



**SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS**  
**Fiscal Year 2012-13**  
**HB 5372 (H-1) as Amended**  
**SB 961 (S-2) as Amended**

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SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE PASSED	SENATE PASSED	CONFERENCE
Sec. 3 Definitions		<p><b>NEW:</b>            (1) Defines "Achievement Authority" as in Part 7c of the Revised Code (which has yet to proposed)</p> <p>(2) Defines "Achievement School" as a public school in the Education Achievement System operated, managed, authorized, established or overseen by the Achievement Authority. Provides that an instructional program operated by an Achievement School is eligible in the same manner as a school district for all applicable categorical and federal aid.</p> <p>The Executive budget adds references to the Achievement School throughout the bill along with districts and PSAs.</p>	<p>(1) Concurs with Executive Recommendation.</p> <p>(2) Concurs with Executive Recommendation.</p> <p>Concurs with Executive Recommendation.</p>	<p>(1) Concurs with Executive Recommendation.</p> <p>(2) Concurs with Executive Recommendation.</p> <p>Concurs with Executive Recommendation.</p>	
Sec. 4. Definitions		<p><b>NEW:</b>            (1) Defines "Education Achievement System" (EAS) as in Part 7c of the Revised School Code (which has yet to be proposed)</p> <p>The Executive budget adds references to the EAS throughout the bill.</p>	<p>(1) Concurs with Executive Recommendation.</p> <p>Concurs with Executive Recommendation.</p>	<p>(1) Concurs with Executive Recommendation.</p> <p>Concurs with Executive Recommendation.</p>	

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE PASSED	SENATE PASSED	CONFERENCE
Sec. 6 Pupil Membership Definitions	<p>(4) Calculates a district's pupil membership blend equal to 90% of pupils counted on October count day plus 10% of pupils counted on previous February count day.</p> <p>(4)(r) Allows districts to count a full FTE for kindergarten pupils as long as the instructional hours for kindergarten are at least half of the instructional hours for grades 1-12 but requires that beginning in FY 2012-13, a kindergarten pupil must receive an equal number of instructional hours as pupils in grades 1-12 to be counted as a full FTE.</p>	<p>(4) Would include the EAS under the pupil membership rules, and would allow an online program operated by the EAS or an Achievement School to consider a pupil's participation in the program as regular daily attendance.</p> <p>(4)(i) Pupils in an Achievement School would be counted in membership in the EAS. The EAS would be treated like a new public school academy and would have its membership calculated for the first 2 years as 50% of its fall count and 50% of the following February count.</p> <p>(4)(r) Maintains the FY 2012-13 implementation of the kindergarten funding changes.</p>	<p>(4) Concurs with Executive Recommendation.</p> <p>Adds language to provide intent to move to 8 pupil membership count dates for FY 2013-14 and requires that MDE work with CEPI, intermediate districts and districts to develop recommendations on the implementation for this policy change.</p> <p>(4)(i) Concurs with Executive Recommendation.</p> <p>(4)(r) Concurs with Executive Recommendation.</p> <p>Requires districts to report to CEPI and MDE by 5th Wednesday after the pupil membership count day the number of instructional hours scheduled for all kindergarten pupils.</p>	<p>(4) Concurs with Executive Recommendation.</p> <p>Does not include House language.</p> <p>(4)(i) Concurs with Executive Recommendation.</p> <p>(4)(r) Concurs with Executive Recommendation.</p> <p>Does not include House language.</p> <p>Adds language that the pupil membership changes for kindergarten are not a mandate and are not intended to jeopardize federal Title I funds used for kindergarten funding and that it is the intent of the legislature that federal Title I funds will be available to be used by districts to fund all-day kindergarten.</p>	

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				<p>Senate adds the following situations to those when a district need not receive approval of the district of resident to count a nonresident pupil:</p> <p>(6)(q) A pupil enrolled in a vocational job training program or alternative high school diploma program operated by a state-licensed proprietary school or non-profit corporation in conjunction with a district.</p> <p>(6)(r) A pupil enrolled in an alternative education program operated by a district in a city or county jail if the district of residence does not offer a vocational job training program or alternative high school diploma.</p> <p>And the Senate expands the limited situation under which a district can establish an instructional site within the boundaries of another district to include the following:</p> <p>"unless the district is educating pupils in an alternative or vocational education program and the pupil's district of residence does not offer an alternative or vocational education program."</p>	

