is appropriated for the public schools of this state and~~  
19 ~~certain other state purposes relating to education the sum of~~  
20 ~~\$14,511,014,700.00 from the state school aid fund, the sum of~~  
21 ~~\$98,119,400.00 from the general fund, an amount not to exceed~~  
22 ~~\$72,000,000.00 from the community district education trust fund~~  
23 ~~created under section 12 of the Michigan trust fund act, 2000 PA~~  
24 ~~489, MCL 12.262, and an amount not to exceed \$100.00 from the water~~  
25 ~~emergency reserve fund. For the fiscal year ending September 30,~~  
26 ~~2023, there is appropriated for the public schools of this state~~  
27 ~~and certain other state purposes relating to education the sum of~~  
28 ~~\$16,754,072,900.00~~ **\$16,832,715,900.00** ~~from the state school aid~~  
29 ~~fund, the sum of \$124,200,000.00 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, and an amount not to exceed \$140,400,000.00 from the MPERS retirement obligation reform reserve fund created under section 147b. **For the fiscal year ending September 30, 2024, there is appropriated for the public schools of this state and certain other state purposes relating to education the sum of \$19,689,123,300.00 from the state school aid fund, the sum of \$95,500,000.00 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, and an amount not to exceed \$202,000,000.00 from the MPERS retirement obligation reform reserve fund created under section 147b.** In addition, all available federal funds are only appropriated as allocated in this article for the fiscal years ending September 30, ~~2022–2023~~ and September 30, ~~2023–2024~~.

(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 a separate account within the state school aid fund.

(2) The state treasurer may receive money or other assets from any source for deposit into the school aid stabilization fund. The state treasurer shall deposit into the school aid stabilization

1 fund all of the following:

2 (a) Unexpended and unencumbered state school aid fund revenue  
3 for a fiscal year that remains in the state school aid fund as of  
4 the bookclosing for that fiscal year.

5 (b) Money statutorily dedicated to the school aid  
6 stabilization fund.

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

8 (3) Money available in the school aid stabilization fund may  
9 not be expended without a specific appropriation from the school  
10 aid stabilization fund. Money in the school aid stabilization fund  
11 must be expended only for purposes for which state school aid fund  
12 money may be expended.

13 (4) The state treasurer shall direct the investment of the  
14 school aid stabilization fund. The state treasurer shall credit to  
15 the school aid stabilization fund interest and earnings from fund  
16 investments.

17 (5) Money in the school aid stabilization fund at the close of  
18 a fiscal year remains in the school aid stabilization fund and does  
19 not lapse to the unreserved school aid fund balance or the general  
20 fund.

21 (6) If the maximum amount appropriated under section 11 from  
22 the state school aid fund for a fiscal year exceeds the amount  
23 available for expenditure from the state school aid fund for that  
24 fiscal year, there is appropriated from the school aid  
25 stabilization fund to the state school aid fund an amount equal to  
26 the projected shortfall as determined by the department of  
27 treasury, but not to exceed available money in the school aid  
28 stabilization fund. If the money in the school aid stabilization  
29 fund is insufficient to fully fund an amount equal to the projected



1 shortfall, the state budget director shall notify the legislature  
 2 as required under section 296(2) and state payments in an amount  
 3 equal to the remainder of the projected shortfall must be prorated  
 4 in the manner provided under section 296(3).

5 (7) For ~~2022-2023,~~ **2023-2024**, in addition to the  
 6 appropriations in section 11, there is appropriated from the school  
 7 aid stabilization fund to the state school aid fund the amount  
 8 necessary to fully fund the allocations under this article.

9 Sec. 11j. From the state school aid fund money appropriated in  
 10 section 11, there is allocated an amount not to exceed  
 11 \$111,000,000.00 for ~~2022-2023-~~ **2023-2024** for payments to the school  
 12 loan bond redemption fund in the department of treasury on behalf  
 13 of districts and intermediate districts. Notwithstanding section  
 14 296 or any other provision of this act, funds allocated under this  
 15 section are not subject to proration and must be paid in full.

16 Sec. 11k. For ~~2022-2023,~~ **2023-2024**, there is appropriated from  
 17 the general fund to the school loan revolving fund an amount equal  
 18 to the amount of school bond loans assigned to the Michigan finance  
 19 authority, not to exceed the total amount of school bond loans held  
 20 in reserve as long-term assets. As used in this section, "school  
 21 loan revolving fund" means that fund created in section 16c of the  
 22 shared credit rating act, 1985 PA 227, MCL 141.1066c.

23 Sec. 11m. From the state school aid fund money appropriated in  
 24 section 11, there is allocated for ~~2021-2022-~~ **2022-2023** an amount  
 25 not to exceed \$1,000,000.00 and there is allocated for ~~2022-2023~~  
 26 **2023-2024** an amount not to exceed ~~\$7,800,000.00-~~ **\$1,000,000.00** for  
 27 fiscal year cash-flow borrowing costs solely related to the state  
 28 school aid fund established under section 11 of article IX of the  
 29 state constitution of 1963.

1       Sec. 11s. (1) From the state school aid fund money  
 2       appropriated in section 11, there is allocated \$5,000,000.00 for  
 3       ~~2022-2023-2023-2024~~ and from the general fund money appropriated in  
 4       section 11, there is allocated \$3,075,000.00 for ~~2022-2023-2023-~~  
 5       **2024** for the purpose of providing services and programs to children  
 6       who reside within the boundaries of a district with the majority of  
 7       its territory located within the boundaries of a city for which an  
 8       executive proclamation of emergency concerning drinking water is  
 9       issued in the current or immediately preceding ~~7-8~~ fiscal years  
 10      under the emergency management act, 1976 PA 390, MCL 30.401 to  
 11      30.421, and that has at least 4,500 pupils in membership for the  
 12      2016-2017 fiscal year or has at least ~~2,900-2,800~~ pupils in  
 13      membership for a fiscal year after 2016-2017.

14      (2) From the general fund money allocated in subsection (1),  
 15      there is allocated to a district with the majority of its territory  
 16      located within the boundaries of a city for which an executive  
 17      proclamation of emergency concerning drinking water is issued in  
 18      the current or immediately preceding ~~7-8~~ fiscal years under the  
 19      emergency management act, 1976 PA 390, MCL 30.401 to 30.421, and  
 20      that has at least 4,500 pupils in membership for the 2016-2017  
 21      fiscal year or has at least ~~2,900-2,800~~ pupils in membership for a  
 22      fiscal year after 2016-2017, an amount not to exceed \$2,425,000.00  
 23      for ~~2022-2023-2023-2024~~ for the purpose of employing school nurses,  
 24      classroom aides, and school social workers **and for the provision of**  
 25      **behavioral or mental health supports, parental engagement**  
 26      **activities, community coordination activities, and other support**  
 27      **services.** The district shall provide a report to the department in  
 28      a form, manner, and frequency prescribed by the department. The  
 29      department shall provide a copy of that report to the governor, the

1 house and senate school aid subcommittees, the house and senate  
2 fiscal agencies, and the state budget director within 5 days after  
3 receipt. The report must provide at least the following  
4 information:

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

7 (b) A description of the services provided to pupils by those  
8 personnel.

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

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

14 ~~(3) For 2022-2023, from the state school aid fund money~~  
15 ~~allocated in subsection (1), there is allocated an amount not to~~  
16 ~~exceed \$2,000,000.00 to an intermediate district that has a~~  
17 ~~constituent district described in subsection (2) to provide state~~  
18 ~~early intervention services for children described in subsection~~  
19 ~~(1) who are between age 3 and age 5. The intermediate district~~  
20 ~~shall use these funds to provide state early intervention services~~  
21 ~~that are similar to the services described in the early on Michigan~~  
22 ~~state plan.~~

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 2022-2023 to the intermediate district described~~  
26 ~~in subsection (3) to enroll children described in subsection (1) in~~  
27 ~~school-day great start readiness programs, regardless of household~~  
28 ~~income eligibility requirements contained in section 32d. The~~  
29 ~~department shall administer this funding consistent with all other~~

~~provisions that apply to great start readiness programs under sections 32d and 39.~~

(3) ~~(5)~~ For 2022-2023, **2023-2024**, 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).

(4) ~~(6)~~ For 2022-2023, **2023-2024**, from the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed ~~\$2,000,000.00~~ **\$5,000,000.00** to ~~the~~ **an** intermediate district ~~described in subsection (3)~~ **that has a constituent district described in subsection (2)** 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 2022-2023 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.~~

~~(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 2022-2023 for state restricted contingency funds. These contingency funds are not available for expenditure until they have been transferred to a section within this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.~~

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

Sec. 15. (1) If a district or intermediate district fails to receive its proper apportionment, the department, upon satisfactory proof that the district or intermediate district was entitled justly, shall apportion the deficiency in the next apportionment. Subject to subsections (2) and (3), if a district or intermediate district has received more than its proper apportionment, the department, upon satisfactory proof, shall deduct the excess in the next apportionment. Notwithstanding any other provision in this article, state aid overpayments to a district, other than overpayments in payments for special education or special education transportation, may be recovered from any payment made under this article other than a special education or special education transportation payment, from the proceeds of a loan to the district under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to 141.942, or from the proceeds of millage levied or pledged under section 1211 of the revised school code, MCL 380.1211. State aid overpayments made in special education or special education transportation payments may be recovered from subsequent special education or special education transportation payments, from the proceeds of a loan to the district under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to 141.942, or from the proceeds

1 of millage levied or pledged under section 1211 of the revised  
2 school code, MCL 380.1211.

3 (2) If the result of an audit conducted by or for the  
4 department affects the current fiscal year membership, the  
5 department shall adjust affected payments in the current fiscal  
6 year. A deduction due to an adjustment made as a result of an audit  
7 conducted by or for the department, or as a result of information  
8 obtained by the department from the district, an intermediate  
9 district, the department of treasury, or the office of auditor  
10 general, must be deducted from the district's apportionments when  
11 the adjustment is finalized. At the request of the district and  
12 upon the district presenting evidence satisfactory to the  
13 department of the hardship, the department may grant up to an  
14 additional 4 years for the adjustment and may advance payments to  
15 the district otherwise authorized under this article if the  
16 district would otherwise experience a significant hardship in  
17 satisfying its financial obligations. However, a district that  
18 presented satisfactory evidence of hardship and was undergoing an  
19 extended adjustment during 2018-2019 may continue to use the period  
20 of extended adjustment as originally granted by the department.

21 (3) If, based on an audit by the department or the  
22 department's designee or because of new or updated information  
23 received by the department, the department determines that the  
24 amount paid to a district or intermediate district under this  
25 article for the current fiscal year or a prior fiscal year was  
26 incorrect, the department shall make the appropriate deduction or  
27 payment in the district's or intermediate district's allocation in  
28 the next apportionment after the adjustment is finalized. The  
29 department shall calculate the deduction or payment according to

1 the law in effect in the fiscal year in which the incorrect amount  
2 was paid. If the district does not receive an allocation for the  
3 fiscal year or if the allocation is not sufficient to pay the  
4 amount of any deduction, the amount of any deduction otherwise  
5 applicable must be satisfied from the proceeds of a loan to the  
6 district under the emergency municipal loan act, 1980 PA 243, MCL  
7 141.931 to 141.942, or from the proceeds of millage levied or  
8 pledged under section 1211 of the revised school code, MCL  
9 380.1211, as determined by the department.

10 (4) If the department makes an adjustment under this section  
11 based in whole or in part on a membership audit finding that a  
12 district or intermediate district employed an educator in violation  
13 of certification requirements under the revised school code and  
14 rules promulgated by the department, the department shall prorate  
15 the adjustment according to the period of noncompliance with the  
16 certification requirements.

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

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

25 (7) In addition to funds appropriated in section 11 for all  
26 programs and services, there is appropriated for ~~2022-2023~~**2023-**  
27 **2024** for obligations in excess of applicable appropriations an  
28 amount equal to the collection of overpayments, but not to exceed  
29 amounts available from overpayments.

Sec. 20. (1) ~~All of the following apply:~~

~~(a) For 2021-2022, the target foundation allowance is \$8,700.00.~~

~~(b) For 2021-2022, the minimum foundation allowance is \$8,700.00.~~

~~(c) For 2022-2023,~~ **2023-2024**, the target foundation allowance is ~~\$9,150.00.~~ **\$9,608.00.**

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

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

~~(a) For 2021-2022, for a district that had a foundation allowance for the immediately preceding fiscal year that was at least equal to the minimum foundation allowance for the immediately preceding fiscal year, but less than the target foundation allowance for the immediately preceding fiscal year, the district's foundation allowance is \$8,700.00. Except as otherwise provided in this subdivision, except for 2021-2022, for~~ **For** a district that had a foundation allowance for the immediately preceding fiscal year that was equal to the target foundation allowance for the immediately preceding fiscal year, the district receives a foundation allowance in an amount equal to the target foundation allowance described in subsection (1) for the current fiscal year.

~~(b) For a district that in the immediately preceding fiscal~~



1 ~~year had a foundation allowance in an amount equal to the amount of~~  
2 ~~the target foundation allowance for the immediately preceding~~  
3 ~~fiscal year, the district receives a foundation allowance for 2021-~~  
4 ~~2022 in an amount equal to the target foundation allowance for~~  
5 ~~2021-2022. This subdivision does not apply after the 2021-2022~~  
6 ~~fiscal year.~~

7 ~~(c) For a district that had a foundation allowance for the~~  
8 ~~immediately preceding fiscal year that was greater than the target~~  
9 ~~foundation allowance for the immediately preceding fiscal year, the~~  
10 ~~district's foundation allowance is an amount equal to the sum of~~  
11 ~~the district's foundation allowance for the immediately preceding~~  
12 ~~fiscal year plus the lesser of the increase in the target~~  
13 ~~foundation allowance for the current fiscal year, as compared to~~  
14 ~~the immediately preceding fiscal year, or the product of the~~  
15 ~~district's foundation allowance for the immediately preceding~~  
16 ~~fiscal year times the percentage increase in the United States~~  
17 ~~Consumer Price Index in the calendar year ending in the immediately~~  
18 ~~preceding fiscal year as reported by the May revenue estimating~~  
19 ~~conference conducted under section 367b of the management and~~  
20 ~~budget act, 1984 PA 431, MCL 18.1367b. This subdivision does not~~  
21 ~~apply after the 2021-2022 fiscal year.~~

22 **(b)** ~~(d)~~ For a district that had a foundation allowance for the  
23 immediately preceding fiscal year that was greater than the target  
24 foundation allowance for the immediately preceding fiscal year, the  
25 district's foundation allowance is an amount equal to the lesser of  
26 (the sum of the district's foundation allowance for the immediately  
27 preceding fiscal year plus any per pupil amount calculated under  
28 section 20m(2) in the immediately preceding fiscal year plus the  
29 increase in the target foundation allowance for the current fiscal

year, as compared to the immediately preceding fiscal year) or (the product of the district's foundation allowance for the immediately preceding fiscal year times the percentage increase in the United States Consumer Price Index in the calendar year ending in the immediately preceding fiscal year as reported by the May revenue estimating conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b). ~~This subdivision does not apply for the 2021-2022 fiscal year.~~

**(c)** ~~(e)~~ For a district that has a foundation allowance that is less than the target foundation allowance in the current fiscal year but had a foundation allowance in fiscal year 2020-2021 that was greater than the target foundation allowance in effect for that fiscal year, the district's foundation allowance is an amount equal to the lesser of (the sum of the district's foundation allowance for fiscal year 2020-2021 plus the increase in the target foundation allowance for the current fiscal year, as compared to fiscal year 2020-2021) or (the product of the district's foundation allowance for the immediately preceding fiscal year times the percentage increase in the United States Consumer Price Index in the calendar year ending in the immediately preceding fiscal year as reported by the May revenue estimating conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b). ~~This subdivision does not apply for the 2021-2022 fiscal year.~~

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

(4) Except as otherwise provided in this subsection, the state portion of a district's foundation allowance is an amount equal to

1 the district's foundation allowance or the target foundation  
2 allowance for the current fiscal year, whichever is less, minus the  
3 local portion of the district's foundation allowance. Except as  
4 otherwise provided in this subsection, for a district described in  
5 subsection ~~(3) (d) and (e), beginning in 2021-2022,~~ **(3) (b) and (c)** ,  
6 the state portion of the district's foundation allowance is an  
7 amount equal to the target foundation allowance minus the  
8 district's foundation allowance supplemental payment per pupil  
9 calculated under section 20m and minus the local portion of the  
10 district's foundation allowance. For a district that has a millage  
11 reduction required under section 31 of article IX of the state  
12 constitution of 1963, the department shall calculate the state  
13 portion of the district's foundation allowance as if that reduction  
14 did not occur. For a receiving district, if school operating taxes  
15 continue to be levied on behalf of a dissolved district that has  
16 been attached in whole or in part to the receiving district to  
17 satisfy debt obligations of the dissolved district under section 12  
18 of the revised school code, MCL 380.12, the taxable value per  
19 membership pupil of property in the receiving district used for the  
20 purposes of this subsection does not include the taxable value of  
21 property within the geographic area of the dissolved district. For  
22 a community district, if school operating taxes continue to be  
23 levied by a qualifying school district under section 12b of the  
24 revised school code, MCL 380.12b, with the same geographic area as  
25 the community district, the taxable value per membership pupil of  
26 property in the community district to be used for the purposes of  
27 this subsection does not include the taxable value of property  
28 within the geographic area of the community district.

29 (5) The allocation calculated under this section for a pupil

1 is based on the foundation allowance of the pupil's district of  
 2 residence. For a pupil enrolled under section 105 or 105c in a  
 3 district other than the pupil's district of residence, the  
 4 allocation calculated under this section is based on the lesser of  
 5 the foundation allowance of the pupil's district of residence or  
 6 the foundation allowance of the educating district. For a pupil in  
 7 membership in a K-5, K-6, or K-8 district who is enrolled in  
 8 another district in a grade not offered by the pupil's district of  
 9 residence, the allocation calculated under this section is based on  
 10 the foundation allowance of the educating district if the educating  
 11 district's foundation allowance is greater than the foundation  
 12 allowance of the pupil's district of residence. The calculation  
 13 under this subsection must take into account a district's per-pupil  
 14 allocation under section 20m.

15 (6) Except as otherwise provided in this subsection, for  
 16 pupils in membership, other than special education pupils, in a  
 17 public school academy, the allocation calculated under this section  
 18 is an amount per membership pupil other than special education  
 19 pupils in the public school academy equal to ~~, for 2021-2022, the~~  
 20 ~~minimum foundation allowance specified in subsection (1)(b) and,~~  
 21 ~~for 2022-2023, the target foundation allowance specified in~~  
 22 ~~subsection (1)(c).~~ **(1)**. Notwithstanding section 101, for a public  
 23 school academy that begins operations after the pupil membership  
 24 count day, the amount per membership pupil calculated under this  
 25 subsection must be adjusted by multiplying that amount per  
 26 membership pupil by the number of hours of pupil instruction  
 27 provided by the public school academy after it begins operations,  
 28 as determined by the department, divided by the minimum number of  
 29 hours of pupil instruction required under section 101(3). The

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

3 (7) For pupils in membership, other than special education  
4 pupils, in a community district, the allocation calculated under  
5 this section is an amount per membership pupil other than special  
6 education pupils in the community district equal to the foundation  
7 allowance of the qualifying school district, as described in  
8 section 12b of the revised school code, MCL 380.12b, that is  
9 located within the same geographic area as the community district.

10 (8) Subject to subsection (4), for a district that is formed  
11 or reconfigured after June 1, 2002 by consolidation of 2 or more  
12 districts or by annexation, the resulting district's foundation  
13 allowance under this section beginning after the effective date of  
14 the consolidation or annexation is the lesser of the sum of the  
15 average of the foundation allowances of each of the original or  
16 affected districts, calculated as provided in this section,  
17 weighted as to the percentage of pupils in total membership in the  
18 resulting district who reside in the geographic area of each of the  
19 original or affected districts plus \$100.00 or the highest  
20 foundation allowance among the original or affected districts. This  
21 subsection does not apply to a receiving district unless there is a  
22 subsequent consolidation or annexation that affects the district.  
23 The calculation under this subsection must take into account a  
24 district's per-pupil allocation under section 20m.

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

29 (10) Except as otherwise provided in this subsection, state

1 payments related to payment of the foundation allowance for a  
 2 special education pupil are not calculated under this section but  
 3 are instead calculated under ~~section 51a and section 51e. All of~~  
 4 ~~the following apply with regard to state payments related to~~  
 5 ~~payment of the foundation allowance for a special education pupil:~~

6 ~~(a) For 2022-2023, state payments described in this subsection~~  
 7 ~~are not calculated under this section but are instead calculated as~~  
 8 ~~follows:~~

9 ~~(i) Twenty-five percent is calculated under section 51a.~~

10 ~~(ii) Seventy-five percent is calculated under section 51e.~~

11 ~~(b) It is the intent of the legislature that, in future fiscal~~  
 12 ~~years, 100% of state payments described in this subsection will be~~  
 13 ~~calculated under this section.~~

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

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

(b) The revenue adjustment factor is computed by dividing the sum of the estimated total state school aid fund revenue for the subsequent fiscal year plus the estimated total state school aid fund revenue for the current fiscal year, adjusted for any change in the rate or base of a tax the proceeds of which are deposited in that fund and excluding money transferred into that fund from the countercyclical budget and economic stabilization fund under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, by the sum of the estimated total school aid fund revenue for the current fiscal year plus the estimated total state school aid fund revenue for the immediately preceding fiscal year, adjusted for any change in the rate or base of a tax the proceeds of which are deposited in that fund. If a consensus revenue factor is not determined at the revenue estimating conference, the principals of the revenue estimating conference shall report their estimates to the house and senate subcommittees responsible for school aid appropriations not later than 7 days after the conclusion of the revenue conference.

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

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

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

6           (14) As used in this section:

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

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

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

16          (d) "Immediately preceding fiscal year" means the fiscal year  
17 immediately preceding the current fiscal year.

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

29          (f) "Membership" means the definition of that term under



1 section 6 as in effect for the particular fiscal year for which a  
2 particular calculation is made.

3 (g) "Nonexempt property" means property that is not a  
4 principal residence, qualified agricultural property, qualified  
5 forest property, supportive housing property, industrial personal  
6 property, commercial personal property, or property occupied by a  
7 public school academy.

8 (h) "Principal residence", "qualified agricultural property",  
9 "qualified forest property", "supportive housing property",  
10 "industrial personal property", and "commercial personal property"  
11 mean those terms as defined in section 1211 of the revised school  
12 code, MCL 380.1211.

13 (i) "Receiving district" means a district to which all or part  
14 of the territory of a dissolved district is attached under section  
15 12 of the revised school code, MCL 380.12.

16 (j) "School operating purposes" means the purposes included in  
17 the operation costs of the district as prescribed in sections 7 and  
18 18 and purposes authorized under section 1211 of the revised school  
19 code, MCL 380.1211.

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

23 (l) "Tax increment financing acts" means parts 2, 3, 4, and 6  
24 of the recodified tax increment financing act, 2018 PA 57, MCL  
25 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield  
26 redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

27 (m) "Taxable value per membership pupil" means taxable value,  
28 as certified by the county treasurer and reported to the  
29 department, for the calendar year ending in the current state

1 fiscal year divided by the district's membership excluding special  
2 education pupils for the school year ending in the current state  
3 fiscal year.

4 Sec. 20d. In making the final determination required under  
5 former section 20a of a district's combined state and local revenue  
6 per membership pupil in 1993-94 and in making calculations under  
7 section 20 for ~~2022-2023~~, **2023-2024**, the department and the  
8 department of treasury shall comply with all of the following:

9 (a) For a district that had combined state and local revenue  
10 per membership pupil in the 1994-95 fiscal year of \$6,500.00 or  
11 more and served as a fiscal agent for a state board designated area  
12 vocational education center in the 1993-94 school year, total state  
13 school aid received by or paid on behalf of the district under this  
14 act in 1993-94 excludes payments made under former section 146 and  
15 under section 147 on behalf of the district's employees who  
16 provided direct services to the area vocational education center.  
17 Not later than June 30, 1996, the department shall make an  
18 adjustment under this subdivision to the district's combined state  
19 and local revenue per membership pupil in the 1994-95 fiscal year  
20 and the department of treasury shall make a final certification of  
21 the number of mills that may be levied by the district under  
22 section 1211 of the revised school code, MCL 380.1211, as a result  
23 of the adjustment under this subdivision.

24 (b) If a district had an adjustment made to its 1993-94 total  
25 state school aid that excluded payments made under former section  
26 146 and under section 147 on behalf of the district's employees who  
27 provided direct services for intermediate district center programs  
28 operated by the district under former section 51 and sections 51a  
29 to 56, if nonresident pupils attending the center programs were

1 included in the district's membership for purposes of calculating  
2 the combined state and local revenue per membership pupil for 1993-  
3 94, and if there is a signed agreement by all constituent districts  
4 of the intermediate district agreeing to an adjustment under this  
5 subdivision, the department shall calculate the foundation  
6 allowances for 1995-96 and 1996-97 of all districts that had pupils  
7 attending the intermediate district center program operated by the  
8 district that had the adjustment as if their combined state and  
9 local revenue per membership pupil for 1993-94 included resident  
10 pupils attending the center program and excluded nonresident pupils  
11 attending the center program.

12 Sec. 20f. (1) From the state school aid fund money  
13 appropriated in section 11, there is allocated an amount not to  
14 exceed \$18,000,000.00 for ~~2022-2023~~**2023-2024** for payments to  
15 eligible districts under this section.

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

21 (a) The increase in the district's foundation allowance or  
22 per-pupil payment as calculated under section 20 from 2012-2013 to  
23 2013-2014.

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

26 (c) The quotient of the district's allocation under section  
27 147a for 2012-2013 divided by the district's membership pupils for  
28 2012-2013 minus the quotient of the district's allocation under  
29 section 147a for 2013-2014 divided by the district's membership

1 pupils for 2013-2014.

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

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

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

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

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

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

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

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

11 Sec. 21h. (1) From the state school aid fund money  
12 appropriated in section 11, there is allocated \$6,137,400.00 for  
13 ~~2022-2023~~**2023-2024** for assisting districts assigned by the  
14 superintendent to participate in a partnership and districts that  
15 have established a community engagement advisory committee in  
16 partnership with the department of treasury, are required to submit  
17 a deficit elimination plan or an enhanced deficit elimination plan  
18 under section 1220 of the revised school code, MCL 380.1220, and  
19 are located in a city with a population between ~~9,000~~**8,000** and  
20 ~~11,000~~**10,000** as determined by the department, that is in a county  
21 with a population between 150,000 and 160,000, as determined by the  
22 department, to improve student achievement and district financial  
23 stability. The superintendent shall collaborate with the state  
24 treasurer to identify any conditions that may be contributing to  
25 low academic performance within a district being considered for  
26 assignment to a partnership. The purpose of the partnership is to  
27 identify district needs, develop intervention plans, and partner  
28 with public, private, and nonprofit organizations to coordinate  
29 resources and improve student achievement. Assignment of a district

1 to a partnership is made by the superintendent in consultation with  
2 the state treasurer.

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

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

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

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

24 (iii) A review of classroom, instructional, and operational  
25 practices and curriculum to ensure alignment with research-based  
26 instructional practices and state curriculum standards.

27 (b) Develop an academic and financial operating or  
28 intervention plan that has been approved by the superintendent and  
29 that addresses the needs identified in the comprehensive needs

1 assessment or evaluation completed under subdivision (a). The  
2 intervention plan must include at least all of the following:

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

5 (ii) Specific measurable benchmarks that will be met within 18  
6 months to improve student achievement and identification of  
7 expected student achievement outcomes to be attained within 3 years  
8 after assignment to the partnership.

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

11 (3) Upon approval of the academic and financial operating or  
12 intervention plan developed under subsection (2), the department,  
13 in collaboration with the department of treasury, shall assign a  
14 team of individuals with expertise in comprehensive school and  
15 district reform to partner with the district, the intermediate  
16 district, community organizations, education organizations, and  
17 postsecondary institutions identified in the academic and financial  
18 operating or intervention plan to review the district's use of  
19 existing financial resources to ensure that those resources are  
20 being used as efficiently and effectively as possible to improve  
21 student academic achievement and to ensure district financial  
22 stability. The superintendent of public instruction may waive  
23 burdensome administrative rules for a partnership district for the  
24 duration of the partnership agreement and for a district described  
25 in subsection (1) that is not a partnership district under this  
26 section and that receives funding under this section in the current  
27 fiscal year.

28 (4) Funds allocated under this section, excluding funds  
29 allocated under subsection (5), may be used to pay for district

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

10 (5) From the funds allocated under subsection (1), there is  
11 allocated for ~~2022-2023~~**-2023-2024** an amount not to exceed  
12 \$137,400.00 for the purchase of a data analytics tool to be used by  
13 districts described in subsection (1). The superintendent of public  
14 instruction shall require districts described in subsection (1) to  
15 purchase a data analytics tool funded under this subsection as part  
16 of the agreements described in this section.

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

24 **(7) In addition to the allocation under subsection (1), from**  
25 **the state school aid fund money appropriated in section 11, there**  
26 **is allocated an amount not to exceed \$12,000,000.00 for 2023-2024**  
27 **only for supplemental funding to be used for the purposes of this**  
28 **section.**

29 Sec. 22a. (1) From the state school aid fund money



1 appropriated in section 11, there is allocated an amount not to  
 2 exceed ~~\$4,492,000,000.00~~ **\$4,366,000,000.00** for ~~2021-2022-2022-2023~~  
 3 and there is allocated an amount not to exceed ~~\$4,376,000,000.00~~  
 4 **\$4,212,000,000.00** for ~~2022-2023-2023-2024~~ for payments to districts  
 5 and qualifying public school academies to guarantee each district  
 6 and qualifying public school academy an amount equal to its 1994-95  
 7 total state and local per-pupil revenue for school operating  
 8 purposes under section 11 of article IX of the state constitution  
 9 of 1963. Pursuant to section 11 of article IX of the state  
 10 constitution of 1963, this guarantee does not apply to a district  
 11 in a year in which the district levies a millage rate for school  
 12 district operating purposes less than it levied in 1994. However,  
 13 subsection (2) applies to calculating the payments under this  
 14 section. Funds allocated under this section that are not expended  
 15 in the fiscal year for which they were allocated, as determined by  
 16 the department, may be used to supplement the allocations under  
 17 sections 22b and 51c to fully fund those allocations for the same  
 18 fiscal year. For each fund transfer as described in the immediately  
 19 preceding sentence that occurs, the state budget director shall  
 20 send notification of the transfer to the house and senate  
 21 appropriations subcommittees on state school aid and the house and  
 22 senate fiscal agencies by not later than 14 calendar days after the  
 23 transfer occurs.

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

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

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

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

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

2 (7) As used in this section:

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

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

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

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

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

27 (f) "Hold harmless millage" means, for a district with a 1994-  
28 95 foundation allowance greater than \$6,500.00, the number of mills  
29 by which the exemption from the levy of school operating taxes on a

1 principal residence, qualified agricultural property, qualified  
2 forest property, supportive housing property, industrial personal  
3 property, commercial personal property, and property occupied by a  
4 public school academy could be reduced as provided in section 1211  
5 of the revised school code, MCL 380.1211, and the number of mills  
6 of school operating taxes that could be levied on all property as  
7 provided in section 1211(2) of the revised school code, MCL  
8 380.1211, as certified by the department of treasury for the 1994  
9 tax year. For a receiving district, if school operating taxes are  
10 to be levied on behalf of a dissolved district that has been  
11 attached in whole or in part to the receiving district to satisfy  
12 debt 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 (g) "Membership" means the definition of that term under  
17 section 6 as in effect for the particular fiscal year for which a  
18 particular calculation is made.

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

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

29 (j) "Qualifying public school academy" means a public school

1 academy that was in operation in the 1994-95 school year and is in  
2 operation in the current fiscal year.

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

6 (l) "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 as defined in  
9 section 20.

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

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

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

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

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

15 Sec. 22b. (1) ~~For~~ **Except as otherwise provided in this**  
 16 **section, for** discretionary nonmandated payments to districts under  
 17 this section, there is allocated for ~~2021-2022~~ **2022-2023** an amount  
 18 not to exceed ~~\$5,094,000,000.00~~ **\$5,735,000,000.00** from the state  
 19 school aid fund and general fund appropriations in section 11 and  
 20 an amount not to exceed \$72,000,000.00 from the community district  
 21 education trust fund appropriation in section 11, and there is  
 22 allocated for ~~2022-2023~~ **2023-2024** an amount not to exceed  
 23 ~~\$5,686,000,000.00~~ **\$6,327,000,000.00** from the state school aid fund  
 24 and general fund appropriations in section 11 and an amount not to  
 25 exceed \$72,000,000.00 from the community district education trust  
 26 fund appropriation in section 11. ~~For 2021-2022, an amount not to~~  
 27 ~~exceed \$14,500,000.00~~ **2022-2023, \$22,500,000.00** must be deposited  
 28 from the general fund into the state school aid fund to reimburse  
 29 the state school aid fund for community district education trust



1 fund costs in excess of \$72,000,000.00, as required under section  
 2 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262. For  
 3 ~~2022-2023, \$19,500,000.00~~ **2023-2024, \$27,800,000.00** must be  
 4 deposited from the general fund into the state school aid fund to  
 5 reimburse the state school aid fund for community district  
 6 education trust fund costs in excess of \$72,000,000.00, as required  
 7 under section 12 of the Michigan trust fund act, 2000 PA 489, MCL  
 8 12.262. If the amount allocated under this subsection from the  
 9 community district education trust fund appropriation under section  
 10 11 is insufficient to pay for an increase under this section, any  
 11 amount exceeding that allocation may be paid from other allocations  
 12 under this subsection. Except for money allocated under this  
 13 section from the community district education trust fund  
 14 appropriation in section 11, funds allocated under this section  
 15 that are not expended in the fiscal year for which they were  
 16 allocated, as determined by the department, may be used to  
 17 supplement the allocations under sections 22a and 51c to fully fund  
 18 those allocations for the same fiscal year. For each fund transfer  
 19 as described in the immediately preceding sentence that occurs, the  
 20 state budget director shall send notification of the transfer to  
 21 the house and senate appropriations subcommittees on school aid and  
 22 the house and senate fiscal agencies by not later than 14 calendar  
 23 days after the transfer occurs.

24 (2) Subject to subsection (3) and section 296, the allocation  
 25 to a district under this section is an amount equal to the sum of  
 26 the amounts calculated under sections 20, 20m, 51a(2), 51a(3), ~~and~~  
 27 51a(11), **and 51e**, minus the sum of the allocations to the district  
 28 under sections 22a and 51c. For a community district, the  
 29 allocation as otherwise calculated under this section is increased

1 by an amount equal to the amount of local school operating tax  
2 revenue that would otherwise be due to the community district if  
3 not for the operation of section 386 of the revised school code,  
4 MCL 380.386, and this increase must be paid from the community  
5 district education trust fund allocation in subsection (1) in order  
6 to offset the absence of local school operating revenue in a  
7 community district in the funding of the state portion of the  
8 foundation allowance under section 20(4).

9 (3) In order to receive an allocation under subsection (1),  
10 each district must do all of the following:

11 (a) Comply with section 1280b of the revised school code, MCL  
12 380.1280b.

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

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

18 (d) Comply with section 1230g of the revised school code, MCL  
19 380.1230g.

20 (e) Comply with section 21f.

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

23 (4) Districts are encouraged to use funds allocated under this  
24 section for the purchase and support of payroll, human resources,  
25 and other business function software that is compatible with that  
26 of the intermediate district in which the district is located and  
27 with other districts located within that intermediate district.

28 (5) From the allocation in subsection (1), the department  
29 shall pay up to \$1,000,000.00 in litigation costs incurred by this

1 state related to commercial or industrial property tax appeals,  
2 including, but not limited to, appeals of classification, that  
3 impact revenues dedicated to the state school aid fund.

4 (6) From the allocation in subsection (1), the department  
5 shall pay up to \$1,000,000.00 in litigation costs incurred by this  
6 state associated with lawsuits filed by 1 or more districts or  
7 intermediate districts against this state. If the allocation under  
8 this section is insufficient to fully fund all payments required  
9 under this section, the payments under this subsection must be made  
10 in full before any proration of remaining payments under this  
11 section.

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

27 (8) If the local claims review board or a court of competent  
28 jurisdiction makes a final determination that this state is in  
29 violation of section 29 of article IX of the state constitution of

1 1963 regarding state payments to districts, the state budget  
2 director shall use work project funds under subsection (7) or  
3 allocate from the discretionary funds for nonmandated payments  
4 under this section the amount as may be necessary to satisfy the  
5 amount owed to districts before making any payments to districts  
6 under subsection (2).

7 (9) If a claim is made in court that challenges the  
8 legislative determination of the adequacy of funding for this  
9 state's constitutional obligations or alleges that there exists an  
10 unfunded constitutional requirement, any interested party may seek  
11 an expedited review of the claim by the local claims review board.  
12 If the claim exceeds \$10,000,000.00, this state may remove the  
13 action to the court of appeals, and the court of appeals has and  
14 shall exercise jurisdiction over the claim.

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

22 (11) If a lawsuit challenging payments made to districts  
23 related to costs reimbursed by federal title XIX Medicaid funds is  
24 filed against this state, then, for the purpose of addressing  
25 potential liability under such a lawsuit, the state budget director  
26 may place funds allocated under this section in escrow or allocate  
27 money from the funds otherwise allocated under this section, up to  
28 a maximum of 50% of the amount allocated in subsection (1). If  
29 funds are placed in escrow under this subsection, those funds are a

work project appropriation and the funds are carried forward into the following fiscal year. The purpose of the work project is to provide for any payments that may be awarded to districts as a result of the litigation. The work project is completed upon resolution of the litigation. In addition, this state reserves the right to terminate future federal title XIX Medicaid reimbursement 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-6.

**(12) From the allocation in subsection (1) the department may use the amount necessary, estimated at \$1,000,000.00, for payments to districts for state compliance with federal maintenance of equity requirements described in the American rescue plan act of 2021, Public Law 117-2. Notwithstanding section 17b, the department shall make calculations and payments under this subsection in a form and manner determined by the department.**

**(13) ~~(12)~~**As used in this section:

(a) "Dissolved district" means that term as defined in section 20.

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

(c) "Receiving district" and "school operating taxes" mean those terms as defined in section 20.

Sec. 22c. From the state school aid fund money appropriated in section 11, there is allocated for ~~2022-2023~~**2023-2024** an amount not to exceed \$3,000,000.00 for payments to eligible districts as provided under this section. The payment for an eligible district under this section must be in an amount per membership pupil equal to \$171.00. As used in this section:

(a) "Eligible district" means a district that received payments under this section in the immediately preceding fiscal year and for which the local school operating revenue per membership pupil in the current school fiscal year exceeds the district's foundation allowance as calculated under section 20 for the current fiscal year.

(b) "Local school operating revenue" means that term as defined in section 22b.

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

Sec. 22d. (1) From the state school aid fund money appropriated under section 11, an amount not to exceed ~~\$8,858,000.00~~**\$9,301,000.00** is allocated for ~~2022-2023~~**2023-2024** for supplemental payments to rural districts under this section.

(2) From the allocation under subsection (1), there is allocated for ~~2022-2023~~**2023-2024** an amount not to exceed ~~\$1,638,300.00~~**\$1,720,000.00** for payments under this subsection to eligible districts. A district that meets all of the following is an eligible district under this subsection:

(a) Operates grades K to 12.

1 (b) Has fewer than 250 pupils in membership.

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

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

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

7 (3) The amount of the additional funding to each eligible  
8 district under subsection (2) is determined under a spending plan  
9 developed as provided in this subsection and approved by the  
10 superintendent of public instruction. The spending plan must be  
11 developed cooperatively by the intermediate superintendents of each  
12 intermediate district in which an eligible district is located. The  
13 intermediate superintendents shall review the financial situation  
14 of each eligible district, determine the minimum essential  
15 financial needs of each eligible district, and develop and agree on  
16 a spending plan that distributes the available funding under  
17 subsection (2) to the eligible districts based on those financial  
18 needs. The intermediate superintendents shall submit the spending  
19 plan to the superintendent of public instruction for approval. Upon  
20 approval by the superintendent of public instruction, the amounts  
21 specified for each eligible district under the spending plan are  
22 allocated under subsection (2) and must be paid to the eligible  
23 districts in the same manner as payments under section 22b.

24 (4) Subject to subsection (7), from the allocation in  
25 subsection (1), there is allocated for ~~2022-2023~~**2023-2024** an  
26 amount not to exceed ~~\$6,357,000.00~~**\$6,674,900.00** for payments under  
27 this subsection to districts that have fewer than 10.0 pupils per  
28 square mile as determined by the department.

29 (5) The funds allocated under subsection (4) are allocated as

1 follows:

2 (a) An amount equal to ~~\$5,470,400.00~~ **\$5,743,900.00** is  
3 allocated to districts with fewer than 8.0 pupils per square mile,  
4 as determined by the department, on an equal per-pupil basis.

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

7 (i) For districts with at least 8.0 but fewer than 9.0 pupils  
8 per square mile, as determined by the department, the allocation is  
9 an amount per pupil equal to 75% of the per-pupil amount allocated  
10 to districts under subdivision (a).

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

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

19 (6) From the allocation in subsection (1), there is allocated  
20 an amount not to exceed ~~\$862,700.00~~ **\$905,900.00** for payments under  
21 this subsection to districts that have greater than 250 square  
22 miles and that do not receive funding under subsection (2) or (4).  
23 The funds allocated under this subsection must be allocated on an  
24 equal per-pupil basis.

25 (7) A district receiving funds allocated under subsection (2)  
26 is not eligible for funding allocated under subsection (4).

