

THE STATE SCHOOL AID ACT OF 1979 (EXCERPT)
Act 94 of 1979

388.1622d Supplemental payments to rural and isolated districts.

Sec. 22d. (1) From the state school aid fund money appropriated under section 11, an amount not to exceed \$12,306,900.00 is allocated for 2024-2025 for supplemental payments to rural districts under this section.

(2) From the allocation under subsection (1), there is allocated for 2024-2025 an amount not to exceed \$3,734,400.00 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.
- (b) Has fewer than 250 pupils in membership.
- (c) Each school building operated by the district meets at least 1 of the following:
 - (i) Is located in the Upper Peninsula at least 30 miles from any other public school building.
 - (ii) Is located on an island that is not accessible by bridge.

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

(4) Subject to subsection (7), from the allocation in subsection (1), there is allocated for 2024-2025 an amount not to exceed \$8,042,100.00 for payments under this subsection to districts that have fewer than 10.0 pupils per square mile, as determined by the department, or that have greater than 250 square miles.

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

(a) An amount equal to \$6,093,400.00 is allocated to districts with fewer than 8.0 pupils per square mile, as determined by the department, on an equal per-pupil basis.

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

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

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

(iii) For districts that have greater than 250 square miles, have at least 10.0 pupils per square mile, and do not receive funding under subsection (2), as determined by the department, the allocation is an amount per pupil equal to 100% of the per-pupil amount allocated to districts under subdivision (a).

(c) If the total funding allocated under subdivision (b) is insufficient to fully fund payments as calculated under that subdivision, the department shall prorate payments to districts under subdivision (b) on an equal per-pupil basis. If funding allocated under subdivision (b) remains unallocated after making calculations under that subdivision, the department may provide the remaining unallocated funding on an equal per-pupil basis to districts receiving funding under subdivision (b)(i) and (ii).

(6) Subject to subsection (7), from the allocation under subsection (1), there is allocated for 2024-2025 an amount not to exceed \$530,400.00 for payments under this subsection to districts where each school building operated by the district is located on an island that is accessible by bridge.

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

History: Add. 2004, Act 351, Eff. Oct. 1, 2004;—Am. 2005, Act 155, Eff. Oct. 1, 2005;—Am. 2006, Act 342, Eff. Oct. 1, 2006;—Am. 2007, Act 137, Imd. Eff. Nov. 8, 2007;—Am. 2008, Act 112, Imd. Eff. Apr. 29, 2008;—Am. 2008, Act 268, Eff. Oct. 1, 2008;—Am. 2009, Act 121, Imd. Eff. Oct. 19, 2009;—Am. 2010, Act 110, Eff. Oct. 1, 2010;—Am. 2011, Act 62, Eff. Oct. 1, 2011;—Am. 2012, Act 201, Eff. Oct. 1, 2012;—Am. 2013, Act 60, Eff. Oct. 1, 2013;—Am. 2014, Act 196, Eff. Oct. 1, 2014;—Am. 2015, Act 85, Eff. Oct. 1, 2015;—Am. 2016, Act 249, Eff. Oct. 1, 2016;—Am. 2017, Act 108, Eff. Oct. 1, 2017;—Am. 2018, Act 265, Eff. Oct. 1, 2018;—Am. 2019, Act 162, Imd. Eff. Dec. 20, 2019;—Am. 2020, Act 165, Eff. Oct. 1, 2020;—Am. 2021, Act 48, Eff. Oct. 1, 2021;—Am. 2022, Act 144, Eff. Oct. 1, 2022;—Am. 2023, Act 103, Imd. Eff. July 21, 2023;—Am. 2024, Act 120, Eff. Oct. 1, 2024.

Compiler's note: Enacting section 1 of Act 351 of 2004 provides:

"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at \$11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at \$11,113,650,400.00."

Enacting section 1 of 2005 PA 155 provides:

"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at \$11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at \$11,341,913,100.00."

Enacting section 1 of Act 342 of 2006 provides:

"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at \$11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at \$11,536,597,200.00.

(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at \$11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at \$11,285,376,300.00."

Enacting section 1 of Act 137 of 2007 provides:

"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2007-2008 is estimated at \$11,527,973,800.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at \$11,458,493,300.00."

Enacting section 1 of Act 112 of 2008 provides:

"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2007 PA 137 from state sources for fiscal year 2007-2008 is estimated at \$11,421,776,200.00 and state appropriations to be paid to local units of government for fiscal year 2007-2008 are estimated at \$11,346,293,300.00."

Enacting section 1 of Act 268 of 2008 provides:

"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2008-2009 is estimated at \$11,816,898,200.00 and state appropriations to be paid to local units of government for fiscal year 2008-2009 are estimated at \$11,602,465,900.00."

Enacting section 1 of Act 121 of 2009 provides:

"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2009-2010 is estimated at \$10,825,754,100.00 and state appropriations to be paid to local units of government for fiscal year 2009-2010 are estimated at \$10,718,801,700.00."