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE PASSED	SENATE PASSED	CONFERENCE
Sec. 11 Total Appropriations	<p><b>School Aid Fund (SAF)</b> FY 2011-12 SAF Total \$10,967,333,600</p> <p>Includes intent language for FY 2012-13 in Sec. 12.</p> <p><b>General Fund (GF/GP)</b> FY 2011-12 appropriation of \$118,642,400.</p> <p>Includes intent language for FY 2012-13 in Sec. 12.</p> <p><b>Federal Funds</b> FY 2011-12 estimated at \$1,653,331,800.</p> <p>Includes intent language for FY 2012-13 in Sec. 12.</p>	<p><b>School Aid Fund (SAF)</b></p> <p>FY 2012-13 SAF Total \$10,785,973,400.</p> <p>FY 2013-14 SAF Total \$10,883,951,000.</p> <p><b>General Fund (GF/GP)</b> FY 2012-13 appropriation of \$200,000,000.</p> <p>FY 2013-14 appropriation of \$18,642,400.</p> <p><b>Federal Funds</b> FY 2012-13 and FY 2013-14 estimated at \$1,701,041,400.</p>	<p><b>School Aid Fund (SAF)</b></p> <p>FY 2012-13 SAF Total \$10,782,707,800.</p> <p>Includes intent language for FY 2013-14 in Sec. 12.</p> <p><b>General Fund (GF/GP)</b> FY 2012-13 appropriation of \$333,000,000.</p> <p>Includes intent language for FY 2013-14 in Sec. 12.</p> <p><b>Federal Funds</b> FY 2012-13 estimated at \$1,701,041,400.</p> <p>Includes intent language for FY 2013-14 in Sec. 12.</p>	<p><b>School Aid Fund (SAF)</b> Reduces FY 2011-12 appropriation by \$23,000,000 to \$10,944,333,600.</p> <p>FY 2012-13 SAF Total \$10,715,091,400.</p> <p>Includes intent language for FY 2013-14 in Sec. 12.</p> <p><b>General Fund (GF/GP)</b> FY 2012-13 appropriation of \$296,516,400.</p> <p>Includes intent language for FY 2013-14 in Sec. 12.</p> <p><b>Federal Funds</b> FY 2012-13 estimated at \$1,701,041,400.</p> <p>Includes intent language for FY 2013-14 in Sec. 12.</p>	
Sec. 11g Durant Bonding Payment	Appropriates \$39,000,000 in FY 2011-12 to districts for "Durant" court case mandated bond payments, which will end after FY 2014-15.	Appropriates \$39,000,000 for FY 2012-13 and FY 2013-14.	Concurs with Executive Recommendation for FY 2012-13 at \$39,000,000.	Concurs with Executive Recommendation for FY 2012-13 at \$39,000,000	
Sec. 11j School Bond Loan Fund	Appropriates \$93,575,300 for debt service in FY 2011-12 for the school bond loan program.	Increases the appropriation to \$120,390,000 for FY 2012-13 and \$131,660,000 for FY 2013-14 to recognize the increasing cost of required payments.	Concurs with Executive Recommendation for FY 2012-13 at \$120,390,000.	Concurs with Executive Recommendation for FY 2012-13 at \$120,390,000.	
Sec. 11m Cash-Flow Borrowing	Appropriates \$8,500,000 in FY 2011-12 to pay for costs associated with cash-flow borrowing related to the SAF.	Appropriates \$10,000,000 for FY 2012-13 and \$20,000,000 for FY 2013-14 to recognize anticipated interest rates.	Concurs with Executive Recommendation for FY 2012-13 at \$10,000,000.	Concurs with Executive Recommendation for FY 2012-13 at \$10,000,000.	

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE PASSED	SENATE PASSED	CONFERENCE
Sec. 11q Federal Education Jobs Funding	Appropriates \$4,700,000 in redistributed Federal Education Jobs Funding to school districts based on the 2x formula used to distribute the first round of funding in FY 2010-11.	Not included.	Not included.	Not Included.	
Sec. 11s Education Reserve Fund				NEW: Appropriates \$6,000,000 for FY 2012-13 to the Education Reserve Fund, which is created as a separate account within the School Aid Fund.	
Sec. 11t Comprehensive Education Fund				NEW: Provides intent that the Legislature enact legislation necessary to change the name of the State School Aid Fund to the "Comprehensive Education Fund".	
Sec. 11u Study Categorical Funding				NEW: Provides intent that the Legislature examine existing funding and determine to what extent categorical funding may be used for foundation allowances.	
Sec. 12 FY 2012-13 Appropriations	Intent language that FY 2012-13 appropriations will be at the same level as in FY 2011-12 adjusted for changes in taxable values, special education costs, and pupil counts.	Deletes this section.	Provides intent that the FY 2013-14 budget will be equal to FY 2012-13 except for adjustments for changes in pupil membership, taxable values, special education costs, and interest costs, and available revenue as determined at the January 2013 consensus revenue estimating conference.	Maintains current law with updated fiscal years.	

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE PASSED	SENATE PASSED	CONFERENCE
Sec. 18 Spending and Audit Requirements	Specifies allowable uses of funds and requires yearly financial and pupil audits. Also requires budget transparency information on district and intermediate district websites.	(1) Regarding allowable expenditures for textbooks, deletes the requirement that they are designated by the school board for use in the district.	Concurs with Executive Recommendation.	Concurs with Executive Recommendation.	
Sec. 19 Compliance with State and Federal reporting requirements	Specifies district data reporting deadlines.	(2) For submission of the graduation report, requires that in addition to 5 weeks after the fall membership count day, districts must submit data to CEPI by June 30 of each school year.	Concurs with Executive Recommendation.  NEW: (7) Provides intent to move to either a single statewide education data reporting system or a limited number of systems approved by the department in conjunction with CEPI. Requires that MDE work with CEPI, intermediate districts and districts to develop recommendations on the implementation for this policy change.	Concurs with Executive Recommendation.  Does not include House language.	
Sec. 20 Foundation Allowance Calculation	Basic foundation allowance for FY 2011-12 is \$8,019 and the minimum foundation is \$6,846.  (7) If more than 25% of the pupils in a district are in PSAs then reduces the foundations of the PSAs and requires the district to share with the PSA local operating millage revenue.	No change in the foundation allowance.  (7) Deletes this section.	Concurs with Executive Recommendation.  (7) Concurs with Executive Recommendation.	Increases the Basic Foundation allowance to \$8,135, an increase of \$116 per pupil, and increases the minimum foundation to \$7,078, an increase of \$232 per pupil. Districts in between would receive an increase between \$116 and \$232 based on the sliding scale under the 2x formula.  (7) Maintains current law but specifies that this section does not apply to an achievement school.	