27 **Sec. 22e. (1) From the state school aid fund money**  
28 **appropriated under section 11, there is allocated an amount not to**  
29 **exceed \$50,000,000.00 for 2023-2024 to reimburse eligible districts**



1 for transportation costs.

2 (2) A district with fewer than 20.0 pupils per square mile, as  
3 determined by the department, is an eligible district under this  
4 section.

5 (3) The department shall provide payments to eligible  
6 districts under this section as follows:

7 (a) An amount equal to \$250.00 per pupil to eligible districts  
8 with fewer than 10.0 pupils per square mile, as determined by the  
9 department.

10 (b) An amount equal to \$200.00 per pupil to eligible districts  
11 with at least 10.0 but fewer than 15.0 pupils per square mile, as  
12 determined by the department.

13 (c) An amount equal to \$150.00 per pupil to eligible districts  
14 with at least 15.0 but fewer than 20.0 pupils per square mile, as  
15 determined by the department.

16 (4) If the total funding allocated under this section is not  
17 sufficient to fully fund payments as calculated under this section,  
18 the department shall prorate payments to eligible districts on an  
19 equal percentage basis.

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

23 Sec. 22m. (1) From the state school aid fund money  
24 appropriated in section 11, there is allocated for ~~2022-2023~~ **2023-**  
25 **2024** an amount not to exceed \$2,200,000.00 for supporting the  
26 integration of local data systems into the Michigan data hub  
27 network based on common standards and applications that are in  
28 compliance with section 19(6).

29 (2) An entity that is the fiscal agent for no more than 5

1 consortia of intermediate districts that previously received  
2 funding from the technology readiness infrastructure grant under  
3 former section 22i for the purpose of establishing regional data  
4 hubs that are part of the Michigan data hub network is eligible for  
5 funding under this section.

6 (3) The center shall work with an advisory committee composed  
7 of representatives from intermediate districts within each of the  
8 data hub regions to coordinate the activities of the Michigan data  
9 hub network.

10 (4) The center, in collaboration with the Michigan data hub  
11 network, shall determine the amount of funds distributed under this  
12 section to each participating regional data hub within the network,  
13 based upon a competitive grant process. The center shall ensure  
14 that the entities receiving funding under this section represent  
15 geographically diverse areas in this state.

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

18 (6) To receive funding under this section, a regional data hub  
19 must have a governance model that ensures local control of data,  
20 data security, and student privacy issues. The integration of data  
21 within each of the regional data hubs must provide for the  
22 actionable use of data by districts and intermediate districts  
23 through common reports and dashboards and for efficiently providing  
24 information to meet state and federal reporting purposes.

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

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

29 (a) Creating an infrastructure that effectively manages the

1 movement of data between data systems used by intermediate  
2 districts, districts, and other educational organizations in  
3 Michigan based on common data standards to improve student  
4 achievement.

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

8 (c) Promoting the use of a more common set of applications by  
9 promoting systems that integrate with the Michigan data hub  
10 network.

11 (d) Promoting 100% district adoption of the Michigan data hub  
12 network.

13 (e) Ensuring local control of data, data security, and student  
14 data privacy.

15 (f) Utilizing the infrastructure to promote the actionable use  
16 of data through common reports and dashboards that are consistent  
17 statewide.

18 (g) Creating a governance model to facilitate sustainable  
19 operations of the infrastructure in the future, including  
20 administration, legal agreements, documentation, staffing, hosting,  
21 and funding.

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

25 (9) Not later than January 1 of each fiscal year, the center  
26 shall prepare a summary report of information provided by each  
27 entity that received funds under this section that includes  
28 measurable outcomes based on the objectives described under this  
29 section and a summary of compiled data from each entity to provide

1 a means to evaluate the effectiveness of the project. The center  
2 shall submit the report to the house and senate appropriations  
3 subcommittees on school aid and to the house and senate fiscal  
4 agencies.

5 Sec. 24. (1) From the state school aid fund money appropriated  
6 in section 11, there is allocated for ~~2022-2023~~**2023-2024** an amount  
7 not to exceed \$7,650,000.00 for payments to the educating district  
8 or intermediate district for educating pupils assigned by a court  
9 or the department of health and human services to reside in or to  
10 attend a juvenile detention facility or child caring institution  
11 licensed by the department of health and human services and  
12 approved by the department to provide an on-grounds education  
13 program. The amount of the payment under this section to a district  
14 or intermediate district is calculated as prescribed under  
15 subsection (2).

16 (2) The department shall allocate the total amount allocated  
17 under this section by paying to the educating district or  
18 intermediate district an amount equal to the lesser of the  
19 district's or intermediate district's added cost or the  
20 department's approved per-pupil allocation for the district or  
21 intermediate district. For the purposes of this subsection:

22 (a) "Added cost" means 100% of the added cost each fiscal year  
23 for educating all pupils assigned by a court or the department of  
24 health and human services to reside in or to attend a juvenile  
25 detention facility or child caring institution licensed by the  
26 department of health and human services or the department of  
27 licensing and regulatory affairs and approved by the department to  
28 provide an on-grounds education program. Added cost is computed by  
29 deducting all other revenue received under this article for pupils

1 described in this section from total costs, as approved by the  
2 department, in whole or in part, for educating those pupils in the  
3 on-grounds education program or in a program approved by the  
4 department that is located on property adjacent to a juvenile  
5 detention facility or child caring institution. Costs reimbursed by  
6 federal funds are not included.

7 (b) "Department's approved per-pupil allocation" for a  
8 district or intermediate district is determined by dividing the  
9 total amount allocated under this section for a fiscal year by the  
10 full-time equated membership total for all pupils approved by the  
11 department to be funded under this section for that fiscal year for  
12 the district or intermediate district.

13 (3) A district or intermediate district educating pupils  
14 described in this section at a residential child caring institution  
15 may operate, and receive funding under this section for, a  
16 department-approved on-grounds educational program for those pupils  
17 that is longer than 181 days, but not longer than 233 days, if the  
18 child caring institution was licensed as a child caring institution  
19 and offered in 1991-92 an on-grounds educational program that was  
20 longer than 181 days but not longer than 233 days and that was  
21 operated by a district or intermediate district.

22 (4) Special education pupils funded under section 53a are not  
23 funded under this section.

24 Sec. 24a. From the state school aid fund money appropriated in  
25 section 11, there is allocated an amount not to exceed  
26 \$1,355,700.00 for ~~2022-2023~~**2023-2024** for payments to intermediate  
27 districts for pupils who are placed in juvenile justice service  
28 facilities operated by the department of health and human services.  
29 The amount of the payment to each intermediate district is an

1 amount equal to the state share of those costs that are clearly and  
2 directly attributable to the educational programs for pupils placed  
3 in facilities described in this section that are located within the  
4 intermediate district's boundaries. The intermediate districts  
5 receiving payments under this section shall cooperate with the  
6 department of health and human services to ensure that all funding  
7 allocated under this section is utilized by the intermediate  
8 district and department of health and human services for  
9 educational programs for pupils described in this section. Pupils  
10 described in this section are not eligible to be funded under  
11 section 24. However, a program responsibility or other fiscal  
12 responsibility associated with these pupils must not be transferred  
13 from the department of health and human services to a district or  
14 intermediate district unless the district or intermediate district  
15 consents to the transfer.

16       Sec. 25f. (1) From the state school aid fund money  
17 appropriated in section 11, there is allocated an amount not to  
18 exceed \$1,600,000.00 for ~~2022-2023~~**2023-2024** for payments to strict  
19 discipline academies and qualified districts, as provided under  
20 this section.

21       (2) In order to receive funding under this section, a strict  
22 discipline academy or qualified district must first comply with  
23 section 25e and use the pupil transfer process under that section  
24 for changes in enrollment as prescribed under that section.

25       (3) The total amount allocated to a strict discipline academy  
26 or qualified district under this section must first be distributed  
27 as the lesser of the strict discipline academy's or qualified  
28 district's added cost or the department's approved per-pupil  
29 allocation for the strict discipline academy or qualified district.

1 Subject to subsection (7), any funds remaining after the first  
2 distribution must be distributed by prorating on an equal per-pupil  
3 membership basis, not to exceed a strict discipline academy's or  
4 qualified district's added cost. However, the sum of the amounts  
5 received by a strict discipline academy or qualified district under  
6 this section and under section 24 must not exceed the product of  
7 the strict discipline academy's or qualified district's per-pupil  
8 allocation calculated under section 20 multiplied by the strict  
9 discipline academy's or qualified district's full-time equated  
10 membership. The department shall allocate funds to strict  
11 discipline academies and qualified districts under this section on  
12 a monthly basis.

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

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

19 (6) The department shall make payments to strict discipline  
20 academies and qualified districts under this section according to  
21 the payment schedule under section 17b.

22 (7) For purposes of this section, the pupil membership for the  
23 current fiscal year for a qualified district is the actual number  
24 of pupils that are in the custody of a county juvenile agency as  
25 described in subsection (8)(c).

26 (8) As used in this section:

27 (a) "Added cost" means 100% of the added cost each fiscal year  
28 for educating all pupils enrolled and in regular daily attendance  
29 at a strict discipline academy or qualified district. Added cost

1 must be computed by deducting all other revenue received under this  
2 article for pupils described in this subdivision from total costs,  
3 as approved by the department, in whole or in part, for educating  
4 those pupils in a strict discipline academy or qualified district.  
5 The department shall include all costs, including, but not limited  
6 to, educational costs, insurance, management fees, technology  
7 costs, legal fees, auditing fees, interest, pupil accounting costs,  
8 and any other administrative costs necessary to operate the program  
9 or to comply with statutory requirements. Costs reimbursed by  
10 federal funds are not included.

11 (b) "Department's approved per-pupil allocation" means, for a  
12 strict discipline academy or qualified district, an amount equal to  
13 the quotient of the total amount allocated under this section for a  
14 fiscal year and the full-time equated membership total for all  
15 pupils approved by the department to be funded under this section  
16 for that fiscal year for the strict discipline academy or qualified  
17 district.

18 (c) "Qualified district" means a public school academy that is  
19 not a strict discipline academy that enrolls individuals who are in  
20 the custody of a county juvenile agency to which both of the  
21 following are applicable:

22 (i) The agency had custody of individuals who were enrolled in  
23 a strict discipline academy in the 2020-2021 school year.

24 (ii) The strict discipline academy that the individuals  
25 described in subparagraph (i) were enrolled in subsequently closed.

26 (d) "Strict discipline academy" means a public school academy  
27 established under sections 1311b to 1311m of the revised school  
28 code, MCL 380.1311b to 380.1311m.

29 Sec. 25g. (1) From the state school aid fund money



appropriated in section 11, there is allocated an amount not to exceed \$750,000.00 for ~~2022-2023~~**2023-2024** for the purposes of this section. Except as otherwise provided in this section, if the operation of the special membership counting provisions under section 6(4) (dd) and the other membership counting provisions under section 6(4) result in a pupil being counted as more than 1.0 FTE in a fiscal year, then the payment made for the pupil under sections 22a and 22b must not be based on more than 1.0 FTE for that pupil, and that portion of the FTE that exceeds 1.0 is paid under this section in an amount equal to that portion multiplied by the educating district's foundation allowance or per-pupil payment calculated under section 20.

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

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

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

Sec. 26a. From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$14,000,000.00 for ~~2021-2022~~**2023-2024** to reimburse districts and intermediate districts under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in ~~2021, and~~ ~~there is allocated an amount not to exceed \$14,000,000.00 for 2022-2023 to reimburse districts and intermediate districts under~~ ~~section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in 2022.~~**2023**. The department shall pay

1 the allocations not later than 60 days after the department of  
 2 treasury certifies to the department and to the state budget  
 3 director that the department of treasury has received all necessary  
 4 information to properly determine the amounts due to each eligible  
 5 recipient.

6       Sec. 26b. (1) From the state school aid fund money  
 7 appropriated in section 11, there is allocated an amount not to  
 8 exceed ~~\$4,989,000.00~~ **\$5,084,000.00** for ~~2022-2023~~ **2023-2024** for  
 9 payments to districts, intermediate districts, and community  
 10 college districts for the portion of the payment in lieu of taxes  
 11 obligation that is attributable to districts, intermediate  
 12 districts, and community college districts under section 2154 of  
 13 the natural resources and environmental protection act, 1994 PA  
 14 451, MCL 324.2154.

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

19       Sec. 26c. (1) From the state school aid fund money  
 20 appropriated under section 11, there is allocated an amount not to  
 21 exceed ~~\$14,800,000.00~~ **\$20,500,000.00** for ~~2021-2022~~ **2022-2023** and  
 22 there is allocated an amount not to exceed ~~\$14,800,000.00~~  
 23 **\$26,000,000.00** for ~~2022-2023~~ **2023-2024** to the promise zone fund  
 24 created in subsection (3). The funds allocated under this section  
 25 reflect the amount of revenue from the collection of the state  
 26 education tax captured under section 17 of the Michigan promise  
 27 zone authority act, 2008 PA 549, MCL 390.1677.

28       (2) Funds allocated to the promise zone fund under this  
 29 section must be used solely for payments to eligible districts and

1 intermediate districts, in accordance with section 17 of the  
2 Michigan promise zone authority act, 2008 PA 549, MCL 390.1677,  
3 that have a promise zone development plan approved by the  
4 department of treasury under section 7 of the Michigan promise zone  
5 authority act, 2008 PA 549, MCL 390.1667. Eligible districts and  
6 intermediate districts shall use payments made under this section  
7 for reimbursement for qualified educational expenses as that term  
8 is defined in section 3 of the Michigan promise zone authority act,  
9 2008 PA 549, MCL 390.1663.

10 (3) The promise zone fund is created as a separate account  
11 within the state school aid fund to be used solely for the purposes  
12 of the Michigan promise zone authority act, 2008 PA 549, MCL  
13 390.1661 to 390.1679. All of the following apply to the promise  
14 zone fund:

15 (a) The state treasurer shall direct the investment of the  
16 promise zone fund. The state treasurer shall credit to the promise  
17 zone fund interest and earnings from fund investments.

18 (b) Money in the promise zone fund at the close of a fiscal  
19 year remains in the promise zone fund and does not lapse to the  
20 general fund.

21 (4) Subject to subsection (2), the state treasurer may make  
22 payments from the promise zone fund to eligible districts and  
23 intermediate districts under the Michigan promise zone authority  
24 act, 2008 PA 549, MCL 390.1661 to 390.1679, to be used for the  
25 purposes of a promise zone authority created under that act.

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

29 Sec. 26d. (1) From the state school aid fund money

1 appropriated under section 11, there is allocated an amount not to  
 2 exceed ~~\$12,000,000.00 for 2021-2022 and an amount not to exceed~~  
 3 \$14,400,000.00 for ~~2022-2023~~**2023-2024** for reimbursements to  
 4 intermediate districts as required under section 15b of the  
 5 brownfield redevelopment financing act, 1996 PA 381, MCL 125.2665b.

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

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

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

16 Sec. 27a. (1) From the state school aid fund money  
 17 appropriated in section 11, there is allocated for ~~2022-2023~~**2023-**  
 18 **2024** an amount not to exceed \$20,000,000.00 and from the general  
 19 fund money appropriated in section 11, there is allocated for ~~2022-~~  
 20 ~~2023~~**2023-2024** an amount not to exceed \$5,000,000.00 for the MI  
 21 future educator fellowship program. The funds allocated under this  
 22 section must be used to offset tuition costs for individuals who  
 23 are working toward earning their initial teacher certification.

24 (2) To establish initial eligibility for an award from funding  
 25 under this section, an individual must meet all of the following  
 26 conditions by the date of enrollment described in subdivision (b):

27 (a) Have graduated from high school with a diploma or  
 28 certificate of completion or achieved a high school equivalency  
 29 certificate.

1 (b) Be admitted to an eligible educator preparation program  
2 and begin the first semester of that program on or after the start  
3 of the fall 2022 academic semester; be working toward a teacher  
4 certification; and be enrolled in enough coursework to earn at  
5 least 24 credits in an academic year or the equivalent of full-time  
6 participation for individuals enrolled in an alternative  
7 certification program, as defined by the department.

8 (c) Not have previously earned a teacher certification.

9 (d) Timely complete a grant application in a form and manner  
10 prescribed by the department of treasury.

11 (e) Timely file the Free Application for Federal Student Aid  
12 for the enrollment period described in subdivision (b).

13 (f) Timely apply for all available gift aid for the enrollment  
14 period described in subdivision (b).

15 (g) Agree to repay any funds received from funding under this  
16 section if the individual does not maintain enrollment in their  
17 educator preparation program, the individual does not successfully  
18 complete their educator program, or the individual does not  
19 complete the work requirement described in subsection (7).

20 (h) Have a high school or college grade point average of at  
21 least 3.0.

22 (i) Be a resident of this state, as determined for purposes of  
23 the Free Application for Federal Student Aid.

24 (3) To establish continuing eligibility for an award under  
25 this section at an eligible educator preparation program, an  
26 individual must meet all of the following conditions:

27 (a) Maintain continuous enrollment in an eligible educator  
28 preparation program and earn at least 24 credits in an academic  
29 year or the equivalent of full-time participation for individuals

1 enrolled in an alternative certification program, as defined by the  
2 department, excluding any period of time missed due to a medical or  
3 other emergency, as determined by the department of treasury.

4 (b) Maintain satisfactory academic progress, including a grade  
5 point average of at least 3.0, in courses provided by the eligible  
6 educator preparation program and meet requirements established by  
7 the eligible educator preparation program.

8 (c) Participate in relevant academic and career advising  
9 programs offered by the eligible educator preparation program.

10 (d) Timely file the Free Application for Federal Student Aid  
11 for each academic year in which the individual receives an award  
12 from funding under this section.

13 (e) Timely apply for all available gift aid for each academic  
14 year in which the individual applies for funding under this  
15 section.

16 (f) Maintain residency in this state, as determined for  
17 purposes of the Free Application for Federal Student Aid.

18 (4) An award under this section must not exceed \$10,000.00 per  
19 academic year or the cost of tuition at the in-district resident  
20 rate plus other required fees, as determined by the department of  
21 treasury, at the eligible educator preparation program attended,  
22 whichever is less.

23 (5) Awards under this section must be distributed to eligible  
24 educator preparation programs on behalf of an eligible recipient on  
25 a timeline determined by the department of treasury.

26 (6) Pending available funds, applicants may renew their award  
27 for up to 3 years, or until program completion, whichever comes  
28 first.

29 (7) To be an eligible recipient of fellowship funding under

1 this section, an individual must pledge to work as a certified  
2 teacher in a public school, nonpublic school, or a qualifying  
3 public preschool program in this state and must meet 1 of the  
4 following work requirements:

5 (a) For a recipient of funding under this section who received  
6 an award for 1 academic year, 3 years of work as a certified  
7 teacher in a public school, nonpublic school, or a qualifying  
8 public preschool program in this state.

9 (b) For a recipient of funding under this section who received  
10 an award for 2 academic years, 4 years of work as a certified  
11 teacher in a public school, nonpublic school, or a qualifying  
12 public preschool program in this state.

13 (c) For a recipient of funding under this section who received  
14 an award for 3 academic years, 5 years of work as a certified  
15 teacher in a public school, nonpublic school, or a qualifying  
16 public preschool program in this state.

17 (d) For a recipient working in a critical needs district, 3  
18 years of work as a certified teacher. As used in this subdivision,  
19 "critical needs district" means a district with a median household  
20 income in the lowest quartile in each prosperity region, as  
21 determined by the department.

22 (8) If an award recipient does not maintain enrollment in  
23 their educator preparation program as required under subsection  
24 (3)(a), does not successfully complete their educator preparation  
25 program, or does not meet the work requirement described in  
26 subsection (7), any amount received from funds under this section  
27 converts to a 0% interest loan that must be repaid to this state  
28 within 10 years. The amount of repayment must be reduced  
29 proportionate to the number of years worked in schools or

1 qualifying public preschool programs in this state as a  
2 certificated teacher out of 5 years. The department of treasury  
3 shall develop guidance to enforce this subsection.

4 (9) An individual may not concurrently receive funding through  
5 programs funded under this section and grow your own programs  
6 funded under section 27b.

7 (10) If the amount allocated in subsection (1) is not  
8 sufficient to fully fund awards under this section, there is  
9 appropriated from the educator fellowship public provider fund or  
10 the educator fellowship private provider fund, as applicable, the  
11 amount necessary to fully fund these programs. The state budget  
12 director shall provide notification to the house and senate  
13 appropriations subcommittees on K to 12 school aid and the house  
14 and senate fiscal agencies for any additional appropriation  
15 described under this subsection.

16 (11) Notwithstanding section 17b, the department of treasury  
17 shall make payments under this section on a schedule determined by  
18 the department of treasury.

19 (12) As used in this section, "eligible educator preparation  
20 program" means an institution of higher education that meets all of  
21 the following:

22 (a) Is a public or nonpublic institution of higher education  
23 in this state.

24 (b) Has an established school of education with an educator  
25 preparation program approved by the department.

26 (c) Enrolls 1 or more future educator fellowship recipients.

27 (d) Has not increased tuition and fee rates above the  
28 limitations described in section 265.

29 Sec. 27b. (1) From the state school aid fund money



appropriated in section 11, there is allocated for ~~2022-2023-2023-~~  
~~2024~~ only an amount not to exceed ~~\$20,000,000.00-\$50,000,000.00~~ and  
 from the federal funding appropriated under section 11, there is  
 allocated for ~~2022-2023-2023-2024~~ only an amount not to exceed  
~~\$155,000,000.00-\$50,000,000.00~~ from the federal funding awarded to  
 this state from the coronavirus state fiscal recovery fund under  
 the American rescue plan act of 2021, title IX, subtitle M of  
 Public Law 117-2, to districts and intermediate districts for a  
 grow your own program as described in subsection (2).

(2) Districts and intermediate districts receiving funding  
 under this section shall use the funding to implement a grow your  
 own program. A grow your own program described in this subsection  
 must be implemented to improve the teacher talent pipeline and  
 provide a no-cost pathway for support staff members to become  
 certified teachers. Allowable expenses for grow your own programs  
 include, but are not limited to:

(a) Tuition and fees for attendance at a state-approved  
 education preparation provider for **an early child certification**, an  
 accelerated degree, for a traditional bachelor's degree for current  
 staff who are not teachers, or for an advanced degree. **Any**  
**additional certification required for career and technical**  
**education educators is an eligible expense under this section.**

(b) Books.

(c) Testing fees.

(d) Travel to and from coursework.

(e) Substitute employee salary and wages for the duration of  
 the educator preparation program attended by the recipient staff of  
 the district or intermediate district.

(f) Costs for curriculum, materials, professional development,

1 and hands-on-learning experiences to implement a program within the  
2 district or intermediate district to encourage students in any of  
3 grades 6 through 12 to consider a career in education. Not more  
4 than 10% of funds received by a district or intermediate district  
5 under this section may be used for this purpose.

6 (3) The department shall establish a grant process to  
7 distribute funds under this section. A district or intermediate  
8 school district must apply for funds in a form and manner  
9 prescribed by the department. As part of the application described  
10 in this subsection, a district or intermediate district must submit  
11 the following information and assurances:

12 (a) Demonstrated need for funding in the district or  
13 intermediate district or the broader community, including projected  
14 workforce needs, and a proposed spending plan on how the funds will  
15 be utilized that includes expected tuition, fees, and books for the  
16 program.

17 (b) Number of support staff projected to participate in a grow  
18 your own program described in this section.

19 (c) For funds for the purposes described in subsection (2)(f),  
20 a description of the program being implemented and the number of  
21 students the program is intended to reach.

22 (d) Assurances that the pathway will be no cost for  
23 participants and that participants will be compensated as an  
24 employee for the duration of their training, including a paid  
25 residency or student teaching.

26 (e) Identification of eligible recipients and a pledge to hire  
27 an eligible recipient as a full-time teacher upon their receipt of  
28 an initial teaching certificate and provide for student teaching  
29 opportunities.

1 (f) A pledge that, before providing funding under this section  
2 to an eligible recipient, the district or intermediate district  
3 will require that the eligible recipient pledge to serve as a full-  
4 time teacher at the district or intermediate district for at least  
5 the same number of years as the recipient participated in a grow  
6 your own program. If the district or intermediate district is  
7 unable to hire an eligible recipient as required under subdivision  
8 (e), the eligible recipient may serve the years the recipient  
9 pledged to serve under this subdivision at another district,  
10 intermediate district, or nonpublic school.

11 (4) An individual may not concurrently receive funding for  
12 programs under this section and programs funded under sections 27a  
13 and 27c.

14 (5) The federal funding allocated under this section is  
15 intended to respond to the COVID-19 public health emergency and its  
16 negative impacts.

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

20 (7) The funds allocated under this section for 2022-2023 are a  
21 work project appropriation, and any unexpended funds for 2022-2023  
22 are carried forward into 2023-2024. The purpose of the work project  
23 is to continue support for grow your own programs in districts and  
24 intermediate districts. The estimated completion date of the work  
25 project is December 31, 2026.

26 Sec. 27c. (1) From the state school aid fund money  
27 appropriated in section 11, there is allocated \$50,000,000.00 for  
28 ~~2022-2023-2023-2024~~ and, from the general fund money appropriated  
29 in section 11, there is allocated \$5,000,000.00 for 2023-2024, for

1 the MI future educator student teacher stipend program. Except as  
 2 otherwise provided in this section, the funds allocated under this  
 3 section must be paid to eligible educator preparation programs for  
 4 payments to eligible student teachers working in a ~~district-public~~  
 5 **school or nonpublic school**.

6 (2) An eligible student teacher under this subsection must  
 7 meet all of the following:

8 (a) The individual must be admitted to an eligible educator  
 9 preparation program, be working toward a teacher certification, be  
 10 participating in required student teaching coursework, and be  
 11 maintaining satisfactory academic progress. As used in this  
 12 subdivision, "required student teaching coursework" means credit  
 13 hours, or the program equivalent, required by an eligible educator  
 14 preparation program for successful completion of the program. This  
 15 coursework must include regular placement in a ~~district-public~~  
 16 **school or nonpublic school** where the student gains real-world,  
 17 first-hand experience working in a classroom, teaching students,  
 18 engaging in the day-to-day activities of a certified teacher, and  
 19 working daily under the guidance of a certified teacher.

20 (b) The individual must timely complete an application in a  
 21 form and manner prescribed by the department of treasury. The  
 22 application must include the ~~district-public school or nonpublic~~  
 23 **school** in which the individual is working as a student teacher and  
 24 must include a certification by the ~~district-public school or~~  
 25 **nonpublic school** and the individual's eligible educator preparation  
 26 program that the student is working as a student teacher. ~~If the~~  
 27 ~~individual's eligible educator preparation program is not provided~~  
 28 ~~by a public institution of higher education, the district in which~~  
 29 ~~the individual is working must also provide an assurance that they~~

~~will forward any amount received under this section from the department of treasury for purposes of the program described in this section to the individual's eligible educator preparation program.~~

(c) The individual must not have received a payment from funds under this subsection previously, unless the individual is enrolled in an eligible educator preparation program that requires multiple semesters of student teaching.

(d) If an individual is paid by their ~~district,~~ **public school or nonpublic school**, they are not eligible for payment under this section.

(3) The department of treasury shall pay each eligible educator preparation program an amount not to exceed \$9,600.00 per academic semester for each eligible student teacher working in a ~~district. If the individual's eligible educator preparation program is not provided by a public institution of higher education, the department of treasury shall pay an amount not to exceed \$9,600.00 per academic semester to the district in which the individual is working as a student teacher, and that district must forward the amount received to the individual's eligible educator preparation program.~~ **public school or nonpublic school**. If funding allocated under this section is insufficient to fully fund all eligible student teachers, the department of treasury shall first award funding for eligible student teachers who are also Pell grant recipients and then shall distribute funding in the order in which applications were received. It is intended that payments under this subsection are made at the beginning of the semester in 1 lump sum for eligible student teachers.

(4) Eligible educator preparation programs shall pay funds

received under this section, in entirety, to the eligible student teacher. Eligible student teachers may use these funds for any of the following:

(a) Tuition costs.

(b) Living expenses, including, but not limited to, housing costs, health care costs, and transportation costs.

(c) Childcare costs for a dependent of the student teacher.

(d) Any other costs associated with student teaching, as determined by the department of treasury.

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

(6) As used in this section, "eligible educator preparation program" means an institution of higher education that meets all of the following:

(a) Is a public or private institution of higher education in this state.

(b) Has an established school of education with an educator preparation program approved by the department.

(c) Has not increased tuition and fee rates above the limitations described in section 265.

Sec. 28. (1) To recognize differentiated instructional costs for different types of pupils in ~~2022-2023~~, **2023-2024**, the following sections provide a weighted foundation allocation or an additional payment of some type in the following amounts, as allocated under those sections:

(a) Section 22d, isolated and rural districts,  
~~\$8,858,000.00.~~ **\$9,301,000.00.**

(b) Section 31a, at risk, ~~\$747,500,000.00.~~ **\$812,200,000.00.**

(c) Section 41, bilingual education for English language learners, ~~\$26,511,000.00.~~ **\$27,837,000.00.**

(d) Section 51c, special education, mandated percentages, ~~\$709,900,000.00.~~ **\$819,200,000.00.**

(e) Section 61a, career and technical education, standard reimbursement, \$47,611,300.00.

(f) 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. 31a. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2021-2022~~ **2023-2024** an amount not to exceed ~~\$537,650,000.00,~~ **\$850,350,000.00** and from the general fund money appropriated in section 11 there is allocated for ~~2021-2022~~ **2023-2024** an amount not to exceed \$1,500,000.00 ~~, and, from the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 an amount not to exceed \$785,650,000.00, and from the general fund money appropriated in section 11, there is allocated for 2022-2023 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 **(6) and (7).** ~~and (8).~~

~~(2) For 2021-2022 only, for a district that has combined state and local revenue per membership pupil under sections 20 and 20m~~

~~that is greater than the target foundation allowance under section 20 for the current fiscal year and that, for the immediately preceding fiscal year, had combined state and local revenue per membership pupil under section 20 and 20m that was greater than the target foundation allowance under section 20 that was in effect for that fiscal year, the allocation under subsection (4) is an amount equal to 35% of the allocation for which it would otherwise be eligible under subsection (4) before any proration under subsection (15). It is the intent of the legislature that, if revenues are sufficient and if districts with combined state and local revenue per membership pupil under sections 20 and 20m that is below the target foundation allowance are receiving nonprorated payments under subsection (4), the percentage in the immediately preceding sentence must be increased annually until it reaches 100%. If a district has combined state and local revenue per membership pupil under sections 20 and 20m that is greater than the target foundation allowance under section 20 for the current fiscal year, but for the 2018-2019 fiscal year had combined state and local revenue per membership pupil under section 20 that was less than the basic foundation allowance under section 20 that was in effect for the 2018-2019 fiscal year, the district shall receive an amount per pupil equal to 11.5% of the target foundation allowance, as applied under subsection (4), and before any proration under subsection (15). This subsection does not apply beginning in 2022-2023.~~

(2) ~~(3)~~ For a district or public school academy to be eligible to receive funding under this section, other than funding under subsection **(6) or** (7), ~~or (8)~~, the district or public school academy, for 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.

**(3)** ~~(4)~~ From the state school aid fund money allocated under subsection (1), there is allocated for ~~2021-2022~~ **2023-2024** an amount not to exceed ~~\$512,500,000.00 and, for 2022-2023, an amount not to exceed \$747,500,000.00~~ **\$812,200,000.00** to continue a weighted foundation per pupil payment for districts and public school academies enrolling economically disadvantaged pupils. The department shall pay under this subsection to each eligible district or eligible public school academy an amount per pupil equal to 11.5% of the target foundation allowance for the following, as applicable:

(a) Except as otherwise provided under subdivision (b), (c), or (d) the greater of the following:

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

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

1 program.

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

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

18 (d) If, for a particular fiscal year, the number of membership  
19 pupils in a district or public school academy who are determined  
20 under subdivision (a) to be economically disadvantaged or to be  
21 eligible based on the identified student percentage varies by more  
22 than 20 percentage points from the number of those pupils in the  
23 district or public school academy as calculated under subdivision  
24 (a) for the immediately preceding fiscal year caused by an  
25 egregious reporting error by the district or public school academy,  
26 the department may choose to have the calculations under  
27 subdivision (a) instead be made using the number of membership  
28 pupils in the district or public school academy who are determined  
29 to be economically disadvantaged, as reported to the center in the

1 form and manner prescribed by the center not later than the fifth  
2 Wednesday after the supplemental count day of the immediately  
3 preceding fiscal year.

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

26       **(5)** ~~(6)~~—A district or public school academy that receives  
27 funds under this section and that operates a school breakfast  
28 program under section 1272a of the revised school code, MCL  
29 380.1272a, shall use from the funds received under this section an

1 amount, not to exceed \$10.00 per pupil for whom the district or  
2 public school academy receives funds under this section, necessary  
3 to pay for costs associated with the operation of the school  
4 breakfast program.

5       **(6)** ~~(7)~~ From the state school aid fund money allocated under  
6 subsection (1), there is allocated for ~~2021-2022~~**2023-2024** an  
7 amount not to exceed ~~\$8,000,000.00 and there is allocated for 2022-~~  
8 ~~2023 an amount not to exceed \$33,000,000.00~~ to support primary  
9 health care services provided to children and adolescents up to age  
10 21. These funds must be expended in a form and manner determined  
11 jointly by the department and the department of health and human  
12 services. When making funding decisions for new adolescent health  
13 centers under this subsection, the department and department of  
14 health and human services shall prioritize support for primary  
15 health care services in unserved counties as of the effective date  
16 of the amendatory act that added this sentence. An amount not to  
17 exceed 4% of the funds allocated for ~~2022-2023~~**2023-2024** under this  
18 subsection must be made available for technical support and  
19 coordination services from a nonprofit organization exclusively  
20 dedicated to serving adolescent health centers in this state and  
21 that has a membership that includes federally qualified health  
22 centers, local public health departments, hospital systems, and  
23 public school districts. As a requirement of being awarded the  
24 funds under this subsection as prescribed under this subsection, a  
25 nonprofit organization described in this subsection shall make  
26 readily available technical support and coordination services to  
27 all child and adolescent health centers in this state.

28       **(7)** ~~(8)~~ From the state school aid fund money allocated under  
29 subsection (1), there is allocated for ~~2021-2022~~**2023-2024** an

1 amount not to exceed \$5,150,000.00 ~~and there is allocated for 2022-~~  
 2 ~~2023 an amount not to exceed \$5,150,000.00~~ for the state portion of  
 3 the hearing and vision screenings as described in part 93 of the  
 4 public health code, 1978 PA 368, MCL 333.9301 to 333.9329, and,  
 5 from the general fund money allocated under subsection (1), there  
 6 is allocated for ~~2021-2022~~ **2023-2024** an amount not to exceed  
 7 \$1,500,000.00 ~~and there is allocated for 2022-2023 an amount not to~~  
 8 ~~exceed \$1,500,000.00~~ for the state portion of the dental screenings  
 9 as described in part 93 of the public health code, 1978 PA 368, MCL  
 10 333.9301 to 333.9329. A local public health department shall pay at  
 11 least 50% of the total cost of the screenings. The frequency of the  
 12 vision screenings must be as required under R 325.13091 to R  
 13 325.13096 of the Michigan Administrative Code and the frequency of  
 14 the hearing screenings must be as required under R 325.3271 to R  
 15 325.3276 of the Michigan Administrative Code. Funds must be awarded  
 16 in a form and manner approved jointly by the department and the  
 17 department of health and human services. Notwithstanding section  
 18 17b, the department shall make payments to eligible entities under  
 19 this subsection on a schedule determined by the department.

20       **(8)** ~~(9)~~ Each district or public school academy receiving funds  
 21 under this section shall submit to the department by July 15 of  
 22 each fiscal year a report, in the form and manner prescribed by the  
 23 department, that includes a brief description of each program  
 24 conducted or services performed by the district or public school  
 25 academy using funds under this section, the amount of funds under  
 26 this section allocated to each of those programs or services, the  
 27 total number of at risk pupils served by each of those programs or  
 28 services, and the data necessary for the department and the  
 29 department of health and human services to verify matching funds

for the temporary assistance for needy families program. In prescribing the form and manner of the report, the department shall ensure that districts are allowed to expend funds received under this section on any activities that are permissible under this section. If a district or public school academy does not comply with this subsection, the department shall withhold an amount equal to the August payment due under this section until the district or public school academy complies with this subsection. If the district or public school academy does not comply with this subsection by the end of the fiscal year, the withheld funds are forfeited to the school aid fund.

**(9)** ~~(10)~~—In order to receive funds under this section, a district or public school academy 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 or public school academy shall reimburse the state for all disallowances found in the audit.

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

are available to all learners and effectively meet the needs of most pupils.

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

(a) Implementing the multi-tiered system of supports required in subsection ~~(3)~~ **(2)** with fidelity and utilizing the data from that system to inform curriculum and instruction.

(b) Implementing section 1280f of the revised school code, MCL 380.1280f, as required under subsection ~~(3)~~ **(2)**, with fidelity.

**(12)** ~~(13)~~ ~~For 2021-2022, a district or public school academy that receives funds under subsection (4) or (17) may use funds received under subsection (4) or (17) for support staff providing services to at-risk pupils. For 2022-2023, 2023-2024 a district or public school academy that receives funds under subsection (4) (3) may use funds received under subsection (4) (3) for support staff providing services to at-risk pupils.~~

**(13)** ~~(14)~~—A district or public school academy that receives funds under this section may use up to 10% of the funds received under this section to provide evidence-based instruction for pre-kindergarten instructional and noninstructional services to children who meet at least 1 of the criteria in subsection ~~(20) (a) (i) to (x)~~ **(18) (a) (i) to (x)**.

**(14)** ~~(15)~~—If necessary, the department shall prorate payments



1 under this section, except payments under subsection ~~(7), (8), or,~~  
 2 ~~for 2021-2022, (17), (6) or (7),~~ by reducing the amount of the  
 3 allocation as otherwise calculated under this section by an equal  
 4 percentage per district.

5 **(15)** ~~(16)~~ If a district is dissolved pursuant to section 12 of  
 6 the revised school code, MCL 380.12, the intermediate district to  
 7 which the dissolved district was constituent shall determine the  
 8 estimated number of pupils that are economically disadvantaged and  
 9 that are enrolled in each of the other districts within the  
 10 intermediate district and provide that estimate to the department  
 11 for the purposes of distributing funds under this section within 60  
 12 days after the district is declared dissolved.

13 ~~(17) From the state school aid fund money allocated under~~  
 14 ~~subsection (1), there is allocated for 2021-2022 an amount not to~~  
 15 ~~exceed \$12,000,000.00 for payments to districts and public school~~  
 16 ~~academies that otherwise received an allocation under this~~  
 17 ~~subsection for 2020-2021 and whose allocation under this section~~  
 18 ~~for 2020-2021, excluding any payments under subsection (7) or (8),~~  
 19 ~~would have been more than the district's or public school academy's~~  
 20 ~~allocation under this section for 2021-2022 as calculated under~~  
 21 ~~subsection (4) only and as adjusted under subsection (15). The~~  
 22 ~~allocation for each district or public school academy under this~~  
 23 ~~subsection is an amount equal to its allocation under this section~~  
 24 ~~for 2020-2021 minus its allocation as otherwise calculated under~~  
 25 ~~subsection (4) for 2021-2022 as adjusted by subsection (15), using~~  
 26 ~~in those calculations the 2017-2018 number of pupils determined to~~  
 27 ~~be economically disadvantaged. However, if the allocation as~~  
 28 ~~otherwise calculated under this subsection would have been less~~  
 29 ~~than \$0.00, the allocation under this subsection is \$0.00. If~~

~~1 necessary, and before any proration required under section 296, the  
2 department shall prorate payments under this subsection by reducing  
3 the amount of the allocation as otherwise calculated under this  
4 subsection by an equal percentage per district or public school  
5 academy. Any unexpended funds under this subsection are to be  
6 distributed through payments made under subsection (4) as provided  
7 under subsection (4), but those funds must not be factored into  
8 calculating payments under this subsection. This subsection does  
9 not apply beginning in 2022-2023.~~

**(16)** ~~(18)~~ 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.

**(17)** ~~(19)~~ The department shall collaborate with the department of health and human services to prioritize assigning Pathways to Potential 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.

**(18)** ~~(20)~~ As used in this section:

(a) "At-risk pupil" means a pupil in grades 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.

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

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

(vi) The pupil has a family history of school failure,

1 incarceration, or substance abuse.

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

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

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

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

15 (b) "Combined state and local revenue" means the aggregate of  
16 the district's state school aid received by or paid on behalf of  
17 the district under section 20 and the district's local school  
18 operating revenue.

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

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

29 (e) "English language learner" means limited English

1 proficient pupils who speak a language other than English as their  
2 primary language and have difficulty speaking, reading, writing, or  
3 understanding English as reported to the center.

4 (f) "Local school operating revenue" means that term as  
5 defined in section 22b.

6 Sec. 31c. (1) Subject to subsection (6), from the general fund  
7 money appropriated in section 11, there is allocated \$12,000,000.00  
8 for ~~2022-2023~~**2023-2024** to an eligible vendor to, subject to  
9 subsections (3), (4), and (5), provide literacy tutoring services  
10 and enrichment programs to districts or intermediate districts or  
11 both districts and intermediate districts.

12 (2) Except as otherwise provided in this section, to receive  
13 money under this section, an eligible vendor must apply for the  
14 money in a form and manner prescribed by the department. In its  
15 application described in this subsection, the eligible vendor must  
16 pledge to, subject to subsections (3) and (4), use the money it  
17 receives under this section to provide literacy tutoring services  
18 and enrichment programs to districts or intermediate districts or  
19 both districts and intermediate districts for the 2022-2023, 2023-  
20 2024, and 2024-2025 fiscal years.