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE PASSED	SENATE PASSED	CONFERENCE
<p>Sec. 20 Foundation Allowance Calculation (cont.)</p>	<p>(11) Calculates index which shall be used to determine the annual growth in the lowest foundation allowance. In FY 2011-12, index was 0.93575.</p> <p>(12) Requires that the index be used to increase the lowest foundation allowance</p> <p>(13) Foundation allowance adjustment for a district that had a 7.75 operating millage turned down in 1993, to recalculate its foundation as if the millage had been approved. Funds at 50% of FY 2010-11 adjustment for FY 2011-12 and provides that it is the final year of funding. (Wayne-Westland)</p> <p>(14) Foundation allowance adjustment for a district in which an industrial facilities exemption certificate abated property taxes to add \$250 to the foundation as otherwise calculated. Funds at 50% of FY 2010-11 adjustment for FY 2011-12 and provides that it is the final year of funding. (Gibraltar)</p>	<p>NEW: (7) Allocates to the EAS for each pupil in membership, a per pupil amount equal to the foundation allowance of the district in which the achievement school is located.</p> <p>(11) Sets the index at 1.00 for FY 2012-13 and at 1.00 for FY 2013-14.</p> <p>(12) Deletes this subsection.</p> <p><del>(13)</del> (12) Assumes savings of \$3,000,000 as this adjustment is scheduled to end.</p> <p><del>(14)</del> (13) Assumes savings of \$400,000 as this adjustment is scheduled to end.</p>	<p>NEW: (7) Concurs with Executive Recommendation but clarifies to cap the foundation allowance for an EAS pupil at the basic foundation allowance.</p> <p>(11) Concurs with Executive.</p> <p>(12) Concurs with Executive Recommendation.</p> <p><del>(13)</del> (12) Concurs with Executive Recommendation.</p> <p><del>(14)</del> (13) Concurs with Executive Recommendation.</p>	<p>NEW: (8) Concurs with Executive Recommendation but clarifies to cap the foundation allowance for an EAS pupil at the basic foundation allowance.</p> <p><del>(12)</del> (12) Does not concur with Executive and allows the index to be calculated based on pupil growth and revenue growth.</p> <p>(12) Concurs with Executive Recommendation.</p> <p>(13) Provides 50% of the FY 2011-12 adjustment, estimated at \$1,500,000 in Section 22b. Makes FY 2012-13 the final year of funding.</p> <p>(14) Concurs with Executive Recommendation.</p>	

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<p>Sec. 20 Foundation Allowance Calculation (cont.)</p>	<p>(15) Foundation allowance adjustments for districts that received a small class size grant in 2001-2002. Funds at 68.5% of FY 2010-11 adjustment for FY 2011-12 and provides intent that it is the final year of funding. Total funding equals \$13,500,000.</p> <p>(16) Foundation allowance adjustment for a district that levied 1.9 mills in 1993 to finance an operating deficit to recalculate its foundation as if those mills were included in operating mills to calculate its 1994-95 foundation. Funds at 50% of FY 2010-11 adjustment for FY 2011-12 and provides intent that it is the final year of funding. (Garden City)</p> <p>(17) Foundation allowance adjustment for a district that levied 2.23 mills in 1993 to finance an operating deficit to recalculate its foundation as if those mills were included in operating mills to calculate its 1994-95 foundation. Funds at 50% of FY 2010-11 adjustment for FY 2011-12 and provides intent that it is the final year of funding. (Huron)</p>	<p><del>(15)</del> (14) Assumes savings of \$13,500,000 as these adjustments are scheduled to end.</p> <p><del>(16)</del> (15) Assumes savings of \$350,000 as this adjustment is scheduled to end.</p> <p><del>(17)</del> (16) Assumes savings of \$250,000 as this adjustment is scheduled to end.</p>	<p><del>(15)</del> (14) Includes a \$100 adjustment for small class size grants.</p> <p><del>(16)</del> (15) Concurs with Executive Recommendation.</p> <p><del>(17)</del> (16) Concurs with Executive Recommendation.</p>	<p>(15) Maintains 100% of the FY 2011-12 adjustment, estimated at \$13,500,000 in Section 22b. Makes FY 2012-13 the final year of funding.</p> <p>(16) Concurs with Executive Recommendation.</p> <p>(17) Concurs with Executive Recommendation.</p> <p>(20) Based on the 2x formula increases under (1), increases the PSA maximum foundation allowance by \$191 per pupil to \$7,301.</p>	



SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE PASSED	SENATE PASSED	CONFERENCE
Sec. 22a Proposal A Obligation Payment (The Constitutionally required part of the foundation)	FY 2011-12 appropriation of \$5,769,000,000.	FY 2012-13 appropriation is reduced to \$5,707,000,000 to reflect future cost estimates based on pupil estimates and taxable value estimates.  FY 2013-14 appropriation of \$5,592,000,000.	Concurs with Executive Recommendation for FY 2012-13 at \$5,707,000,000.	Concurs with Executive Recommendation for FY 2012-13 at \$5,707,000,000.	
Sec. 22b Discretionary Payment (The discretionary portion of the foundation allowance.)	FY 2011-12 appropriation of \$3,052,000,000.	FY 2012-13 appropriation reduced to \$3,027,000,000 to future cost estimates based on pupil estimates and taxable value estimates.  Assumes \$50,000,000 in savings due to kindergarten funding changes.  FY 2013-14 appropriation of \$3,106,000,000.	Appropriates \$3,077,000,000 for FY 2012- 13.  Assumes all districts will provide full day kindergarten and thus assumes no savings. Requires MDE to report by January 1, 2013 of any savings achieved and provides intent that savings will be appropriated to reimburse districts for MPSERS costs in Sec. 147a.	Appropriates \$3,344,800,000 for FY 2012-13, an increase of \$292,800,000 over the Executive recommendation to pay for the foundation allowance increases that range from \$116 to \$232 per pupil and the inclusion of continued adjustments for small class size grants and Wayne Westland.  Concurs with Executive recommendation to assume \$50,000,000 in savings from those districts that maintain some half day kindergarten programs.	
Sec. 22d Supplemental funding to Small, Isolated Districts	Appropriates \$2,025,000 for FY 2011-12, with \$750,000 to certain small, geographically isolated districts and \$1,275,000 to districts that have 5.0 or fewer pupils per square mile and a total square mileage greater than 200.	Maintains appropriation at \$2,025,000 for FY 2012-13 and FY 2013-14.	Concurs with Executive Recommendation for FY 2012-13 at \$2,025,000.	Concurs with Executive Recommendation for FY 2012-13 at \$2,025,000.	
Sec. 22e Replacing Lost Personal Property Tax Revenue (for Out-of-Formula Districts	Appropriates \$700,000 to replace local revenue lost due to MBT-related PPT changes for certain out-of- formula districts and specifies that FY 2011-12 is the last year of funding.	Repeals this section and ends the appropriation.	Concurs with Executive Recommendation.	Concurs with Executive Recommendation.	

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE PASSED	SENATE PASSED	CONFERENCE
NEW Sec. 22f Performance- Based Incentive Grants	Currently Best Practices Grants (see below).	<p>Along with continued Best Practices grants (see below), the Governor proposes to create an additional grant out of a combined appropriation totaling \$190,000,000, of which MDE estimates \$70,000,000 would be distributed for performance based grants.</p> <p>Districts would receive a portion or all of the following:</p> <ul style="list-style-type: none"> <li>- \$30 per pupil for meeting proficiency growth in mathematics for grades 3 to 8.</li> <li>- \$30 per pupil for meeting proficiency growth in reading for grades 3 to 8.</li> <li>- \$40 per pupil for meeting proficiency growth over 4 years for high school students in all subject areas.</li> </ul> <p>(3) and (4) For grades 3 to 8, MDE would use a growth model based on MEAP cut scores by assigning districts points from 0 to 3 for each student depending on whether or not they began the year performing proficiently and whether they decline, maintain, or improve proficiency over the year. A district would be eligible if its average number of points were greater than 1.5, the district tests at least 95% of its students in reading or mathematics, and the district had at least 30 students in grades 3 to 8 that had a performance level change designation.</p>	<p>Not Included</p> <p>Not Included</p> <p>Not Included</p>	<p>NEW Sec. 22i</p> <p>Appropriates a total \$40,000,000 for FY 2012-13 to districts for pupil performance grants on an equal per pupil basis.</p> <p>Requires districts to test pupils in grades 2 to 11 in both reading and math, both in the fall and in the spring, using a computer adaptive test that gives teachers and pupils immediate feedback.</p> <p>In order to receive funding, a district must demonstrate that at least 51% of their pupils in grades 2 to 11 exceed normative growth on each the math and reading tests.</p>	

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Sec. 22f Performance-Based Incentive Grants (cont.)		(5) For high school, the awards would be based on a positive trend, over a 4-year period, in the percentage of high school students testing as proficient in all state assessment subject areas (mathematics, reading, science, social studies, and writing) on the Michigan Merit Exam (MME). A district would qualify if a linear regression of its percentage of high school students testing proficient over the period were at least equal to the statewide average linear regression, the district's linear regression is positive, the district tested 95% of its students on the MME, and had at least 20 students take all the tested subjects on the MME for the last 4 years.	Not Included		

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<p>Sec. 22f Best Practices Incentives</p>	<p>Appropriates \$154,000,000 from the FY 2010-11 SAF balance carried forward for one time for FY 2011-12 in an amount equal to \$100 per pupil for districts that do 4 out of 5 best financial practices by June 1, 2012:</p> <p>(a) 90/10 health premium share.</p> <p>(b) Act as policy holder for health care services benefits.</p> <p>(c) Services consolidation plan.</p> <p>(d) Competitive bid for noninstructional services.</p> <p>(e) District Dashboard.</p>	<p>Appropriates a total of \$190,000,000 for FY 2012-13 and \$100,000,000 for FY 2013-14 for both best practices and a new performance-based grant (see above).</p> <p>(6) Appropriates the available remaining balance after performance-based grants had been awarded to best practices. The appropriation, estimated at \$120,000,000, would be distributed on an equal per pupil basis to districts that meet 5 out of 6 revised best practices criteria:</p> <p>(a) Act as policy holder for health care services benefits.</p> <p>(b) Participate in Schools of Choice under Section 105 and Section 105c.</p> <p>(c) Measure student growth twice annually and report to parents.</p>	<p>Appropriates \$115,000,000 for a single Best Practices grant award.</p> <p>(2) Distributes grants equal to \$75 per pupil for districts that meet 6 out of 8 of the following by June 1, 2013. Distributes any remaining balance to all qualifying districts with a foundation less than \$8,019 on an equal per pupil basis.</p> <p>(a) Act as policy holder for health care services benefits.</p> <p>(b) Competitively bid at least one non-instructional service in FY 2012-13.</p> <p>(c) Participate in Schools of Choice under Section 105 and Section 105c. Considers a PSA to have met this requirement.</p> <p>(d) Measure student growth twice annually and report to parents or provides MDE with a plan and and show progress toward developing the technology infrastructure necessary for of student growth assessments by 2014-2015.</p>	<p>Repeals this section.</p>	

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Sec. 22f Best Practices Incentives (cont.)		<p>(d) Provide dual enrollment and other opportunities for postsecondary coursework.</p> <p>(e) Provide online learning opportunities.</p> <p>(f) Provide a dashboard to parents and the community.</p>	<p>(e) Provide dual enrollment and other opportunities for postsecondary coursework.</p> <p>(f) Provide online learning opportunities.</p> <p>(g) Provide a dashboard to parents and the community.</p> <p>(h) Provide physical education and/or health classes that meet State Board of Education standards.</p>		
NEW Sec. 22g Consolidation Innovation Grants		<p>Appropriates \$10,000,000 for competitive assistance grants to reimburse districts and ISDs for transition costs associated with the consolidation of operations or services between two or more districts or ISDs or the consolidation of districts or ISDs. Only consolidations that occur after October 1, 2012 would qualify for funding. The MDE would have to develop an application process and method of grant distribution.</p>	<p>Concurs with Executive Recommendation to appropriate \$10,000,000 for FY 2012-13.</p> <p>Allows any consolidation after June 1, 2012 to qualify for funding.</p> <p>Allows a consolidation of operations or services between a school district or ISD and a local unit of government to qualify. However, a district or ISD that receives a grant from the competitive grant assistance program in the Department of Treasury budget under Sec. 951 of HB 5382, shall not receive funding under this section.</p>	<p>Concurs with Executive Recommendation to appropriate \$10,000,000 for FY 2012-13.</p> <p>Concurs with House on date change to June 1.</p> <p>Allows a consolidation between a district and a municipality to qualify.</p>	
Sec. 22h Distressed District Student Transition Grants	<p>Appropriates \$4,000,000 as a one-time appropriation for FY 2011-12 in districts educating or enrolling Highland Park students.</p>	<p>Not included.</p>	<p>Not included.</p>	<p>Not included</p>	