21 (3) An eligible vendor that receives money under this section  
22 shall ensure that, at a minimum, all of the following criteria  
23 apply to the literacy tutoring services provided as described in  
24 subsection (1):

25 (a) The services include the provision of assessments that,  
26 with the advice of the district or intermediate district receiving  
27 the services, includes the identification of students for  
28 participation in individualized literacy intervention programs.

29 (b) The services include certified testers who assess students

1 pre- and postintervention through the literacy tutoring services  
2 described in this subsection and the provision of a literacy  
3 prescription for students.

4 (c) The services include reading tutors who are trained in 1  
5 or more methods that are adapted for students' individual literacy  
6 prescriptions as described in subdivision (b).

7 (d) Each tutor provided through the services must provide 1-  
8 on-1 reading tutoring 1 hour each day, 5 times each week for the  
9 duration the tutor is to provide services to a student as  
10 prescribed in the student's individual literacy prescription as  
11 described in subdivision (b).

12 (e) Through the services, based on each student's individual  
13 literacy prescription as described in subdivision (b), each student  
14 must participate in either or both of the following:

15 (i) Intervention in 1 or more of the following areas:

16 (A) Foundational phonemic awareness.

17 (B) Multisensory structured literacy.

18 (C) Upper morphology, vocabulary, and comprehension.

19 (ii) Reading and writing programs focused on college and career  
20 readiness. The programs described in this subparagraph must be made  
21 available only to students enrolled in high school. As used in this  
22 subparagraph, "high school" means a school that offers at least 1  
23 of grades 9 to 12.

24 (4) An eligible vendor that receives money under this section  
25 shall ensure that, at a minimum, all of the following criteria  
26 apply to the enrichment programs provided as described in  
27 subsection (1):

28 (a) The programs include, for students enrolled in any of  
29 grades K to 6, a publishing center that helps students write and

1 edit original stories that are bound into hardcover books.

2 (b) The programs include, for students enrolled in any of  
3 grades 7 to 12, a variety of fun opportunities to improve writing  
4 skills using the fundamental principles of essay writing.

5 (c) The programs include lessons about master artists that  
6 cover the topics of history, geography, and artistic techniques as  
7 applicable to those master artists and that students can utilize in  
8 a variety of projects.

9 (d) The programs provide for international art and writing  
10 opportunities that allow school children from around the world to  
11 creatively express their interpretation of the year's theme through  
12 paintings or writing essays that are shared with other  
13 participants.

14 (5) An eligible vendor that receives money under this section  
15 shall use the money to, subject to subsections (3) and (4), provide  
16 literacy tutoring services and enrichment programs to districts or  
17 intermediate districts or both districts and intermediate districts  
18 as required under subsection (1) for the 2022-2023, 2023-2024, and  
19 2024-2025 fiscal years.

20 (6) All of the following criteria apply to payments of money  
21 allocated under subsection (1):

22 (a) The department may make payments to the eligible vendor in  
23 an amount not to exceed 1/3 of the amount allocated in subsection  
24 (1) for services described in subsection (3) and programs described  
25 in subsection (4) provided to the first 1,000 students served by  
26 the eligible vendor that receives money under this section.

27 (b) The department shall make subsequent payments, in addition  
28 to the payments described in subdivision (a), or, if payments are  
29 not made as described in subdivision (a), all payments, to the

1 eligible vendor for services described in subsection (3) and  
2 programs described in subsection (4) based on the number of  
3 students served in addition to the students served as described in  
4 subdivision (a), or, if payments are not made as described in  
5 subdivision (a), based on the number of students served, in a  
6 manner determined by the department.

7 (7) By not later than September 30, 2025, the eligible vendor  
8 that receives money under this section shall provide a report to  
9 the house and senate subcommittees on K to 12 school aid, the house  
10 and senate fiscal agencies, and the state budget director,  
11 concerning the reading readiness outcomes for students that  
12 received services with money received by the eligible vendor under  
13 this section. The report described in this subsection must include  
14 aggregated results from pre- and postassessments of reading  
15 readiness, best practices for implementing similar services and  
16 programs statewide to the services and programs implemented by the  
17 eligible vendor, and identifications of barriers to the successful  
18 implementation of the services provided by the eligible vendor to  
19 students with money received under this section.

20 (8) The funds allocated under this section for 2022-2023 are a  
21 work project appropriation, and any unexpended funds for 2022-2023  
22 are carried forward into 2023-2024. The purpose of the work project  
23 is to continue the support of the implementation of literacy  
24 tutoring services and enrichment programs described in this  
25 section. The estimated completion date of the work project is  
26 September 30, 2025.

27 (9) As used in this section, "eligible vendor" means a vendor  
28 to which both of the following apply:

29 (a) It provides literacy tutoring services that meet the

criteria described in subsection (3) and enrichment programs that meet the criteria described in subsection (4).

(b) It meets both of the following:

(i) In its application described in subsection (2), it has submitted to the department an implementation plan that includes, at a minimum, all of the following:

(A) An identification of at least 3 geographically diverse districts that will receive services from money received under this section.

(B) A plan to serve at least 3,000 students from the 2022-2023 fiscal year to the 2024-2025 fiscal year with services from money received under this section.

(C) Methods to collect and report to the department pre- and postassessments of reading readiness by students receiving services from money received under this section.

(D) A plan to provide data-based outcome metrics to the department in a form, time frame, and manner determined by the department.

(ii) The department has approved the implementation plan described in subparagraph (i).

Sec. 31d. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$24,553,400.00 for ~~2021-2022-2022-2023~~ and there is allocated an amount not to exceed ~~\$24,553,400.00~~ **\$25,290,400.00** for ~~2022-2023-2023-2024~~ 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



1 lunch programs provided by those districts. The department shall  
2 calculate the amount due to each district under this section using  
3 the methods of calculation adopted by the Michigan supreme court in  
4 the consolidated cases known as *Durant v State of Michigan*, 456  
5 Mich 175 (1997).

6 (3) The payments made under this section include all state  
7 payments made to districts so that each district receives at least  
8 6.0127% of the necessary costs of operating the state mandated  
9 portion of the lunch program in a fiscal year.

10 (4) The payments made under this section to districts and  
11 other eligible entities that are not required under section 1272a  
12 of the revised school code, MCL 380.1272a, to provide a lunch  
13 program must be in an amount not to exceed \$10.00 per eligible  
14 pupil plus 5 cents for each free lunch and 2 cents for each reduced  
15 price lunch provided, as determined by the department.

16 (5) From the federal funds appropriated in section 11, there  
17 is allocated for ~~2021-2022-2022-2023~~ all available federal funding,  
18 estimated at ~~\$900,000,000.00,~~ **\$901,400,000.00**, and there is  
19 allocated for ~~2022-2023-2023-2024~~ all available federal funding,  
20 estimated at ~~\$900,000,000.00,~~ **\$901,400,000.00** for child nutrition  
21 programs and, for ~~2021-2022,~~ **2022-2023**, all available federal  
22 funding, estimated at ~~\$30,700,000.00,~~ **\$15,000,000.00**, and, for  
23 ~~2022-2023,~~ **2023-2024**, all available federal funding, estimated at  
24 \$15,000,000.00, for food distribution programs.

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

28 (7) In purchasing food for a lunch program funded under this  
29 section, a district or other eligible entity shall give preference

1 to food that is grown or produced by Michigan businesses if it is  
2 competitively priced and of comparable quality.

3 Sec. 31f. (1) From the state school aid fund money  
4 appropriated in section 11, there is allocated an amount not to  
5 exceed ~~\$12,400,000.00 for 2021-2022 and \$11,900,000.00 for 2022-~~  
6 ~~2023-2023-2024~~ for the purpose of making payments to districts to  
7 reimburse for the cost of providing breakfast.

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

11 (a) The district participates in the federal school breakfast  
12 program and meets all standards as prescribed by 7 CFR parts 210,  
13 220, 225, 226, and 245.

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

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

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

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

1       Sec. 31j. (1) From the general fund money appropriated in  
2 section 11, there is allocated an amount not to exceed \$500,000.00,  
3 and from the state school aid fund money appropriated in section  
4 11, there is allocated an amount not to exceed ~~\$4,000,000.00~~  
5 **\$8,800,000.00** for ~~2021-2022~~, and from the general fund money  
6 appropriated in section 11, there is allocated an amount not to  
7 exceed ~~\$500,000.00~~ and from the state school aid fund money  
8 appropriated in section 11, there is allocated an amount not to  
9 exceed ~~\$8,800,000.00~~ for ~~2022-2023~~ **2023-2024** for a program to  
10 support districts and other non-school sponsors in the purchase of  
11 locally grown fruits and vegetables as described in this section.  
12 ~~It is the intent of the legislature that, for 2023-2024, the~~  
13 ~~allocation from the state school aid fund money appropriated in~~  
14 ~~section 11 for purposes described in this section will be~~  
15 ~~\$4,000,000.00.~~

16       (2) Funding under this section retained by the department for  
17 administration must not exceed 5%. Funding under this section  
18 retained by project partners for data collection, outreach, and  
19 training must not exceed 1% for each partner.

20       (3) The department shall develop and implement a competitive  
21 grant program for districts and other non-school sponsors to assist  
22 in paying for the costs incurred by the district or other non-  
23 school sponsor to purchase or increase purchases of whole or  
24 minimally processed fruits, vegetables, and legumes grown in this  
25 state. The maximum amount that may be drawn down on a grant to a  
26 district or other non-school sponsor is based on the number of  
27 meals served by the district during the previous school year under  
28 the Richard B. Russell national school lunch act, 42 USC 1751 to  
29 1769j, or meals served by the other non-school sponsor in the

1 previous school year. The department shall collaborate with the  
2 Michigan department of agriculture and rural development to provide  
3 training to newly participating schools and other non-school  
4 sponsors and electronic information on Michigan agriculture.

5 (4) The goals of the program under this section include  
6 improving daily nutrition and eating habits for children through  
7 the school and child care settings while investing in Michigan's  
8 agricultural and related food business economy.

9 (5) A district or other non-school sponsor that receives a  
10 grant under this section shall use those funds for the costs  
11 incurred by the district or the sponsor to purchase whole or  
12 minimally processed fruits, vegetables, and legumes that meet both  
13 of the following:

14 (a) For each fiscal year, were purchased for use in meals and  
15 supportive activities as part of the United States Department of  
16 Agriculture child nutrition programs provided between September 1  
17 through August 30 of that fiscal year.

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

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

25 (7) In awarding grants under this section, the department  
26 shall work in consultation with Michigan-based farm to school  
27 resource organizations, to develop scoring criteria that assess an  
28 applicant's ability to procure Michigan-grown products, prepare and  
29 menu Michigan-grown products, promote and market Michigan-grown

1 products, and submit letters of intent from districts or other non-  
2 school sponsors on plans for educational activities that promote  
3 the goals of the program.

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

14 (9) In awarding grants, the department shall also consider all  
15 of the following:

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

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

21 (c) Existing or planned collaboration between child care  
22 sponsors, between districts, or with agricultural businesses and  
23 essential local food infrastructure, such as farms, farm  
24 cooperatives, processors, distributors, and local food hubs.

25 (10) As a condition of receiving a grant under this section, a  
26 district or other non-school sponsor shall provide or direct its  
27 vendors to provide to the department copies of monthly receipts  
28 that show the quantity of different Michigan-grown fruits,  
29 vegetables, and legumes purchased, the amount of money spent on

1 each of these products, the name and Michigan location of the farm  
2 that grew the products, and the methods or plans to market and  
3 promote the program. The district or other non-school sponsor also  
4 shall provide to the department monthly United States Department of  
5 Agriculture child nutrition reimbursable meal numbers and must  
6 retain monthly menus noting when and how Michigan-grown products  
7 were used in meals. The district or other non-school sponsor and  
8 school or non-school sponsor food service director or directors  
9 also shall agree to respond to brief online surveys and to provide  
10 a report that shows the percentage relationship of Michigan  
11 spending compared to total food spending. Not later than 60 days  
12 after the end of the period in which funds under this section were  
13 received, and in which federal child nutrition programs require  
14 submission of claims, each district or each non-school sponsor  
15 shall submit a report to the department on outcomes and related  
16 measurements for economic development and children's nutrition and  
17 readiness to learn. The report must include at least both of the  
18 following:

19 (a) The extent to which farmers and related businesses,  
20 including distributors and processors, saw an increase in market  
21 opportunities and income generation through sales of Michigan or  
22 local products to districts and other non-school sponsors. All of  
23 the following apply for purposes of this subdivision:

24 (i) The data used to determine the amount of this increase are  
25 the total dollar amount of Michigan or local fruits, vegetables,  
26 and legumes purchased by schools and other non-school sponsors,  
27 along with the number of different types of products purchased;  
28 school and non-school sponsor food purchasing trends identified  
29 along with products that are of new and growing interest among food

1 service directors; the number of businesses impacted; and the  
2 percentage of total food budget spent on Michigan-grown fruits,  
3 vegetables, and legumes.

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

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

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

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

24 (11) The department shall compile the reports provided by  
25 districts and other non-school sponsors under subsection (10) into  
26 1 legislative report. The department shall provide this report not  
27 later than April 1 of each fiscal year following the fiscal year  
28 for which funding is allocated under this section to the house and  
29 senate subcommittees responsible for school aid, the house and

1 senate fiscal agencies, and the state budget director.

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

5 Sec. 31k. (1) From the state school aid fund money  
6 appropriated in section 11, there is allocated for 2023-2024 only  
7 an amount not to exceed \$1,000,000.00 for payments to eligible  
8 districts as described in this section.

9 (2) Notwithstanding section 17b, to receive funding under this  
10 section a district must apply for the funding in a form and manner  
11 prescribed by the department by, as a first-time applicant, not  
12 later than December 1, 2023, or, if applying through a second  
13 application as described in subsection (6), not later than May 1,  
14 2024.

15 (3) A district that demonstrates to the department that all  
16 outstanding student-meal debt has been forgiven is an eligible  
17 district under this section.

18 (4) Subject to subsection (8), the department shall provide  
19 payments to eligible districts in an amount necessary to reimburse  
20 the eligible districts for the cost of forgiving all outstanding  
21 student-meal debt.

22 (5) Notwithstanding section 17b, the department shall make  
23 reimbursement payments under this section as follows:

24 (a) Except as otherwise provided under subdivision (b),  
25 payments under subsection (4) to all eligible districts must be  
26 made by not later than 60 days after December 1, 2023.

27 (b) Payments under subsection (6) to all eligible districts  
28 must be made by not later than 60 days after May 1, 2024, as  
29 provided under subsection (6).



1       (6) Subject to subsection (8), if the amount paid to eligible  
2 districts under subsection (4) is less than the amount allocated  
3 under subsection (1), the department may distribute the remaining  
4 funds to eligible districts through a second application in an  
5 amount necessary to reimburse eligible districts for the cost of  
6 forgiving all outstanding student-meal debt. An eligible district  
7 receiving a reimbursement payment under subsection (4) is not  
8 eligible for a reimbursement payment through a second application  
9 under this subsection.

10       (7) An eligible district receiving payments under this section  
11 shall adopt policies to prevent public identification or  
12 stigmatization of pupils who cannot pay for a school meal. These  
13 policies must prohibit all of the following:

14       (a) Requiring pupils who cannot pay for a school meal or who  
15 owe a student-meal debt to wear a wristband or handstamp.

16       (b) Requiring pupils who cannot pay for a school meal or who  
17 owe a student-meal debt to perform chores or other work to pay for  
18 school meals.

19       (c) Requiring a pupil to dispose of a meal after it has been  
20 served because the pupil is unable to pay for the meal or owes a  
21 student-meal debt.

22       (d) Communicating directly with a pupil about a student-meal  
23 debt unless the district has attempted to contact, but has been  
24 unsuccessful in communicating with, a pupil's parent or legal  
25 guardian through telephone, mail, and email.

26       (e) Discussing a pupil's student-meal debt in the presence of  
27 other pupils.

28       (8) If the amount allocated under this section is insufficient  
29 to fully reimburse the cost of student-meal debt forgiveness for

1 all eligible districts, the department shall prorate the  
2 reimbursement on an equal percentage per district.

3 Sec. 31n. (1) From the state school aid fund money  
4 appropriated in section 11, there is allocated for ~~2022-2023-2023-~~  
5 **2024** for the purposes of this section an amount not to exceed  
6 \$77,600,000.00 and from the general fund money appropriated in  
7 section 11, there is allocated for ~~2022-2023-2023-2024~~ for the  
8 purposes of this section an amount not to exceed \$1,300,000.00. The  
9 department and the department of health and human services shall  
10 continue a program to distribute this funding to add licensed  
11 behavioral health providers for general education pupils, and shall  
12 continue to seek federal Medicaid match funding for all eligible  
13 mental health and support services.

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

1           (3) The advisory council shall develop a fiduciary agent  
2 checklist for intermediate districts to facilitate development of a  
3 plan to submit to the department and to the department of health  
4 and human services. The department and department of health and  
5 human services shall determine the requirements and format for  
6 intermediate districts to submit a plan for possible funding under  
7 subsection (6). The department shall make applications for funding  
8 for this program available to districts and intermediate districts  
9 not later than December 1 of each fiscal year for which funds are  
10 allocated under this section and shall award the funding not later  
11 than February 1 of each fiscal year for which funds are allocated  
12 under this section.

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

23           (5) From the state school aid fund money allocated under  
24 subsection (1), there is allocated for ~~2022-2023~~**2023-2024** an  
25 amount not to exceed \$14,300,000.00 to be distributed to the  
26 network of child and adolescent health centers to place a licensed  
27 master's level behavioral health provider in schools that do not  
28 currently have services available to general education students.  
29 Child and adolescent health centers that are part of the network

described in this subsection shall provide a commitment to maintain services and implement all available federal Medicaid match methodologies. The department of health and human services shall use all existing or additional federal Medicaid match opportunities to maximize funding allocated under this subsection. The department shall provide funds under this subsection to child and adolescent health centers that are part of the network described in this subsection in the same proportion that funding under section ~~31a(7)~~ **31a(6)** is provided to child and adolescent health centers that are part of the network described in this subsection and that are located and operating in those districts. A payment from funding allocated under this subsection must not be paid to an entity that is not part of the network described in this subsection.

(6) From the state school aid fund money allocated under subsection (1), there is allocated for ~~2022-2023~~ **2023-2024** an amount not to exceed \$62,800,000.00 to be distributed to intermediate districts for the provision of mental health and support services to general education students. If a district or intermediate district is not able to procure the services of a licensed master's level behavioral health provider, the district or intermediate district shall notify the department and the department of health and human services and, if the department and department of health and human services verify that the district or intermediate district attempted to procure services from a master's level behavioral health provider and was not able to do so, then the district or intermediate district may instead procure services from a provider with less than a master's degree in behavioral health. To be able to use the exemption in the immediately preceding sentence, the district or intermediate district must

1 submit evidence satisfactory to the department and department of  
2 health and human services demonstrating that the district or  
3 intermediate district took measures to procure the services of a  
4 licensed master's level behavioral health provider but was unable  
5 to do so, and the department and department of health and human  
6 services must be able to verify this evidence. From the first  
7 \$53,496,800.00 of the funds allocated under this subsection, the  
8 department shall distribute \$955,300.00 for ~~2022-2023~~**2023-2024** to  
9 each intermediate district that submits a plan approved by the  
10 department and the department of health and human services. The  
11 department shall distribute the remaining \$9,303,200.00 of the  
12 funds allocated under this subsection for ~~2022-2023~~**2023-2024** to  
13 intermediate districts on an equal per-pupil basis based on the  
14 combined total number of pupils in membership in the intermediate  
15 district and its constituent districts, including public school  
16 academies that are considered to be constituent districts under  
17 section 705(7) of the revised school code, MCL 380.705. The  
18 department and department of health and human services shall work  
19 cooperatively in providing oversight and assistance to intermediate  
20 districts during the plan submission process and shall monitor the  
21 program upon implementation. An intermediate district shall use  
22 funds awarded under this subsection to provide funding to its  
23 constituent districts, including public school academies that are  
24 considered to be constituent districts under section 705(7) of the  
25 revised school code, MCL 380.705, for the provision of mental  
26 health and support services to general education students. In  
27 addition to the criteria identified under subsection (7), an  
28 intermediate district shall consider geography, cost, or other  
29 challenges when awarding funding to its constituent districts.

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; the intermediate district may also contract with 1 or more other intermediate districts for coordination and the facilitation of activities related to providing mental health and support services to general education students residing within the boundaries of the intermediate district; 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

1 support services delivered by licensed providers into future fiscal  
2 years.

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

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

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

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

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

20 (g) Whether the district will participate in ongoing  
21 trainings.

22 (h) Whether the district will submit an annual report to the  
23 state.

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

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

29 (k) Any other requirements determined by the department or the

1 department of health and human services.

2 (8) Funding under this section, including any federal Medicaid  
3 funds that are generated, must not be used to supplant existing  
4 services.

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

8 (a) For ~~2022-2023~~, **2023-2024**, an amount not to exceed  
9 \$1,000,000.00 for the purpose of upgrading technology and systems  
10 infrastructure and other administrative requirements to support the  
11 programs funded under this section.

12 (b) For ~~2022-2023~~, **2023-2024**, an amount not to exceed  
13 \$300,000.00 for the purpose of administering the programs under  
14 this section and working on generating additional Medicaid funds as  
15 a result of programs funded under this section.

16 (10) From the state school aid fund money allocated under  
17 subsection (1), there is allocated for ~~2022-2023~~ **2023-2024** an  
18 amount not to exceed \$500,000.00 to intermediate districts on an  
19 equal per intermediate district basis for the purpose of  
20 administering programs funded under this section.

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



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

11 (12) A district or intermediate district that receives funding  
12 directly or indirectly under this section may carry over any  
13 unexpended funds received under this section for up to 2 fiscal  
14 years beyond the fiscal year in which the funds were received.

15 Sec. 31p. (1) From the federal funding appropriated under  
16 section 11, there is allocated for 2022-2023 only an amount not to  
17 exceed \$50,000,000.00 from the federal funding awarded to this  
18 state from the coronavirus state fiscal recovery fund under the  
19 American rescue plan act of 2021, title IX, subtitle M of Public  
20 Law 117-2, for grants to intermediate districts to implement a  
21 TRAILS program as described in subsection (2).

22 ~~(2) Intermediate districts receiving funding under this~~  
23 ~~section must use the funding to implement a TRAILS program within~~  
24 ~~the boundaries of the intermediate district.~~ The TRAILS program  
25 described in this subsection must improve youth access to evidence-  
26 based mental health services by training school mental health  
27 professionals in effective practices, such as cognitive behavioral  
28 therapy and mindfulness.

29 (3) The department shall establish a grant process to

1 distribute funds under this section.

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

5 Intermediate districts must ~~use funds received under this section~~  
6 ~~for a direct partnership with the TRAILS program described in~~

7 ~~subsection (2).~~ **pay an amount equal to the amount awarded to the**  
8 **intermediate district under this section to the TRAILS program. The**  
9 **TRAILS program must use funding received from intermediate**  
10 **districts to provide services described in this section statewide.**

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

14 (6) The funds allocated under this section for 2022-2023 are a  
15 work project appropriation, and any unexpended funds for 2022-2023  
16 are carried forward into 2023-2024. The purpose of the work project  
17 is to continue support for the TRAILS program. The estimated  
18 completion date of the work project is December 31, 2026.

19 (7) The federal funding allocated under this section is  
20 intended to respond to the COVID-19 public health emergency and its  
21 negative impacts.

22 Sec. 31aa. (1) From the state school aid fund money  
23 appropriated in section 11, there is allocated \$150,000,000.00 for  
24 ~~2022-2023~~ **2023-2024** only to provide payments to districts **and**  
25 **intermediate districts** for activities to improve student mental  
26 health. The allowable expenditures of funds under this section  
27 include, but are not limited to, the following:

28 (a) Hiring or contracting for support staff for student mental  
29 health needs, including, but not limited to, school psychologists,

1 social workers, counselors, and school nurses.

2 (b) Purchasing and implementing mental health screening tools.

3 (c) Providing school-based mental health personnel access to  
4 consultation with behavioral health clinicians to respond to  
5 complex student mental health needs.

6 (d) Any other mental health service or product necessary to  
7 improve or maintain the mental health of students and staff.

8 (2) From the allocation under subsection (1), the department  
9 shall make payments to districts in an equal amount per pupil based  
10 on the total number of pupils in membership in each district.

11 (3) If funding remains after the distribution of funds as  
12 described in subsection (2), the department may provide additional  
13 per-pupil allocations to allocate remaining dollars, using for  
14 those calculations the same requirements described in subsection  
15 (2).

16 (4) Except as otherwise provided in this section, to receive  
17 funding under this section, districts **and intermediate districts**  
18 must apply for funding under this section in a form and manner  
19 prescribed by the department. In its application described in this  
20 subsection, a district or intermediate district, as applicable,  
21 shall document how it or, if an intermediate district is applying,  
22 its constituent district, will use community input to guide the  
23 expenditure of the funds it or the constituent district will  
24 receive under this section and it shall pledge to host, or shall  
25 pledge on behalf of its constituent district that the constituent  
26 district will host, at least 1 community conversation about student  
27 mental health and school safety. With consent of its constituent  
28 districts, an intermediate district may apply for funding under  
29 this section on behalf of its constituent districts. As used in

1 this section, "constituent district" means that term as defined in  
2 section 3 of the revised school code, MCL 380.3.

3 (5) Districts receiving funds under this section must  
4 coordinate with intermediate school districts to avoid duplication  
5 of services and to streamline delivery of mental health services to  
6 students.

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

10 Sec. 32d. (1) From the state school aid fund money  
11 appropriated in section 11, there is allocated to eligible  
12 intermediate districts and consortia of intermediate districts for  
13 great start readiness programs an amount not to exceed  
14 ~~\$369,120,000.00~~ **\$642,020,000.00** for ~~2022-2023~~. In addition, from  
15 ~~the federal funding appropriated in section 11, there is allocated~~  
16 ~~for 2022-2023 an amount not to exceed \$83,000,000.00 from the~~  
17 ~~federal funding awarded to this state from the coronavirus state~~  
18 ~~fiscal recovery fund under the American rescue plan act of 2021,~~  
19 ~~title IX, subtitle M of Public Law 117-2, to eligible intermediate~~  
20 ~~districts and consortia of intermediate districts for great start~~  
21 ~~readiness programs. 2023-2024.~~ An intermediate district or  
22 consortium shall use funds allocated under this section for great  
23 start readiness programs to provide part-day, school-day, or  
24 GSRP/Head Start blended comprehensive free compensatory classroom  
25 programs designed to improve the readiness and subsequent  
26 achievement of educationally disadvantaged children who meet the  
27 participant eligibility and prioritization guidelines as defined by  
28 the department. For a child to be eligible to participate in a  
29 program under this section, the child must be at least 4, but less

1 than 5, years of age as of September 1 of the school year in which  
2 the program is offered and must meet those eligibility and  
3 prioritization guidelines. A child who is not 4 years of age as of  
4 September 1, but who will be 4 years of age not later than December  
5 1, is eligible to participate if the child's parent or legal  
6 guardian seeks a waiver from the September 1 eligibility date by  
7 submitting a request for enrollment in a program to the responsible  
8 intermediate district, if the program has capacity on or after  
9 September 1 of the school year, and if the child meets eligibility  
10 and prioritization guidelines.

11 (2) From the state school aid fund money allocated under  
12 subsection (1), an amount not to exceed ~~\$367,120,000.00~~ and from  
13 ~~the federal funds allocated under subsection (1), an amount not to~~  
14 ~~exceed \$83,000,000.00~~ **\$640,020,000.00** is allocated **for 2023-2024** to  
15 intermediate districts or consortia of intermediate districts based  
16 on the formula in section 39. An intermediate district or  
17 consortium of intermediate districts receiving funding under this  
18 section shall act as the fiduciary for the great start readiness  
19 programs. An intermediate district or consortium of intermediate  
20 districts receiving funding under this section may collaborate with  
21 local governments to identify children eligible for programs funded  
22 under this section and may contract with local governments to  
23 provide services. In order to be eligible to receive funds  
24 allocated under this subsection from an intermediate district or  
25 consortium of intermediate districts, a district, a consortium of  
26 districts, a local government, or a public or private for-profit or  
27 nonprofit legal entity or agency must comply with this section and  
28 section 39. The funds allocated under this subsection for 2022-2023  
29 are a work project appropriation, and any unexpended funds for

1 2022-2023 are carried forward into 2023-2024. The purpose of the  
2 work project is to continue to improve access to preschool  
3 programming for economically disadvantaged children. The estimated  
4 completion date of the work project described in the immediately  
5 preceding sentence is September 30, 2024. **The funds allocated under**  
6 **this subsection for 2023-2024 are a work project appropriation, and**  
7 **any unexpended funds for 2023-2024 are carried forward into 2024-**  
8 **2025. The purpose of the work project is to continue to improve**  
9 **access to preschool programming for economically disadvantaged**  
10 **children. The estimated completion date of the work project**  
11 **described in the immediately preceding sentence is September 30,**  
12 **2025.**

13 (3) In addition to the allocation under subsection (1), from  
14 the general fund money appropriated under section 11, there is  
15 allocated an amount not to exceed ~~\$350,000.00 for 2022-2023~~  
16 **\$600,000.00 for 2023-2024** for a competitive grant to continue a  
17 longitudinal evaluation of children who have participated in great  
18 start readiness programs.

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

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

28 (b) An age-appropriate educational curriculum that is in  
29 compliance with the early childhood standards of quality for

1 prekindergarten children adopted by the state board, including, at  
2 least, the Connect4Learning curriculum.

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

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

7 (e) Referral services for families of program participants to  
8 community social service agencies, including mental health  
9 services, as appropriate.

10 (f) Active and continuous involvement of the parents or  
11 guardians of the program participants.

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

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

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

27 (j) Participation in this state's great start to quality  
28 process with a rating of at least ~~3 stars~~**enhancing quality level**.

29 (5) An application for funding under this section must provide

1 for the following, in a form and manner determined by the  
2 department:

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

5 (b) Except as otherwise provided in this subdivision, ensure  
6 that at least 85% of the children participating in an eligible  
7 great start readiness program for whom the intermediate district is  
8 receiving funds under this section are children who live with  
9 families with a household income that is equal to or less than 250%  
10 of the federal poverty guidelines. If the intermediate district  
11 determines that all eligible children are being served and that  
12 there are no children on the waiting list who live with families  
13 with a household income that is equal to or less than 250% of the  
14 federal poverty guidelines, the intermediate district may then  
15 enroll children who live with families with a household income that  
16 is equal to or less than 300% of the federal poverty guidelines.  
17 The enrollment process must consider income and risk factors, such  
18 that children determined with higher need are enrolled before  
19 children with lesser need. For purposes of this subdivision, all  
20 age-eligible children served in foster care or who are experiencing  
21 homelessness or who have individualized education programs  
22 recommending placement in an inclusive preschool setting are  
23 considered to live with families with household income equal to or  
24 less than 250% of the federal poverty guidelines regardless of  
25 actual family income and are prioritized for enrollment within the  
26 lowest quintile.

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

29 (i) Teachers possessing proper training. A lead teacher must



1 have a valid Michigan teaching certificate with an early childhood  
2 or lower elementary endorsement or a bachelor's or higher degree in  
3 child development or early childhood education with specialization  
4 in preschool teaching. However, if an applicant demonstrates to the  
5 department that it is unable to fully comply with this subparagraph  
6 after making reasonable efforts to comply, teachers or  
7 paraprofessionals with at least 5 years of experience as a  
8 paraprofessional in a great start readiness program classroom who  
9 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 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 degree in early  
19 childhood education or child development or the equivalent, or a  
20 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 3 years of the date of employment. Progress toward

1 completion of the compliance plan consists of at least 2 courses or  
2 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 meet all requirements of  
28 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) Each grant recipient shall enroll children identified  
14 under subsection (5)(b) according to how far the child's household  
15 income is below 250% of the federal poverty guidelines by ranking  
16 each applicant child's household income from lowest to highest and  
17 dividing the applicant children into quintiles based on how far the  
18 child's household income is below 250% of the federal poverty  
19 guidelines, and then enrolling children in the quintile with the  
20 lowest household income before enrolling children in the quintile  
21 with the next lowest household income until slots are completely  
22 filled. If the grant recipient determines that all eligible  
23 children are being served and that there are no children on the  
24 waiting list who live with families with a household income that is  
25 equal to or less than 250% of the federal poverty guidelines, the  
26 grant recipient may then enroll children who live with families  
27 with a household income that is equal to or less than 300% of the  
28 federal poverty guidelines. The enrollment process must consider  
29 income and risk factors, such that children determined with higher

1 need are enrolled before children with lesser need. For purposes of  
2 this subsection, all age-eligible children served in foster care or  
3 who are experiencing homelessness or who have individualized  
4 education programs recommending placement in an inclusive preschool  
5 setting are considered to live with families with household income  
6 equal to or less than 250% of the federal poverty guidelines  
7 regardless of actual family income and are prioritized for  
8 enrollment within the lowest quintile.

9 (12) An intermediate district or consortium of intermediate  
10 districts receiving a grant under this section shall allow parents  
11 of eligible children who are residents of the intermediate district  
12 or within the consortium to choose a program operated by or  
13 contracted with another intermediate district or consortium of  
14 intermediate districts and shall enter into a written agreement  
15 regarding payment, in a manner prescribed by the department.

16 (13) An intermediate district or consortium of intermediate  
17 districts receiving a grant under this section shall conduct a  
18 local process to contract with interested and eligible public and  
19 private for-profit and nonprofit community-based providers that  
20 meet all requirements of subsection (4) for at least 30% of its  
21 total allocation. For the purposes of this 30% allocation, an  
22 intermediate district or consortium of intermediate districts may  
23 count children served by a Head Start grantee or delegate in a  
24 blended Head Start and great start readiness school-day program.  
25 Children served in a program funded only through Head Start are not  
26 counted toward this 30% allocation. The intermediate district or  
27 consortium shall report to the department, in a manner prescribed  
28 by the department, a detailed list of community-based providers by  
29 provider type, including private for-profit, private nonprofit,

1 community college or university, Head Start grantee or delegate,  
2 and district or intermediate district, and the number and  
3 proportion of its total allocation allocated to each provider as  
4 subrecipient. If the intermediate district or consortium is not  
5 able to contract for at least 30% of its total allocation, the  
6 grant recipient shall notify the department and, if the department  
7 verifies that the intermediate district or consortium attempted to  
8 contract for at least 30% of its total allocation and was not able  
9 to do so, then the intermediate district or consortium may retain  
10 and use all of its allocation as provided under this section. To be  
11 able to use this exemption, the intermediate district or consortium  
12 shall demonstrate to the department that the intermediate district  
13 or consortium increased the percentage of its total allocation for  
14 which it contracts with a community-based provider and the  
15 intermediate district or consortium shall submit evidence  
16 satisfactory to the department, and the department must be able to  
17 verify this evidence, demonstrating that the intermediate district  
18 or consortium took measures to contract for at least 30% of its  
19 total allocation as required under this subsection, including, but  
20 not limited to, at least all of the following measures:

21 (a) The intermediate district or consortium notified each  
22 nonparticipating licensed child care center located in the service  
23 area of the intermediate district or consortium regarding the  
24 center's eligibility to participate, in a manner prescribed by the  
25 department.

26 (b) The intermediate district or consortium provided to each  
27 nonparticipating licensed child care center located in the service  
28 area of the intermediate district or consortium information  
29 regarding great start readiness program requirements and a

1 description of the application and selection process for community-  
2 based providers.

3 (c) The intermediate district or consortium provided to the  
4 public and to participating families a list of community-based  
5 great start readiness program subrecipients with a great start to  
6 quality rating of at least ~~3-stars~~**enhancing quality level**.

7 (14) If an intermediate district or consortium of intermediate  
8 districts receiving a grant under this section fails to submit  
9 satisfactory evidence to demonstrate its effort to contract for at  
10 least 30% of its total allocation, as required under subsection  
11 (13), the department shall reduce the allocation to the  
12 intermediate district or consortium by a percentage equal to the  
13 difference between the percentage of an intermediate district's or  
14 consortium's total allocation awarded to community-based providers  
15 and 30% of its total allocation.

16 (15) In order to assist intermediate districts and consortia  
17 in complying with the requirement to contract with community-based  
18 providers for at least 30% of their total allocation, the  
19 department shall do all of the following:

20 (a) Ensure that a great start resource center or the  
21 department provides each intermediate district or consortium  
22 receiving a grant under this section with the contact information  
23 for each licensed child care center located in the service area of  
24 the intermediate district or consortium by March 1 of each year.

25 (b) Provide, or ensure that an organization with which the  
26 department contracts provides, a community-based provider with a  
27 validated great start to quality rating within 90 days of the  
28 provider's having submitted a request and self-assessment.

29 (c) Ensure that all intermediate district, district, community

1 college or university, Head Start grantee or delegate, private for-  
2 profit, and private nonprofit providers are subject to a single  
3 great start to quality rating system. The rating system must ensure  
4 that regulators process all prospective providers at the same pace  
5 on a first-come, first-served basis and must not allow 1 type of  
6 provider to receive a great start to quality rating ahead of any  
7 other type of provider.

8 (d) Not later than March 1 of each year, compile the results  
9 of the information reported by each intermediate district or  
10 consortium under subsection (13) and report to the legislature a  
11 list by intermediate district or consortium with the number and  
12 percentage of each intermediate district's or consortium's total  
13 allocation allocated to community-based providers by provider type,  
14 including private for-profit, private nonprofit, community college  
15 or university, Head Start grantee or delegate, and district or  
16 intermediate district.

17 (16) A recipient of funds under this section shall report to  
18 the center in a form and manner prescribed by the center the  
19 information necessary to derive the number of children  
20 participating in the program who meet the program eligibility  
21 criteria under subsection (5)(b), the number of eligible children  
22 not participating in the program and on a waitlist, and the total  
23 number of children participating in the program by various  
24 demographic groups and eligibility factors necessary to analyze  
25 equitable and priority access to services for the purposes of  
26 subsection (3).

27 (17) As used in this section:

28 (a) "GSRP/Head Start blended program" means a part-day program  
29 funded under this section and a Head Start program, which are

1 combined for a school-day program.

2 (b) "Federal poverty guidelines" means the guidelines  
3 published annually in the Federal Register by the United States  
4 Department of Health and Human Services under its authority to  
5 revise the poverty line under 42 USC 9902.

6 (c) "Part-day program" means a program that operates at least  
7 ~~4-5~~ days per week, ~~30-36~~ weeks per year, for at least 3 hours of  
8 teacher-child contact time per day but for fewer hours of teacher-  
9 child contact time per day than a school-day program.

10 (d) "School-day program" means a program that operates for at  
11 least the same length of day as a district's first grade program  
12 for a minimum of ~~4-5~~ days per week, ~~30-36~~ weeks per year. A  
13 classroom that offers a school-day program must enroll all children  
14 for the school day to be considered a school-day program.

15 (18) An intermediate district or consortium of intermediate  
16 districts receiving funds under this section shall establish and  
17 charge tuition according to a sliding scale of tuition rates based  
18 upon household income for children participating in an eligible  
19 great start readiness program who live with families with a  
20 household income that is more than 250% of the federal poverty  
21 guidelines to be used by all of its providers, as approved by the  
22 department.

23 (19) From the amount allocated in subsection (2), there is  
24 allocated for ~~2022-2023~~ **2023-2024** an amount not to exceed  
25 \$10,000,000.00 for reimbursement of transportation costs for  
26 children attending great start readiness programs funded under this  
27 section. To receive reimbursement under this subsection, not later  
28 than November 1 of each year, a program funded under this section  
29 that provides transportation shall submit to the intermediate



1 district that is the fiscal agent for the program a projected  
2 transportation budget. The amount of the reimbursement for  
3 transportation under this subsection is no more than the projected  
4 transportation budget or \$300.00 multiplied by the number of  
5 children funded for the program under this section. If the amount  
6 allocated under this subsection is insufficient to fully reimburse  
7 the transportation costs for all programs that provide  
8 transportation and submit the required information, the department  
9 shall prorate the reimbursement in an equal amount per child  
10 funded. The department shall make payments to the intermediate  
11 district that is the fiscal agent for each program, and the  
12 intermediate district shall then reimburse the program provider for  
13 transportation costs as prescribed under this subsection.

14 (20) Subject to, and from the funds allocated under,  
15 subsection (19), the department shall reimburse a program for  
16 transportation costs related to parent- or guardian-accompanied  
17 transportation provided by transportation service companies, buses,  
18 or other public transportation services. To be eligible for  
19 reimbursement under this subsection, a program must submit to the  
20 intermediate district or consortia of intermediate districts all of  
21 the following:

22 (a) The names of families provided with transportation support  
23 along with a documented reason for the need for transportation  
24 support and the type of transportation provided.

25 (b) Financial documentation of actual transportation costs  
26 incurred by the program, including, but not limited to, receipts  
27 and mileage reports, as determined by the department.

28 (c) Any other documentation or information determined  
29 necessary by the department.

1 (21) The department shall implement a process to review and  
2 approve age-appropriate comprehensive classroom level quality  
3 assessments for GSRP grantees that support the early childhood  
4 standards of quality for prekindergarten children adopted by the  
5 state board. The department shall make available to intermediate  
6 districts at least 2 classroom level quality assessments that were  
7 approved in 2018.

8 (22) An intermediate district that is a GSRP grantee may  
9 approve the use of a supplemental curriculum that aligns with and  
10 enhances the age-appropriate educational curriculum in the  
11 classroom. If the department objects to the use of a supplemental  
12 curriculum approved by an intermediate district, the superintendent  
13 shall establish a review committee independent of the department.  
14 The review committee shall meet within 60 days of the department  
15 registering its objection in writing and provide a final  
16 determination on the validity of the objection within 60 days of  
17 the review committee's first meeting.