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NEW Sec. 22i Technology Infrastructure Grants			<p>Appropriates \$75,000,000 for grants to districts or ISDs on behalf of their constituent districts to develop or improve their technology infrastructure and purchase the necessary hardware in preparation for the planned implementation of online growth assessments in FY 2014-15.</p> <p>The Department of Education would determine grants based on a competitive process to be determined by department. The maximum allowable grant would be \$2,000,000 for each district. ISDs could receive up to \$2,000,000 per constituent district if they could demonstrate savings if done on an ISD-wide basis as compared to done by individual districts.</p>	Not included.	
Sec. 23 University Schools	Allows a university to receive funding for operating an instructional program for students in grades K-12 upon application to MDE.	Deletes this section because university schools no longer exist.	Concurs with Executive Recommendation.	Retains current law but deletes references to university schools throughout the bill.	
Sec. 24 Court-Placed Pupils	Appropriates \$8,000,000 in FY 2011-12 to reimburse districts for added costs of educating court-placed pupils in a local juvenile detention facility institution.	Continues the appropriation of \$8,000,000 for FY 2012-13 and FY 2013-14.	Concurs with Executive Recommendation for FY 2012-13 at \$8,000,000.	Concurs with Executive Recommendation for FY 2012-13 at \$8,000,000.	

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Sec. 24a Educating Pupils in DHS Juvenile Justice Service Facilities	Appropriates \$2,114,800 in FY 2011-12 for payments to intermediate districts for pupils who are placed in juvenile justice facilities.	Increases the appropriation to \$2,135,800 for FY 2012-13 and FY 2013-14 to recognize economic adjustments.	Concurs with Executive Recommendation for FY 2012-13 at \$2,135,800.	Concurs with Executive Recommendation for FY 2012-13 at \$2,135,800.	
Sec. 24c Youth Challenge Program	Appropriates \$765,600 in FY 2011-12 for the Youth Challenge Program. Payment goes through Battle Creek Public Schools to the Department of Military and Veterans' Affairs for the program.	Continues the appropriation of \$765,600 for FY 2012-13 and FY 2013-14.	Increases appropriation to \$1,500,000 for FY 2012-13.	Increases appropriation to \$1,500,000 for FY 2012-13.	
Sec. 26a Renaissance Zone Reimbursement	Appropriates \$26,300,000 from the SAF for FY 2011-12 to reimburse districts for lost local revenue due to renaissance zones.	Maintains the appropriation of \$26,300,000 for FY 2012-13 and FY 2013-14.	Concurs with Executive Recommendation for FY 2012-13 at \$26,300,000 for districts and ISDs.  Adds \$3,000,000 GF/GP in funding to reimburse libraries.	Concurs with Executive Recommendation for FY 2012-13 at \$26,300,000 for districts and ISDs.  Does not include funding for libraries.	
Sec. 26b PILT Reimbursement	Appropriates \$1,838,000 for FY 2011-12 to reimburse districts, intermediate districts, and community colleges for payment in lieu of taxes (PILT) obligations per PA 513 of 2004.	Continues the appropriation of \$1,838,000 for FY 2012-13 and FY 2013-14.	Concurs with Executive Recommendation for FY 2012-13 at \$1,838,000.	Concurs with Executive Recommendation for FY 2012-13 at \$1,838,000.	
Sec. 31a At-Risk Funding/ Adolescent Health Centers/ Hearing and Vision Screenings	Appropriates \$317,695,500 in FY 2011-12.  At-Risk funding equals \$308,988,200.  (6) Allocates \$3,557,300 for Child and Adolescent Health Centers.	Continues the \$317,695,500 total appropriation into FY 2012-13 and FY 2013-14.  At-Risk funding is maintained at \$308,988,200.  (6) Continues the \$3,557,300 appropriation for health centers.	Concurs with Executive Recommendation for FY 2012-13 at 317,965,500.  Concurs with Executive Recommendation.  (6) Concurs with Executive Recommendation.	Concurs with Executive Recommendation for FY 2012-13 at 317,965,500.  Concurs with Executive Recommendation.  (6) Concurs with Executive Recommendation.	

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE PASSED	SENATE PASSED	CONFERENCE
Sec. 31a At-Risk Funding/ Adolescent Health Centers/ Hearing and Vision Screenings (cont.)	(7) Allocates \$5,150,000 from total for hearing and vision screenings.  (10) Allows districts to use funds to reduce class size in grades K-6.  (12) Allows districts to apply to MDE for flexibility in using the funds.	(7) Continues the \$5,150,000 appropriation for hearing and vision screenings.  (12) The Executive budget recommends eliminating the application process, and instead would allow such districts to spend up to 20% of their at-risk funds more flexibly than required as long as funds are spent for specific purposes designed to benefit at-risk pupils and districts document these expenditures and make documentation available to MDE upon request.	(7) Concurs with Executive Recommendation.  (10) Expands allowable use to reduce class size in grades K-12.  (12) Concurs with Executive Recommendation.	(7) Concurs with Executive Recommendation.  (10) Expands allowable use to reduce class size in grades K-12.  (12) Concurs with Executive Recommendation.	
Sec. 31d School Lunch Program	Appropriates \$22,495,100 SAF for FY 2011-12 for the State share of school lunch programs as required by <i>Durant</i> settlement.  Includes \$402,506,000 in Federal funding.	Maintains the SAF appropriation of \$22,495,100 for FY 2012-13 and FY 2013-14.  Maintains the Federal grant at \$402,506,000 for both years.	Concurs with Executive Recommendation for FY 2012-13 at \$22,495,100.	Concurs with Executive Recommendation for FY 2012-13 at \$22,495,100.	
Sec. 31f School Breakfast	Appropriates \$9,625,000 for FY 2011-12 to reimburse districts for the cost of providing breakfast.	Maintains the appropriation of \$9,625,000 for FY 2012-13 and FY 2013-14.	Concurs with Executive Recommendation for FY 2012-13 at \$9,625,000.	Concurs with Executive Recommendation for FY 2012-13 at \$9,625,000.	
Sec. 32b Great Start Collaborative Grants	Appropriates \$5,900,000 for FY 2011-12 to ISDs for great start collaboratives or other community purposes identified by the Early Childhood Investment Corporation (ECIC).	Maintains the appropriation of \$5,900,000 for FY 2012-13 and FY 2013-14.	Concurs with Executive Recommendation for FY 2012-13 at \$5,900,000.	Repeals this section and moves funding to early childhood block grant in Section 32p.	



SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE PASSED	SENATE PASSED	CONFERENCE
Sec. 32b Great Start Collaborative Grants (cont.)	(6) Establishes intent to move funding in FY 2012-13 to early childhood block grant program administered by intermediate districts in conjunction with local great start collaboratives.	(6) Requires that the MDE develop a plan for a multi-year phased-in approach for early childhood block grants.	(6) Concurs with Executive Recommendation for FY 2012-13.		
Sec. 32d Great Start Readiness Program (GSRP)	<p>Appropriates \$95,400,000 SAF for FY 2011-12 to operate the district GSRP, \$300,000 GF/GP to continue a longitudinal study of the GSRP, and \$8,875,000 SAF for competitive GSRP grants to non-district programs.</p> <p>(1)(b) Allows funds to be used for preschool and parenting programs under former section 32b (PIE program); caps funding spent by each district for the former PIE program to the amount spent in the prior fiscal year.</p>	<p>Appropriates \$95,400,000 SAF for formula allocations to ISDs for FY 2012-13 and FY 2013-14, along with \$300,000 GF/GP for the study and \$8,875,000 SAF for competitive programs.</p> <p>(1)(b) Removes this allowable use of GSRP funds.</p> <p>(2) Specifies that funding goes to intermediate districts or consortia of intermediate districts rather than districts as revised in FY 2012 to make ISDs the fiduciaries for all GSRP funding.</p> <p>(4) Revises references from intermediate districts to "applicant" in case of consortia. Revises "employs" to "utilizes" regarding program personnel to cover both district or ISD-managed and privately contracted programs.</p>	<p>Concurs with Executive Recommendation for FY 2012-13 at \$95,400,000 for formula allocations to ISDs along with \$300,000 GF/GP for the GSRP longitudinal study and \$8,875,000 SAF for competitive programs.</p> <p>(1)(b) Allows an ISD to fund a PIE program operated by a district that had operated a program in the previous fiscal year.</p> <p>(2) Concurs with Executive Recommendation.</p> <p>(4) Concurs with Executive Recommendation.</p> <p>Concurs with Executive Recommendation.</p>	<p>Increases FY 2012-13 funding to \$105,400,000 for formula allocations to ISDs along with \$300,000 GF/GP for the GSRP longitudinal study.</p> <p>Eliminates \$8,875,000 SAF for competitive programs and moves funding to the early childhood block grant in Section 32p.</p> <p>(1)(b) Concurs with Executive Recommendation.</p> <p>(2) Concurs with Executive Recommendation.</p> <p>(4) Concurs with Executive Recommendation.</p> <p>Concurs with Executive Recommendation.</p>	

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE PASSED	SENATE PASSED	CONFERENCE
Sec. 32d Great Start Readiness Program (GSRP) (cont.)	(12) Establishes intent to move funding in FY 2012-13 to early childhood block grant program administered by intermediate districts in conjunction with local great start collaboratives.	(10)(a) NEW: Defines GSRP/Head Start blended program as a part-day program funded under this section along with a Head Start program combined to create a school-day program.  (12) Requires that the MDE develop a plan for a multi-year phased-in approach for early childhood block grants.	(10)(a) Concurs with Executive Recommendation.  (12) Concurs with Executive Recommendation.	(10)(a) Concurs with Executive Recommendation.  (12) Concurs with Executive Recommendation.	
Sec. 32g Early Childhood Assessments/ Tiered Quality Rating Improvement System (TQRIS)	Appropriates for one-time only \$12,500,000 for FY 2011-12 the following funds for early childhood programs:  \$3,250,000 for kindergarten entry status assessments.  \$9,250,000 for services to early childhood providers to assist them in attaining higher quality ratings under the TQRIS system.	Not included.	Not included.	Repeals this section.	
Sec. 32j Intermediate District (ISD) Parent Involvement Grants	Appropriates \$5,000,000 in FY 2011-12 in SAF to intermediate districts for competitive grants to provide programs to parents of children age 0-5 to encourage early math and reading literacy, improve school readiness, reduce the need for special education services, and foster stable families.	Maintains the appropriation of \$5,000,000 for FY 2012-13 and FY 2013-14.	Concurs with Executive Recommendation for FY 2012-13 at \$5,000,000.	Repeals this section and moves funding to early childhood block grant in Section 32p.	

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE PASSED	SENATE PASSED	CONFERENCE
Sec. 32j Intermediate District (ISD) Parent Involvement Grants (cont.)	<p>(4) Requires data collection and a report on number of children in families with income below 200% of federal poverty level.</p> <p>(7) Establishes intent to move funding in FY 2012-13 to early childhood block grant program administered by intermediate districts in conjunction with local great start collaboratives.</p>	<p>(4) Revises report to cover families with income below 300% of federal poverty level to align with changes previously made in Sec. 32d.</p> <p>(7) Requires that the MDE develop a plan for a multi-year phased-in approach for early childhood block grants.</p>	<p>(4) Concurs with Executive Recommendation.</p> <p>(7) Concurs with Executive Recommendation.</p>		
NEW Sec. 32p Early Childhood Block Grants				<p>(1) Appropriates \$19,775,000 for FY 2012-13 for early childhood funding block grants to ISDs. Allocates to each ISD the same funding as was received in FY 2011-12 under Sections 32b, 32d(2)(b), 32l, and 32j. Requires ISDs to submit an application to Office of Great Start by August 15, 2012 detailing planned activities and report by December 1, 2013 on actual activities provided and children served.</p> <p>(2) Requires each ISD receiving funding to convene a great start collaborative to address the availability of 6 components of a great start system in it community: physical health, social-emotional health, family supports, basic needs, economic stability and safety, and parenting education and early education and care.</p>	