18 (23) The department shall implement a process to evaluate and  
19 approve age-appropriate educational curricula that are in  
20 compliance with the early childhood standards of quality for  
21 prekindergarten children adopted by the state board.

22 (24) From the funds allocated under subsection (1), there is  
23 allocated for ~~2022-2023~~**2023-2024** an amount not to exceed  
24 \$2,000,000.00 for payments to intermediate districts or consortia  
25 of intermediate districts for professional development and training  
26 materials for educators in programs implementing new curricula or  
27 child assessment tools approved for use in the great start  
28 readiness program.

29 (25) A great start readiness program or a GSRP/Head Start

1 blended program funded under this section is permitted to utilize  
2 AmeriCorps Pre-K Reading Corps members in classrooms implementing  
3 research-based early literacy intervention strategies.

4 Sec. 32n. (1) From the federal funding appropriated under  
5 section 11, there is allocated for ~~2022-2023~~**2023-2024** only an  
6 amount not to exceed \$25,000,000.00 from the federal funding  
7 awarded to this state from the coronavirus state fiscal recovery  
8 fund under the American rescue plan act of 2021, title IX, subtitle  
9 M of Public Law 117-2, for the purposes of this section. The  
10 department shall develop a competitive grant program to distribute  
11 this funding to eligible entities, as described in subsection (2),  
12 as prescribed under this section.

13 (2) The department shall establish competitive grant criteria  
14 for the grant program described in subsection (1) for eligible  
15 applicants to expand access to quality, affordable programming  
16 before and after the school day or during the summer for young  
17 people. To be eligible for a grant under this section, the  
18 applicant must meet, at a minimum, all of the following criteria:

19 (a) Serve children in any of grades K to 12.

20 (b) Be a community-based organization that is exempt from  
21 federal income tax under section 501(c)(3) of the internal revenue  
22 code, 26 USC 501, an institution of higher education, a community  
23 or adult education program, a public library, a local government,  
24 or an intermediate district.

25 (c) Provide before-school, after-school, before-and-after-  
26 school, or summer school programming to children described in  
27 subdivision (a). These programs must be used to support expanded  
28 learning opportunities, including, but not limited to, mentoring,  
29 leadership, community engagement, agriculture, art, music,

1 literacy, science, technology, engineering, mathematics, health,  
2 and recreation programming.

3 (d) Address measurable goals, including, but not limited to,  
4 improved school attendance, academic outcomes, positive behaviors,  
5 and skill acquisition, and include activities linked to research or  
6 quality practices.

7 (3) The department shall establish a competitive grant process  
8 for awarding funding under this section. The process must be posted  
9 publicly at least 30 days prior to the grant application period.  
10 The department shall develop the form and manner for applying for  
11 the grants. The application must include a request for information  
12 on the applicant's outreach to children, youth, and families who  
13 are eligible for free or reduced-price meals under the Richard B.  
14 Russell national school lunch act, 42 USC 1751 to 1769j. The  
15 application must be open for not less than 30 calendar days. At  
16 least 30 days before the application is opened, the department must  
17 publish on its public website the criteria that will be used in  
18 evaluating the application that must include, but are not limited  
19 to, priorities under subsection (5).

20 (4) Subject to subsection (8), in determining award amounts  
21 under this subsection, the department shall, to the extent  
22 practicable, ensure that eligible entities in all geographic  
23 regions of this state are represented in the distribution of grant  
24 funding under this section.

25 (5) Subject to subsection (8), the department shall prioritize  
26 the distribution of grant funding under this section based on, at a  
27 minimum, the following:

28 (a) An applicant's demonstrated need.

29 (b) The percentage of low-income families in the geographic

1 area being served. Prioritization must be determined by the average  
2 percentage of pupils in the district who are eligible for free and  
3 reduced-priced meals as determined under the Richard B. Russell  
4 national school lunch act, 42 USC 1751 to 1769j, where eligible  
5 entities will provide before-and-after-school or summer school  
6 programs.

7 (c) Whether the application provides services for the full  
8 school year.

9 (d) The applicant's track record for providing quality,  
10 affordable before-and-after-school or summer school services.

11 (e) Whether an applicant serving children in any of grades K  
12 through 8 is licensed or is in the process of becoming licensed or  
13 has implemented the ~~Michigan State Board of Education~~ Michigan Out-  
14 of-School Time Standards of Quality **issued by the state board of**  
15 **education**. This does not preclude a nonlicensed entity from  
16 applying for funding under this section and being funded under this  
17 section.

18 (6) Subject to subsection (7), an eligible entity that  
19 receives grant funding under this section shall use the funding  
20 only to provide before-school, after-school, before-and-after-  
21 school, or summer school programming to children described in  
22 subsection (2)(a). The programming offered under this subsection  
23 must meet all of the following:

24 (a) Be provided to children in a manner in which the children  
25 are physically present at a building or location designated by the  
26 eligible entity.

27 (b) Provide educational programming in core subject areas,  
28 including, but not limited to, mathematics, reading, and science.

29 (c) Provide data to evaluate the program in a form and manner

1 as prescribed by the department.

2 (7) Subject to subsections (2), (4), and (5), up to 2% of  
3 funding allocated under this section must be allocated to a  
4 nonprofit entity with experience serving youth-serving  
5 organizations to provide start-up grants and capacity building,  
6 professional development, and technical assistance for  
7 implementation of high-quality, evidence-based out-of-school time  
8 learning opportunities.

9 (8) The department shall award no less than 60% of the funding  
10 under this section to community-based organizations.

11 (9) Notwithstanding section 17b, the department shall make  
12 payments under this section in full upon grant award. Grantees that  
13 do not comply with reporting requirements, fail to provide the  
14 services proposed in their grant application, or close during the  
15 grant period may be required to repay the funding they received  
16 under this section to the department.

17 (10) The federal funding allocated under this section is  
18 intended to respond to the COVID-19 public health emergency and its  
19 negative impacts.

20 Sec. 32p. (1) From the state school aid fund money  
21 appropriated in section 11, there is allocated an amount not to  
22 exceed \$13,400,000.00 to intermediate districts for ~~2022-2023~~**2023-**  
23 **2024** for the purpose of providing early childhood funding to  
24 intermediate districts to support the goals and outcomes under  
25 subsection (2) and subsection (4), and to provide supports for  
26 early childhood programs for children from birth through age 8. The  
27 funding provided to each intermediate district under this section  
28 is determined by the distribution formula established by the  
29 department's office of great start to provide equitable funding

1 statewide. In order to receive funding under this section, each  
2 intermediate district must provide an application to the office of  
3 great start not later than September 15 of the immediately  
4 preceding fiscal year indicating the strategies planned to be  
5 provided.

6 (2) Each intermediate district or consortium of intermediate  
7 districts that receives funding under this section shall convene a  
8 local great start collaborative and a parent coalition that  
9 includes an active partnership with at least 1 community-based  
10 organization. The goal of each great start collaborative and parent  
11 coalition is to ensure the coordination and expansion of local  
12 early childhood systems and programs that allow every child in the  
13 community to achieve the following outcomes:

14 (a) Children born healthy.

15 (b) Children healthy, thriving, and developmentally on track  
16 from birth to grade 3.

17 (c) Children developmentally ready to succeed in school at the  
18 time of school entry.

19 (d) Children prepared to succeed in fourth grade and beyond by  
20 reading proficiently by the end of third grade.

21 (3) Each local great start collaborative and parent coalition  
22 shall convene workgroups to make recommendations about community  
23 services designed to achieve the outcomes described in subsection  
24 (2) and to ensure that its local great start system includes the  
25 following supports for children from birth through age 8:

26 (a) Physical health.

27 (b) Social-emotional health.

28 (c) Family supports, including, but not limited to, the  
29 provision of basic needs and economic self-sufficiency.

1 (d) Parent leadership and family engagement.

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 ~~2022-2023-2023-~~  
17 **2024** shall not carry over into the next fiscal year any amount  
18 exceeding 15% of the amount awarded to the intermediate district or  
19 consortium in the ~~2022-2023-2023-2024~~ fiscal year. A recipient of a  
20 grant shall return any unexpended grant funds to the department in  
21 the manner prescribed by the department not later than September 30  
22 of the next fiscal year after the fiscal year in which the funds  
23 are received.

24 **Sec. 32w. (1) From the federal funding appropriated under**  
25 **section 11, there is allocated for 2023-2024 only an amount not to**  
26 **exceed \$6,000,000.00 from the federal funding awarded to this state**  
27 **from the coronavirus state fiscal recovery fund under the American**  
28 **rescue plan act of 2021, title IX, subtitle M of Public Law 117-2,**  
29 **to the department to grant funding to GOAL Line Detroit. This**

1 project is intended to respond to the COVID-19 public health  
 2 emergency and its impact on student development, including  
 3 academic, mental, behavioral, and social-emotional development. To  
 4 receive funding under this section, GOAL Line Detroit must apply  
 5 for funding in a form and manner determined by the department.

6 (2) Funds awarded by the department to GOAL Line Detroit must  
 7 be obligated by the department before December 31, 2024. GOAL Line  
 8 Detroit must expend funds received under this section before  
 9 December 31, 2026. The federal funds allocated under this section  
 10 must be allocated and expended in a manner consistent with federal  
 11 rules and regulations, as determined by the department.

12 (3) GOAL Line Detroit must use funds allocated under this  
 13 section to expand capacity to provide eligible children with access  
 14 to high-quality, engaging after-school enrichment leading to  
 15 increased skill acquisition, positive behaviors, and improved  
 16 academic outcomes and school attendance. It is intended that funds  
 17 received under this section be used over 3 years.

18 (4) The funds allocated under this section for 2023-2024 are a  
 19 work project appropriation, and any unexpended funds for 2023-2024  
 20 are carried forward into 2024-2025. The purpose of the work project  
 21 is to continue to provide after-school supports to mitigate the  
 22 impact of the COVID-19 public health emergency on student  
 23 development. The estimated completion date of the work project is  
 24 September 30, 2027.

25 Sec. 35a. (1) From the appropriations in section 11, there is  
 26 allocated for ~~2022-2023-2023-2024~~ for the purposes of this section  
 27 an amount not to exceed ~~\$67,400,000.00~~ **\$92,400,000.00** from the  
 28 state school aid fund and there is allocated for ~~2022-2023-2023-~~  
 29 **2024** for the purposes of subsection (8) an amount not to exceed

1 \$5,000,000.00 from the general fund. **It is the intent of the**  
2 **legislature that, for 2024-2025, the allocation from the state**  
3 **school aid fund money appropriated in section 11 for purposes**  
4 **described in this section will be \$67,400,000.00.** Excluding staff  
5 or contracted employees funded under subsection (8), the  
6 superintendent shall designate staff or contracted employees funded  
7 under this section as critical shortage. Programs funded under this  
8 section are intended to ensure that this state will be a top 10  
9 state in grade 4 reading proficiency by 2025 according to the  
10 National Assessment of Educational Progress (NAEP). By December 31  
11 of each fiscal year in which funding is allocated under this  
12 section, the superintendent of public instruction shall do both of  
13 the following:

14 (a) Report in person to the house and senate appropriations  
15 subcommittees on school aid regarding progress on the goal  
16 described in this subsection and be available for questioning as  
17 prescribed through a process developed by the chairs of the house  
18 and senate appropriations subcommittees on school aid.

19 (b) Submit a written report to the house and senate  
20 appropriations subcommittees on school aid regarding progress on  
21 the goal described in this subsection.

22 (2) A district that receives funds under subsection (5) may  
23 spend up to 5% of those funds for professional development for  
24 educators in a department-approved research-based training program  
25 related to current state literacy standards for pupils in grades  
26 pre-K to 3. The professional development must also include training  
27 in the use of screening and diagnostic tools, progress monitoring,  
28 and intervention methods used to address barriers to learning and  
29 delays in learning that are diagnosed through the use of these

1 tools.

2 (3) A district that receives funds under subsection (5) may  
3 use up to 5% of those funds to administer department-approved  
4 screening and diagnostic tools to monitor the development of early  
5 literacy and early reading skills, and risk factors for word-level  
6 reading difficulties of pupils in grades pre-K to 3 and to support  
7 evidence-based professional learning described in subsection (11)  
8 for educators in administering and using screening, progress  
9 monitoring, and diagnostic assessment data to inform instruction  
10 through prevention and intervention in a multi-tiered system of  
11 supports framework. A department-approved screening and diagnostic  
12 tool administered by a district using funding under this section  
13 must include all of the following components: phonemic awareness,  
14 phonics, fluency, rapid automatized naming (RAN), and  
15 comprehension. Further, all of the following sub-skills must be  
16 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.

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~~ **\$42,000,000.00** for  
24 ~~2022-2023~~ **2023-2024** for the purpose of providing early literacy  
25 coaches at intermediate districts to assist teachers in developing  
26 and implementing instructional strategies for pupils in grades pre-  
27 K to 3 so that pupils are reading at grade level by the end of  
28 grade 3. **It is the intent of the legislature that, for 2024-2025,**  
29 **the allocation from the state school aid fund money appropriated in**

1 **section 11 for purposes described in this subsection will be**  
2 **\$31,500,000.00.** All of the following apply to funding under this  
3 subsection:

4 (a) The department shall develop an application process  
5 consistent with the provisions of this subsection. An application  
6 must provide assurances that literacy coaches funded under this  
7 subsection are knowledgeable about at least the following:

8 (i) Current state literacy standards for pupils in grades pre-K  
9 to 3.

10 (ii) Implementing an instructional delivery model based on  
11 frequent use of formative, screening, and diagnostic tools, known  
12 as a multi-tiered system of supports, to determine individual  
13 progress for pupils in grades pre-K to 3 so that pupils are reading  
14 at grade level by the end of grade 3.

15 (iii) The use of data from diagnostic tools to determine the  
16 necessary additional supports and interventions needed by  
17 individual pupils in grades pre-K to 3 in order to be reading at  
18 grade level.

19 (b) From the allocation under this subsection, the department  
20 shall award grants to intermediate districts for the support of  
21 early literacy coaches. The department shall provide this funding  
22 in the following manner:

23 (i) The department shall award each intermediate district grant  
24 funding to support the cost of 1 early literacy coach in an equal  
25 amount per early literacy coach, not to exceed \$112,500.00.

26 (ii) After distribution of the grant funding under subparagraph  
27 (i), the department shall distribute the remainder of grant funding  
28 for additional early literacy coaches in an amount not to exceed  
29 \$112,500.00 per early literacy coach. The number of funded early

1 literacy coaches for each intermediate district is based on the  
2 percentage of the total statewide number of pupils in grades K to 3  
3 who meet the income eligibility standards for the federal free and  
4 reduced-price lunch programs who are enrolled in districts in the  
5 intermediate district.

6 (c) If an intermediate district that receives funding under  
7 this subsection uses an assessment tool that screens for  
8 characteristics of dyslexia, the intermediate district shall use  
9 the assessment results from that assessment tool to identify pupils  
10 who demonstrate characteristics of dyslexia.

11 (5) From the allocation under subsection (1), there is  
12 allocated an amount not to exceed ~~\$19,900,000.00~~ **\$34,400,000.00** for  
13 ~~2022-2023~~ **2023-2024** to districts that provide additional  
14 instructional time to those pupils in grades pre-K to 3 who have  
15 been identified by using department-approved screening and  
16 diagnostic tools as needing additional supports and interventions  
17 in order to be reading at grade level by the end of grade 3. **It is**  
18 **the intent of the legislature that, for 2024-2025, the allocation**  
19 **from the state school aid fund money appropriated in section 11 for**  
20 **purposes described in this subsection will be \$19,900,000.00.**

21 Additional instructional time may be provided before, during, and  
22 after regular school hours or as part of a year-round balanced  
23 school calendar. All of the following apply to funding under this  
24 subsection:

25 (a) In order to be eligible to receive funding, a district  
26 must demonstrate to the satisfaction of the department that the  
27 district has done all of the following:

28 (i) Implemented a multi-tiered system of supports instructional  
29 delivery model that is an evidence-based model that uses data-

1 driven problem solving to integrate academic and behavioral  
2 instruction and that uses intervention delivered to all pupils in  
3 varying intensities based on pupil needs. The multi-tiered system  
4 of supports must provide at least all of the following essential  
5 components:

6 (A) Team-based leadership.

7 (B) A tiered delivery system.

8 (C) Selection and implementation of instruction,  
9 interventions, and supports.

10 (D) A comprehensive screening and assessment system.

11 (E) Continuous data-based decision making.

12 (ii) Used department-approved research-based diagnostic tools  
13 to identify individual pupils in need of additional instructional  
14 time.

15 (iii) Used a reading instruction method that focuses on the 5  
16 fundamental building blocks of reading: phonics, phonemic  
17 awareness, fluency, vocabulary, and comprehension and content  
18 knowledge.

19 (iv) Provided teachers of pupils in grades pre-K to 3 with  
20 research-based professional development in diagnostic data  
21 interpretation.

22 (v) Complied with the requirements under section 1280f of the  
23 revised school code, MCL 380.1280f.

24 (b) The department shall distribute funding allocated under  
25 this subsection to eligible districts on an equal per-first-grade-  
26 pupil basis.

27 (c) If the funds allocated under this subsection are  
28 insufficient to fully fund the payments under this subsection,  
29 payments under this subsection are prorated on an equal per-pupil

1 basis based on grade 1 pupils.

2 (6) Not later than September 1 of each year, a district that  
3 receives funding under subsection (5) in conjunction with the  
4 Michigan student data system, if possible, shall provide to the  
5 department a report that includes at least both of the following,  
6 in a form and manner prescribed by the department:

7 (a) For pupils in grades pre-K to 3, the teachers, pupils,  
8 schools, and grades served with funds under this section and the  
9 categories of services provided.

10 (b) For pupils in grades pre-K to 3, pupil proficiency and  
11 growth data that allows analysis both in the aggregate and by each  
12 of the following subgroups, as applicable:

13 (i) School.

14 (ii) Grade level.

15 (iii) Gender.

16 (iv) Race.

17 (v) Ethnicity.

18 (vi) Economically disadvantaged status.

19 (vii) Disability.

20 (viii) Pupils identified as having reading deficiencies.

21 (7) From the allocation under subsection (1), there is  
22 allocated an amount not to exceed \$6,000,000.00 for ~~2022-2023~~**2023-**  
23 **2024** to an intermediate district in which the combined total number  
24 of pupils in membership of all of its constituent districts is the  
25 fewest among all intermediate districts. All of the following apply  
26 to the funding under this subsection:

27 (a) Funding under this subsection must be used by the  
28 intermediate district, in partnership with an association that  
29 represents intermediate district administrators in this state, to



1 implement all of the following:

2 (i) Literacy essentials teacher and principal training modules.

3 (ii) Face-to-face and online professional learning of literacy  
4 essentials teacher and principal training modules for literacy  
5 coaches, principals, and teachers.

6 (iii) The placement of regional lead literacy coaches to  
7 facilitate professional learning for early literacy coaches. These  
8 regional lead literacy coaches shall provide support for new  
9 literacy coaches, building teachers, and administrators and shall  
10 facilitate regional data collection to evaluate the effectiveness  
11 of statewide literacy coaches funded under this section.

12 (iv) Provide \$500,000.00 from this subsection for literacy  
13 training, modeling, coaching, and feedback for district principals  
14 or chief administrators, as applicable. The training described in  
15 this subparagraph must use the pre-K and K to 3 essential  
16 instructional practices in literacy created by the general  
17 education leadership network as the framework for all training  
18 provided under this subparagraph.

19 (v) Job-embedded professional learning opportunities for  
20 mathematics teachers through mathematics instructional coaching.  
21 Funding must be used for professional learning for coaches,  
22 professional developers, administrators, and teachers; coaching for  
23 early mathematics educators; the development of statewide and  
24 regional professional learning networks in mathematics  
25 instructions; and the development and support of digital  
26 professional learning modules.

27 (b) Not later than September 1 of each year, the intermediate  
28 district described in this subsection, in consultation with grant  
29 recipients, shall submit a report to the chairs of the senate and

1 house appropriations subcommittees on school aid, the chairs of the  
2 senate and house standing committees responsible for education  
3 legislation, the house and senate fiscal agencies, and the state  
4 budget director. The report described under this subdivision must  
5 include student achievement results in English language arts and  
6 mathematics and survey results with feedback from parents and  
7 teachers regarding the initiatives implemented under this  
8 subsection.

9 (c) Up to 2% of funds allocated under this subsection may be  
10 used by the association representing intermediate district  
11 administrators that is in partnership with the intermediate  
12 district specified in this subsection to administer this  
13 subsection.

14 (8) From the general fund money allocated in subsection (1),  
15 the department shall allocate the amount of \$5,000,000.00 for ~~2022-~~  
16 ~~2023-~~**2023-2024** only to the Michigan Education Corps for the PreK  
17 Reading Corps, the K3 Reading Corps, and the Math Corps. All of the  
18 following apply to funding under this subsection:

19 (a) By September 1 of the current fiscal year, the Michigan  
20 Education Corps shall provide a report concerning its use of the  
21 funding to the senate and house appropriations subcommittees on  
22 school aid, the senate and house fiscal agencies, and the senate  
23 and house caucus policy offices on outcomes and performance  
24 measures of the Michigan Education Corps, including, but not  
25 limited to, the degree to which the Michigan Education Corps'  
26 replication of the PreK Reading Corps, the K3 Reading Corps, and  
27 the Math Corps programs is demonstrating sufficient efficacy and  
28 impact. The report must include data pertaining to at least all of  
29 the following:

1 (i) The current impact of the programs on this state in terms  
2 of numbers of children and schools receiving support. This portion  
3 of the report must specify the number of children tutored,  
4 including dosage and completion, and the demographics of those  
5 children.

6 (ii) Whether the assessments and interventions are implemented  
7 with fidelity. This portion of the report must include details on  
8 the total number of assessments and interventions completed and the  
9 range, mean, and standard deviation.

10 (iii) Whether the literacy or math improvement of children  
11 participating in the programs is consistent with expectations. This  
12 portion of the report must detail at least all of the following:

13 (A) Growth rate by grade or age level, in comparison to  
14 targeted growth rate.

15 (B) Average linear growth rates.

16 (C) Exit rates.

17 (D) Percentage of children who exit who also meet or exceed  
18 spring benchmarks.

19 (iv) The impact of the programs on organizations and  
20 stakeholders, including, but not limited to, school administrators,  
21 internal coaches, and AmeriCorps members.

22 (b) If the department determines that the Michigan Education  
23 Corps has misused the funds allocated under this subsection, the  
24 Michigan Education Corps shall reimburse this state for the amount  
25 of state funding misused.

26 (c) The department may not reserve any portion of the  
27 allocation provided under this subsection for an evaluation of the  
28 Michigan Education Corps, the Michigan Education Corps' funding, or  
29 the Michigan Education Corps' programming unless agreed to in

1 writing by the Michigan Education Corps. The department shall award  
2 the entire \$5,000,000.00 allocated under this subsection to the  
3 Michigan Education Corps and shall not condition the awarding of  
4 this funding on the implementation of an independent evaluation.

5 (9) If a district or intermediate district expends any funding  
6 received under subsection (4) or (5) for professional development  
7 in research-based effective reading instruction, the district or  
8 intermediate district shall select a professional development  
9 program from the list described under subdivision (a). All of the  
10 following apply to the requirement under this subsection:

11 (a) The department shall issue a request for proposals for  
12 professional development programs in research-based effective  
13 reading instruction to develop an initial approved list of  
14 professional development programs in research-based effective  
15 reading instruction. The department shall make the initial approved  
16 list public and shall determine if it will, on a rolling basis,  
17 approve any new proposals submitted for addition to its initial  
18 approved list.

19 (b) To be included as an approved professional development  
20 program in research-based effective reading instruction under  
21 subdivision (a), an applicant must demonstrate to the department in  
22 writing the program's competency in all of the following topics:

23 (i) Understanding of phonemic awareness, phonics, fluency,  
24 vocabulary, and comprehension.

25 (ii) Appropriate use of assessments and differentiated  
26 instruction.

27 (iii) Selection of appropriate instructional materials.

28 (iv) Application of research-based instructional practices.

29 (c) As used in this subsection, "effective reading

1 instruction" means reading instruction scientifically proven to  
2 result in improvement in pupil reading skills.

3 (10) From the allocation under subsection (1), there is  
4 allocated an amount not to exceed \$10,000,000.00 for ~~2022-2023~~  
5 **2023-2024** only for the provision of professional learning by the  
6 approved provider described in subsection (11), first to educators  
7 in pre-K, kindergarten, and grade 1 next to educators in grade 2  
8 and grade 3; and then to additional elementary school educators and  
9 pre-K to grade 12 certificated special education personnel with  
10 endorsements in learning disabilities, emotional impairments, or  
11 speech and language impairments. For purposes of this subsection,  
12 the department must establish and manage professional learning  
13 opportunities that are open to all school personnel described in  
14 this subsection as follows:

15 (a) The department must first open voluntary enrollment for  
16 any pre-K through grade 3 teacher on a first-come, first-served  
17 basis, with voluntary enrollment prioritized for pre-K,  
18 kindergarten, and grade 1 teachers. The department shall then open  
19 voluntary enrollment for the remaining school personnel described  
20 in this subsection.

21 (b) The department must maintain open enrollment until all  
22 funds are expended.

23 (11) For the provision of professional learning to the school  
24 personnel described in subsection (10), the department shall  
25 approve LETRS as the approved provider of professional learning, if  
26 LETRS continues to meet all of the following:

27 (a) Be offered through a system of training that provides  
28 educators with the knowledge base to effectively implement any  
29 class-wide, supplemental, or intervention reading approach and to

determine why some students struggle with reading, writing, spelling, and language.

(b) Provide training activities that direct educators to implement effective reading and spelling instruction supported by scientifically based research and foster a direct explicit instructional sequence that uses techniques to support teachers' independence in using their newly-learned skills with students in the classroom.

(c) Include integrated components for educators and administrators in pre-K to grade 3 with embedded evaluation or assessment of knowledge. Evaluation or assessment of knowledge under this subdivision must incorporate evaluations of learning throughout each unit and include a summative assessment that must be completed to demonstrate successful course completion.

(d) Build teacher content knowledge and pedagogical knowledge of the critical components of literacy including how the brain learns to read, phonological and phonemic awareness; letter knowledge; phonics; advanced phonics; vocabulary and oral language; fluency; comprehension; spelling and writing; and the organization of language.

(e) Support educators in understanding how to effectively use screening, progress monitoring, and diagnostic assessment data to improve literacy outcomes through prevention and intervention for reading difficulties in a multi-tiered system of supports. The multi-tiered system of supports must include at least all of the following essential components:

(i) Team-based leadership.

(ii) A tiered delivery system.

(iii) Selection and implementation of instruction,

1 interventions, and supports.

2 (iv) A comprehensive screening and assessment system.

3 (v) Continuous data-based decision making.

4 (12) Notwithstanding section 17b, the department shall make  
5 payments made under subsections (7) and (8) on a schedule  
6 determined by the department.

7 (13) As used in this section:

8 (a) "Dyslexia" means both of the following:

9 (i) A specific learning disorder that is neurobiological in  
10 origin and characterized by difficulties with accurate or fluent  
11 word recognition and by poor spelling and decoding abilities that  
12 typically result from a deficit in the phonological component of  
13 language that is often unexpected in relation to other cognitive  
14 abilities and the provision of effective classroom instruction.

15 (ii) A specific learning disorder that may include secondary  
16 consequences, such as problems in reading comprehension and a  
17 reduced reading experience that can impede the growth of vocabulary  
18 and background knowledge and lead to social, emotional, and  
19 behavioral difficulties.

20 (b) "Evidence-based" means an activity, program, process,  
21 service, strategy, or intervention that demonstrates statistically  
22 significant effects on improving pupil outcomes or other relevant  
23 outcomes and that meets at least both of the following:

24 (i) At least 1 of the following:

25 (A) Is based on strong evidence from at least 1 well-designed  
26 and well-implemented experimental study.

27 (B) Is based on moderate evidence from at least 1 well-  
28 designed and well-implemented quasi-experimental study.

29 (C) Is based on promising evidence from at least 1 well-

1 designed and well-implemented correlational study with statistical  
2 controls for selection bias.

3 (D) Demonstrates a rationale based on high-quality research  
4 findings or positive evaluation that the activity, program,  
5 process, service, strategy, or intervention is likely to improve  
6 pupil outcomes or other relevant outcomes.

7 (ii) Includes ongoing efforts to examine the effects of the  
8 activity, program, process, service, strategy, or intervention.

9 (c) "Explicit" means direct and deliberate instruction through  
10 continuous pupil-teacher interaction that includes teacher  
11 modeling, guided practice, and independent practice.

12 (d) "Fluency" means the ability to read with speed, accuracy,  
13 and proper expression.

14 (e) "Multi-tiered system of supports" means a comprehensive  
15 framework that includes 3 distinct tiers of instructional support  
16 and is composed of a collection of evidence-based strategies  
17 designed to meet the individual needs and assets of a whole pupil  
18 at all achievement levels.

19 (f) "Phonemic awareness" means the conscious awareness of all  
20 of the following:

21 (i) Individual speech sounds, including, but not limited to,  
22 consonants and vowels, in spoken syllables.

23 (ii) The ability to consciously manipulate through, including,  
24 but not limited to, matching, blending, segmenting, deleting, or  
25 substituting, individual speech sounds described in subparagraph  
26 (i).

27 (iii) All levels of the speech sound system, including, but not  
28 limited to, word boundaries, rhyme recognition, stress patterns,  
29 syllables, onset-rime units, and phonemes.



1 (g) "Phonological" means relating to the system of contrastive  
2 relationships among the speech sounds that constitute the  
3 fundamental components of a language.

4 (h) "Progress monitoring" means the assessing of students'  
5 academic performance, quantifying students' rates of improvement or  
6 progress toward goals, and determining how students are responding  
7 to instruction.

8 (i) "Rapid automatized naming (RAN)" means a task that  
9 measures how quickly individuals can name objects; pictures;  
10 colors; or symbols, including letters and digits, aloud, which can  
11 predict later reading abilities for preliterate children.

12 **Sec. 35k. (1) From the federal funding appropriated under**  
13 **section 11, there is allocated for 2023-2024 only an amount not to**  
14 **exceed \$3,000,000.00 from the federal funding awarded to this state**  
15 **from the coronavirus state fiscal recovery fund under the American**  
16 **rescue plan act of 2021, title IX, subtitle M of Public Law 117-2,**  
17 **to the department to grant funding to the Detroit Parent Network.**  
18 **This project is intended to respond to the COVID-19 public health**  
19 **emergency and its impact on the academic, social, behavioral, and**  
20 **physical well-being of children, parents, and families. To receive**  
21 **funding under this section, the Detroit Parent Network must apply**  
22 **for funding in a form and manner determined by the department.**

23 (2) Funds awarded by the department to the Detroit Parent  
24 Network must be obligated by the department before December 31,  
25 2024. The Detroit Parent Network must expend funds received under  
26 this section before December 31, 2026. The federal funds allocated  
27 under this section must be allocated and expended in a manner  
28 consistent with federal rules and regulations, as determined by the  
29 department.

1           (3) The Detroit Parent Network must use funds allocated under  
2 this section to expand capacity to provide parental training  
3 programs, parental support groups, early literacy and family  
4 education programs, programs that support healthy families, and for  
5 programs supporting civic engagement and community advocacy. The  
6 Detroit Parent Network must plan to provide programming to at least  
7 5,000 families, parents, caregivers, and children in at least 10  
8 Michigan counties experiencing economic, educational, and social  
9 indicators that adversely impact the well-being of children and  
10 adults.

11           (4) The funds allocated under this section for 2023-2024 are a  
12 work project appropriation, and any unexpended funds for 2023-2024  
13 are carried forward into 2024-2025. The purpose of the work project  
14 is to support the academic, social, behavioral, and physical well-  
15 being of children, parents, and families to mitigate the negative  
16 impacts of the COVID-19 public health emergency. The estimated  
17 completion date of the work project is September 30, 2027.

18           Sec. 39. (1) An eligible applicant receiving funds under  
19 section 32d shall submit an application, in a form and manner  
20 prescribed by the department, by a date specified by the department  
21 in the immediately preceding fiscal year. An eligible applicant is  
22 not required to amend the applicant's current accounting cycle or  
23 adopt this state's fiscal year accounting cycle in accounting for  
24 financial transactions under this section. The application must  
25 include all of the following:

26           (a) The estimated total number of children in the community  
27 who meet the criteria of section 32d **and the total number of age-**  
28 **eligible children in the community**, as provided to the applicant by  
29 the department utilizing the most recent population data available

1 from the American Community Survey conducted by the United States  
2 Census Bureau. The department shall ensure that it provides updated  
3 American Community Survey population data at least once every 3  
4 years.

5 (b) The estimated number of children in the community who meet  
6 the criteria of section 32d and are being served exclusively by  
7 Head Start programs operating in the community.

8 (c) The number of children whom the applicant has the capacity  
9 to serve who meet the criteria of section 32d including a  
10 verification of physical facility and staff resources capacity.

11 (2) After notification of funding allocations, an applicant  
12 receiving funds under section 32d shall also submit an  
13 implementation plan for approval, in a form and manner prescribed  
14 by the department, by a date specified by the department, that  
15 details how the applicant complies with the program components  
16 established by the department under section 32d.

17 (3) The initial allocation to each eligible applicant under  
18 section 32d is the lesser of the following:

19 (a) The sum of the number of children served in a school-day  
20 program in the preceding school year multiplied by ~~\$9,150.00~~  
21 **\$14,000.00** and the number of children served in a GSRP/Head Start  
22 blended program or a part-day program in the preceding school year  
23 multiplied by ~~\$4,575.00~~ **\$7,000.00**.

24 (b) The sum of the number of children the applicant has the  
25 capacity to serve in the current school year in a school-day  
26 program multiplied by ~~\$9,150.00~~ **\$14,000.00** and the number of  
27 children served in a GSRP/Head Start blended program or a part-day  
28 program the applicant has the capacity to serve in the current  
29 school year multiplied by ~~\$4,575.00~~ **\$7,000.00**.

1           (4) If funds remain after the allocations under subsection  
2   (3), the department shall distribute the remaining funds to each  
3   intermediate district or consortium of intermediate districts that  
4   serves less than the state percentage benchmark determined under  
5   subsection (5). The department shall distribute these remaining  
6   funds to each eligible applicant based upon each applicant's  
7   proportionate share of the remaining unserved children necessary to  
8   meet the statewide percentage benchmark in intermediate districts  
9   or consortia of intermediate districts serving less than the  
10   statewide percentage benchmark. When all applicants have been given  
11   the opportunity to reach the statewide percentage benchmark, the  
12   statewide percentage benchmark may be reset, as determined by the  
13   department, until greater equity of opportunity to serve eligible  
14   children across all intermediate school districts has been  
15   achieved.

16           (5) For the purposes of subsection (4), the department shall  
17   calculate a percentage of children served by each intermediate  
18   district or consortium of intermediate districts by adding the  
19   number of children served in the immediately preceding year by that  
20   intermediate district or consortium with the number of eligible  
21   children under section 32d served exclusively by head start, as  
22   reported in a form and manner prescribed by the department, within  
23   the intermediate district or consortia service area and dividing  
24   that total by the total number of children within the intermediate  
25   district or consortium of intermediate districts who meet the  
26   criteria of section 32d as determined by the department utilizing  
27   the most recent population data available from the American  
28   Community Survey conducted by the United States Census Bureau. The  
29   department shall compare the resulting percentage of eligible

1 children served to a statewide percentage benchmark to determine if  
2 the intermediate district or consortium is eligible for additional  
3 funds under subsection (4). The statewide percentage benchmark is  
4 100%.

5 (6) If, taking into account the total amount to be allocated  
6 to the applicant as calculated under this section, an applicant  
7 determines that it is able to include additional eligible children  
8 in the great start readiness program without additional funds under  
9 section 32d, the applicant may include additional eligible children  
10 but does not receive additional funding under section 32d for those  
11 children.

12 (7) The department shall review the program components under  
13 section 32d and under this section at least biennially. The  
14 department also shall convene a committee of internal and external  
15 stakeholders at least once every 5 years to ensure that the funding  
16 structure under this section reflects current system needs under  
17 section 32d.

18 (8) As used in this section, "GSRP/Head Start blended  
19 program", "part-day program", and "school-day program" mean those  
20 terms as defined in section 32d.

21 Sec. 39a. (1) From the federal funds appropriated in section  
22 11, there is allocated for 2022-2023 to districts, intermediate  
23 districts, and other eligible entities all available federal  
24 funding, estimated at ~~\$780,200,000.00~~, **\$782,600,000.00**, and there  
25 **is allocated for 2023-2024 to districts, intermediate districts,**  
26 **and other eligible entities all available federal funding,**  
27 **estimated at \$754,700,000.00**, for the federal programs under the no  
28 child left behind act of 2001, Public Law 107-110, or the every  
29 student succeeds act, Public Law 114-95. These funds are allocated

1 as follows:

2 (a) An amount estimated at \$1,200,000.00 for 2022-2023 **and**  
3 **\$1,200,000.00 for 2023-2024** to provide students with drug- and  
4 violence-prevention programs and to implement strategies to improve  
5 school safety, funded from DED-OESE, drug-free schools and  
6 communities funds.

7 (b) An amount estimated at \$100,000,000.00 for 2022-2023 **and**  
8 **\$100,000,000.00 for 2023-2024** for the purpose of preparing,  
9 training, and recruiting high-quality teachers and class size  
10 reduction, funded from DED-OESE, improving teacher quality funds.

11 (c) An amount estimated at \$13,000,000.00 for 2022-2023 **and**  
12 **\$13,000,000.00 for 2023-2024** for programs to teach English to  
13 limited English proficient (LEP) children, funded from DED-OESE,  
14 language acquisition state grant funds.

15 (d) An amount estimated at \$2,800,000.00 for 2022-2023 **and**  
16 **\$2,800,000.00 for 2023-2024** for rural and low-income schools,  
17 funded from DED-OESE, rural and low income school funds.

18 (e) An amount estimated at \$535,000,000.00 for 2022-2023 **and**  
19 **\$535,000,000.00 for 2023-2024** to provide supplemental programs to  
20 enable educationally disadvantaged children to meet challenging  
21 academic standards, funded from DED-OESE, title I, disadvantaged  
22 children funds.

23 (f) An amount estimated at \$9,200,000.00 for 2022-2023 **and**  
24 **\$9,200,000.00 for 2023-2024** for the purpose of identifying and  
25 serving migrant children, funded from DED-OESE, title I, migrant  
26 education funds.

27 (g) An amount estimated at ~~\$39,000,000.00~~ **\$40,400,000.00** for  
28 2022-2023 **and \$40,400,000.00 for 2023-2024** for the purpose of  
29 providing high-quality extended learning opportunities, after

1 school and during the summer, for children in low-performing  
2 schools, funded from DED-OESE, twenty-first century community  
3 learning center funds.

4 (h) An amount estimated at \$14,000,000.00 for 2022-2023 **and**  
5 **\$14,000,000.00 for 2023-2024** to help support local school  
6 improvement efforts, funded from DED-OESE, title I, local school  
7 improvement grants.

8 (i) An amount estimated at \$35,000,000.00 for 2022-2023 **and**  
9 **\$35,000,000.00 for 2023-2024** to improve the academic achievement of  
10 students, funded from DED-OESE, title IV, student support and  
11 academic enrichment grants.

12 (j) An amount estimated at \$3,100,000.00 for 2022-2023 **and**  
13 **\$3,100,000.00 for 2023-2024** for literacy programs that advance  
14 literacy skills for students from birth through grade 12,  
15 including, but not limited to, English-proficient students and  
16 students with disabilities, funded from DED-OESE, striving readers  
17 comprehensive literacy program.

18 ~~(k) An amount estimated at \$27,900,000.00 for 2022-2023 to~~  
19 ~~establish safer and healthier learning environments, and to prevent~~  
20 ~~and respond to acts of bullying, violence, and hate that impact~~  
21 ~~school communities at individual and systemic levels, funded from~~  
22 ~~DED-OESE, stronger connections grant program.~~

23 (k) An amount estimated at \$1,000,000.00 for 2022-2023 and an  
24 amount estimated at \$1,000,000.00 for 2023-2024 for grants to  
25 support and demonstrate innovative partnerships to train school-  
26 based mental health service providers, funded from DED-OESE, mental  
27 health service professional demonstration grant program.

28 (2) From the federal funds appropriated in section 11, there  
29 is allocated to districts, intermediate districts, and other

1 eligible entities all available federal funding, estimated at  
2 ~~\$56,500,000.00~~ **\$60,500,000.00** for 2022-2023 **and estimated at**  
3 **\$60,500,000.00 for 2023-2024** for the following programs that are  
4 funded by federal grants:

5 (a) An amount estimated at \$3,000,000.00 for 2022-2023 **and**  
6 **\$3,000,000.00 for 2023-2024** to provide services to homeless  
7 children and youth, funded from DED-OVAE, homeless children and  
8 youth funds.

9 (b) An amount estimated at \$24,000,000.00 for 2022-2023 **and**  
10 **\$24,000,000.00 for 2023-2024** for providing career and technical  
11 education services to pupils, funded from DED-OVAE, basic grants to  
12 states.

13 (c) An amount estimated at \$14,000,000.00 for 2022-2023 **and**  
14 **\$14,000,000.00 for 2023-2024** for the Michigan charter school  
15 subgrant program, funded from DED-OII, public charter schools  
16 program funds.

17 (d) An amount estimated at ~~\$14,000,000.00~~ **\$18,000,000.00** for  
18 2022-2023 **and \$18,000,000.00 for 2023-2024** for the purpose of  
19 promoting and expanding high-quality preschool services, funded  
20 from HHS-OCC, preschool development funds.