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE PASSED	SENATE PASSED	CONFERENCE
NEW Sec. 32p Early Childhood Block Grants				(3) Requires report of activities provided and children served by December 1, 2013.  (4) Allows an ISD to carry over unexpended funds for one subsequent fiscal year before having to return funds to MDE.	
Sec. 39 GSRP Per Pupil Allocation Formula	Per pupil allocation for GSRP students is \$3,400.  Three-tier allocation formula. Step 1: fund the lesser of children in need (calculated in section 38) or capacity. Step 2: ensure districts receive at least prior year funding. Step 3: distribute remaining funds. Caps a new program at 32 slots.	(1) Revises to recognize the move to ISD-wide data and allocation of slots.  (7) Deletes the requirement that a new program be capped at 32 slots.  (9) Deletes a provision that applied only to Detroit Public Schools, now that allocations are being done only through ISDs.  (11) Deletes language that allowed consortia of districts to apply due to new rules that only ISD and consortia of ISDs may apply.	(1) Concurs with Executive Recommendation.  (7) Concurs with Executive Recommendation.  (9) Concurs with Executive Recommendation.  (11) Concurs with Executive Recommendation.	(1) Concurs with Executive Recommendation.  (7) Concurs with Executive Recommendation.  (9) Concurs with Executive Recommendation.  (11) Concurs with Executive Recommendation.	
Sec. 39a Federal Funds	(1) Appropriates \$761,973,600 for FY 2011-12 in Federal No Child Left Behind (NCLB) funds.  (2) Appropriates \$32,359,700 in other Federal funds for education.	(1) Increases Federal grants to \$812,328,500 for NCLB funds for FY 2012-13 and FY 2013-14.  (2) Increases to \$33,514,100 for other Federal funds for education for FY 2012-13 and FY 2013-14.	(1) Concurs with Executive Recommendation for FY 2012-13 at \$812,328,500.  (2) Concurs with Executive Recommendation for FY 2012-13 at \$33,514,100.	(1) Concurs with Executive Recommendation for FY 2012-13 at \$812,328,500.  (2) Concurs with Executive Recommendation for FY 2012-13 at \$33,514,100.	
Sec. 40 GSRP needs assessment methods	Requires the MDE to review biennially methods to determine the number of children in need of school readiness programs.	Repeals this section.	Concurs with Executive Recommendation.	Concurs with Executive Recommendation.	

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE PASSED	SENATE PASSED	CONFERENCE
Sec. 51a (1) Total Special Education Funding	(1) Appropriates \$954,769,100 SAF and \$363,400,000 Federal funding for FY 2011-12.	(1) Appropriates \$990,269,100 SAF for FY 2012-13 and \$1,022,869,100 for FY 2013-14. Increases federal funding levels to \$365,000,000 for FY 2012-13 and FY 2013-14.	(1) Concurs with Executive Recommendation for FY 2012-13 at \$990,269,100 SAF and \$365,000,000 federal.	(1) Concurs with Executive Recommendation for FY 2012-13 at \$990,269,100 SAF and \$365,000,000 federal.	
(2) Special Ed - ISD Foundations and Costs	(2) Allocates \$247,000,000 for FY 2011-12.	(2) Allocates \$257,300,000 for FY 2012-13 and \$264,800,000 for FY 2013-14.	(2) Concurs with Executive Recommendation for FY 2012-13 at \$257,300,000.	(2) Concurs with Executive Recommendation for FY 2012-13 at \$257,300,000.	
(3) Special Ed - ISD Hold Harmless Payments	(3) Allocates \$1,000,000 for FY 2011-12.	(3) Maintains allocation at \$1,000,000 for FY 2012-13.	(3) Concurs with Executive Recommendation for FY 2012-13 at \$1,000,000.	(3) Concurs with Executive Recommendation for FY 2012-13 at \$1,000,000.	
(6) Special Ed - Administrative Rule Changes	(6) Allocates \$2,200,000 for FY 2011-12.	(6) Maintains allocation at \$2,200,000 for both FY 2011-12 and FY 2012-13.	(6) Concurs with Executive Recommendation for FY 2012-13 at \$2,200,000.	(6) Concurs with Executive Recommendation for FY 2012-13 at \$2,200,000.	
(7)(c) Itinerant Staffing	(7)(c) Allows unspent Sec. 51a funds at the end of the fiscal year to be allocated as additional reimbursements to ISDs based on the transfer of special education staff under certain situations since 2003-2004.	(7)(c) Deletes this subdivision.	(7)(c) Maintains the language but caps the total allocations to all eligible ISDs as follows: - \$1,000,000 for FY 2012-13 - \$600,000 for FY 2013-14 - \$300,000 for FY 2014-15  Specifies that FY 2014-15 is the last year that funding will be allocated under this subdivision.	(7)(c) Maintains current law.	
(11) Special Ed -ISD Foundations for Non Sec. 52	(11) Allocates \$5,000,000 for FY 2011-12.	(11) Revises allocation to \$4,800,000 for FY 2012-13 and \$4,000,000 for FY 2013-14.	(11) Concurs with Executive Recommendation for FY 2012-13.	(11) Concurs with Executive Recommendation for FY 2012-13.	