21 (e) An amount estimated at \$1,500,000.00 for 2022-2023 **and**  
22 **\$1,500,000.00 for 2023-2024** for the purpose of addressing priority  
23 substance abuse treatment, prevention, and mental health needs,  
24 funded from HHS-SAMHSA.

25 (3) The department shall distribute all federal funds  
26 allocated under this section in accordance with federal law and  
27 with flexibility provisions outlined in Public Law 107-116, and in  
28 the education flexibility partnership act of 1999, Public Law 106-  
29 25. Notwithstanding section 17b, the department shall make payments



1 of federal funds to districts, intermediate districts, and other  
2 eligible entities under this section on a schedule determined by  
3 the department.

4 (4) For the purposes of applying for federal grants  
5 appropriated under this article, the department shall allow an  
6 intermediate district to submit a consortium application on behalf  
7 of 2 or more districts with the agreement of those districts as  
8 appropriate according to federal rules and guidelines.

9 (5) For the purposes of funding federal title I grants under  
10 this article, in addition to any other federal grants for which the  
11 strict discipline academy is eligible, the department shall  
12 allocate to a strict discipline academy out of title I, part A an  
13 amount equal to what the strict discipline academy would have  
14 received if included and calculated under title I, part D, or what  
15 it would receive under the formula allocation under title I, part  
16 A, whichever is greater.

17 (6) As used in this section:

18 (a) "DED" means the United States Department of Education.

19 (b) "DED-OESE" means the DED Office of Elementary and  
20 Secondary Education.

21 (c) "DED-OII" means the DED Office of Innovation and  
22 Improvement.

23 (d) "DED-OVAE" means the DED Office of Vocational and Adult  
24 Education.

25 (e) "HHS" means the United States Department of Health and  
26 Human Services.

27 (f) "HHS-OCC" means the HHS Office of Child Care.

28 (g) "HHS-SAMHSA" means the HHS Substance Abuse and Mental  
29 Health Services Project.

1       Sec. 41. (1) For a district to be eligible to receive funding  
2 under this section, the district must administer to English  
3 language learners the English language proficiency assessment known  
4 as the "WIDA ACCESS for English language learners" or the "WIDA  
5 Alternate ACCESS". From the state school aid fund money  
6 appropriated in section 11, there is allocated an amount not to  
7 exceed ~~\$26,511,000.00~~ **\$27,837,000.00** for ~~2022-2023~~ **2023-2024** for  
8 payments to eligible districts for services for English language  
9 learners who have been administered the WIDA ACCESS for English  
10 language learners.

11       (2) The department shall distribute funding allocated under  
12 subsection (1) to eligible districts based on the number of full-  
13 time equivalent English language learners as follows:

14       (a) ~~\$984.00~~ **\$1,033.00** per full-time equivalent English  
15 language learner who has been assessed under the WIDA ACCESS for  
16 English language learners or the WIDA Alternate ACCESS with a WIDA  
17 ACCESS or WIDA Alternate ACCESS composite score between 1.0 and  
18 1.9, or less, as applicable to each assessment.

19       (b) ~~\$679.00~~ **\$713.00** per full-time equivalent English language  
20 learner who has been assessed under the WIDA ACCESS for English  
21 language learners or the WIDA Alternate ACCESS with a WIDA ACCESS  
22 or WIDA Alternate ACCESS composite score between 2.0 and 2.9, or  
23 less, as applicable to each assessment.

24       (c) ~~\$111.00~~ **\$117.00** per full-time equivalent English language  
25 learner who has been assessed under the WIDA ACCESS for English  
26 language learners or the WIDA Alternate ACCESS with a WIDA ACCESS  
27 or WIDA Alternate ACCESS composite score between 3.0 and 3.9, or  
28 less, as applicable to each assessment.

29       (3) If funds allocated under subsection (1) are insufficient

1 to fully fund the payments as prescribed under subsection (2), the  
2 department shall prorate payments on an equal percentage basis,  
3 with the same percentage proration applied to all funding  
4 categories.

5 (4) Each district receiving funds under subsection (1) shall  
6 submit to the department by July 15 of each fiscal year a report,  
7 not to exceed 10 pages, on the usage by the district of funds under  
8 subsection (1) in a form and manner determined by the department,  
9 including a brief description of each program conducted or services  
10 performed by the district using funds under subsection (1) and the  
11 amount of funds under subsection (1) allocated to each of those  
12 programs or services. If a district does not comply with this  
13 subsection, the department shall withhold an amount equal to the  
14 August payment due under this section until the district complies  
15 with this subsection. If the district does not comply with this  
16 subsection by the end of the fiscal year, the withheld funds are  
17 forfeited to the state school aid fund.

18 (5) In order to receive funds under subsection (1), a district  
19 must allow access for the department or the department's designee  
20 to audit all records related to the program for which it receives  
21 those funds. The district shall reimburse this state for all  
22 disallowances found in the audit.

23 (6) Beginning July 1, 2020, and every 3 years thereafter, the  
24 department shall review the per-pupil distribution under subsection  
25 (2), to ensure that funding levels are appropriate and make  
26 recommendations for adjustments to the members of the senate and  
27 house subcommittees on K-12 school aid appropriations.

28 Sec. 51a. (1) From the state school aid fund money in section  
29 11, there is allocated an amount not to exceed ~~\$1,134,196,100.00~~

**\$1,573,096,100.00** for ~~2021-2022-2022-2023~~ and there is allocated an amount not to exceed ~~\$1,460,503,100.00~~ **\$1,747,296,100.00** for ~~2022-2023-2023-2024~~ from state sources and all available federal funding under sections 1411 to 1419 of part B of the individuals with disabilities education act, 20 USC 1411 to 1419, estimated at ~~\$380,000,000.00~~ **\$390,000,000.00** for ~~2021-2022-2022-2023~~ and ~~\$390,000,000.00~~ for ~~2022-2023,~~ **2023-2024**, 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

1 allocated the amount necessary, estimated at ~~\$324,000,000.00~~  
2 **\$350,500,000.00** for ~~2021-2022-2022-2023~~ and estimated at  
3 ~~\$323,300,000.00-\$368,000,000.00~~ for ~~2022-2023, 2023-2024~~, for  
4 payments toward reimbursing districts and intermediate districts  
5 for 28.6138% of total approved costs of special education,  
6 excluding costs reimbursed under section 53a, and 70.4165% of total  
7 approved costs of special education transportation. ~~Allocations~~  
8 ~~under this subsection are made as follows:~~

9 ~~(a) For 2021-2022, the department shall calculate the initial~~  
10 ~~amount allocated to a district under this subsection toward~~  
11 ~~fulfilling the specified percentages by multiplying the district's~~  
12 ~~special education pupil membership, excluding pupils described in~~  
13 ~~subsection (11), times the foundation allowance under section 20 of~~  
14 ~~the pupil's district of residence, plus the amount of the~~  
15 ~~district's per pupil allocation under section 20m, not to exceed~~  
16 ~~the target foundation allowance for the current fiscal year, or,~~  
17 ~~for a special education pupil in membership in a district that is a~~  
18 ~~public school academy, times an amount equal to the amount per~~  
19 ~~membership pupil calculated under section 20(6). For an~~  
20 ~~intermediate district, the amount allocated under this subdivision~~  
21 ~~toward fulfilling the specified percentages is an amount per~~  
22 ~~special education membership pupil, excluding pupils described in~~  
23 ~~subsection (11), and is calculated in the same manner as for a~~  
24 ~~district, using the foundation allowance under section 20 of the~~  
25 ~~pupil's district of residence, not to exceed the target foundation~~  
26 ~~allowance for the current fiscal year, and that district's per-~~  
27 ~~pupil allocation under section 20m.~~

28 ~~(b) For 2022-2023, the department shall calculate the initial~~  
29 ~~amount allocated to a district under this subsection toward~~

~~fulfilling the specified percentages by multiplying the district's special education pupil membership, excluding pupils described in subsection (11), times 25% of the foundation allowance under section 20 of the pupil's district of residence, plus 25% of the amount of the district's per-pupil allocation under section 20m, not to exceed 25% of the target foundation allowance for the current fiscal year, or, for a special education pupil in membership in a district that is a public school academy, times an amount equal to 25% of the amount per membership pupil calculated under section 20(6). For an intermediate district, the amount allocated under this subdivision toward fulfilling the specified percentages is an amount per special education membership pupil, excluding pupils described in subsection (11), and is calculated in the same manner as for a district, using 25% of the foundation allowance under section 20 of the pupil's district of residence, not to exceed 25% of the target foundation allowance for the current fiscal year, and that district's per pupil allocation under section 20m.~~

~~(c) After the allocations under subdivision (a) or (b), as applicable, the department shall pay a district or intermediate district for which the payments calculated under subdivision (a) or (b), as applicable, do not fulfill the specified percentages the amount necessary to achieve the specified percentages for the district or intermediate district.~~

(3) From the funds allocated under subsection (1), there is allocated for ~~2021-2022~~**2022-2023** an amount not to exceed \$1,000,000.00 and there is allocated for ~~2022-2023~~**2023-2024** an amount not to exceed \$1,000,000.00 to make payments to districts and intermediate districts under this subsection. If the amount

1 allocated to a district or intermediate district for the fiscal  
2 year under subsection ~~(2)(e)~~ **(2)** is less than the sum of the  
3 amounts allocated to the district or intermediate district for  
4 1996-97 under sections 52 and 58, there is allocated to the  
5 district or intermediate district for the fiscal year an amount  
6 equal to that difference, adjusted by applying the same proration  
7 factor that was used in the distribution of funds under section 52  
8 in 1996-97 as adjusted to the district's or intermediate district's  
9 necessary costs of special education used in calculations for the  
10 fiscal year. This adjustment is to reflect reductions in special  
11 education program operations or services between 1996-97 and  
12 subsequent fiscal years. The department shall make adjustments for  
13 reductions in special education program operations or services in a  
14 manner determined by the department and shall include adjustments  
15 for program or service shifts.

16 (4) If the department determines that the sum of the amounts  
17 allocated for a fiscal year to a district or intermediate district  
18 under subsection (2) is not sufficient to fulfill the specified  
19 percentages in subsection (2), then the department shall pay the  
20 shortfall to the district or intermediate district during the  
21 fiscal year beginning on the October 1 following the determination  
22 and shall adjust payments under subsection (3) as necessary. If the  
23 department determines that the sum of the amounts allocated for a  
24 fiscal year to a district or intermediate district under subsection  
25 (2) exceeds the sum of the amount necessary to fulfill the  
26 specified percentages in subsection (2), then the department shall  
27 deduct the amount of the excess from the district's or intermediate  
28 district's payments under this article for the fiscal year  
29 beginning on the October 1 following the determination and shall

1 adjust payments under subsection (3) as necessary. ~~However, for~~  
 2 ~~2021-2022 only, if the amount allocated under subsection (2) (a) in~~  
 3 ~~itself exceeds the amount necessary to fulfill the specified~~  
 4 ~~percentages in subsection (2), there is no deduction under this~~  
 5 ~~subsection. Beginning in 2022-2023, if the amount allocated under~~  
 6 ~~subsection (2) (b) in itself exceeds the amount necessary to fulfill~~  
 7 ~~the specified percentages in subsection (2), there is no deduction~~  
 8 ~~under this subsection.~~

9 (5) State funds are allocated on a total approved cost basis.  
 10 Federal funds are allocated under applicable federal requirements.

11 (6) From the amount allocated in subsection (1), there is  
 12 allocated an amount not to exceed \$2,200,000.00 for ~~2021-2022-2022-~~  
 13 **2023** and there is allocated an amount not to exceed \$2,200,000.00  
 14 for ~~2022-2023-2023-2024~~ to reimburse 100% of the net increase in  
 15 necessary costs incurred by a district or intermediate district in  
 16 implementing the revisions in the administrative rules for special  
 17 education that became effective on July 1, 1987. As used in this  
 18 subsection, "net increase in necessary costs" means the necessary  
 19 additional costs incurred solely because of new or revised  
 20 requirements in the administrative rules minus cost savings  
 21 permitted in implementing the revised rules. The department shall  
 22 determine net increase in necessary costs in a manner specified by  
 23 the department.

24 (7) For purposes of this section and sections 51b to 58, all  
 25 of the following apply:

26 (a) "Total approved costs of special education" are determined  
 27 in a manner specified by the department and may include indirect  
 28 costs, but must not exceed 115% of approved direct costs for  
 29 section 52 and section 53a programs. The total approved costs



1 include salary and other compensation for all approved special  
2 education personnel for the program, including payments for Social  
3 Security and Medicare and public school employee retirement system  
4 contributions. The total approved costs do not include salaries or  
5 other compensation paid to administrative personnel who are not  
6 special education personnel as that term is defined in section 6 of  
7 the revised school code, MCL 380.6. Costs reimbursed by federal  
8 funds, other than those federal funds included in the allocation  
9 made under this article, are not included. Special education  
10 approved personnel not utilized full time in the evaluation of  
11 students or in the delivery of special education programs,  
12 ancillary, and other related services are reimbursed under this  
13 section only for that portion of time actually spent providing  
14 these programs and services, with the exception of special  
15 education programs and services provided to youth placed in child  
16 caring institutions or juvenile detention programs approved by the  
17 department to provide an on-grounds education program.

18 (b) A district or intermediate district that employed special  
19 education support services staff to provide special education  
20 support services in 2003-2004 or in a subsequent fiscal year and  
21 that in a fiscal year after 2003-2004 receives the same type of  
22 support services from another district or intermediate district  
23 shall report the cost of those support services for special  
24 education reimbursement purposes under this article. This  
25 subdivision does not prohibit the transfer of special education  
26 classroom teachers and special education classroom aides if the  
27 pupils counted in membership associated with those special  
28 education classroom teachers and special education classroom aides  
29 are transferred and counted in membership in the other district or

1 intermediate district in conjunction with the transfer of those  
2 teachers and aides.

3 (c) If the department determines before bookclosing for a  
4 fiscal year that the amounts allocated for that fiscal year under  
5 subsections (2), (3), (6), and (11) and sections 53a, 54, and 56  
6 will exceed expenditures for that fiscal year under subsections  
7 (2), (3), (6), and (11) and sections 53a, 54, and 56, then for a  
8 district or intermediate district whose reimbursement for that  
9 fiscal year would otherwise be affected by subdivision (b),  
10 subdivision (b) does not apply to the calculation of the  
11 reimbursement for that district or intermediate district and the  
12 department shall calculate reimbursement for that district or  
13 intermediate district in the same manner as it was for 2003-2004.  
14 If the amount of the excess allocations under subsections (2), (3),  
15 (6), and (11) and sections 53a, 54, and 56 is not sufficient to  
16 fully fund the calculation of reimbursement to those districts and  
17 intermediate districts under this subdivision, then the department  
18 shall prorate calculations and resulting reimbursement under this  
19 subdivision on an equal percentage basis. The amount of  
20 reimbursement under this subdivision for a fiscal year must not  
21 exceed \$2,000,000.00 for any district or intermediate district.

22 (d) Reimbursement for ancillary and other related services, as  
23 that term is defined by R 340.1701c of the Michigan Administrative  
24 Code, is not provided when those services are covered by and  
25 available through private group health insurance carriers or  
26 federal reimbursed program sources unless the department and  
27 district or intermediate district agree otherwise and that  
28 agreement is approved by the state budget director. Expenses, other  
29 than the incidental expense of filing, must not be borne by the

1 parent. In addition, the filing of claims must not delay the  
2 education of a pupil. A district or intermediate district is  
3 responsible for payment of a deductible amount and for an advance  
4 payment required until the time a claim is paid.

5 (e) If an intermediate district purchases a special education  
6 pupil transportation service from a constituent district that was  
7 previously purchased from a private entity; if the purchase from  
8 the constituent district is at a lower cost, adjusted for changes  
9 in fuel costs; and if the cost shift from the intermediate district  
10 to the constituent does not result in any net change in the revenue  
11 the constituent district receives from payments under sections 22b  
12 and 51c, then upon application by the intermediate district, the  
13 department shall direct the intermediate district to continue to  
14 report the cost associated with the specific identified special  
15 education pupil transportation service and shall adjust the costs  
16 reported by the constituent district to remove the cost associated  
17 with that specific service.

18 (8) A pupil who is enrolled in a full-time special education  
19 program conducted or administered by an intermediate district or a  
20 pupil who is enrolled in the Michigan Schools for the Deaf and  
21 Blind is not included in the membership count of a district, but is  
22 counted in membership in the intermediate district of residence.

23 (9) Special education personnel transferred from 1 district to  
24 another to implement the revised school code are entitled to the  
25 rights, benefits, and tenure to which the individual would  
26 otherwise be entitled had that individual been employed by the  
27 receiving district originally.

28 (10) If a district or intermediate district uses money  
29 received under this section for a purpose other than the purpose or

1 purposes for which the money is allocated, the department may  
2 require the district or intermediate district to refund the amount  
3 of money received. The department shall deposit money that is  
4 refunded in the state treasury to the credit of the state school  
5 aid fund.

6 (11) From the funds allocated in subsection (1), there is  
7 allocated the amount necessary, estimated at ~~\$1,600,000.00~~  
8 **\$1,700,000.00** for ~~2021-2022~~**2022-2023** and estimated at  
9 ~~\$1,500,000.00~~**\$1,700,000.00** for ~~2022-2023~~**2023-2024**, to pay the  
10 foundation allowances for pupils described in this subsection. The  
11 department shall calculate the allocation to a district under this  
12 subsection by multiplying the number of pupils described in this  
13 subsection who are counted in membership in the district times the  
14 sum of the foundation allowance under section 20 of the pupil's  
15 district of residence, plus the amount of the district's per-pupil  
16 allocation under section 20m, not to exceed the target foundation  
17 allowance for the current fiscal year, or, for a pupil described in  
18 this subsection who is counted in membership in a district that is  
19 a public school academy, times an amount equal to the amount per  
20 membership pupil under section 20(6). The department shall  
21 calculate the allocation to an intermediate district under this  
22 subsection in the same manner as for a district, using the  
23 foundation allowance under section 20 of the pupil's district of  
24 residence not to exceed the target foundation allowance for the  
25 current fiscal year and that district's per-pupil allocation under  
26 section 20m. This subsection applies to all of the following  
27 pupils:

28 (a) Pupils described in section 53a.

29 (b) Pupils counted in membership in an intermediate district

1 who are not special education pupils and are served by the  
2 intermediate district in a juvenile detention or child caring  
3 facility.

4 (c) Pupils with an emotional impairment counted in membership  
5 by an intermediate district and provided educational services by  
6 the department of health and human services.

7 (12) If it is determined that funds allocated under subsection  
8 (2) or (11) or under section 51c will not be expended, funds up to  
9 the amount necessary and available may be used to supplement the  
10 allocations under subsection (2) or (11) or under section 51c in  
11 order to fully fund those allocations. After payments under  
12 subsections (2) and (11) and section 51c, the department shall  
13 expend the remaining funds from the allocation in subsection (1) in  
14 the following order:

15 (a) One hundred percent of the reimbursement required under  
16 section 53a.

17 (b) One hundred percent of the reimbursement required under  
18 subsection (6).

19 (c) One hundred percent of the payment required under section  
20 54.

21 (d) One hundred percent of the payment required under  
22 subsection (3).

23 (e) One hundred percent of the payments under section 56.

24 (13) The allocations under subsections (2), (3), and (11) are  
25 allocations to intermediate districts only and are not allocations  
26 to districts, but instead are calculations used only to determine  
27 the state payments under section 22b.

28 (14) If a public school academy that is not a cyber school, as  
29 that term is defined in section 551 of the revised school code, MCL

380.551, enrolls under this section a pupil who resides outside of the intermediate district in which the public school academy is located and who is eligible for special education programs and services according to statute or rule, or who is a child with a disability, as that term is defined under the individuals with disabilities education act, Public Law 108-446, the intermediate district in which the public school academy is located and the public school academy shall enter into a written agreement with the intermediate district in which the pupil resides for the purpose of providing the pupil with a free appropriate public education, and the written agreement must include at least an agreement on the responsibility for the payment of the added costs of special education programs and services for the pupil. If the public school academy that enrolls the pupil does not enter into an agreement under this subsection, the public school academy shall not charge the pupil's resident intermediate district or the intermediate district in which the public school academy is located the added costs of special education programs and services for the pupil, and the public school academy is not eligible for any payouts based on the funding formula outlined in the resident or nonresident intermediate district's plan. If a pupil is not enrolled in a public school academy under this subsection, the provision of special education programs and services and the payment of the added costs of special education programs and services for a pupil described in this subsection are the responsibility of the district and intermediate district in which the pupil resides.

(15) For the purpose of receiving its federal allocation under part B of the individuals with disabilities education act, Public Law 108-446, a public school academy that is a cyber school, as

1 that term is defined in section 551 of the revised school code, MCL  
2 380.551, and is in compliance with section 553a of the revised  
3 school code, MCL 380.553a, directly receives the federal allocation  
4 under part B of the individuals with disabilities education act,  
5 Public Law 108-446, from the intermediate district in which the  
6 cyber school is located, as the subrecipient. If the intermediate  
7 district does not distribute the funds described in this subsection  
8 to the cyber school by the part B application due date of July 1,  
9 the department may distribute the funds described in this  
10 subsection directly to the cyber school according to the formula  
11 prescribed in 34 CFR 300.705 and 34 CFR 300.816. Beginning July 1,  
12 2021, this subsection is subject to section 8c. It is the intent of  
13 the legislature that the immediately preceding sentence apply  
14 retroactively and is effective July 1, 2021.

15 (16) For a public school academy that is a cyber school, as  
16 that term is defined in section 551 of the revised school code, MCL  
17 380.551, and is in compliance with section 553a of the revised  
18 school code, MCL 380.553a, that enrolls a pupil under this section,  
19 the intermediate district in which the cyber school is located  
20 shall ensure that the cyber school complies with sections 1701a,  
21 1703, 1704, 1751, 1752, 1756, and 1757 of the revised school code,  
22 MCL 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756,  
23 and 380.1757; applicable rules; and the individuals with  
24 disabilities education act, Public Law 108-446. Beginning July 1,  
25 2021, this subsection is subject to section 8c. It is the intent of  
26 the legislature that the immediately preceding sentence apply  
27 retroactively and is effective July 1, 2021.

28 (17) For the purposes of this section, the department or the  
29 center shall only require a district or intermediate district to

1 report information that is not already available from the financial  
2 information database maintained by the center.

3       Sec. 51c. As required by the court in the consolidated cases  
4 known as *Durant v State of Michigan*, 456 Mich 175 (1997), from the  
5 allocation under section 51a(1), there is allocated for ~~2021-2022~~  
6 **2022-2023** and for ~~2022-2023, 2023-2024~~, the amount necessary,  
7 estimated at ~~\$719,000,000.00~~ **\$779,600,000.00** for ~~2021-2022-2022-~~  
8 **2023** and ~~\$709,900,000.00~~ **\$819,200,000.00** for ~~2022-2023, 2023-2024~~,  
9 for payments to reimburse districts for 28.6138% of total approved  
10 costs of special education excluding costs reimbursed under section  
11 53a, and 70.4165% of total approved costs of special education  
12 transportation. Funds allocated under this section that are not  
13 expended in the fiscal year for which they were allocated, as  
14 determined by the department, may be used to supplement the  
15 allocations under sections 22a and 22b to fully fund those  
16 allocations for the same fiscal year. For each fund transfer as  
17 described in the immediately preceding sentence that occurs, the  
18 state budget director shall send notification of the transfer to  
19 the house and senate appropriations subcommittees on state school  
20 aid and the house and senate fiscal agencies by not later than 14  
21 calendar days after the transfer occurs.

22       Sec. 51d. (1) From the federal funds appropriated in section  
23 11, there is allocated for ~~2022-2023-2023-2024~~ all available  
24 federal funding, estimated at \$71,000,000.00, for special education  
25 programs and services that are funded by federal grants. The  
26 department shall distribute all federal funds allocated under this  
27 section in accordance with federal law. Notwithstanding section  
28 17b, the department shall make payments of federal funds to  
29 districts, intermediate districts, and other eligible entities



under this section on a schedule determined by the department.

(2) From the federal funds allocated under subsection (1), the following amounts are allocated:

(a) For ~~2022-2023~~, **2023-2024**, an amount estimated at \$14,000,000.00 for handicapped infants and toddlers, funded from DED-OSERS, handicapped infants and toddlers funds.

(b) For ~~2022-2023~~, **2023-2024**, an amount estimated at \$14,000,000.00 for preschool grants under Public Law 94-142, funded from DED-OSERS, handicapped preschool incentive funds.

(c) For ~~2022-2023~~, **2023-2024**, an amount estimated at \$43,000,000.00 for special education programs funded by DED-OSERS, handicapped program, individuals with disabilities act funds.

(3) As used in this section, "DED-OSERS" means the United States Department of Education Office of Special Education and Rehabilitative Services.

Sec. 51e. (1) From the allocation under section 51a(1), there is allocated for 2022-2023 the amount necessary, estimated at ~~\$336,207,000.00~~ **\$351,700,000.00** for 2022-2023 **and there is allocated for 2023-2024 the amount necessary, estimated at \$468,800,000.00 for 2023-2024**, for payments to districts and intermediate districts for ~~75%~~ **100%** of foundation allowance costs associated with special education pupils.

(2) The department shall calculate the amount allocated to a district under this section by multiplying the district's special education pupil membership, excluding pupils described in section 51a(11), times ~~75%~~ **100%** of the foundation allowance under section 20 of the pupil's district of residence, plus ~~75%~~ **100%** of the amount of the district's per-pupil allocation under section 20m, not to exceed ~~75%~~ **100%** of the target foundation allowance for the

1 current fiscal year, or, for a special education pupil in  
2 membership in a district that is a public school academy, times an  
3 amount equal to ~~75%~~**100%** of the amount per membership pupil  
4 calculated under section 20(6). For an intermediate district, the  
5 amount allocated under this subsection is an amount per special  
6 education membership pupil, excluding pupils described in section  
7 51a(11), and is calculated in the same manner as for a district,  
8 using ~~75%~~**100%** of the foundation allowance under section 20 of the  
9 pupil's district of residence, not to exceed ~~75%~~**100%** of the target  
10 foundation allowance for the current fiscal year, and ~~75%~~**100%** of  
11 that district's per-pupil allocation under section 20m.

12 ~~(3) In addition to the amount calculated in subsection (2),~~  
13 ~~there is allocated the difference between the amount received under~~  
14 ~~section 51f in the 2021-2022 fiscal year and the amount calculated~~  
15 ~~under subsection (2). If the calculated amount under subsection (2)~~  
16 ~~exceeds the amount received by the district or intermediate~~  
17 ~~district under section 51f for the 2021-2022 fiscal year, there is~~  
18 ~~no payment calculated under this subsection.~~

19 Sec. 51g. From the general fund money appropriated in section  
20 11, \$3,000,000.00 is allocated for ~~2022-2023~~**2023-2024** to an  
21 association for administrators of special education services to  
22 develop content for use by special education students, teachers,  
23 and others. Any content that is developed as described in this  
24 section must be accessible throughout this state. Funds received by  
25 an association under this section may be used to support the  
26 development of assessment tools to measure the needs of students  
27 with special education needs in remote learning environments and  
28 the effectiveness of various educational methods and tools, in  
29 collaboration with the department. Funds under this section may

1 also be utilized to identify any available federal funds for  
2 research related to special education in remote learning.

3       Sec. 53a. (1) For districts, reimbursement for pupils  
4 described in subsection (2) is 100% of the total approved costs of  
5 operating special education programs and services approved by the  
6 department and included in the intermediate district plan adopted  
7 under article 3 of the revised school code, MCL 380.1701 to  
8 380.1761, minus the district's foundation allowance calculated  
9 under section 20 and minus the district's per-pupil allocation  
10 under section 20m. For intermediate districts, the department shall  
11 calculate reimbursement for pupils described in subsection (2) in  
12 the same manner as for a district, using the foundation allowance  
13 under section 20 of the pupil's district of residence, not to  
14 exceed the target foundation allowance under section 20 for the  
15 current fiscal year plus the amount of the district's per-pupil  
16 allocation under section 20m.

17       (2) Reimbursement under subsection (1) is for the following  
18 special education pupils:

19       (a) Pupils assigned to a district or intermediate district  
20 through the community placement program of the courts or a state  
21 agency, if the pupil was a resident of another intermediate  
22 district at the time the pupil came under the jurisdiction of the  
23 court or a state agency.

24       (b) Pupils who are residents of institutions operated by the  
25 department of health and human services.

26       (c) Pupils who are former residents of department of community  
27 health institutions for the developmentally disabled who are placed  
28 in community settings other than the pupil's home.

29       (d) Pupils enrolled in a department-approved on-grounds

1 educational program longer than 180 days, but not longer than 233  
2 days, at a residential child care institution, if the child care  
3 institution offered in 1991-92 an on-grounds educational program  
4 longer than 180 days but not longer than 233 days.

5 (e) Pupils placed in a district by a parent for the purpose of  
6 seeking a suitable home, if the parent does not reside in the same  
7 intermediate district as the district in which the pupil is placed.

8 (3) Only those costs that are clearly and directly  
9 attributable to educational programs for pupils described in  
10 subsection (2), and that would not have been incurred if the pupils  
11 were not being educated in a district or intermediate district, are  
12 reimbursable under this section.

13 (4) The costs of transportation are funded under this section  
14 and are not reimbursed under section 58.

15 (5) ~~The department shall not allocate more than \$10,500,000.00~~  
16 ~~of the allocation for 2021-2022 in section 51a(1) under this~~  
17 ~~section.~~ The department shall not allocate more than \$10,500,000.00  
18 of the allocation for ~~2022-2023~~ **2023-2024** in section 51a(1) under  
19 this section.

20 Sec. 54. Each intermediate district receives an amount per  
21 pupil for each pupil in attendance at the Michigan Schools for the  
22 Deaf and Blind. The amount is proportionate to the total  
23 instructional cost at each school. ~~The department shall not~~  
24 ~~allocate more than \$1,688,000.00 of the allocation for 2021-2022 in~~  
25 ~~section 51a(1) under this section.~~ The department shall not  
26 allocate more than \$1,688,000.00 of the allocation for ~~2022-2023~~  
27 **2023-2024** in section 51a(1) under this section.

28 Sec. 54b. (1) From the general fund money appropriated in  
29 section 11, there is allocated an amount not to exceed

1 \$1,600,000.00 for ~~2022-2023~~**2023-2024** to continue the  
2 implementation of the recommendations of the special education  
3 reform task force published in January 2016.

4 (2) The department shall use funds allocated under this  
5 section for the purpose of piloting statewide implementation of the  
6 MiMTSS Center, a nationally recognized program that includes  
7 positive behavioral intervention and supports and provides a  
8 statewide structure to support local initiatives for an integrated  
9 behavior and reading program. With the assistance of the  
10 intermediate districts involved in the MiMTSS Center, the  
11 department shall identify a number of intermediate districts to  
12 participate in the pilot that is sufficient to ensure that the  
13 MiMTSS Center can be implemented statewide with fidelity and  
14 sustainability. In addition, the department shall identify an  
15 intermediate district to act as a fiscal agent for these funds.

16 (3) As used in this section, "MiMTSS Center" means the  
17 Michigan Multi-Tiered System of Supports Center.

18 Sec. 54d. (1) From the state school aid fund money  
19 appropriated in section 11, there is allocated an amount not to  
20 exceed ~~\$21,250,000.00~~**\$22,313,000.00** for ~~2022-2023~~**2023-2024** to  
21 intermediate districts for the purpose of providing state early on  
22 services programs for children from birth to 3 years of age with a  
23 developmental delay or a disability, or both, and their families,  
24 as described in the early on Michigan state plan, as approved by  
25 the department.

26 (2) To be eligible to receive grant funding under this  
27 section, each intermediate district must apply in a form and manner  
28 determined by the department.

29 (3) The grant funding allocated under this section must be

1 used to increase early on services and resources available to  
2 children that demonstrate developmental delays to help prepare them  
3 for success as they enter school. State early on services include  
4 evaluating and providing early intervention services for eligible  
5 infants and toddlers and their families to address developmental  
6 delays, including those affecting physical, cognitive,  
7 communication, adaptive, social, or emotional development. Grant  
8 funds must not be used to supplant existing services that are  
9 currently being provided.

10 (4) The department shall distribute the funds allocated under  
11 subsection (1) to intermediate districts according to the  
12 department's early on funding formula utilized to distribute the  
13 federal award to Michigan under part C of the individuals with  
14 disabilities education act, Public Law 108-446. Funds received  
15 under this section must not supplant existing funds or resources  
16 allocated for early on early intervention services. An intermediate  
17 district receiving funds under this section shall maximize the  
18 capture of Medicaid funds to support early on early intervention  
19 services to the extent possible.

20 (5) Each intermediate district that receives funds under this  
21 section shall report data and other information to the department  
22 in a form, manner, and frequency prescribed by the department to  
23 allow for monitoring and evaluation of the program and to ensure  
24 that the children described in subsection (1) received appropriate  
25 levels and types of services delivered by qualified personnel,  
26 based on the individual needs of the children and their families.

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

1           (7) Grant funds awarded and allocated to an intermediate  
2 district under this section must be expended by the grant recipient  
3 before June 30 of the fiscal year immediately following the fiscal  
4 year in which the funds were received.

5           Sec. 56. (1) For the purposes of this section:

6           (a) "Membership" means for a particular fiscal year the total  
7 membership of the intermediate district and the districts  
8 constituent to the intermediate district, except that if a district  
9 has elected not to come under part 30 of the revised school code,  
10 MCL 380.1711 to 380.1741, membership of the district is not  
11 included in the membership of the intermediate district.

12           (b) "Millage levied" means the millage levied for special  
13 education under part 30 of the revised school code, MCL 380.1711 to  
14 380.1741, including a levy for debt service obligations.

15           (c) "Taxable value" means the total taxable value of the  
16 districts constituent to an intermediate district, except that if a  
17 district has elected not to come under part 30 of the revised  
18 school code, MCL 380.1711 to 380.1741, taxable value of the  
19 district is not included in the taxable value of the intermediate  
20 district.

21           (2) From the allocation under section 51a(1), there is  
22 allocated an amount not to exceed ~~\$40,008,100.00 for 2021-2022 and~~  
23 ~~an amount not to exceed \$40,008,100.00 for 2022-2023~~ **2023-2024** to  
24 reimburse intermediate districts levying millages for special  
25 education under part 30 of the revised school code, MCL 380.1711 to  
26 380.1741. The purpose, use, and expenditure of the reimbursement  
27 are limited as if the funds were generated by these millages and  
28 governed by the intermediate district plan adopted under article 3  
29 of the revised school code, MCL 380.1701 to 380.1761. As a

condition of receiving funds under this section, an intermediate district distributing any portion of special education millage funds to its constituent districts must submit for departmental approval and implement a distribution plan.

~~(3) 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 subtracting from \$218,200.00 the 2020-2021 taxable value behind each membership pupil and multiplying the resulting difference by the 2020-2021 millage levied, and then subtracting from that amount the 2020-2021 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 2021-2022 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 ~~2021-2022~~ **2022-2023** is made in ~~2022-2023~~ **2023-2024** at an amount per ~~2021-2022~~ **2022-2023** membership pupil computed by subtracting from \$229,600.00 **\$241,100.00** the ~~2021-2022~~ **2022-2023** taxable value behind each membership pupil and multiplying the resulting difference by the ~~2021-2022~~ **2022-2023** millage levied, and then subtracting from that amount the ~~2021-2022~~ **2022-2023** local community stabilization share revenue for special education purposes and ~~2021-2022~~ **2022-2023** tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA



381, MCL 125.2651 to 125.2670, 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, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670. Reimbursement in ~~2022-2023~~ **2023-2024** for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection ~~(5)~~ **(4)** is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate district.

**(4)** ~~(5)~~—The department shall ensure that the amount paid to a single intermediate district under subsection (2) does not exceed 62.9% of the total amount allocated under subsection (2).

**(5)** ~~(6)~~—The department shall ensure that the amount paid to a single intermediate district under subsection (2) is not less than 75% of the amount allocated to the intermediate district under subsection (2) for the immediately preceding fiscal year.

**(6)** ~~(7)~~—From the allocation under section 51a(1), there is allocated an amount not to exceed \$34,200,000.00 for ~~2021-2022 and~~ ~~an amount not to exceed \$34,200,000.00 for 2022-2023,~~ **2023-2024** to provide payments to intermediate districts levying millages for special education under part 30 of the revised school code, MCL 380.1711 to 380.1741. The purpose, use, and expenditure of the payments under this subsection are limited as if the funds were generated by these millages and governed by the intermediate district plan adopted under article 3 of the revised school code, MCL 380.1701 to 380.1761. The department shall provide a payment under this subsection to each intermediate district described in this subsection as follows:

~~(a) For 2021-2022, except as otherwise provided in this subsection, for an intermediate district with a 3-year average special education millage revenue per pupil in the immediately preceding fiscal year that is less than \$251.00 and that is levying at least 46.2% but less than 60.0% of its maximum millage rate allowed under section 1724a of the revised school code, MCL 380.1724a, an amount computed by subtracting from \$251.00 the 3-year average special education millage revenue per pupil in the immediately preceding fiscal year and, only if the millage levied by the intermediate district is less than 1, multiplying that amount by the number of mills levied divided by 1, and then multiplying that amount by the 3-year average membership in the immediately preceding fiscal year, and then subtracting from that amount the amount allocated under subsection (2) for the current fiscal year. If the calculation under this subdivision results in an amount below zero, there is no payment under this subdivision.~~

~~(b) For 2021-2022, except as otherwise provided in this subsection, for an intermediate district with a 3-year average special education millage revenue per pupil in the immediately preceding fiscal year that is less than \$281.00 and that is levying at least 60.0% of its maximum millage rate allowed under section 1724a of the revised school code, MCL 380.1724a, an amount computed by subtracting from \$281.00 the 3-year average special education millage revenue per pupil in the immediately preceding fiscal year, and, only if the millage levied by the intermediate district is less than 1, multiplying that amount by the number of mills levied divided by 1, and then multiplying that amount by the 3-year average membership in the immediately preceding fiscal year, and then subtracting from that amount the amount allocated under~~

1 ~~subsection (2) for the current fiscal year. If the calculation~~  
2 ~~under this subdivision results in an amount below zero, there is no~~  
3 ~~payment under this subdivision.~~

4       **(a)** ~~(e)~~ For 2022-2023, **2023-2024**, except as otherwise provided  
5 in this subsection, for an intermediate district with a 3-year  
6 average special education millage revenue per pupil in the  
7 immediately preceding fiscal year that is less than \$251.00 and  
8 that is levying at least 46.2% but less than 60.0% of its maximum  
9 millage rate allowed under section 1724a of the revised school  
10 code, MCL 380.1724a, an amount computed by subtracting from \$251.00  
11 the 3-year average special education millage revenue per pupil in  
12 the immediately preceding fiscal year and, only if the millage  
13 levied by the intermediate district is less than 1, multiplying  
14 that amount by the number of mills levied divided by 1, and then  
15 multiplying that amount by the 3-year average membership in the  
16 immediately preceding fiscal year, and then subtracting from that  
17 amount the amount allocated under subsection (2) for the current  
18 fiscal year. If the calculation under this subdivision results in  
19 an amount below zero, there is no payment under this subdivision.

20       **(b)** ~~(d)~~ For 2022-2023, **2023-2024**, except as otherwise provided  
21 in this subsection, for an intermediate district with a 3-year  
22 average special education millage revenue per pupil in the  
23 immediately preceding fiscal year that is less than \$296.00 and  
24 that is levying at least 60.0% of its maximum millage rate allowed  
25 under section 1724a of the revised school code, MCL 380.1724a, an  
26 amount computed by subtracting from \$296.00 the 3-year average  
27 special education millage revenue per pupil in the immediately  
28 preceding fiscal year, and, only if the millage levied by the  
29 intermediate district is less than 1, multiplying that amount by

the number of mills levied divided by 1, and then multiplying that amount by the 3-year average membership in the immediately preceding fiscal year, and then subtracting from that amount the amount allocated under subsection (2) for the current fiscal year. If the calculation under this subdivision results in an amount below zero, there is no payment under this subdivision.

**(7) After making allocations to eligible intermediate districts under subsections (3) and (6), if funds remain unallocated from the allocations under subsections (2) and (6), the department must allocate remaining funds to intermediate districts proportional to the amounts allocated to intermediate districts under subsection (3).**

(8) As used in subsection ~~(7)~~ **(6)**:

(a) "3-year average membership" means the 3-year average pupil membership for each of the 3 most recent fiscal years.

(b) "3-year average special education millage revenue per pupil" means the 3-year average taxable value per mill levied behind each membership pupil for each of the 3 most recent fiscal years multiplied by the millage levied in the most recent fiscal year.

Sec. 61a. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$47,611,300.00 for ~~2022-2023~~ **2023-2024** only to reimburse on an added cost basis districts, except for a district that served as the fiscal agent for a vocational education consortium in the 1993-94 school year and that has a foundation allowance as calculated under section 20 greater than the target foundation allowance under that section, and secondary area vocational-technical education centers for secondary-level career and technical education programs

1 according to rules approved by the superintendent. ~~It is the intent~~  
2 ~~of the legislature that, for 2023-2024, the allocation from the~~  
3 ~~state school aid fund money appropriated in section 11 for purposes~~  
4 ~~described in this subsection will be \$37,611,300.00.~~ Applications  
5 for participation in the programs must be submitted in the form  
6 prescribed by the department. The department shall determine the  
7 added cost for each career and technical education program area.  
8 The department shall prioritize the allocation of added cost funds  
9 based on the capital and program expenditures needed to operate the  
10 career and technical education programs provided; the number of  
11 pupils enrolled; the advancement of pupils through the  
12 instructional program; the existence of an articulation agreement  
13 with at least 1 postsecondary institution that provides pupils with  
14 opportunities to earn postsecondary credit during the pupil's  
15 participation in the career and technical education program and  
16 transfers those credits to the postsecondary institution upon  
17 completion of the career and technical education program; and the  
18 program rank in student placement, job openings, and wages, and  
19 shall ensure that the allocation does not exceed 75% of the added  
20 cost of any program. Notwithstanding any rule or department  
21 determination to the contrary, when determining a district's  
22 allocation or the formula for making allocations under this  
23 section, the department shall include the participation of pupils  
24 in grade 9 in all of those determinations and in all portions of  
25 the formula. With the approval of the department, the board of a  
26 district maintaining a secondary career and technical education  
27 program may offer the program for the period from the close of the  
28 school year until September 1. The program shall use existing  
29 facilities and must be operated as prescribed by rules promulgated

1 by the superintendent.

2 (2) Except for a district that served as the fiscal agent for  
3 a vocational education consortium in the 1993-94 school year, the  
4 department shall reimburse districts and intermediate districts for  
5 local career and technical education administration, shared time  
6 career and technical education administration, and career education  
7 planning district career and technical education administration.  
8 The superintendent shall adopt guidelines for the definition of  
9 what constitutes administration and shall make reimbursement  
10 pursuant to those guidelines. The department shall not distribute  
11 more than \$800,000.00 of the allocation in subsection (1) under  
12 this subsection.

13 (3) A career and technical education program funded under this  
14 section may provide an opportunity for participants who are  
15 eligible to be funded under section 107 to enroll in the career and  
16 technical education program funded under this section if the  
17 participation does not occur during regular school hours.

18 Sec. 61b. (1) From the state school aid fund money  
19 appropriated under section 11, there is allocated for ~~2022-2023~~  
20 **2023-2024** an amount not to exceed \$8,000,000.00 for CTE early  
21 middle college and CTE dual enrollment programs authorized under  
22 this section and for planning grants for the development or  
23 expansion of CTE early middle college programs. The purpose of  
24 these programs is to increase the number of Michigan residents with  
25 high-quality degrees or credentials, and to increase the number of  
26 students who are college and career ready upon high school  
27 graduation.

28 (2) From the funds allocated under subsection (1), the  
29 department shall allocate an amount as determined under this

subsection to each intermediate district serving as a fiscal agent for state-approved CTE early middle college and CTE dual enrollment programs in each of the career education planning districts identified by the department. An intermediate district shall not use more than 5% of the funds allocated under this subsection for administrative costs for serving as the fiscal agent.

(3) To be an eligible fiscal agent, an intermediate district must agree to do all of the following in a form and manner determined by the department:

(a) Distribute funds to eligible CTE early middle college and CTE dual enrollment programs in a career education planning district as described in this section.

(b) Collaborate with the career and educational advisory council in the workforce development board service delivery area to develop 1 regional strategic plan under subsection (4) that aligns CTE programs and services into an efficient and effective delivery system for high school students. The department will align career education planning districts, workforce development board service delivery areas, and intermediate districts for the purpose of 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 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

1 reporting in the Michigan student data system (MSDS) will report  
2 the total number of college credits the student earned, at the time  
3 of high school graduation, as determined by the department and the  
4 center.

5 (f) The local education agency will report each award outcome  
6 in the Michigan student data system (MSDS) that the CTE early  
7 middle college student attained. For purposes of this subsection,  
8 an on-track CTE early middle college graduate is a graduate who  
9 obtained their high school diploma and at least 1 of the following:

10 (i) An associate's degree.

11 (ii) 60 transferrable college credits.

12 (iii) Professional certification.

13 (iv) A Michigan Early Middle College Association certificate.

14 (v) Participation in a registered apprenticeship.

15 (4) A regional strategic plan must be approved by the career  
16 and educational advisory council before submission to the  
17 department. A regional strategic plan must include, but is not  
18 limited to, the following:

19 (a) An identification of regional employer need based on a  
20 ranking of all career clusters in the workforce development board  
21 service delivery area ranked by 10-year projections of annual job  
22 openings and median wage for each standard occupational code in  
23 each career cluster as obtained from the United States Bureau of  
24 Labor Statistics. Standard occupational codes within high-ranking  
25 clusters also may be further ranked by median wage and annual job  
26 openings. The career and educational advisory council located in  
27 the workforce development board service delivery area shall review  
28 the rankings and modify them if necessary to accurately reflect  
29 employer demand for talent in the workforce development board



1 service delivery area. A career and educational advisory council  
2 shall document that it has conducted this review and certify that  
3 it is accurate. These career cluster rankings must be determined  
4 and updated once every 4 years.

5 (b) An identification of educational entities in the workforce  
6 development board service delivery area that will provide eligible  
7 CTE early middle college and CTE dual enrollment programs including  
8 districts, intermediate districts, postsecondary institutions, and  
9 noncredit occupational training programs leading to an industry-  
10 recognized credential.

11 (c) A strategy to inform parents and students of CTE early  
12 middle college and CTE dual enrollment programs in the workforce  
13 development board service delivery area.

14 (d) Any other requirements as defined by the department.

15 (5) An eligible CTE program is a program that meets all of the  
16 following:

17 (a) Has been identified in the highest 5 career cluster  
18 rankings in any of the 16 workforce development board service  
19 delivery area strategic plans jointly approved by the department of  
20 labor and economic opportunity and the department.

21 (b) Has a coherent sequence of courses in a specific career  
22 cluster that will allow a student to earn a high school diploma and  
23 achieve at least 1 of the following:

24 (i) For CTE early middle college, outcomes as defined in  
25 subsection (3) (f).

26 (ii) For CTE dual enrollment, 1 of the following:

27 (A) An associate degree.

28 (B) An industry-recognized technical certification approved by  
29 the department of labor and economic opportunity.

1 (C) Up to 60 transferable college credits.

2 (D) Participation in a registered apprenticeship, pre-  
3 apprenticeship, or apprentice readiness program.

4 (c) Is aligned with the Michigan merit curriculum.

5 (d) Has an articulation or a college credit agreement with at  
6 least 1 postsecondary institution that provides students with  
7 opportunities to receive postsecondary credits during the student's  
8 participation in the CTE early middle college or CTE dual  
9 enrollment program and transfers those credits to the postsecondary  
10 institution upon completion of the CTE early middle college or CTE  
11 dual enrollment program.

12 (e) Provides instruction that is supervised, directed, or  
13 coordinated by an appropriately certificated CTE teacher or, for  
14 concurrent enrollment courses, a postsecondary faculty member.

15 (f) Provides for highly integrated student support services  
16 that include at least the following:

17 (i) Teachers as academic advisors.

18 (ii) Supervised course selection.

19 (iii) Monitoring of student progress and completion.

20 (iv) Career planning services provided by a local one-stop  
21 service center as described in the Michigan works one-stop service  
22 center system act, 2006 PA 491, MCL 408.111 to 408.135, or by a  
23 high school counselor or advisor.

24 (g) Has courses that are taught on a college campus, are  
25 college courses offered at the high school and taught by college  
26 faculty, or are courses taught in combination with online  
27 instruction.

28 (6) The department shall distribute funds to eligible CTE  
29 early middle college and CTE dual enrollment programs as follows:

1 (a) The department shall determine statewide average CTE costs  
2 per pupil for each CIP code program by calculating statewide  
3 average costs for each CIP code program for the 3 most recent  
4 fiscal years.

5 (b) The distribution to each eligible CTE early middle college  
6 or CTE dual enrollment program is the product of 50% of CTE costs  
7 per pupil times the pupil enrollment of each eligible CTE early  
8 middle college or CTE dual enrollment program in the immediately  
9 preceding school year.

10 (7) In order to receive funds under this section, a CTE early  
11 middle college or CTE dual enrollment program shall furnish to the  
12 intermediate district that is the fiscal agent identified in  
13 subsection (2), in a form and manner determined by the department,  
14 all information needed to administer this program and meet federal  
15 reporting requirements; shall allow the department or the  
16 department's designee to review all records related to the program  
17 for which it receives funds; and shall reimburse the state for all  
18 disallowances found in the review, as determined by the department.

19 (8) There is allocated for ~~2022-2023~~**-2023-2024** from the funds  
20 under subsection (1) an amount not to exceed \$500,000.00 from the  
21 state school aid fund allocation for grants to intermediate  
22 districts or consortia of intermediate districts for the purpose of  
23 planning for new or expanded early middle college programs.  
24 Applications for grants must be submitted in a form and manner  
25 determined by the department. The amount of a grant under this  
26 subsection must not exceed \$50,000.00. To be eligible for a grant  
27 under this subsection, an intermediate district or consortia of  
28 intermediate districts must provide matching funds equal to the  
29 grant received under this subsection. Notwithstanding section 17b,

1 the department shall make payments under this subsection in the  
2 manner determined by the department.

3 (9) Funds distributed under this section may be used to fund  
4 program expenditures that would otherwise be paid from foundation  
5 allowances. A program receiving funding under section 61a may  
6 receive funding under this section for allowable costs that exceed  
7 the reimbursement the program received under section 61a. The  
8 combined payments received by a program under section 61a and this  
9 section must not exceed the total allowable costs of the program. A  
10 program provider shall not use more than 5% of the funds allocated  
11 under this section to the program for administrative costs.

12 (10) If the allocation under subsection (1) is insufficient to  
13 fully fund payments as otherwise calculated under this section, the  
14 department shall prorate payments under this section on an equal  
15 percentage basis.

16 (11) If pupils enrolled in a career cluster in an eligible CTE  
17 early middle college or CTE dual enrollment program qualify to be  
18 reimbursed under this section, those pupils continue to qualify for  
19 reimbursement until graduation, even if the career cluster is no  
20 longer identified as being in the highest 5 career cluster  
21 rankings.

22 (12) As used in this section:

23 (a) "Allowable costs" means those costs directly attributable  
24 to the program as jointly determined by the department of labor and  
25 economic opportunity and the department.

26 (b) "Career and educational advisory council" means an  
27 advisory council to the local workforce development boards located  
28 in a workforce development board service delivery area consisting  
29 of educational, employer, labor, and parent representatives.

1 (c) "CIP" means classification of instructional programs.

2 (d) "CTE" means career and technical education programs.

3 (e) "CTE dual enrollment program" means a 4-year high school  
4 program of postsecondary courses offered by eligible postsecondary  
5 educational institutions that leads to an industry-recognized  
6 certification or degree.

7 (f) "Early middle college program" means a 5-year high school  
8 program.

9 (g) "Eligible postsecondary educational institution" means  
10 that term as defined in section 3 of the career and technical  
11 preparation act, 2000 PA 258, MCL 388.1903.

12 Sec. 61c. (1) From the state school aid fund money  
13 appropriated in section 11, there is allocated for ~~2022-2023-2023-~~  
14 **2024** only an amount not to exceed ~~\$7,500,000.00~~ **\$15,000,000.00** to  
15 eligible career education planning districts for the purposes  
16 described in this section. **It is the intent of the legislature**  
17 **that, for 2024-2025, the allocation from the state school aid fund**  
18 **money appropriated in section 11 for purposes described in this**  
19 **subsection will be \$7,500,000.00.** To be eligible to receive funding  
20 under this section, at least 50% of the area served by a CEPD must  
21 be located in an intermediate district that did not levy a  
22 vocational education millage in 2022.

23 (2) To receive funding under subsection (1), each eligible  
24 CEPD must apply in a form and manner prescribed by the department.  
25 Funding to each eligible CEPD must be equal to the quotient of the  
26 allocation under subsection (1) and the sum of the number of career  
27 education planning districts applying for funding under subsection  
28 (1) that are located in an intermediate district that did not levy  
29 a vocational education millage in 2022.

1           (3) At least 50% of the funding allocated to each eligible  
2 CEPD must be used to update equipment in current CTE programs that  
3 have been identified in the highest 5 career cluster rankings in  
4 the most recent CEPD regional strategic plans jointly approved by  
5 the Michigan talent investment agency in the department of labor  
6 and economic opportunity and the department, for training on new  
7 equipment, for professional development relating to computer  
8 science or coding, or for new and emerging certified CTE programs  
9 to allow CEPD administrators to provide programming in communities  
10 that will enhance economic development. The funding for equipment  
11 should be used to support and enhance community areas that have  
12 sustained job growth, and act as a commitment to build a more  
13 qualified and skilled workforce. In addition, each CEPD is  
14 encouraged to explore the option of leasing equipment from local  
15 private industry to encourage the use of the most advanced  
16 equipment.

17           (4) The allocation of funds at the local level must be  
18 determined by CEPD administrators using data from the state,  
19 region, and local sources to make well-informed decisions on  
20 program equipment improvements. Grants awarded by CEPD  
21 administrators for capital infrastructure must be used to ensure  
22 that CTE programs can deliver educational programs in high-wage,  
23 high-skill, and high-demand occupations. Each CEPD shall continue  
24 to ensure that program advisory boards make recommendations on  
25 needed improvements for equipment that support job growth and job  
26 skill development and retention for both the present and the  
27 future.

28           (5) Not later than ~~September~~**December** 15 of each fiscal year,  
29 each CEPD receiving funding shall annually report to the

1 department, the senate and house appropriations subcommittees on  
2 school aid, the senate and house fiscal agencies, and legislature  
3 on equipment purchased under subsection (1). In addition, the  
4 report must identify growth data on program involvement, retention,  
5 and development of student skills.

6 (6) As used in this section:

7 (a) "CEPD" means a career education planning district  
8 described in this section.

9 (b) "CTE" means career and technical education.

10 Sec. 61d. (1) From the appropriation in section 11, there is  
11 allocated for ~~2022-2023~~**-2023-2024** an amount not to exceed  
12 \$5,000,000.00 from the state school aid fund for additional  
13 payments to districts for career and technical education programs  
14 for the purpose of increasing the number of Michigan residents with  
15 high-quality degrees or credentials, and to increase the number of  
16 pupils who are college- and career-ready upon high school  
17 graduation.

18 (2) The department shall calculate payments to districts under  
19 this section in the following manner:

20 (a) A payment of \$35.00 multiplied by the number of pupils in  
21 grades 9 to 12 who are counted in membership in the district and  
22 are enrolled in at least 1 career and technical education program.

23 (b) An additional payment of \$35.00 multiplied by the number  
24 of pupils in grades 9 to 12 who are counted in membership in the  
25 district and are enrolled in at least 1 career and technical  
26 education program that provides instruction in critical skills and  
27 high-demand career fields.

28 (3) If the allocation under subsection (1) is insufficient to  
29 fully fund payments under subsection (2), the department shall

1 prorate payments under this section on an equal per-pupil basis.

2 (4) If a student attends a career and technical education  
3 program at an intermediate district, the payment under subsection  
4 (2) attributable to that student must be split equally between the  
5 intermediate district providing the program and the district that  
6 counts the student in membership.

7 (5) As used in this section:

8 (a) "Career and technical education program" means a state-  
9 approved career and technical education program, as determined by  
10 the department.

11 (b) "Career and technical education program that provides  
12 instruction in critical skills and high-demand career field" means  
13 a career and technical education program classified under any of  
14 the following 2-digit classification of instructional programs  
15 (CIP) codes:

16 (i) 01, which refers to "agriculture, agriculture operations,  
17 and related sciences".

18 (ii) 03, which refers to "natural resources and conservation".

19 (iii) 10 through 11, which refers to "communications  
20 technologies/technicians and support services" and "computer and  
21 information sciences and support services".

22 (iv) 14 through 15, which refers to "engineering" and  
23 "engineering technologies and engineering-related fields".

24 (v) 26, which refers to "biological and biomedical sciences".

25 (vi) 46 through 48, which refers to "construction trades",  
26 "mechanic and repair technologies/technicians", and "precision  
27 production".

28 (vii) 51, which refers to "health professions and related  
29 programs".



1       Sec. 61i. (1) ~~From the state school aid fund money~~  
2 ~~appropriated in section 11, there is allocated for 2022-2023 only~~  
3 ~~an amount not to exceed \$10,000,000.00~~ **From the federal funding**  
4 **appropriated under section 11, there is allocated for 2023-2024**  
5 **only an amount not to exceed \$10,000,000.00 from the federal**  
6 **funding awarded to this state from the coronavirus state fiscal**  
7 **recovery fund under the American rescue plan act of 2021, title IX,**  
8 **subtitle M of Public Law 117-2,** to eligible intermediate districts  
9 as provided under this section.

10       (2) To receive funding under this section, an intermediate  
11 district must apply for the funding in a form and manner prescribed  
12 by the department.

13       (3) The department shall not allocate more than 1% of the  
14 total funding allocated under this section to an eligible  
15 intermediate district in the first round of funding under this  
16 section.

17       (4) An intermediate district that meets either of the  
18 following is an eligible intermediate district under this section:

19       (a) It has a CTE teacher on staff.

20       (b) It pledges in its application described in subsection (2)  
21 to hire a CTE teacher.

22       (5) An eligible intermediate district that receives funding  
23 under this section shall use the funding only for the recruitment  
24 of, retention of, and coverage of continued education costs for CTE  
25 teachers.

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

29       (7) Funds allocated under this section for 2022-2023 are a

1 work project appropriation, and any unexpended funds for 2022-2023  
2 are carried forward into 2023-2024. The purpose of the work project  
3 is to continue providing funding for the recruitment of, retention  
4 of, and coverage of continued education costs for CTE teachers as  
5 described in this section. The estimated completion date of the  
6 work project is September 30, 2024.

7 (8) As used in this section, "CTE" means career and technical  
8 education.

9 Sec. 62. (1) For the purposes of this section:

10 (a) "Membership" means for a particular fiscal year the total  
11 membership of the intermediate district and the districts  
12 constituent to the intermediate district or the total membership of  
13 the area vocational-technical program, except that if a district  
14 has elected not to come under sections 681 to 690 of the revised  
15 school code, MCL 380.681 to 380.690, the membership of that  
16 district are not included in the membership of the intermediate  
17 district. However, the membership of a district that has elected  
18 not to come under sections 681 to 690 of the revised school code,  
19 MCL 380.681 to 380.690, is included in the membership of the  
20 intermediate district if the district meets both of the following:

21 (i) The district operates the area vocational-technical  
22 education program pursuant to a contract with the intermediate  
23 district.

24 (ii) The district contributes an annual amount to the operation  
25 of the program that is commensurate with the revenue that would  
26 have been raised for operation of the program if millage were  
27 levied in the district for the program under sections 681 to 690 of  
28 the revised school code, MCL 380.681 to 380.690.

29 (b) "Millage levied" means the millage levied for area

1 vocational-technical education under sections 681 to 690 of the  
 2 revised school code, MCL 380.681 to 380.690, including a levy for  
 3 debt service obligations incurred as the result of borrowing for  
 4 capital outlay projects and in meeting capital projects fund  
 5 requirements of area vocational-technical education.

6 (c) "Taxable value" means the total taxable value of the  
 7 districts constituent to an intermediate district or area  
 8 vocational-technical education program, except that if a district  
 9 has elected not to come under sections 681 to 690 of the revised  
 10 school code, MCL 380.681 to 380.690, the taxable value of that  
 11 district is not included in the taxable value of the intermediate  
 12 district. However, the taxable value of a district that has elected  
 13 not to come under sections 681 to 690 of the revised school code,  
 14 MCL 380.681 to 380.690, is included in the taxable value of the  
 15 intermediate district if the district meets both of the following:

16 (i) The district operates the area vocational-technical  
 17 education program pursuant to a contract with the intermediate  
 18 district.

19 (ii) The district contributes an annual amount to the operation  
 20 of the program that is commensurate with the revenue that would  
 21 have been raised for operation of the program if millage were  
 22 levied in the district for the program under sections 681 to 690 of  
 23 the revised school code, MCL 380.681 to 380.690.

24 (2) From the appropriation in section 11, there is allocated  
 25 an amount not to exceed \$9,190,000.00 each fiscal year for ~~2021-~~  
 26 ~~2022-2022-2023~~ and for ~~2022-2023-2023-2024~~ to reimburse  
 27 intermediate districts and area vocational-technical education  
 28 programs established under section 690(3) of the revised school  
 29 code, MCL 380.690, levying millages for area vocational-technical

1 education under sections 681 to 690 of the revised school code, MCL  
 2 380.681 to 380.690. The purpose, use, and expenditure of the  
 3 reimbursement are limited as if the funds were generated by those  
 4 millages.

5 (3) Reimbursement for those millages levied in ~~2020-2021-2021-~~  
 6 ~~2022~~ is made in ~~2021-2022-2022-2023~~ at an amount per ~~2020-2021~~  
 7 ~~2021-2022~~ membership pupil computed by subtracting from ~~\$227,300.00~~  
 8 **\$238,000.00** the ~~2020-2021-2021-2022~~ taxable value behind each  
 9 membership pupil and multiplying the resulting difference by the  
 10 ~~2020-2021-2021-2022~~ millage levied, and then subtracting from that  
 11 amount the ~~2020-2021-2021-2022~~ local community stabilization share  
 12 revenue for area vocational technical education **and 2021-2022 tax**  
 13 **increment revenues captured by a brownfield redevelopment authority**  
 14 **created under the brownfield redevelopment financing act, 1996 PA**  
 15 **381, MCL 125.2651 to 125.2670,** behind each membership pupil for  
 16 reimbursement of personal property exemption loss under the local  
 17 community stabilization authority act, 2014 PA 86, MCL 123.1341 to  
 18 123.1362, **and reimbursements paid under section 26d for tax**  
 19 **increment revenues captured by a brownfield redevelopment authority**  
 20 **under the brownfield redevelopment financing act, 1996 PA 381, MCL**  
 21 **125.2651 to 125.2670.**

22 (4) Reimbursement for those millages levied in ~~2021-2022-2022-~~  
 23 ~~2023~~ is made in ~~2022-2023-2023-2024~~ at an amount per ~~2021-2022~~  
 24 ~~2022-2023~~ membership pupil computed by subtracting from ~~\$237,500.00~~  
 25 **\$249,300.00** the ~~2021-2022-2022-2023~~ taxable value behind each  
 26 membership pupil and multiplying the resulting difference by the  
 27 ~~2021-2022-2022-2023~~ millage levied, and then subtracting from that  
 28 amount the ~~2021-2022-2022-2023~~ local community stabilization share  
 29 revenue for area vocational technical education and ~~2021-2022-2022-~~

1 **2023** tax increment revenues captured by a brownfield redevelopment  
 2 authority created under the brownfield redevelopment financing act,  
 3 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil  
 4 for reimbursement of personal property exemption loss under the  
 5 local community stabilization authority act, 2014 PA 86, MCL  
 6 123.1341 to 123.1362, and reimbursements paid under section 26d for  
 7 tax increment revenues captured by a brownfield redevelopment  
 8 authority under the brownfield redevelopment financing act, 1996 PA  
 9 381, MCL 125.2651 to 125.2670.

10 (5) The department shall ensure that the amount paid to a  
 11 single intermediate district under this section does not exceed  
 12 38.4% of the total amount allocated under subsection (2).

13 (6) The department shall ensure that the amount paid to a  
 14 single intermediate district under this section is not less than  
 15 75% of the amount allocated to the intermediate district under this  
 16 section for the immediately preceding fiscal year.

17 Sec. 65. (1) From the appropriation under section 11, there is  
 18 allocated an amount not to exceed ~~\$900,000.00~~ **\$400,000.00** for ~~2022-~~  
 19 ~~2023-2023-2024~~ **only** for a pre-college engineering K-12 educational  
 20 program that is focused on the development of a diverse future  
 21 Michigan workforce, that serves multiple communities within  
 22 southeast Michigan, that enrolls pupils from multiple districts,  
 23 and that received funds appropriated for this purpose in the  
 24 appropriations act that provided the Michigan strategic fund budget  
 25 for 2014-2015. ~~It is the intent of the legislature that, for 2023-~~  
 26 ~~2024, the allocation from the state school aid fund money~~  
 27 ~~appropriated in section 11 for purposes described in this section~~  
 28 ~~will be \$400,000.00.~~

29 (2) To be eligible for funding under this section, a program

1 must have the ability to expose pupils to, and motivate and prepare  
2 pupils for, science, technology, engineering, and mathematics  
3 careers and postsecondary education with special attention given to  
4 groups of pupils who are at-risk and underrepresented in technical  
5 professions and careers.

6 Sec. 67. (1) From the general fund money appropriated in  
7 section 11, there is allocated an amount not to exceed  
8 \$3,000,000.00 for ~~2022-2023~~**2023-2024** for college access programs.

9 The programs funded under this section are intended to inform  
10 students of college and career options and to provide resources  
11 intended to increase the number of pupils who are adequately  
12 prepared with the information needed to make informed decisions on  
13 college and career. The funds appropriated under this section are  
14 intended to be used to increase the number of Michigan residents  
15 with high-quality degrees or credentials. Funds appropriated under  
16 this section must not be used to supplant funding for counselors  
17 already funded by districts.

18 (2) The department of labor and economic opportunity shall  
19 administer funds allocated under this section in collaboration with  
20 the Michigan college access network. These funds may be used for  
21 any of the following purposes:

22 (a) Michigan college access network operations, programming,  
23 and services to local college access networks.

24 (b) Local college access networks, which are community-based  
25 college access/success partnerships committed to increasing the  
26 college participation and completion rates within geographically  
27 defined communities through a coordinated strategy.

28 (c) The Michigan college advising program, a program intended  
29 to place trained, recently graduated college advisors in high

schools that serve significant numbers of low-income and first-generation college-going pupils. State funds used for this purpose may not exceed 33% of the total funds available under this subsection.

(d) Subgrants of up to \$5,000.00 to districts with comprehensive high schools that establish a college access team and implement specific strategies to create a college-going culture in a high school in a form and manner approved by the Michigan college access network and the department of labor and economic opportunity.

(e) The Michigan college access portal, an online one-stop portal to help pupils and families plan and apply for college.

(f) Public awareness and outreach campaigns to encourage low-income and first-generation college-going pupils to take necessary steps toward college and to assist pupils and families in completing a timely and accurate free application for federal student aid.

(g) Subgrants to postsecondary institutions to recruit, hire, and train college student mentors and college advisors to assist high school pupils in navigating the postsecondary planning and enrollment process.

(3) For the purposes of this section, "college" means any postsecondary educational opportunity that leads to a career, including, but not limited to, a postsecondary degree, industry-recognized technical certification, or registered apprenticeship.

Sec. 74. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$3,964,800.00~~ **\$3,842,700.00** for 2021-2022 and there is allocated an amount not to exceed ~~\$3,844,200.00 for 2022-2023~~ **2023-2024** for the

1 purposes of this section.

2 (2) From the allocation in subsection (1), there is allocated  
 3 for ~~2021-2022 and for 2022-2023~~ **2023-2024** the amount necessary for  
 4 payments to state supported colleges or universities and  
 5 intermediate districts providing school bus driver safety  
 6 instruction under section 51 of the pupil transportation act, 1990  
 7 PA 187, MCL 257.1851. The department shall make payments in an  
 8 amount determined by the department not to exceed the actual cost  
 9 of instruction and driver compensation for each public or nonpublic  
 10 school bus driver attending a course of instruction. For the  
 11 purpose of computing compensation, the hourly rate allowed each  
 12 school bus driver must not exceed the hourly rate received for  
 13 driving a school bus. The department shall make reimbursement  
 14 compensating the driver during the course of instruction to the  
 15 college or university or intermediate district providing the course  
 16 of instruction.

17 (3) From the allocation in subsection (1), there is allocated  
 18 for ~~2021-2022 and for 2022-2023~~ **2023-2024** the amount necessary to  
 19 pay the reasonable costs of nonspecial education auxiliary services  
 20 transportation provided under section 1323 of the revised school  
 21 code, MCL 380.1323. Districts funded under this subsection do not  
 22 receive funding under any other section of this article for  
 23 nonspecial education auxiliary services transportation.

24 (4) From the funds allocated in subsection (1), there is  
 25 allocated an amount not to exceed ~~\$1,780,800.00~~ **\$1,817,700.00** for  
 26 ~~2021-2022 and there is allocated an amount not to exceed~~  
 27 ~~\$1,819,200.00 for 2022-2023~~ **2023-2024** for reimbursement to  
 28 districts and intermediate districts for costs associated with the  
 29 inspection of school buses and pupil transportation vehicles by the



1 department of state police as required under section 715a of the  
 2 Michigan vehicle code, 1949 PA 300, MCL 257.715a, and section 39 of  
 3 the pupil transportation act, 1990 PA 187, MCL 257.1839. The  
 4 department of state police shall prepare a statement of costs  
 5 attributable to each district for which bus inspections are  
 6 provided and submit it to the department and to an intermediate  
 7 district serving as fiduciary in a time and manner determined  
 8 jointly by the department and the department of state police. Upon  
 9 review and approval of the statement of cost, the department shall  
 10 forward to the designated intermediate district serving as  
 11 fiduciary the amount of the reimbursement on behalf of each  
 12 district and intermediate district for costs detailed on the  
 13 statement within 45 days after receipt of the statement. The  
 14 designated intermediate district shall make payment in the amount  
 15 specified on the statement to the department of state police within  
 16 45 days after receipt of the statement. The total reimbursement of  
 17 costs under this subsection must not exceed the amount allocated  
 18 under this subsection. Notwithstanding section 17b, the department  
 19 shall make payments to eligible entities under this subsection on a  
 20 schedule prescribed by the department.

21       Sec. 81. (1) From the state school aid fund money appropriated  
 22 in section 11, there is allocated for ~~2022-2023-2023-2024~~ to the  
 23 intermediate districts the sum necessary, but not to exceed  
 24 ~~\$75,642,600.00~~ **\$79,424,700.00** to provide state aid to intermediate  
 25 districts under this section.

26       (2) The amount allocated under this section for ~~2022-2023~~  
 27 **2023-2024** to each intermediate district is an amount equal to  
 28 ~~105.2%~~ **105.0%** of the amount allocated to the intermediate district  
 29 under this section for ~~2021-2022.~~ **2022-2023**. An intermediate

1 district shall use funding provided under this section to comply  
2 with requirements of this article and the revised school code that  
3 are applicable to intermediate districts, and for which funding is  
4 not provided elsewhere in this article, and to provide technical  
5 assistance to districts as authorized by the intermediate school  
6 board.

7 (3) Intermediate districts receiving funds under this section  
8 shall collaborate with the department to develop expanded  
9 professional development opportunities for teachers to update and  
10 expand their knowledge and skills needed to support the Michigan  
11 merit curriculum.

12 (4) From the allocation in subsection (1), there is allocated  
13 to an intermediate district, formed by the consolidation or  
14 annexation of 2 or more intermediate districts or the attachment of  
15 a total intermediate district to another intermediate district or  
16 the annexation of all of the constituent K-12 districts of a  
17 previously existing intermediate district which has disorganized,  
18 an additional allotment of \$3,500.00 each fiscal year for each  
19 intermediate district included in the new intermediate district for  
20 3 years following consolidation, annexation, or attachment.

21 (5) In order to receive funding under this section, an  
22 intermediate district shall do all of the following:

23 (a) Demonstrate to the satisfaction of the department that the  
24 intermediate district employs at least 1 person who is trained in  
25 pupil accounting and auditing procedures, rules, and regulations.

26 (b) Demonstrate to the satisfaction of the department that the  
27 intermediate district employs at least 1 person who is trained in  
28 rules, regulations, and district reporting procedures for the  
29 individual-level student data that serves as the basis for the

1 calculation of the district and high school graduation and dropout  
2 rates.

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

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

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

10 (f) Provide advice, guidance, and leadership to assist all  
11 districts located within its geographic boundaries to assist in the  
12 preparedness and response efforts toward addressing COVID-19. At a  
13 minimum, this must include the coordination and collaboration with  
14 any local public health agency that has jurisdiction within the  
15 intermediate district's geographic boundaries and may include the  
16 coordination of bulk purchasing of personal protective equipment,  
17 technology, or other products or services necessary for students to  
18 return to school.

19 (g) Ensure that all districts located within its geographic  
20 boundaries have equitable access to the intermediate district's  
21 coordination activities and services, intermediate district-wide or  
22 regional meetings, regularly scheduled superintendent meetings,  
23 programming, events, email distribution lists, listservs, or other  
24 coordination or collaboration activities organized by or hosted at  
25 the intermediate district. In ensuring that all districts located  
26 within the geographic boundaries of the intermediate district have  
27 equitable access to services, meetings, programming, events, email  
28 distribution lists, listservs, or activities as described in the  
29 immediately preceding sentence, the intermediate district shall

1 ensure that districts that are public school academies that are  
2 located within its geographic boundaries are not excluded from said  
3 services, meetings, programming, events, email distribution lists,  
4 listservs, or activities organized by or hosted at the intermediate  
5 district if districts that are not public school academies that are  
6 located within the geographic boundaries of the intermediate  
7 district are not excluded.

8       Sec. 94. (1) From the general fund money appropriated in  
9 section 11, there is allocated to the department for ~~2022-2023~~  
10 **2023-2024** an amount not to exceed \$1,200,000.00 for efforts to  
11 increase the number of pupils who participate and succeed in  
12 advanced placement and international baccalaureate programs, and to  
13 support the college-level examination program (CLEP).

14       (2) From the funds allocated under this section, the  
15 department shall award funds to cover all or part of the costs of  
16 advanced placement test fees or international baccalaureate test  
17 fees and international baccalaureate registration fees for low-  
18 income pupils who take an advanced placement or an international  
19 baccalaureate test and CLEP fees for low-income pupils who take a  
20 CLEP test.

21       (3) The department shall only award funds under this section  
22 if the department determines that all of the following criteria are  
23 met:

24       (a) Each pupil for whom payment is made meets eligibility  
25 requirements of the federal advanced placement test fee program  
26 under the no child left behind act of 2001, Public Law 107-110, or  
27 the every student succeeds act, Public Law 114-95, as applicable.

28       (b) The tests are administered by the college board, the  
29 international baccalaureate organization, or another test provider

1 approved by the department.

2 (c) The pupil for whom payment is made pays at least \$5.00  
3 toward the cost of each test for which payment is made.

4 (4) The department shall establish procedures for awarding  
5 funds under this section.

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

9 Sec. 94a. (1) There is created within the state budget office  
10 in the department of technology, management, and budget the center  
11 for educational performance and information. The center shall do  
12 all of the following:

13 (a) Coordinate the collection of all data required by state  
14 and federal law from districts, intermediate districts, and  
15 postsecondary institutions.

16 (b) Create, maintain, and enhance this state's P-20  
17 longitudinal data system and ensure that it meets the requirements  
18 of subsection (4).

19 (c) Collect data in the most efficient manner possible in  
20 order to reduce the administrative burden on reporting entities,  
21 including, but not limited to, electronic transcript services.

22 (d) Create, maintain, and enhance this state's web-based  
23 educational portal to provide information to school leaders,  
24 teachers, researchers, and the public in compliance with all  
25 federal and state privacy laws. Data must include, but are not  
26 limited to, all of the following:

27 (i) Data sets that link teachers to student information,  
28 allowing districts to assess individual teacher impact on student  
29 performance and consider student growth factors in teacher and

1 principal evaluation systems.

2 (ii) Data access or, if practical, data sets, provided for  
3 regional data hubs that, in combination with local data, can  
4 improve teaching and learning in the classroom.

5 (iii) Research-ready data sets for researchers to perform  
6 research that advances this state's educational performance.

7 (e) Provide data in a useful manner to allow state and local  
8 policymakers to make informed policy decisions.

9 (f) Provide public reports to the residents of this state to  
10 allow them to assess allocation of resources and the return on  
11 their investment in the education system of this state.

12 (g) Other functions as assigned by the state budget director.

13 (2) Each state department, officer, or agency that collects  
14 information from districts, intermediate districts, or  
15 postsecondary institutions as required under state or federal law  
16 shall make arrangements with the center to ensure that the state  
17 department, officer, or agency is in compliance with subsection  
18 (1). This subsection does not apply to information collected by the  
19 department of treasury under the uniform budgeting and accounting  
20 act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal  
21 finance act, 2001 PA 34, MCL 141.2101 to 141.2821; the school bond  
22 qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to  
23 388.1939; or section 1351a of the revised school code, MCL  
24 380.1351a.

25 (3) The center may enter into any interlocal agreements  
26 necessary to fulfill its functions.

27 (4) The center shall ensure that the P-20 longitudinal data  
28 system required under subsection (1)(b) meets all of the following:

29 (a) Includes data at the individual student level from

1 preschool through postsecondary education and into the workforce.

2 (b) Supports interoperability by using standard data  
3 structures, data formats, and data definitions to ensure linkage  
4 and connectivity in a manner that facilitates the exchange of data  
5 among agencies and institutions within the state and between  
6 states.

7 (c) Enables the matching of individual teacher and student  
8 records so that an individual student may be matched with those  
9 teachers providing instruction to that student.

10 (d) Enables the matching of individual teachers with  
11 information about their certification and the institutions that  
12 prepared and recommended those teachers for state certification.

13 (e) Enables data to be easily generated for continuous  
14 improvement and decision-making, including timely reporting to  
15 parents, teachers, and school leaders on student achievement.

16 (f) Ensures the reasonable quality, validity, and reliability  
17 of data contained in the system.

18 (g) Provides this state with the ability to meet federal and  
19 state reporting requirements.

20 (h) For data elements related to preschool through grade 12  
21 and postsecondary, meets all of the following:

22 (i) Contains a unique statewide student identifier that does  
23 not permit a student to be individually identified by users of the  
24 system, except as allowed by federal and state law.

25 (ii) Contains student-level enrollment, demographic, and  
26 program participation information.

27 (iii) Contains student-level information about the points at  
28 which students exit, transfer in, transfer out, drop out, or  
29 complete education programs.

(iv) Has the capacity to communicate with higher education data systems.

(i) For data elements related to preschool through grade 12 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 ~~\$19,032,300.00~~ **\$18,988,600.00** for ~~2022-2023-2023-2024~~ 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 ~~2022-2023-2023-2024~~ the amount



1 necessary, estimated at \$193,500.00, to support the operations of  
2 the center and to establish a P-20 longitudinal data system  
3 necessary for state and federal reporting purposes. The center  
4 shall cooperate with the department to ensure that this state is in  
5 compliance with federal law and is maximizing opportunities for  
6 increased federal funding to improve education in this state.

7 (6) From the funds allocated in subsection (5), the center may  
8 use an amount determined by the center for competitive grants for  
9 ~~2022-2023~~**2023-2024** to support collaborative efforts on the P-20  
10 longitudinal data system. All of the following apply to grants  
11 awarded under this subsection:

12 (a) The center shall award competitive grants to eligible  
13 intermediate districts or a consortium of intermediate districts  
14 based on criteria established by the center.

15 (b) Activities funded under the grant must support the P-20  
16 longitudinal data system portal and may include portal hosting,  
17 hardware and software acquisition, maintenance, enhancements, user  
18 support and related materials, and professional learning tools and  
19 activities aimed at improving the utility of the P-20 longitudinal  
20 data system.

21 (c) An applicant that received a grant under this subsection  
22 for the immediately preceding fiscal year has priority for funding  
23 under this section. However, after 3 fiscal years of continuous  
24 funding, an applicant is required to compete openly with new  
25 applicants.

26 (7) Funds allocated under this section that are not expended  
27 in the fiscal year in which they were allocated may be carried  
28 forward to a subsequent fiscal year and are appropriated for the  
29 purposes for which the funds were originally allocated.

1 (8) The center may bill departments as necessary in order to  
2 fulfill reporting requirements of state and federal law. The center  
3 may also enter into agreements to supply custom data, analysis, and  
4 reporting to other principal executive departments, state agencies,  
5 local units of government, and other individuals and organizations.  
6 The center may receive and expend funds in addition to those  
7 authorized in subsection (5) to cover the costs associated with  
8 salaries, benefits, supplies, materials, and equipment necessary to  
9 provide such data, analysis, and reporting services.

10 (9) As used in this section, "DED-OESE" means the United  
11 States Department of Education Office of Elementary and Secondary  
12 Education.

13 Sec. 95b. (1) From the general fund money appropriated under  
14 section 11, there is allocated an amount not to exceed  
15 \$2,000,000.00 for ~~2022-2023~~**2023-2024** only for the model value-  
16 added growth and projection analytics system. The department shall  
17 continue the model value-added growth and projection analytics  
18 system and incorporate that model into its reporting requirements  
19 under the every student succeeds act, Public Law 114-95. The model  
20 described in this subsection must do at least all of the following:

21 (a) Utilize existing assessments and any future assessments  
22 that are suitable for measuring student growth.

23 (b) Report student growth measures at the district, school,  
24 teacher, and subgroup levels.

25 (c) Recognize the growth of tested students, including those  
26 who may have missing assessment data.

27 (d) Include all available prior standardized assessment data  
28 that meet inclusion criteria across grades, subjects, and state and  
29 local assessments.

1 (e) Allow student growth results to be disaggregated.

2 (f) Provide individual student projections showing the  
3 probability of a student reaching specific performance levels on  
4 future assessments. Given school closures and extended  
5 cancellations related to COVID-19, the data under this subdivision  
6 may be used to inform decisions about student placement or students  
7 that could benefit from additional supports or interventions.

8 (g) Demonstrate any prior success with this state's  
9 assessments through the Michigan council of educator effectiveness  
10 teacher evaluation pilot.

11 (h) Demonstrate prior statewide implementation in at least 2  
12 other states for at least 10 years.

13 (i) Have a native roster verification system built into the  
14 value-added reporting platform that has been implemented statewide  
15 in at least 2 other states.

16 (j) Have a "help/contact us" ticketing system built into the  
17 value-added reporting platform.

18 (k) Given school closures that have occurred pursuant to an  
19 executive order issued by the governor, the value-added reporting  
20 platform must provide continued hosting and delivery of reporting  
21 and offer the department additional supports in the areas of  
22 research, analysis, web reporting, and training.

23 (l) The department and the platform vendor shall provide  
24 statewide training for educators to understand the reporting that  
25 details the impact to student learning and growth.

26 (2) The department shall provide internet-based electronic  
27 student growth and projection reporting based on the model under  
28 subsection (1) to educators at the school, district, and state  
29 levels. The model must include role-based permissions that allow

educators to access information about the performance of the students within their immediate responsibility in accordance with applicable privacy laws.

(3) The model under subsection (1) must not be a mandatory part of teacher evaluation or educator pay-for-performance systems.

(4) The model under subsection (1) must be a model that received funding under this section in 2018-2019.

(5) By March 31 of each fiscal year for which funding is allocated under this section, the department shall work with the center to make data publicly available on an external website that provides student growth metrics provided by the value-added reporting platform at the district and school level by grade and subject.

Sec. 97. (1) From the state school aid fund money appropriated in section 11, there is allocated ~~\$150,000,000.00~~ **\$250,000,000.00** for ~~2022-2023~~ **2023-2024** only, and from the general fund money appropriated in section 11, there is allocated ~~\$18,000,000.00~~ **\$36,000,000.00** for ~~2022-2023~~ **2023-2024** only, to provide payments to districts and nonpublic schools for activities to improve student safety. Allowable expenditures of funds allocated under this section include, but are not limited to, the following:

(a) Coordination with local law enforcement.

(b) Training for school staff on threat assessment.

(c) Training for school staff and students on threat response.

(d) Training for school staff on crisis communication.

(e) Safety infrastructure, including, but not limited to, cameras, door blocks, hardened vestibules, window screening, and technology necessary to operate buzzer systems. This may also include firearm detection software that integrates to existing

1 security cameras to detect and alert school personnel and first  
2 responders to visible firearms on school property. The software  
3 described in the immediately preceding sentence must be organically  
4 developed and proprietary to the company it is purchased from and  
5 should not include any third-party or open-source data.

6 (f) Age-appropriate training for students and families on  
7 responsible gun ownership.

8 (g) Providing professional development to school resource  
9 officers that includes training on the best practices for serving  
10 in a school setting.

11 (h) Any other school safety service or product necessary to  
12 improve or maintain security in buildings.

13 (2) From the state school aid fund money allocated in  
14 subsection (1), the department shall make payments to districts in  
15 an equal amount per pupil based on the total number of pupils in  
16 membership in each district. From the general fund money allocated  
17 in subsection (1), the department shall make payments to nonpublic  
18 schools in an equal amount per pupil, using pupil counts determined  
19 by the department. The department shall ensure that the amount per  
20 pupil paid to nonpublic schools does not exceed the amount per  
21 pupil paid to districts.

22 (3) If funding remains after the distribution of funds  
23 described in subsection (2), the department may provide additional  
24 per-pupil allocations to allocate remaining funding, using for  
25 those calculations the same requirements described in subsection  
26 (2).

27 (4) To receive funding under this section, districts and  
28 nonpublic schools must apply for the funding in a form and manner  
29 prescribed by the department. As part of the application process

1 described in this subsection, districts and nonpublic schools must  
2 document how they will use community input to guide the expenditure  
3 of these funds and must commit to hosting at least 1 community  
4 conversation about school safety and student mental health.

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

8 Sec. 97b. (1) From the state school aid fund money  
9 appropriated in section 11, there is allocated for ~~2022-2023~~**2023-**  
10 **2024** an amount not to exceed ~~\$25,000,000.00~~**\$50,000,000.00** to  
11 public schools, districts, and intermediate districts as prescribed  
12 in this section.

13 (2) To receive funding under this section, a public school,  
14 district, or intermediate district must apply for the funding to  
15 the department of state police, grants and community services  
16 division, in a form and manner prescribed by the department of  
17 state police, and must pledge, in its application, that it will  
18 provide 50% matching funds for the funds it receives under this  
19 section.

20 (3) The department of state police shall not award funding  
21 under subsection (1) to a public school, district, or intermediate  
22 district in relation to the same school building more than once in  
23 a single grant application period. If a district submits an  
24 application under subsection (2) relating to a school building and  
25 a public school within that district also submits an application  
26 for funding in relation to that same school building, the  
27 department of state police shall not allocate funding under  
28 subsection (1) twice for that school building. If a public school,  
29 district, or intermediate district submits more than 1 application,

the department of state police shall first consider the most recent application submitted in considering funding under subsection (1).

(4) A public school, district, or intermediate district that receives funding under this section shall use the funding only to ensure that it has at least 1 school resource officer at its school, district, or intermediate district to do 1 or more of the following in his or her service at the school, district, or intermediate district:

(a) Assist school administration in ensuring the physical safety of school buildings of the school, district, or intermediate district and the individuals inside the school buildings.

(b) Work with school administration to develop safety procedures for potential threats in school buildings of the school, district, or intermediate district.

(c) Welcome, counsel, and mentor students.

(d) Educate students about law-related topics, as appropriate.

(e) De-escalate aggression that occurs between students or between students and school, district, or intermediate district staff.

(f) Mentor students as advisors and role models.

**(5) Funds allocated under this section may be used to hire new school resource officers or to increase the hours for current school resource officers. This funding may be used whether the school resource officers are hired from public employers or from private security companies.**

**(6) ~~(5)~~ Funds allocated under this section for ~~2022-2023-2023-~~ 2024 are a work project appropriation, and any unexpended funds for ~~2022-2023-2023-2024~~ are carried forward into ~~2023-2024.~~ 2024-2025.**  
The purpose of the work project is to continue providing funding to

1 support public schools, districts, and intermediate districts in  
2 having school resource officers at schools, districts, or  
3 intermediate districts. The estimated completion date of the work  
4 project is September 30, ~~2027~~.**2028**.

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

8 (8) ~~(7)~~—As used in this section, "public school" means that  
9 term as defined in section 5 of the revised school code, MCL 380.5.

10 Sec. 97e. (1) From the general fund money appropriated in  
11 section 11, there is allocated for ~~2022-2023~~**2023-2024** only an  
12 amount not to exceed \$2,000,000.00 for the commission.

13 (2) The school safety and mental health commission is created  
14 within the department.

15 (3) The commission must consist of all of the following  
16 members who must be appointed by the governor as follows:

17 (a) One member from a list of 3 or more names submitted by the  
18 minority leader of the house of representatives who has experience  
19 in school mental health.

20 (b) One member from a list of 3 or more names submitted by the  
21 speaker of the house of representatives who has a background in law  
22 enforcement.

23 (c) One member from a list of 3 or more names submitted by the  
24 speaker of the house of representatives who is a parent.

25 (d) One member from a list of 3 or more names submitted by the  
26 senate minority leader who is a school psychologist or  
27 psychiatrist.

28 (e) One member from a list of 3 or more names submitted by the  
29 senate majority leader who is a prosecutor.



1 (f) One member from a list of 3 or more names submitted by the  
2 senate majority leader who is a teacher.

3 (g) One member who has a background in school administration.

4 (h) One member who has experience in school-threat  
5 assessments.

6 (i) One member who has experience in the provision of  
7 inpatient treatment to children under age 18.

8 (4) The director of the department of health and human  
9 services or the director's designee may be a member of the  
10 commission. In addition, the following department heads or their  
11 designees that are from within their respective departments or  
12 agencies may be nonvoting, ex officio members of the commission:

13 (a) The director of the department of state police.

14 (b) The superintendent of public instruction.

15 (5) The governor shall appoint 5 of the first members to 2-  
16 year terms and 4 of the first members to 4-year terms. After the  
17 first appointments, the term of a member of the commission is 4  
18 years or until a successor is appointed under subsection (3),  
19 whichever is later.

20 (6) If a vacancy occurs on the commission, an individual must  
21 be appointed in the same manner as prescribed under subsection (3)  
22 to fill the vacancy for the balance of the term.

23 (7) The governor may remove a member of the commission for  
24 incompetence, dereliction of duty, malfeasance, or nonfeasance in  
25 office, or any other good cause.

26 (8) The commission shall meet at least monthly.

27 (9) A majority of the members of the commission constitutes a  
28 quorum for transacting business. A vote of the majority of the  
29 members of the commission serving is required for any action of the

1 commission.

2 (10) The commission shall conduct its business in compliance  
3 with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

4 (11) A writing that is prepared, owned, used, possessed, or  
5 retained by the commission in performing an official function is  
6 subject to the freedom of information act, 1976 PA 442, MCL 15.231  
7 to 15.246.

8 (12) A member of the commission is not entitled to  
9 compensation for service on the commission, but the commission may  
10 reimburse a member for actual and necessary expenses incurred in  
11 serving.

12 (13) The commission shall do all of the following:

13 (a) Collaborate to provide recommendations to reduce youth  
14 suicides and strengthen the mental health of school-aged children,  
15 adolescents, and their families through a comprehensive, statewide  
16 approach.

17 (b) Seek input from educational professionals, mental health  
18 professionals, and organizations from across this state to suggest  
19 approaches to identify and support students at risk of behavioral  
20 health issues.

21 (c) Collaborate with the Michigan suicide prevention  
22 commission on recommendations regarding youth suicide.

23 (d) Create and maintain an online community through which best  
24 practices and resources can be shared, host professional trainings,  
25 and engage in public awareness efforts regarding mental health  
26 issues and resources.

27 (e) Review possible uses of and make recommendations for the  
28 use of funds received by districts and nonpublic schools under  
29 section 97.

(f) Convey recommendations to the department of licensing and regulatory affairs and the bureau of construction codes within the department of licensing and regulatory affairs concerning building construction that is consistent with school safety needs.

(14) The commission may hire an executive director and staff.

**(15) The funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to continue support of the school safety and mental health commission. The estimated completion date of the work project is September 30, 2024.**

**(16) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to continue support of the school safety and mental health commission. The estimated completion date of the work project is September 30, 2025.**

**(17)** ~~(15)~~ As used in this section, "commission" means the school safety and mental health commission created in subsection (2).

Sec. 98. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$8,000,000.00~~ **\$7,500,000.00** for ~~2022-2023~~ **2023-2024** for the purposes described in this section. ~~It is the intent of the legislature that, for 2023-2024, the allocation from the general fund money appropriated in section 11 for purposes described in this section will be \$7,500,000.00.~~ The Michigan Virtual University shall provide a report to the legislature not later than November 1 of each fiscal year for which funding is allocated under this

1 section that includes its mission, its plans, and proposed  
2 benchmarks it must meet, including a plan to achieve the  
3 organizational priorities identified in this section, in order to  
4 receive full funding for the next fiscal year for which funding is  
5 allocated under this section. Not later than March 1 of each fiscal  
6 year for which funding is allocated under this section, the  
7 Michigan Virtual University shall provide an update to the house  
8 and senate appropriations subcommittees on school aid to show the  
9 progress being made to meet the benchmarks identified.

10 (2) The Michigan Virtual University shall operate the Michigan  
11 Virtual Learning Research Institute. The Michigan Virtual Learning  
12 Research Institute shall do all of the following:

13 (a) Support and accelerate innovation in education through the  
14 following activities:

15 (i) Test, evaluate, and recommend as appropriate new  
16 technology-based instructional tools and resources.

17 (ii) Research, design, and recommend virtual education delivery  
18 models for use by pupils and teachers that include age-appropriate  
19 multimedia instructional content.

20 (iii) Research, develop, and recommend annually to the  
21 department criteria by which cyber schools and virtual course  
22 providers should be monitored and evaluated to ensure a quality  
23 education for their pupils.

24 (iv) Based on pupil completion and performance data reported to  
25 the department or the center from cyber schools and other virtual  
26 course providers operating in this state, analyze the effectiveness  
27 of virtual learning delivery models in preparing pupils to be  
28 college- and career-ready and publish a report that highlights  
29 enrollment totals, completion rates, and the overall impact on

1 pupils. The Michigan Virtual Learning Research Institute shall  
2 submit the report to the house and senate appropriations  
3 subcommittees on school aid, the state budget director, the house  
4 and senate fiscal agencies, the department, districts, and  
5 intermediate districts not later than March 31 of each fiscal year  
6 for which funding is allocated under this section.

7 (v) Provide an extensive professional development program to  
8 at least 30,000 educational personnel, including teachers, school  
9 administrators, and school board members, that focuses on the  
10 effective integration of virtual learning into curricula and  
11 instruction. The Michigan Virtual Learning Research Institute is  
12 encouraged to work with the MiSTEM council described in section 99s  
13 to coordinate professional development of teachers in applicable  
14 fields. In addition, the Michigan Virtual Learning Research  
15 Institute and external stakeholders are encouraged to coordinate  
16 with the department for professional development in this state. Not  
17 later than December 1 of each fiscal year for which funding is  
18 allocated under this section, the Michigan Virtual Learning  
19 Research Institute shall submit a report to the house and senate  
20 appropriations subcommittees on school aid, the state budget  
21 director, the house and senate fiscal agencies, and the department  
22 on the number of teachers, school administrators, and school board  
23 members who have received professional development services from  
24 the Michigan Virtual University. The report must also include both  
25 of the following:

26 (A) The identification of barriers and other opportunities to  
27 encourage the adoption of virtual learning in the public education  
28 system.

29 (B) A link to, and explanation of, the Michigan Virtual

1 University's online course standards for professional development  
2 programming. The standards described in this sub-subparagraph must  
3 inform learners how to file a complaint about course content and  
4 detail the steps that will be taken for the review and resolution  
5 of complaints.

6 (vi) Identify and share best practices for planning,  
7 implementing, and evaluating virtual and blended education delivery  
8 models with intermediate districts, districts, and public school  
9 academies to accelerate the adoption of innovative education  
10 delivery models statewide.

11 (b) Provide leadership for this state's system of virtual  
12 learning education by doing the following activities:

13 (i) Develop and report policy recommendations to the governor  
14 and the legislature that accelerate the expansion of effective  
15 virtual learning in this state's schools.

16 (ii) Provide a clearinghouse for research reports, academic  
17 studies, evaluations, and other information related to virtual  
18 learning.

19 (iii) Promote and distribute the most current instructional  
20 design standards and guidelines for virtual teaching.

21 (iv) In collaboration with the department and interested  
22 colleges and universities in this state, support implementation and  
23 improvements related to effective virtual learning instruction.

24 (v) Pursue public/private partnerships that include districts  
25 to study and implement competency-based technology-rich virtual  
26 learning models.

27 (vi) Create a statewide network of school-based mentors serving  
28 as liaisons between pupils, virtual instructors, parents, and  
29 school staff, as provided by the department or the center, and

1 provide mentors with research-based training and technical  
2 assistance designed to help more pupils be successful virtual  
3 learners.

4 (vii) Convene focus groups and conduct annual surveys of  
5 teachers, administrators, pupils, parents, and others to identify  
6 barriers and opportunities related to virtual learning.

7 (viii) Produce an annual consumer awareness report for schools  
8 and parents about effective virtual education providers and  
9 education delivery models, performance data, cost structures, and  
10 research trends.

11 (ix) Provide an internet-based platform that educators can use  
12 to create student-centric learning tools and resources for sharing  
13 in the state's open educational resource repository and facilitate  
14 a user network that assists educators in using the content creation  
15 platform and state repository for open educational resources. As  
16 part of this initiative, the Michigan Virtual University shall work  
17 collaboratively with districts and intermediate districts to  
18 establish a plan to make available virtual resources that align to  
19 Michigan's K-12 curriculum standards for use by students,  
20 educators, and parents.

21 (x) Create and maintain a public statewide catalog of virtual  
22 learning courses being offered by all public schools and community  
23 colleges in this state. The Michigan Virtual Learning Research  
24 Institute shall identify and develop a list of nationally  
25 recognized best practices for virtual learning and use this list to  
26 support reviews of virtual course vendors, courses, and  
27 instructional practices. The Michigan Virtual Learning Research  
28 Institute shall also provide a mechanism for intermediate districts  
29 to use the identified best practices to review content offered by

1 constituent districts. The Michigan Virtual Learning Research  
2 Institute shall review the virtual course offerings of the Michigan  
3 Virtual University, and make the results from these reviews  
4 available to the public as part of the statewide catalog. The  
5 Michigan Virtual Learning Research Institute shall ensure that the  
6 statewide catalog is made available to the public on the Michigan  
7 Virtual University website and shall allow the ability to link it  
8 to each district's website as provided for in section 21f. The  
9 statewide catalog must also contain all of the following:

10 (A) The number of enrollments in each virtual course in the  
11 immediately preceding school year.

12 (B) The number of enrollments that earned 60% or more of the  
13 total course points for each virtual course in the immediately  
14 preceding school year.

15 (C) The pass rate for each virtual course.

16 (xi) Support registration, payment services, and transcript  
17 functionality for the statewide catalog and train key stakeholders  
18 on how to use new features.

19 (xii) Collaborate with key stakeholders to examine district  
20 level accountability and teacher effectiveness issues related to  
21 virtual learning under section 21f and make findings and  
22 recommendations publicly available.

23 (xiii) Provide a report on the activities of the Michigan  
24 Virtual Learning Research Institute.

25 (3) To further enhance its expertise and leadership in virtual  
26 learning, the Michigan Virtual University shall continue to operate  
27 the Michigan Virtual School as a statewide laboratory and quality  
28 model of instruction by implementing virtual and blended learning  
29 solutions for Michigan schools in accordance with the following



1 parameters:

2 (a) The Michigan Virtual School must maintain its  
3 accreditation status from recognized national and international  
4 accrediting entities.

5 (b) The Michigan Virtual University shall use no more than  
6 \$1,000,000.00 of the amount allocated under this section to  
7 subsidize the cost paid by districts for virtual courses.

8 (c) In providing educators responsible for the teaching of  
9 virtual courses as provided for in this section, the Michigan  
10 Virtual School shall follow the requirements to request and assess,  
11 and the department of state police shall provide, a criminal  
12 history check and criminal records check under sections 1230 and  
13 1230a of the revised school code, MCL 380.1230 and 380.1230a, in  
14 the same manner as if the Michigan Virtual School were a school  
15 district under those sections.

16 (4) From the funds allocated under subsection (1), the  
17 Michigan Virtual University shall allocate up to \$500,000.00 to  
18 support the expansion of new online and blended educator  
19 professional development programs.

20 (5) If the course offerings are included in the statewide  
21 catalog of virtual courses under subsection (2)(b)(x), the Michigan  
22 Virtual School operated by the Michigan Virtual University may  
23 offer virtual course offerings, including, but not limited to, all  
24 of the following:

25 (a) Information technology courses.

26 (b) College level equivalent courses, as that term is defined  
27 in section 1471 of the revised school code, MCL 380.1471.

28 (c) Courses and dual enrollment opportunities.

29 (d) Programs and services for at-risk pupils.

1 (e) High school equivalency test preparation courses for  
2 adjudicated youth.

3 (f) Special interest courses.

4 (g) Professional development programs for teachers, school  
5 administrators, other school employees, and school board members.

6 (6) If a home-schooled or nonpublic school student is a  
7 resident of a district that subscribes to services provided by the  
8 Michigan Virtual School, the student may use the services provided  
9 by the Michigan Virtual School to the district without charge to  
10 the student beyond what is charged to a district pupil using the  
11 same services.

12 (7) Not later than December 1 of each fiscal year for which  
13 funding is allocated under this section, the Michigan Virtual  
14 University shall provide a report to the house and senate  
15 appropriations subcommittees on school aid, the state budget  
16 director, the house and senate fiscal agencies, and the department  
17 that includes at least all of the following information related to  
18 the Michigan Virtual School for the preceding fiscal year:

19 (a) A list of the districts served by the Michigan Virtual  
20 School.

21 (b) A list of virtual course titles available to districts.

22 (c) The total number of virtual course enrollments and  
23 information on registrations and completions by course.

24 (d) The overall course completion rate percentage.

25 (8) In addition to the information listed in subsection (7),  
26 the report under subsection (7) must also include a plan to serve  
27 at least 600 schools with courses from the Michigan Virtual School  
28 or with content available through the internet-based platform  
29 identified in subsection (2) (b) (ix).

1           (9) The governor may appoint an advisory group for the  
2 Michigan Virtual Learning Research Institute established under  
3 subsection (2). The members of the advisory group serve at the  
4 pleasure of the governor and without compensation. The purpose of  
5 the advisory group is to make recommendations to the governor, the  
6 legislature, and the president and board of the Michigan Virtual  
7 University that will accelerate innovation in this state's  
8 education system in a manner that will prepare elementary and  
9 secondary students to be career and college ready and that will  
10 promote the goal of increasing the percentage of residents of this  
11 state with high-quality degrees and credentials to at least 60% by  
12 2025.

13           (10) Not later than November 1 of each fiscal year for which  
14 funding is allocated under this section, the Michigan Virtual  
15 University shall submit to the house and senate appropriations  
16 subcommittees on school aid, the state budget director, and the  
17 house and senate fiscal agencies a detailed budget for that fiscal  
18 year that includes a breakdown on its projected costs to deliver  
19 virtual educational services to districts and a summary of the  
20 anticipated fees to be paid by districts for those services. Not  
21 later than March 1 each fiscal year for which funding is allocated  
22 under this section, the Michigan Virtual University shall submit to  
23 the house and senate appropriations subcommittees on school aid,  
24 the state budget director, and the house and senate fiscal agencies  
25 a breakdown on its actual costs to deliver virtual educational  
26 services to districts and a summary of the actual fees paid by  
27 districts for those services based on audited financial statements  
28 for the immediately preceding fiscal year.

29           (11) As used in this section:

1 (a) "Blended learning" means a hybrid instructional delivery  
2 model where pupils are provided content, instruction, and  
3 assessment, in part at a supervised educational facility away from  
4 home where the pupil and a teacher with a valid Michigan teaching  
5 certificate are in the same physical location and in part through  
6 internet-connected learning environments with some degree of pupil  
7 control over time, location, and pace of instruction.

8 (b) "Cyber school" means a full-time instructional program of  
9 virtual courses for pupils that may or may not require attendance  
10 at a physical school location.

11 (c) "Virtual course" means a course of study that is capable  
12 of generating a credit or a grade and that is provided in an  
13 interactive learning environment in which the majority of the  
14 curriculum is delivered using the internet and in which pupils are  
15 separated from their instructor or teacher of record by time or  
16 location, or both.

17 Sec. 98c. (1) Subject to subsection (3), ~~from the federal~~  
18 ~~funding appropriated in section 11 from funds awarded to this state~~  
19 ~~from the governor's emergency education relief (CEER) fund under~~  
20 ~~the coronavirus response and relief supplemental appropriations~~  
21 ~~act, 2021, division M of Public Law 116-260, there is allocated the~~  
22 ~~amount available, estimated at \$6,618,200.00 for 2021-2022 only,~~  
23 ~~and, from funds awarded to this state from the elementary and~~  
24 ~~secondary school emergency relief (ESSER) fund under the~~  
25 ~~coronavirus response and relief supplemental appropriations act,~~  
26 ~~2021, division M of Public Law 116-260, there is allocated the~~  
27 ~~amount available, estimated at \$45,437,800.00 for 2021-2022 only,~~  
28 **from the state school aid fund money appropriated in section 11,**  
29 **there is allocated \$300,000,000.00 for 2023-2024 only** to provide

1 per-pupil payments to eligible districts to address learning loss.

2 (2) A district that meets all of the following is an eligible  
3 district under this section:

4 (a) By not later than October 30, ~~2022~~,**2024**, at a public  
5 meeting of the board of the district, the board of the district  
6 ensures that a presentation is provided to the board, to the  
7 parents and legal guardians of pupils enrolled in the district, and  
8 to other members of the community. The presentation must include a  
9 plan on how funding received under this section will be used to  
10 address learning loss.

11 (b) The board of the district posts the plan described in  
12 subdivision (a) on the district's website.

13 (c) The board of the district posts any updates to the plan  
14 described in subdivision (a), as applicable, on the district's  
15 website.

16 (3) The amount of funding provided to each eligible district  
17 under this section must be an equal amount per pupil in membership.

18 (4) By not later than August 15, ~~2023~~,**2025**, an eligible  
19 district that has received funding under this section shall provide  
20 a report to the chairs of the house and senate appropriations  
21 subcommittees on school aid, to the house and senate fiscal  
22 agencies, and to the state budget director indicating how funds  
23 received under this section were spent, detailing the amounts  
24 spent, the services provided with the funding, students reached  
25 with the funding, and any outcomes that measure how the funds that  
26 were used to address learning loss impacted student achievement.

27 **(5) Funds must be spent to increase instructional time to**  
28 **address students that are behind academically. Eligible students**  
29 **are those that can be identified as being in need of increased**

1 instructional time by standardized testing, school administrator or  
 2 teacher recommendation, parent, guardian, or student request, or  
 3 any other method by which a student can reasonably be determined to  
 4 be in need of remedial instruction. Eligible uses of these funds  
 5 include, but are not limited to, tutoring, before- and after-school  
 6 programming, summer school, or any other use that focuses on  
 7 offering increased instructional time for academic improvement.

8 (6) ~~(5)~~—If funds received under this section were not used to  
 9 address learning loss in accordance with an eligible district's  
 10 plan as described in subsection (2)(a), including any updates to  
 11 the plan, as applicable, as evidenced by findings in the report  
 12 described in subsection (4), by not later than September 30, ~~2023,~~  
 13 **2025**, the eligible district shall remit to the department the  
 14 amount of funds received under this section that were not used to  
 15 address learning loss.

16 (7) **The funds allocated under this section for 2023-2024 are a**  
 17 **work project appropriation, and any unexpended funds for 2023-2024**  
 18 **are carried forward into 2024-2025. The purpose of the work project**  
 19 **is to continue support for the programs under this section. The**  
 20 **estimated completion date of the work project is September 30,**  
 21 **2025.**

22 Sec. 99h. (1) From the state school aid fund money  
 23 appropriated in section 11, there is allocated an amount not to  
 24 exceed ~~\$5,223,200.00~~ **\$5,323,200.00** for ~~2022-2023~~ **2023-2024** for  
 25 competitive grants to districts and intermediate districts, and  
 26 from the general fund money appropriated in section 11, there is  
 27 allocated \$600,000.00 for ~~2022-2023~~ **2023-2024** for competitive  
 28 grants to nonpublic schools, that provide pupils in grades pre-K to  
 29 12 with expanded opportunities to improve mathematics, science, and

1 technology skills by participating in competitions hosted by a  
2 science and technology development program known as FIRST (for  
3 inspiration and recognition of science and technology) Robotics,  
4 including JR FIRST Lego League, FIRST Lego League, FIRST Tech  
5 challenge, and FIRST Robotics competition, or other competitive  
6 robotics programs or equipment vendors, including VEX, Square One,  
7 and those hosted by the Robotics Education and Competition (REC)  
8 Foundation. ~~It is the intent of the legislature that, for 2023-~~  
9 ~~2024, the allocation from the state school aid fund money~~  
10 ~~appropriated in section 11 for purposes described in this section~~  
11 ~~will be \$4,723,200.00.~~ Programs funded under this section are  
12 intended to increase the number of pupils demonstrating proficiency  
13 in science and mathematics on the state assessments and to increase  
14 the number of pupils who are college- and career-ready upon high  
15 school graduation. Notwithstanding section 17b, the department  
16 shall make grant payments to districts, nonpublic schools, and  
17 intermediate districts under this section on a schedule determined  
18 by the department. The department shall set maximum grant awards  
19 for each different level of programming and competition in a manner  
20 that both maximizes the number of teams that will be able to  
21 receive funds and expands the geographical distribution of teams.

22 (2) The department shall do all of the following for purposes  
23 of this section:

24 (a) Both of the following by not later than 60 days after the  
25 K to 12 appropriations bill for the current fiscal year is enacted  
26 into law or October 1 of the current fiscal year, whichever is  
27 later:

28 (i) Open applications for funding under this section to all  
29 districts, nonpublic schools, and intermediate districts.

1           (ii) Publish a list of approved programs and vendors for  
2 purposes of this section in a manner that is accessible to all  
3 applicants. To obtain approval under this subparagraph, a program  
4 or vendor must do both of the following:

5           (A) Submit to the department registration information,  
6 including any fees; pledge that it will post this information on  
7 its website; and, by not later than January 1 ~~, 2023,~~ **of the fiscal**  
8 **year in which funds are allocated under this section,** and January 1  
9 each year thereafter, submit this information to the department for  
10 publication on the department's website.

11           (B) Pledge that it will not require a payment of any team  
12 described in this section, including, but not limited to,  
13 registration fees, if the team does not receive a grant under this  
14 section.

15           (b) By not later than 30 days after applications are opened as  
16 described in subdivision (a), close applications under this  
17 section.

18           (c) By not later than 60 days after applications are closed as  
19 described in subdivision (b), make all determinations concerning  
20 funding under this section.

21           (d) By not later than July 1 ~~, 2023,~~ **of the fiscal year in**  
22 **which funds are allocated under this section,** and by not later than  
23 July 1 each year thereafter, publish a document listing the  
24 requirements for becoming an approved program or vendor under  
25 subdivision (a).

26           (3) Except as otherwise provided under this subsection, if  
27 funding under this section is insufficient to fulfill all funding  
28 requests by qualified applicants under this section, the department  
29 shall prorate the total funding allocated under this section



1 equally among all qualified applicants. However, for funding under  
2 this section toward grants under subsection (5)(b), in its  
3 proration under this subsection, the department shall ensure that  
4 each district is paid in an amount equal to the percentage the  
5 department would have paid the district in grant funding under  
6 subsection (5)(b), but for proration under this subsection, with no  
7 district receiving a grant under subsection (5)(b) in an amount  
8 that is greater than the district's total accrued costs under  
9 subsection (5)(b).

10 (4) A district, nonpublic school, or intermediate district  
11 applying for a grant under this section must submit an application  
12 in a form and manner prescribed by the department. To be eligible  
13 for a grant, a district, nonpublic school, or intermediate district  
14 must demonstrate in its application that the district, nonpublic  
15 school, or intermediate district has established a partnership for  
16 the purposes of the robotics program with at least 1 sponsor,  
17 business entity, higher education institution, or technical school,  
18 shall submit a spending plan, and shall provide a local in-kind or  
19 cash match from other private or local funds of at least 25% of the  
20 cost of the robotics program award.

21 (5) The department shall distribute the grant funding under  
22 this section for the following purposes:

23 (a) Grants to districts, nonpublic schools, or intermediate  
24 districts to pay for stipends not to exceed \$1,500.00 per building  
25 for coaching.

26 (b) Grants to districts, nonpublic schools, or intermediate  
27 districts for event registrations, materials, travel costs, and  
28 other expenses associated with the preparation for and attendance  
29 at robotics events and competitions.

(c) Grants to districts, nonpublic schools, or intermediate districts for awards to teams that advance to the next levels of competition as determined by the department. The department shall determine an equal amount per team for those teams that advance.

(6) The funds allocated under this section for ~~2022-2023~~**2023-2024** are a work project appropriation, and any unexpended funds for ~~2022-2023~~**2023-2024** are carried forward into ~~2023-2024~~**2024-2025**. The purpose of the work project is to continue support of programs under this section. The estimated completion date of the work project is September 30, ~~2024~~**2025**.

(7) A nonpublic school that receives a grant under this section may use the funds for either robotics or Science Olympiad programs.

(8) To be eligible to receive funds under this section, a nonpublic school must be a nonpublic school registered with the department and must meet all applicable state reporting requirements for nonpublic schools.

(9) For purposes of this section, an approved program or vendor under this section that provides a program under this section shall not work with the department to set prices or policies for the program.

(10) As used in this section, "current fiscal year" means the fiscal year for which an allocation is made under this section.

Sec. 99s. (1) From state school aid fund money appropriated under section 11, there is allocated for ~~2022-2023~~**2023-2024** an amount not to exceed \$7,634,300.00 for Michigan science, technology, engineering, and mathematics (MiSTEM) programs. The MiSTEM network may receive funds from private sources. If the MiSTEM network receives funds from private sources, the MiSTEM

1 network shall expend those funds in alignment with the statewide  
2 STEM strategy. Programs funded under this section are intended to  
3 increase the number of pupils demonstrating proficiency in science  
4 and mathematics on the state assessments, to increase the number of  
5 pupils who are college- and career-ready upon high school  
6 graduation, and to promote certificate and degree attainment in  
7 STEM fields. Notwithstanding section 17b, the department shall make  
8 payments under this section on a schedule determined by the  
9 department.

10 (2) The MiSTEM council annually shall review and make  
11 recommendations to the governor, the legislature, and the  
12 department concerning changes to the statewide strategy adopted by  
13 the council for delivering STEM education-related opportunities to  
14 pupils. The MiSTEM council shall use funds received under this  
15 subsection to ensure that its members or their designees are  
16 trained in the Change the Equation STEMworks rating system program  
17 for the purpose of rating STEM programs.

18 (3) The MiSTEM council shall make specific funding  
19 recommendations for the funds allocated under subsection (4) by  
20 December 15 of each fiscal year. Each specific funding  
21 recommendation must be for a program approved by the MiSTEM  
22 council. All of the following apply:

23 (a) To be eligible for MiSTEM council approval as described in  
24 this subsection, a program must satisfy all of the following:

25 (i) Align with this state's academic standards.

26 (ii) Have STEMworks certification.

27 (iii) Provide project-based experiential learning, student  
28 programming, or educator professional learning experiences.

29 (iv) Focus predominantly on classroom-based STEM experiences or

1 professional learning experiences.

2 (b) The MiSTEM council shall approve programs that represent  
3 all network regions and include a diverse array of options for  
4 students and educators and at least 1 program in each of the  
5 following areas:

6 (i) Robotics.

7 (ii) Computer science or coding.

8 (iii) Engineering or bioscience.

9 (c) The MiSTEM council is encouraged to work with the MiSTEM  
10 network to develop locally and regionally developed programs and  
11 professional learning experiences for the programs on the list of  
12 approved programs.

13 (d) If the MiSTEM council is unable to make specific funding  
14 recommendations by December 15 of a fiscal year, the department  
15 shall award and distribute the funds allocated under subsection (4)  
16 on a competitive grant basis that at least follows the statewide  
17 STEM strategy plan and rating system recommended by the MiSTEM  
18 council. Each grant must provide STEM education-related  
19 opportunities for pupils.

20 (e) The MiSTEM council shall work with the department of labor  
21 and economic opportunity to implement the statewide STEM strategy  
22 adopted by the MiSTEM council.

23 (4) From the state school aid fund money allocated under  
24 subsection (1), there is allocated for ~~2022-2023~~**2023-2024** an  
25 amount not to exceed \$3,050,000.00 for the purpose of funding  
26 programs under this section for ~~2022-2023~~**2023-2024** as recommended  
27 by the MiSTEM council.

28 (5) From the state school aid fund money allocated under  
29 subsection (1), there is allocated an amount not to exceed

1 \$3,834,300.00 for ~~2022-2023~~**2023-2024** to support the activities and  
2 programs of the MiSTEM network regions. From the money allocated  
3 under this subsection, the department shall award the fiscal agent  
4 for each MiSTEM network region \$200,000.00 for the base operations  
5 of each region. The department shall distribute the remaining funds  
6 to each fiscal agent in an equal amount per pupil, based on the  
7 number of K to 12 pupils enrolled in districts within each region  
8 in the immediately preceding fiscal year.

9 (6) A MiSTEM network region shall do all of the following:

10 (a) Collaborate with the career and educational advisory  
11 council that is located in the MiSTEM region to develop a regional  
12 strategic plan for STEM education that creates a robust regional  
13 STEM culture, that empowers STEM teachers, that integrates business  
14 and education into the STEM network, and that ensures high-quality  
15 STEM experiences for pupils. At a minimum, a regional STEM  
16 strategic plan should do all of the following:

17 (i) Identify regional employer need for STEM.

18 (ii) Identify processes for regional employers and educators to  
19 create guided pathways for STEM careers that include internships or  
20 externships, apprenticeships, and other experiential engagements  
21 for pupils.

22 (iii) Identify educator professional learning opportunities,  
23 including internships or externships and apprenticeships, that  
24 integrate this state's science standards into high-quality STEM  
25 experiences that engage pupils.

26 (b) Facilitate regional STEM events such as educator and  
27 employer networking and STEM career fairs to raise STEM awareness.

28 (c) Contribute to the MiSTEM website and engage in other  
29 MiSTEM network functions to further the mission of STEM in this

1 state in coordination with the MiSTEM council and the department of  
2 labor and economic opportunity.

3 (d) Facilitate application and implementation of state and  
4 federal funds under this subsection and any other grants or funds  
5 for the MiSTEM network region.

6 (e) Work with districts to provide STEM programming and  
7 professional learning.

8 (f) Coordinate recurring discussions and work with the career  
9 and educational advisory council to ensure that feedback and best  
10 practices are being shared, including funding, program,  
11 professional learning opportunities, and regional strategic plans.

12 (7) From the state school aid fund money allocated under  
13 subsection (1), the department shall distribute for ~~2022-2023~~**2023-**  
14 **2024** an amount not to exceed \$750,000.00, in a form and manner  
15 determined by the department, to those network regions able to  
16 further the statewide STEM strategy recommended by the MiSTEM  
17 council.

18 (8) In order to receive state or federal funds under  
19 subsection (5) or (7), or to receive funds from private sources as  
20 authorized under subsection (1), a grant recipient must allow  
21 access for the department or the department's designee to audit all  
22 records related to the program for which it receives those funds.  
23 The grant recipient shall reimburse the state for all disallowances  
24 found in the audit.

25 (9) In order to receive state funds under subsection (5) or  
26 (7), a grant recipient must provide at least a 10% local match from  
27 local public or private resources for the funds received under this  
28 subsection.

29 (10) Not later than July 1 of each fiscal year for which

1 funding is allocated under this section, a MiSTEM network region  
2 that receives funds under subsection (5) shall report to the  
3 executive director of the MiSTEM network in a form and manner  
4 prescribed by the executive director on performance measures  
5 developed by the MiSTEM network regions and approved by the  
6 executive director. The performance measures must be designed to  
7 ensure that the activities of the MiSTEM network are improving  
8 student academic outcomes.

9 (11) Not more than 5% of a MiSTEM network region grant under  
10 subsection (5) or (7) may be retained by a fiscal agent for serving  
11 as the fiscal agent of a MiSTEM network region.

12 (12) As used in this section:

13 (a) "Career and educational advisory council" means an  
14 advisory council to the local workforce development boards located  
15 in a prosperity region consisting of educational, employer, labor,  
16 and parent representatives.

17 (b) "DED" means the United States Department of Education.

18 (c) "DED-OESE" means the DED Office of Elementary and  
19 Secondary Education.

20 (d) "MiSTEM Council" means the Michigan Science, Technology,  
21 Engineering, and Mathematics Education Advisory Council created as  
22 an advisory body within the department of labor and economic  
23 opportunity by Executive Reorganization Order No. 2019-3, MCL  
24 125.1998.

25 (e) "STEM" means science, technology, engineering, and  
26 mathematics delivered in an integrated fashion using cross-  
27 disciplinary learning experiences that can include language arts,  
28 performing and fine arts, and career and technical education.

29 Sec. 104. (1) In order to receive state aid under this

1 article, a district shall comply with sections 1249, 1278a, 1278b,  
2 1279g, and 1280b of the revised school code, MCL 380.1249,  
3 380.1278a, 380.1278b, 380.1279g, and 380.1280b, and 1970 PA 38, MCL  
4 388.1081 to 388.1086. Subject to subsection (2), from the state  
5 school aid fund money appropriated in section 11, there is  
6 allocated for ~~2022-2023~~**2023-2024** an amount not to exceed  
7 \$37,509,400.00 for payments on behalf of districts for costs  
8 associated with complying with those provisions of law. In  
9 addition, from the federal funds appropriated in section 11, there  
10 is allocated for ~~2022-2023~~**2023-2024** an amount estimated at  
11 \$6,250,000.00 funded from DED-OESE, title VI, state assessment  
12 funds, and from DED-OSERS, part B of the individuals with  
13 disabilities education act, 20 USC 1411 to 1419, plus any carryover  
14 federal funds from previous year appropriations, for the purposes  
15 of complying with the every student succeeds act, Public Law 114-  
16 95.

17 (2) The results of each test administered as part of the  
18 Michigan student test of educational progress (M-STEP), including  
19 tests administered to high school students, must include an item  
20 analysis that lists all items that are counted for individual pupil  
21 scores and the percentage of pupils choosing each possible  
22 response. The department shall work with the center to identify the  
23 number of students enrolled at the time assessments are given by  
24 each district. In calculating the percentage of pupils assessed for  
25 a district's scorecard, the department shall use only the number of  
26 pupils enrolled in the district at the time the district  
27 administers the assessments and shall exclude pupils who enroll in  
28 the district after the district administers the assessments.

29 (3) The department shall distribute federal funds allocated



1 under this section in accordance with federal law and with  
2 flexibility provisions outlined in Public Law 107-116, and in the  
3 education flexibility partnership act of 1999, Public Law 106-25.

4 (4) The department may recommend, but may not require,  
5 districts to allow pupils to use an external keyboard with tablet  
6 devices for online M-STEP testing, including, but not limited to,  
7 open-ended test items such as constructed response or equation  
8 builder items.

9 (5) Notwithstanding section 17b, the department shall make  
10 payments on behalf of districts, intermediate districts, and other  
11 eligible entities under this section on a schedule determined by  
12 the department.

13 (6) From the allocation in subsection (1), there is allocated  
14 an amount not to exceed \$500,000.00 for ~~2022-2023~~**2023-2024** for the  
15 operation of an online reporting tool to provide student-level  
16 assessment data in a secure environment to educators, parents, and  
17 pupils immediately after assessments are scored. The department and  
18 the center shall ensure that any data collected by the online  
19 reporting tool do not provide individually identifiable student  
20 data to the federal government.

21 (7) As used in this section:

22 (a) "DED" means the United States Department of Education.

23 (b) "DED-OESE" means the DED Office of Elementary and  
24 Secondary Education.

25 (c) "DED-OSERS" means the DED Office of Special Education and  
26 Rehabilitative Services.

27 Sec. 104h. (1) From the state school aid fund money  
28 appropriated under section 11, there is allocated for ~~2021-2022~~  
29 **2023-2024** an amount not to exceed \$11,500,000.00 to districts to

1 begin implementation of a benchmark assessment system for the ~~2022-~~  
2 ~~2023-2024-2025~~ school year. All of the following apply to the  
3 benchmark assessment system described in this subsection:

4 (a) The system must provide for all of the following:

5 (i) That, within the first 9 weeks of the ~~2022-2023-2024-2025~~  
6 school year, the district shall administer 1 or more benchmark  
7 assessments provided by a provider approved under subsection (6),  
8 benchmark assessments described in subdivision (b), or local  
9 benchmark assessments, or any combination thereof, to all pupils in  
10 grades K to 8 to measure proficiency in reading and mathematics.

11 (ii) That, in addition to the benchmark assessment or benchmark  
12 assessments administered under subparagraph (i), by not later than  
13 the last day of the ~~2022-2023-2024-2025~~ school year, the district  
14 shall administer 1 or more benchmark assessments provided by a  
15 provider approved under subsection (6), benchmark assessments  
16 described in subdivision (b), or local benchmark assessments, or  
17 any combination thereof, to all pupils in grades K to 8 to measure  
18 proficiency in reading and mathematics.

19 (b) A district may administer 1 or more of the following  
20 benchmark assessments toward meeting the requirements under  
21 subdivision (a):

22 (i) A benchmark assessment in reading for students in grades K  
23 to 9 that contains progress monitoring tools and enhanced  
24 diagnostic assessments.

25 (ii) A benchmark assessment in math for students in grades K to  
26 8 that contains progress monitoring tools.

27 (c) The system must provide that, to the extent practicable,  
28 if a district administers a benchmark assessment or benchmark  
29 assessments under this section, the district shall administer the

1 same benchmark assessment or benchmark assessments provided by a  
2 provider approved under subsection (6), benchmark assessment or  
3 benchmark assessments described in subdivision (b), or local  
4 benchmark assessment or local benchmark assessments that it  
5 administered to pupils in previous school years, as applicable.

6 (d) The system must provide that, if a district administers a  
7 benchmark assessment or benchmark assessments under this section,  
8 the district shall provide each pupil's data from the benchmark  
9 assessment or benchmark assessments, as available, to the pupil's  
10 parent or legal guardian within 30 days of administering the  
11 benchmark assessment or benchmark assessments.

12 (e) The system must provide that, if a local benchmark  
13 assessment or local benchmark assessments are administered under  
14 subdivision (a), the district shall report to the department and  
15 the center, in a form and manner prescribed by the center, the  
16 local benchmark assessment or local benchmark assessments that were  
17 administered and how that assessment or those assessments measure  
18 changes, including any losses, as applicable, in learning, and the  
19 district's plan for addressing any losses in learning.

20 (f) The system must provide that, by not later than 30 days  
21 after a benchmark assessment or benchmark assessments are  
22 administered under subdivision (a) (ii), or within a time frame  
23 specified by the department, the district shall send benchmark  
24 assessment data, including grade level, student demographics, and  
25 mode of instruction, to the department in a form and manner  
26 prescribed by the department, from all benchmark assessments  
27 administered in the ~~2022-2023~~**2024-2025** school year, excluding data  
28 from a local benchmark assessment, as applicable. If available, the  
29 data described in this subdivision must include information

1 concerning pupil growth from fall ~~2022~~**2024** to spring ~~2023~~**2025**.

2 (2) To receive funding under this section, a district must  
3 apply for the funding in a form and manner prescribed by the  
4 department.

5 (3) The department shall pay an amount equal to \$12.50 per  
6 membership pupil in grades K to 8 in the district to each district  
7 that applies for funding under this section.

8 (4) The department shall make 1 of the benchmark assessments  
9 provided by a provider approved under subsection (6) available to  
10 districts at no cost to the districts for purposes of meeting the  
11 requirements under this section. The benchmark assessment described  
12 in this subsection must meet all of the following:

13 (a) Be aligned to the content standards of this state.

14 (b) Complement the state's summative assessment system.

15 (c) Be internet-delivered and include a standards-based  
16 assessment.

17 (d) Provide information on pupil achievement with regard to  
18 learning content required in a given year or grade span.

19 (e) Provide timely feedback to pupils and teachers.

20 (f) Be nationally normed.

21 (g) Provide information to educators about student growth and  
22 allow for multiple testing opportunities.

23 (5) By not later than September 30, ~~2023~~**2025**, the department  
24 shall submit a report to the house and senate appropriations  
25 committees, the house and senate appropriations subcommittees on  
26 school aid, and the house and senate fiscal agencies regarding the  
27 benchmark assessment data received under this section,  
28 disaggregated by grade level and demographic subgroup for each  
29 district. If information concerning pupil growth is included in the

1 data described in this subsection, it must be incorporated in the  
2 report described in this subsection.

3 (6) The department shall approve at least 4 but not more than  
4 6 providers of benchmark assessments for the purposes of this  
5 section. The department shall inform districts of all of the  
6 providers approved under this subsection in an equitable manner.  
7 The benchmark assessments, with the exclusion of the benchmark  
8 assessment described in subsection (4), provided by approved  
9 providers under this subsection must meet all of the following:

10 (a) Be aligned to the content standards of this state.

11 (b) Complement the state's summative assessment system.

12 (c) Be internet-delivered and include a standards-based  
13 remote, in-person, or both remote and in-person assessment using a  
14 computer-adaptive model to target the instructional level of each  
15 pupil.

16 (d) Provide information on pupil achievement with regard to  
17 learning content required in a given year or grade span.

18 (e) Provide immediate feedback to pupils and teachers.

19 (f) Be nationally normed.

20 (g) Provide multiple measures of growth and provide for  
21 multiple testing opportunities.

22 Sec. 107. (1) From the appropriation in section 11, there is  
23 allocated an amount not to exceed ~~\$30,000,000.00~~ **\$45,000,000.00** for  
24 ~~2022-2023~~ **2023-2024** for adult education programs authorized under  
25 this section. Except as otherwise provided under subsections (14)  
26 and (15), funds allocated under this section are restricted for  
27 adult education programs as authorized under this section only. A  
28 recipient of funds under this section shall not use those funds for  
29 any other purpose.

1           (2) To be eligible for funding under this section, an eligible  
2 adult education provider shall employ certificated teachers and  
3 qualified administrative staff and shall offer continuing education  
4 opportunities for teachers to allow them to maintain certification.

5           (3) To be eligible to be a participant funded under this  
6 section, an individual must be enrolled in an adult basic education  
7 program, an adult secondary education program, an adult English as  
8 a second language program, a high school equivalency test  
9 preparation program, or a high school completion program, that  
10 meets the requirements of this section, and for which instruction  
11 is provided, and the individual must be at least 18 years of age by  
12 July 1 of the program year and the individual's graduating class  
13 must have graduated.

14           (4) By April 1 of each fiscal year for which funding is  
15 allocated under this section, the intermediate districts within a  
16 prosperity region or subregion shall determine which intermediate  
17 district will serve as the prosperity region's or subregion's  
18 fiscal agent for the next fiscal year and shall notify the  
19 department in a form and manner determined by the department. The  
20 department shall approve or disapprove of the prosperity region's  
21 or subregion's selected fiscal agent. From the funds allocated  
22 under subsection (1), an amount as determined under this subsection  
23 is allocated to each intermediate district serving as a fiscal  
24 agent for adult education programs in each of the prosperity  
25 regions or subregions identified by the department. An intermediate  
26 district shall not use more than 5% of the funds allocated under  
27 this subsection for administration costs for serving as the fiscal  
28 agent. The allocation provided to each intermediate district  
29 serving as a fiscal agent must be calculated as follows:

1           (a) Sixty percent of this portion of the funding must be  
2 distributed based upon the proportion of the state population of  
3 individuals between the ages of 18 and 24 that are not high school  
4 graduates that resides in each of the prosperity regions or  
5 subregions located within the intermediate district, as reported by  
6 the most recent 5-year estimates from the American Community Survey  
7 (ACS) from the United States Census Bureau.

8           (b) Thirty-five percent of this portion of the funding must be  
9 distributed based upon the proportion of the state population of  
10 individuals age 25 or older who are not high school graduates that  
11 resides in each of the prosperity regions or subregions located  
12 within the intermediate district, as reported by the most recent 5-  
13 year estimates from the ACS from the United States Census Bureau.

14           (c) Five percent of this portion of the funding must be  
15 distributed based upon the proportion of the state population of  
16 individuals age 18 or older who lack basic English language  
17 proficiency that resides in each of the prosperity regions or  
18 subregions located within the intermediate district, as reported by  
19 the most recent 5-year estimates from the ACS from the United  
20 States Census Bureau.

21           (5) To be an eligible fiscal agent, an intermediate district  
22 must agree to do the following in a form and manner determined by  
23 the department:

24           (a) Distribute funds to adult education programs in a  
25 prosperity region or subregion as described in this section.

26           (b) Collaborate with the career and educational advisory  
27 council, which is an advisory council of the workforce development  
28 boards located in the prosperity region or subregion, or its  
29 successor, to develop a regional strategy that aligns adult

1 education programs and services into an efficient and effective  
2 delivery system for adult education learners, with special  
3 consideration for providing contextualized learning and career  
4 pathways and addressing barriers to education and employment.

5 (c) Collaborate with the career and educational advisory  
6 council, which is an advisory council of the workforce development  
7 boards located in the prosperity region or subregion, or its  
8 successor, to create a local process and criteria that will  
9 identify eligible adult education providers to receive funds  
10 allocated under this section based on location, demand for  
11 services, past performance, quality indicators as identified by the  
12 department, and cost to provide instructional services. The fiscal  
13 agent shall determine all local processes, criteria, and provider  
14 determinations. However, the local processes, criteria, and  
15 provider services must be approved by the department before funds  
16 may be distributed to the fiscal agent.

17 (d) Provide oversight to its adult education providers  
18 throughout the program year to ensure compliance with the  
19 requirements of this section.

20 (e) Report adult education program and participant data and  
21 information as prescribed by the department.

22 (6) An adult basic education program, an adult secondary  
23 education program, or an adult English as a second language program  
24 operated on a year-round or school year basis may be funded under  
25 this section, subject to all of the following:

26 (a) The program enrolls adults who are determined by a  
27 department-approved assessment, in a form and manner prescribed by  
28 the department, to be below twelfth grade level in reading or  
29 mathematics, or both, or to lack basic English proficiency.



1 (b) The program tests individuals for eligibility under  
2 subdivision (a) before enrollment and upon completion of the  
3 program in compliance with the state-approved assessment policy.

4 (c) A participant in an adult basic education program is  
5 eligible for reimbursement until 1 of the following occurs:

6 (i) The participant's reading and mathematics proficiency are  
7 assessed at or above the ninth grade level.

8 (ii) The participant fails to show progress on 2 successive  
9 assessments after having completed at least 450 hours of  
10 instruction.

11 (d) A participant in an adult secondary education program is  
12 eligible for reimbursement until 1 of the following occurs:

13 (i) The participant's reading and mathematics proficiency are  
14 assessed above the twelfth grade level.

15 (ii) The participant fails to show progress on 2 successive  
16 assessments after having at least 450 hours of instruction.

17 (e) A funding recipient enrolling a participant in an English  
18 as a second language program is eligible for funding according to  
19 subsection (9) until the participant meets 1 of the following:

20 (i) The participant is assessed as having attained basic  
21 English proficiency as determined by a department-approved  
22 assessment.

23 (ii) The participant fails to show progress on 2 successive  
24 department-approved assessments after having completed at least 450  
25 hours of instruction. The department shall provide information to a  
26 funding recipient regarding appropriate assessment instruments for  
27 this program.

28 (7) A high school equivalency test preparation program  
29 operated on a year-round or school year basis may be funded under

1 this section, subject to all of the following:

2 (a) The program enrolls adults who do not have a high school  
3 diploma or a high school equivalency certificate.

4 (b) The program administers a pre-test approved by the  
5 department before enrolling an individual to determine the  
6 individual's literacy levels, administers a high school equivalency  
7 practice test to determine the individual's potential for success  
8 on the high school equivalency test, and administers a post-test  
9 upon completion of the program in compliance with the state-  
10 approved assessment policy.

11 (c) A funding recipient receives funding according to  
12 subsection (9) for a participant, and a participant may be enrolled  
13 in the program until 1 of the following occurs:

14 (i) The participant achieves a high school equivalency  
15 certificate.

16 (ii) The participant fails to show progress on 2 successive  
17 department-approved assessments used to determine readiness to take  
18 a high school equivalency test after having completed at least 450  
19 hours of instruction.

20 (8) A high school completion program operated on a year-round  
21 or school year basis may be funded under this section, subject to  
22 all of the following:

23 (a) The program enrolls adults who do not have a high school  
24 diploma.

25 (b) The program tests participants described in subdivision  
26 (a) before enrollment and upon completion of the program in  
27 compliance with the state-approved assessment policy.

28 (c) A funding recipient receives funding according to  
29 subsection (9) for a participant in a course offered under this

1 subsection until 1 of the following occurs:

2 (i) The participant passes the course and earns a high school  
3 diploma.

4 (ii) The participant fails to earn credit in 2 successive  
5 semesters or terms in which the participant is enrolled after  
6 having completed at least 900 hours of instruction.

7 (9) The department shall make payments to a funding recipient  
8 under this section in accordance with all of the following:

9 (a) Statewide allocation criteria, including 3-year average  
10 enrollments, census data, and local needs.

11 (b) Participant completion of the adult basic education  
12 objectives by achieving an educational gain as determined by the  
13 national reporting system levels; for achieving basic English  
14 proficiency, as determined by the department; for achieving a high  
15 school equivalency certificate or passage of 1 or more individual  
16 high school equivalency tests; for attainment of a high school  
17 diploma or passage of a course required for a participant to attain  
18 a high school diploma; for enrollment in a postsecondary  
19 institution, or for entry into or retention of employment, as  
20 applicable.

21 (c) Participant completion of core indicators as identified in  
22 the innovation and opportunity act.

23 (d) Allowable expenditures.

24 (10) An individual who is not eligible to be a participant  
25 funded under this section may receive adult education services upon  
26 the payment of tuition. In addition, an individual who is not  
27 eligible to be served in a program under this section due to the  
28 program limitations specified in subsection (6), (7), or (8) may  
29 continue to receive adult education services in that program upon

1 the payment of tuition. The local or intermediate district  
2 conducting the program shall determine the tuition amount.

3 (11) An individual who is an inmate in a state correctional  
4 facility is not counted as a participant under this section.

5 (12) A funding recipient shall not commingle money received  
6 under this section or from another source for adult education  
7 purposes with any other funds and shall establish a separate ledger  
8 account for funds received under this section. This subsection does  
9 not prohibit a district from using general funds of the district to  
10 support an adult education or community education program.

11 (13) A funding recipient receiving funds under this section  
12 may establish a sliding scale of tuition rates based upon a  
13 participant's family income. A funding recipient may charge a  
14 participant tuition to receive adult education services under this  
15 section from that sliding scale of tuition rates on a uniform  
16 basis. The amount of tuition charged per participant must not  
17 exceed the actual operating cost per participant minus any funds  
18 received under this section per participant. A funding recipient  
19 may not charge a participant tuition under this section if the  
20 participant's income is at or below 200% of the federal poverty  
21 guidelines published by the United States Department of Health and  
22 Human Services.

23 (14) In order to receive funds under this section, a funding  
24 recipient shall furnish to the department, in a form and manner  
25 determined by the department, all information needed to administer  
26 this program and meet federal reporting requirements; shall allow  
27 the department or the department's designee to review all records  
28 related to the program for which it receives funds; and shall  
29 reimburse the state for all disallowances found in the review, as

determined by the department. In addition, a funding recipient shall agree to pay to a career and technical education program under section 61a the amount of funding received under this section in the proportion of career and technical education coursework used to satisfy adult basic education programming, as billed to the funding recipient by programs operating under section 61a. In addition to the funding allocated under subsection (1), there is allocated for ~~2022-2023~~**2023-2024** an amount not to exceed \$500,000.00 to reimburse funding recipients for administrative and instructional expenses associated with commingling programming under this section and section 61a. The department shall make payments under this subsection to each funding recipient in the same proportion as funding calculated and allocated under subsection (4).

(15) From the amount appropriated in subsection (1), an amount not to exceed \$4,000,000.00 is allocated for ~~2022-2023~~**2023-2024** for grants to adult education or state-approved career technical center programs that connect adult education participants with employers as provided under this subsection. The department shall determine the amount of the grant to each program under this subsection, not to exceed \$350,000.00. To be eligible for funding under this subsection, a program must provide a collaboration linking adult education programs within the county, the area career technical center, and local employers. To receive funding under this subsection, an eligible program must satisfy all of the following:

(a) Connect adult education participants directly with employers by linking adult education, career and technical skills, and workforce development.

1           (b) Require adult education staff to work with Michigan Works!  
2 agency to identify a cohort of participants who are most prepared  
3 to successfully enter the workforce. Except as otherwise provided  
4 under this subdivision, participants identified under this  
5 subsection must be dually enrolled in adult education programming  
6 and in at least 1 state-approved technical course at the area  
7 career and technical center. A program that links participants  
8 identified under this subsection with adult education programming  
9 and commercial driver license courses does not need to enroll the  
10 participants in at least 1 state-approved technical course at the  
11 area career and technical center to be considered an eligible  
12 program under this subsection.

13           (c) Employ an individual staffed as an adult education  
14 navigator who will serve as a caseworker for each participant  
15 identified under subdivision (b). The navigator shall work with  
16 adult education staff and potential employers to design an  
17 educational program best suited to the personal and employment  
18 needs of the participant and shall work with human service agencies  
19 or other entities to address any barrier in the way of participant  
20 access.

21           (16) Each program funded under subsection (15) will receive  
22 funding for 3 years. After 3 years of operations and funding, a  
23 program must reapply for funding.

24           (17) Not later than December 1 of each year, a program funded  
25 under subsection (15) shall provide a report to the senate and  
26 house appropriations subcommittees on school aid, to the senate and  
27 house fiscal agencies, and to the state budget director identifying  
28 the number of participants, graduation rates, and a measure of  
29 transition to employment.

(18) Except as otherwise provided in this subsection, participants under subsection (15) must be concurrently enrolled and actively working toward obtaining a high school diploma or a high school equivalency certificate. Concurrent enrollment is not required under this subsection for a participant that was enrolled in adult education during the same program year and obtained a high school diploma or a high school equivalency certificate prior to enrollment in an eligible career and technical skills program under subsection (15). Up to 15% of adult education participants served under subsection (15) may already have a high school diploma or a high school equivalency certificate at the time of enrollment in an eligible career and technical skills program under subsection (15) and receive remediation services. It is intended that the cap described in the immediately preceding sentence is continually lowered on an annual basis until it eventually is 0%.

(19) The department shall approve at least ~~3~~<sup>2</sup> 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.

1           (ii) Prepares an individual to be successful in any of a full  
2 range of secondary or postsecondary education options, including  
3 apprenticeships registered under the act of August 16, 1937,  
4 commonly referred to as the national apprenticeship act, 29 USC 50  
5 et seq.

6           (iii) Includes counseling to support an individual in achieving  
7 the individual's education and career goals.

8           (iv) Includes, as appropriate, education offered concurrently  
9 with and in the same context as workforce preparation activities  
10 and training for a specific occupation or occupational cluster.

11           (v) Organizes education, training, and other services to meet  
12 the particular needs of an individual in a manner that accelerates  
13 the educational and career advancement of the individual to the  
14 extent practicable.

15           (vi) Enables an individual to attain a secondary school diploma  
16 or its recognized equivalent, and at least 1 recognized  
17 postsecondary credential.

18           (vii) Helps an individual enter or advance within a specific  
19 occupation or occupational cluster.

20           (c) "Department" means the department of labor and economic  
21 opportunity.

22           (d) "Eligible adult education provider" means a district,  
23 intermediate district, a consortium of districts, a consortium of  
24 intermediate districts, or a consortium of districts and  
25 intermediate districts that is identified as part of the local  
26 process described in subsection (5)(c) and approved by the  
27 department.

28           Sec. 147. (1) The allocation for ~~2022-2023~~**2023-2024** for the  
29 public school employees' retirement system pursuant to the public



1 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301  
2 to 38.1437, is made using the individual projected benefit entry  
3 age normal cost method of valuation and risk assumptions adopted by  
4 the public school employees retirement board and the department of  
5 technology, management, and budget.

6 (2) The annual level percentage of payroll contribution rates  
7 for the ~~2022-2023~~**2023-2024** fiscal year, as determined by the  
8 retirement system, are estimated as follows:

9 (a) For public school employees who first worked for a public  
10 school reporting unit before July 1, 2010 and who are enrolled in  
11 the health premium subsidy, the annual level percentage of payroll  
12 contribution rate is estimated at ~~44.88%~~**48.23%** with ~~28.23%~~**31.34%**  
13 paid directly by the employer.

14 (b) For public school employees who first worked for a public  
15 school reporting unit on or after July 1, 2010 and who are enrolled  
16 in the health premium subsidy, the annual level percentage of  
17 payroll contribution rate is estimated at ~~41.96%~~**44.37%** with ~~25.31%~~  
18 **27.48%** paid directly by the employer.

19 (c) For public school employees who first worked for a public  
20 school reporting unit on or after July 1, 2010 and who participate  
21 in the personal healthcare fund, the annual level percentage of  
22 payroll contribution rate is estimated at ~~41.10%~~**43.12%** with ~~24.45%~~  
23 **26.23%** paid directly by the employer.

24 (d) For public school employees who first worked for a public  
25 school reporting unit on or after September 4, 2012, who elect  
26 defined contribution, and who participate in the personal  
27 healthcare fund, the annual level percentage of payroll  
28 contribution rate is estimated at ~~37.61%~~**37.85%** with 20.96% paid  
29 directly by the employer.

1 (e) For public school employees who first worked for a public  
2 school reporting unit before July 1, 2010, who elect defined  
3 contribution, and who are enrolled in the health premium subsidy,  
4 the annual level percentage of payroll contribution rate is  
5 estimated at ~~38.47%~~**39.10%** with ~~21.82%~~**22.21%** paid directly by the  
6 employer.

7 (f) For public school employees who first worked for a public  
8 school reporting unit before July 1, 2010, who elect defined  
9 contribution, and who participate in the personal healthcare fund,  
10 the annual level percentage of payroll contribution rate is  
11 estimated at ~~37.61%~~**37.85%** with 20.96% paid directly by the  
12 employer.

13 (g) For public school employees who first worked for a public  
14 school reporting unit before July 1, 2010 and who participate in  
15 the personal healthcare fund, the annual level percentage of  
16 payroll contribution rate is estimated at ~~44.02%~~**46.98%** with ~~27.37%~~  
17 **30.09%** paid directly by the employer.

18 (h) For public school employees who first worked for a public  
19 school reporting unit after January 31, 2018 and who elect to  
20 become members of the MPSERS plan, the annual level percentage of  
21 payroll contribution rate is estimated at ~~43.81%~~**44.05%** with 27.16%  
22 paid directly by the employer.

23 (3) In addition to the employer payments described in  
24 subsection (2), the employer shall pay the applicable contributions  
25 to the Tier 2 plan, as determined by the public school employees  
26 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

27 (4) The contribution rates in subsection (2) reflect an  
28 amortization period of ~~16~~**15** years for ~~2022-2023~~**2023-2024**. The  
29 public school employees' retirement system board shall notify each

district and intermediate district by February 28 of each fiscal year of the estimated contribution rate for the next fiscal year.

Sec. 147a. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2021-2022-2023-~~ **2024** an amount not to exceed ~~\$100,000,000.00 and for 2022-2023 an amount not to exceed \$100,000,000.00~~ **\$111,939,000.00** for payments to participating ~~districts.~~ **entities.** A participating ~~district~~ **entity** that receives money under this subsection shall use that money solely for the purpose of offsetting a portion of the retirement contributions owed by the ~~district~~ **entity** for the fiscal year in which it is received. The amount allocated to each participating ~~district~~ **entity** under this subsection is ~~based on each participating district's percentage of the total statewide payroll for all participating districts for the immediately preceding fiscal year. As used in this subsection, "participating district" means a district that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.~~ **calculated as follows:**

(a) For each participating district, \$100,000,000.00 multiplied by each participating district's percentage of the total statewide payroll for all participating districts.

(b) For each participating intermediate district, \$11,912,000.00 multiplied by each participating intermediate district's percentage of the total statewide payroll for all participating intermediate districts.

(c) For each participating district library, \$27,000.00

1 multiplied by each participating district library's percentage of  
 2 the total statewide payroll for all participating district  
 3 libraries.

4 (2) In addition to the allocation under subsection (1), from  
 5 the state school aid fund money appropriated under section 11,  
 6 there is allocated an amount not to exceed ~~\$197,000,000.00~~  
 7 **\$357,700,000.00** for ~~2021-2022~~ and an amount not to exceed  
 8 ~~\$191,700,000.00 for 2022-2023~~ **2023-2024** for payments to  
 9 participating districts and intermediate districts and from the  
 10 general fund money appropriated under section 11, there is  
 11 allocated an amount not to exceed ~~\$60,000.00~~ **\$100,000.00** for ~~2021-~~  
 12 ~~2022 and an amount not to exceed \$50,000.00 for 2022-2023~~ **2023-2024**  
 13 for payments to participating district libraries. The amount  
 14 allocated to each participating entity under this subsection is  
 15 based on each participating entity's reported quarterly payroll for  
 16 members that became tier 1 prior to February 1, 2018 for the  
 17 current fiscal year. A participating entity that receives money  
 18 under this subsection shall use that money solely for the purpose  
 19 of offsetting a portion of the normal cost contribution rate. As  
 20 used in this subsection:

21 (a) "District library" means a district library established  
 22 under the district library establishment act, 1989 PA 24, MCL  
 23 397.171 to 397.196.

24 (b) "Participating entity" means a district, intermediate  
 25 district, or district library that is a reporting unit of the  
 26 Michigan public school employees' retirement system under the  
 27 public school employees retirement act of 1979, 1980 PA 300, MCL  
 28 38.1301 to 38.1437, and that reports employees to the Michigan  
 29 public school employees' retirement system for the applicable

1 fiscal year.

2       Sec. 147b. (1) The MPSERS retirement obligation reform reserve  
3 fund is created as a separate account within the state school aid  
4 fund.

5       (2) The state treasurer may receive money or other assets from  
6 any source for deposit into the MPSERS retirement obligation reform  
7 reserve fund. The state treasurer shall direct the investment of  
8 the MPSERS retirement obligation reform reserve fund. The state  
9 treasurer shall credit to the MPSERS retirement obligation reform  
10 reserve fund interest and earnings from the MPSERS retirement  
11 obligation reform reserve fund.

12       (3) Money available in the MPSERS retirement obligation reform  
13 reserve fund must not be expended without a specific appropriation.

14       (4) Money in the MPSERS retirement obligation reform reserve  
15 fund at the close of the fiscal year remains in the MPSERS  
16 retirement obligation reform reserve fund and does not lapse to the  
17 state school aid fund or to the general fund. The department of  
18 treasury is the administrator of the MPSERS retirement obligation  
19 reform reserve fund for auditing purposes.

20       (5) For 2022-2023, \$425,000,000.00 from the state school aid  
21 fund is deposited into the MPSERS retirement obligation reform  
22 reserve fund. It is the intent of the legislature that funds  
23 deposited under this subsection are used to offset costs associated  
24 with accelerating the reduction of the payroll growth assumption  
25 for reporting units that are not university reporting units until  
26 that rate is zero by October 1, 2026.

27       Sec. 147c. (1) From the state school aid fund money  
28 appropriated in section 11, there is allocated for ~~2022-2023~~**2023-**  
29 **2024** an amount not to exceed ~~\$1,478,000,000.00,~~ **\$1,647,200,000.00**

1 and from the MPSERS retirement obligation reform reserve fund money  
 2 appropriated in section 11, there is allocated for ~~2022-2023-2023-~~  
 3 **2024** only an amount needed, estimated at ~~\$140,400,000.00,~~  
 4 **\$202,000,000.00** for payments to districts and intermediate  
 5 districts that are participating entities of the Michigan public  
 6 school employees' retirement system. In addition, from the general  
 7 fund money appropriated in section 11, there is allocated for ~~2022-~~  
 8 ~~2023-2023-2024~~ an amount not to exceed \$500,000.00 for payments to  
 9 district libraries that are participating entities of the Michigan  
 10 public school employees' retirement system. It is the intent of the  
 11 legislature that money allocated from the MPSERS retirement  
 12 obligation reform reserve fund under this subsection for ~~2022-2023-~~  
 13 **2023-2024** represents the amount necessary to reduce the payroll  
 14 growth assumption to ~~1.75%-~~**0.75%**. All of the following apply to  
 15 funding under this subsection:

16 (a) Except as otherwise provided in this subdivision, for  
 17 ~~2022-2023,~~**2023-2024**, the amounts allocated under this subsection  
 18 are estimated to provide an average MPSERS rate cap per pupil  
 19 amount of ~~\$1,042.00-~~**\$1,157.00** and are estimated to provide a rate  
 20 cap per pupil for districts ranging between ~~\$5.00-~~**\$4.00** and  
 21 ~~\$3,700.00-~~**\$5,020.00**. For ~~2022-2023,~~**2023-2024**, if the retirement  
 22 system determines the average MPSERS rate cap per pupil amount and  
 23 rate cap per pupil for districts estimated in the immediately  
 24 preceding sentence need to be adjusted, the estimated average  
 25 MPSERS rate cap per pupil amount and estimated rate cap per pupil  
 26 for districts under this subdivision are the estimations determined  
 27 by the retirement system. If the retirement system makes a  
 28 determination as described in the immediately preceding sentence,  
 29 it shall issue its estimations publicly and describe the need for

1 the adjustment described in the immediately preceding sentence.

2 (b) Payments made under this subsection are equal to the  
3 difference between the unfunded actuarial accrued liability  
4 contribution rate as calculated under section 41 of the public  
5 school employees retirement act of 1979, 1980 PA 300, MCL 38.1341,  
6 as calculated without taking into account the maximum employer rate  
7 of 20.96% included in section 41 of the public school employees  
8 retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum  
9 employer rate of 20.96% included in section 41 of the public school  
10 employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

11 (c) The amount allocated to each participating entity under  
12 this subsection is based on each participating entity's proportion  
13 of the total covered payroll for the immediately preceding fiscal  
14 year for the same type of participating entities. A participating  
15 entity that receives funds under this subsection shall use the  
16 funds solely for the purpose of retirement contributions as  
17 specified in subdivision (d).

18 (d) Each participating entity receiving funds under this  
19 subsection shall forward an amount equal to the amount allocated  
20 under subdivision (c) to the retirement system in a form, manner,  
21 and time frame determined by the retirement system.

22 (e) Funds allocated under this subsection should be considered  
23 when comparing a district's growth in total state aid funding from  
24 1 fiscal year to the next.

25 (f) Not later than December 20 of each fiscal year for which  
26 funding is allocated under this subsection, the department shall  
27 publish and post on its website an estimated MPSERS rate cap per  
28 pupil for each district.

29 (g) The office of retirement services shall first apply funds

1 allocated under this subsection to pension contributions and, if  
2 any funds remain after that payment, shall apply those remaining  
3 funds to other postemployment benefit contributions.

4 (2) In addition to the funds allocated under subsection (1),  
5 from the state school aid fund money appropriated in section 11,  
6 there is allocated for ~~2022-2023~~**2023-2024** only ~~\$1,000,000,000.00~~  
7 **\$2,000,000,000.00** for payments to participating entities of the  
8 Michigan public school employees' retirement system. The amount  
9 allocated to each participating entity under this subsection must  
10 be based on each participating entity's proportion of the total  
11 covered payroll for the immediately preceding fiscal year. A  
12 participating entity that receives funds under this subsection  
13 shall use the funds solely for purposes of this subsection. Each  
14 participating entity receiving funds under this subsection shall  
15 forward an amount equal to the amount allocated under this  
16 subsection to the retirement system in a form, manner, and time  
17 frame determined by the retirement system. The retirement system  
18 shall recognize funds received under this subsection as additional  
19 assets being contributed to the system and shall not categorize  
20 them as unfunded actuarial liability contributions or normal cost  
21 contributions.

22 (3) As used in this section:

23 (a) "Community college" means a community college created  
24 under the community college act of 1966, 1966 PA 331, MCL 389.1 to  
25 389.195.

26 (b) "District library" means a district library established  
27 under the district library establishment act, 1989 PA 24, MCL  
28 397.171 to 397.196.

29 (c) "MPSERS rate cap per pupil" means an amount equal to the



quotient of the district's payment under this section divided by the district's pupils in membership.

(d) "Participating entity" means:

(i) As used in subsection (1) only, a district, intermediate district, or district library that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

(ii) As used in subsection (2) only, a district, intermediate district, community college, or district library that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

(e) "Retirement system" means the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

Sec. 147e. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2021-2022-2023-~~  
~~2024~~ **2024** an amount not to exceed ~~\$50,000,000.00~~ **\$82,400,000.00** ~~and there is allocated~~  
~~for 2022-2023 an amount not to exceed \$54,000,000.00~~ **\$82,400,000.00**  
for payments to participating entities.

(2) The payment to each participating entity under this section is the sum of the amounts under this subsection as follows:

(a) An amount equal to the contributions made by a participating entity for the additional contribution made to a

1 qualified participant's Tier 2 account in an amount equal to the  
2 contribution made by the qualified participant not to exceed 3% of  
3 the qualified participant's compensation as provided for under  
4 section 131(6) of the public school employees retirement act of  
5 1979, 1980 PA 300, MCL 38.1431.

6 (b) Beginning October 1, 2017, an amount equal to the  
7 contributions made by a participating entity for a qualified  
8 participant who is only a Tier 2 qualified participant under  
9 section 81d of the public school employees retirement act of 1979,  
10 1980 PA 300, MCL 38.1381d, not to exceed 4%, and, beginning  
11 February 1, 2018, not to exceed 1%, of the qualified participant's  
12 compensation.

13 (c) An amount equal to the increase in employer normal cost  
14 contributions under section 41b(2) of the public school employees  
15 retirement act of 1979, 1980 PA 300, MCL 38.1341b, for a member  
16 that was hired after February 1, 2018 and chose to participate in  
17 Tier 1, compared to the employer normal cost contribution for a  
18 member under section 41b(1) of the public school employees  
19 retirement act of 1979, 1980 PA 300, MCL 38.1341b.

20 (3) As used in this section:

21 (a) "Member" means that term as defined under the public  
22 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301  
23 to 38.1437.

24 (b) "Participating entity" means a district, intermediate  
25 district, or community college that is a reporting unit of the  
26 Michigan public school employees' retirement system under the  
27 public school employees retirement act of 1979, 1980 PA 300, MCL  
28 38.1301 to 38.1437, and that reports employees to the Michigan  
29 public school employees' retirement system for the applicable

1 fiscal year.

2 (c) "Qualified participant" means that term as defined under  
3 section 124 of the public school employees retirement act of 1979,  
4 1980 PA 300, MCL 38.1424.

5 Sec. 152a. (1) As required by the court in the consolidated  
6 cases known as *Adair v State of Michigan*, 486 Mich 468 (2010), from  
7 the state school aid fund money appropriated in section 11, there  
8 is allocated for ~~2022-2023-2023-2024~~ an amount not to exceed  
9 ~~\$38,000,500.00~~ **\$42,300,500.00** to be used solely for the purpose of  
10 paying necessary costs related to the state-mandated collection,  
11 maintenance, and reporting of data to this state. **From this**  
12 **allocation, \$1,300,000.00 is allocated for the purpose of**  
13 **supporting the Michigan data hub network and the collection,**  
14 **aggregation, and reporting of data collected by the state, and**  
15 **\$3,000,000.00 is allocated for costs associated with collecting**  
16 **data necessary to provide reporting to tribal governments on the**  
17 **status of students affiliated with their particular tribe and data**  
18 **necessary to determine student participation in federal programs**  
19 **funded under 20 USC 7401 to 7546 and participation in federal**  
20 **programs funded under the Johnson-O'Malley Supplemental Indian**  
21 **Education Program Modernization Act, Public Law 115-404.**

22 (2) From the allocation in subsection (1), the department  
23 shall make payments to districts and intermediate districts in an  
24 equal amount per pupil based on the total number of pupils in  
25 membership in each district and intermediate district. The  
26 department shall not make any adjustment to these payments after  
27 the final installment payment under section 17b is made.

28 Sec. 152b. (1) From the general fund money appropriated under  
29 section 11, there is allocated an amount not to exceed

1 \$1,000,000.00 for ~~2022-2023~~**2023-2024** to reimburse actual costs  
2 incurred by nonpublic schools in complying with a health, safety,  
3 or welfare requirement mandated by a law or administrative rule of  
4 this state.

5 (2) By January 1 of each applicable fiscal year, the  
6 department shall publish a form for reporting actual costs incurred  
7 by a nonpublic school in complying with a health, safety, or  
8 welfare requirement mandated under state law containing each  
9 health, safety, or welfare requirement mandated by a law or  
10 administrative rule of this state applicable to a nonpublic school  
11 and with a reference to each relevant provision of law or  
12 administrative rule for the requirement. The form must be posted on  
13 the department's website in electronic form.

14 (3) By June 30 of each applicable fiscal year, a nonpublic  
15 school seeking reimbursement for actual costs incurred in complying  
16 with a health, safety, or welfare requirement under a law or  
17 administrative rule of this state during each applicable school  
18 year must submit a completed form described in subsection (2) to  
19 the department. This section does not require a nonpublic school to  
20 submit a form described in subsection (2). A nonpublic school is  
21 not eligible for reimbursement under this section if the nonpublic  
22 school does not submit the form described in subsection (2) in a  
23 timely manner.

24 (4) By August 15 of each applicable fiscal year, the  
25 department shall distribute funds to each nonpublic school that  
26 submits a completed form described under subsection (2) in a timely  
27 manner. The superintendent shall determine the amount of funds to  
28 be paid to each nonpublic school in an amount that does not exceed  
29 the nonpublic school's actual costs in complying with a health,

1 safety, or welfare requirement under a law or administrative rule  
2 of this state. The superintendent shall calculate a nonpublic  
3 school's actual cost in accordance with this section.

4 (5) If the funds allocated under this section are insufficient  
5 to fully fund payments as otherwise calculated under this section,  
6 the department shall distribute funds under this section on a  
7 prorated or other equitable basis as determined by the  
8 superintendent.

9 (6) The department may review the records of a nonpublic  
10 school submitting a form described in subsection (2) only for the  
11 limited purpose of verifying the nonpublic school's compliance with  
12 this section. If a nonpublic school does not allow the department  
13 to review records under this subsection, the nonpublic school is  
14 not eligible for reimbursement under this section.

15 (7) The funds appropriated under this section are for purposes  
16 that are incidental to teaching and the provision of educational  
17 services to nonpublic school students; that are noninstructional in  
18 nature; that do not constitute a primary function or element  
19 necessary for a nonpublic school's existence, operation, and  
20 survival; that do not involve or result in excessive religious  
21 entanglement; and that are intended for the public purpose of  
22 ensuring the health, safety, and welfare of the children in  
23 nonpublic schools and to reimburse nonpublic schools for costs  
24 described in this section.

25 (8) Funds allocated under this section are not intended to aid  
26 or maintain any nonpublic school, support the attendance of any  
27 student at a nonpublic school, employ any person at a nonpublic  
28 school, support the attendance of any student at any location where  
29 instruction is offered to a nonpublic school student, or support

1 the employment of any person at any location where instruction is  
2 offered to a nonpublic school student.

3 (9) For purposes of this section, "actual cost" means the  
4 hourly wage for the employee or employees performing a task or  
5 tasks required to comply with a health, safety, or welfare  
6 requirement under a law or administrative rule of this state  
7 identified by the department under subsection (2) and is to be  
8 calculated in accordance with the form published by the department  
9 under subsection (2), which must include a detailed itemization of  
10 costs. The nonpublic school shall not charge more than the hourly  
11 wage of its lowest-paid employee capable of performing a specific  
12 task regardless of whether that individual is available and  
13 regardless of who actually performs a specific task. Labor costs  
14 under this subsection must be estimated and charged in increments  
15 of 15 minutes or more, with all partial time increments rounded  
16 down. When calculating costs under subsection (4), fee components  
17 must be itemized in a manner that expresses both the hourly wage  
18 and the number of hours charged. The nonpublic school may not  
19 charge any applicable labor charge amount to cover or partially  
20 cover the cost of health or fringe benefits. A nonpublic school  
21 shall not charge any overtime wages in the calculation of labor  
22 costs.

23 (10) Training fees, inspection fees, and criminal background  
24 check fees are considered actual costs in complying with a health,  
25 safety, or welfare requirement under a law or administrative rule  
26 of this state.

27 ~~(11) The funds allocated under this section for 2021-2022 are~~  
28 ~~a work project appropriation, and any unexpended funds for 2021-~~  
29 ~~2022 are carried forward into 2022-2023. The purpose of the work~~

~~project is to continue to reimburse nonpublic schools for actual costs incurred in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state. The estimated completion date of the work project is September 30, 2023.~~

~~(12) The funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to continue to reimburse nonpublic schools for actual costs incurred in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state. The estimated completion date of the work project is September 30, 2024.~~

**(11) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to continue to reimburse nonpublic schools for actual costs incurred in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state. The estimated completion date of the work project is September 30, 2025.**

**(12)** ~~(13)~~ The department shall reimburse nonpublic schools for actual costs incurred in complying with health, safety, or welfare requirements under a law or administrative rule of this state from 2017-2018 through 2021-2022 using work project funds or, if those funds are insufficient to fund reimbursements under this subsection, from the allocation under subsection (1).