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE PASSED	SENATE PASSED	CONFERENCE
Sec. 51c Special Ed - <i>Durant</i> Payment	Allocates \$647,500,000 from the appropriation in Sec. 51a(1) for FY 2011-12 to provide funding for costs associated with <i>Durant</i> settlement that guarantees districts 28.6138% of total approved costs of special education services and 70.4164% of total approved costs of special education transportation.	Increases the FY 2012-13 allocation to \$672,900,000 to reflect future cost estimates.  Allocates \$698,000,000 for FY 2013-14 to reflect future cost estimates.	Concurs with Executive Recommendation for FY 2012-13 at \$672,900,000.	Concurs with Executive Recommendation for FY 2012-13 at \$672,900,000.	
Sec. 51d Federal Special Education Funds	Appropriates \$74,000,000 in Federal special education grants for FY 2011-12.	Maintains the Federal appropriation at \$74,000,000 for FYs 2012-13 and 2013-14.	Concurs with Executive Recommendation for FY 2012-13 at \$74,000,000.	Concurs with Executive Recommendation for FY 2012-13 at \$74,000,000.	
Sec. 53a Special Ed - Court Placed pupils	Allocates \$13,500,000 from the appropriation in Sec. 51a(1) for FY 2011-12.	Maintains the \$13,500,000 allocation for FY 2012-13 and FY 2013-14.	Concurs with Executive Recommendation for FY 2012-13 at \$13,500,000.	Concurs with Executive Recommendation for FY 2012-13 at \$13,500,000.	
Sec. 54 Special Ed - Schools for the Deaf and Blind	Allocates \$1,688,000 from the appropriation in Sec. 51a(1) for FY 2011-12.	Maintains the \$1,688,000 allocation for FY 2012-13 and FY 2013-14.	Concurs with Executive Recommendation for FY 2012-13 at \$1,688,000.	Concurs with Executive Recommendation for FY 2012-13 at \$1,688,000.	
Sec. 56 Special Education - Millage Equalization	Allocates \$36,881,100 from Sec. 51a(1) for FY 2011-12 for millage equalization to provide funding to intermediate districts to guarantee a minimal amount per special education mill levied, on a per-pupil basis. Per pupil equalization is \$174,700.	Maintains the \$36,881,100 allocation for FY 2012-13 and FY 2013-14.  FY 2012-13 per pupil equalization amount is \$194,400 and FY 2013-14 amount is \$195,000.	Concurs with Executive Recommendation for FY 2012-13 at \$36,881,100.  Revises FY 2012-13 per pupil equalization amount to \$171,300.	Concurs with Executive Recommendation for FY 2012-13 at \$36,881,100.  Revises FY 2012-13 per pupil equalization amount to \$169,200.	
Sec. 61a Vocational Education	Appropriates \$26,611,300 for FY 2011-12 to support vocational education programs.	Maintains the \$26,611,300 appropriation for FY 2012-13 and FY 2013-14.	Appropriates \$30,000,000 for FY 2012-13, an increase of \$3,388,700.	Concurs with Executive Recommendation for FY 2012-13 at \$26,611,300.	

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE PASSED	SENATE PASSED	CONFERENCE
Sec. 62 Vocational Education Millage Equalization	<p>Appropriates \$9,000,000 for FY 2011-12 to provide funding to intermediate districts that levy vocational education mills to guarantee a minimal amount received per mill levied, on a per-pupil basis.</p> <p>FY 2011-12 per-pupil equalization amount is \$190,400.</p>	<p>Maintains the \$9,000,000 appropriation for FY 2012-13 and FY 2013-14.</p> <p>FY 2012-13 per-pupil equalization amount is \$194,200 and FY 2013-14 amount is \$193,100.</p>	<p>Concurs with Executive Recommendation for FY 2012-13 at \$9,000,000.</p> <p>Revises FY 2012-13 per-pupil equalization amount to \$190,500.</p>	<p>Concurs with Executive Recommendation for FY 2012-13 at \$9,000,000.</p> <p>Revises FY 2012-13 per-pupil equalization amount to \$186,600.</p>	
Sec. 74 Bus Driver Safety and School Bus Inspections	<p>Appropriates \$3,233,900 for FY 2011-12.</p> <p>(2) \$1,625,000 is to reimburse intermediate districts and universities for providing bus driver safety instruction.</p> <p>(4) \$1,608,900 to reimburse Michigan State Police for doing school bus inspections.</p>	<p>FY 2012-13 and FY 2013-14 total appropriation of \$3,259,900.</p> <p>(2) Maintains funding at \$1,625,000</p> <p>(4) Increases funding to \$1,634,900 to include an economic increase equal to \$26,000.</p>	<p>Concurs with Executive Recommendation for FY 2012-13 at \$3,259,900.</p> <p>(2) Concurs with Executive Recommendation at \$1,625,000.</p> <p>(4) Concurs with Executive Recommendation at \$1,634,900.</p>	<p>Concurs with Executive Recommendation for FY 2012-13 at \$3,259,900.</p> <p>(2) Concurs with Executive Recommendation at \$1,625,000.</p> <p>(4) Concurs with Executive Recommendation at \$1,634,900.</p>	
Sec. 81 Intermediate School Districts (ISD) General Operations Funding	<p>Appropriates \$62,108,000 for FY 2011-12 for basic operational funding of intermediate districts.</p>	<p>Maintains total funding at \$62,108,000 for FY 2012-13 and FY 2013-14.</p> <p>However, the Executive budget would provide each ISD with just 95% of its FY 2011-12 allocation automatically.</p> <p>(7) Requires that an ISD fulfill 4 out of 5 best practices by June 1, 2013 to receive the final 5% of its allocation as an incentive payment. Best practices would include:</p>	<p>Appropriates a total of \$65,213,000, an increase of \$3,105,000, for FY 2012-13.</p> <p>Maintains 100% of current allocation with no new requirements.</p> <p>(7) Allocates the \$3,105,000 increase in grants to ISDs equal to 5% of their FY 2011-12 allocation if they fulfill 4 out of 5 best practices:</p>	<p>Appropriates a total of \$64,108,000, an increase of \$2,000,000 for FY 2012-13.</p> <p>Maintains 100% of current allocation with no new requirements.</p> <p>(7) Allocates the \$2,000,000 increase in grants to ISDs equal to 3.2% of their FY 2011-12 allocation if they fulfill 4 out of 5 best practices:</p>	

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE PASSED	SENATE PASSED	CONFERENCE
Sec. 81 Intermediate School Districts (ISD) General Operations Funding (cont.)		<p>1. Develop a consolidation plan in 2012-2013 to reduce costs and to implement that plan in 2013-2014 and report progress by Feb. 1, 2014.</p> <p>2. Obtain competitive bids on at least 1 non-instructional service valued at \$50,000 or more for itself or its constituent districts.</p> <p>3. Develop a technology plan in accordance with MDE policy on behalf of all of its constituent districts to integrate technology into the classroom and prepare teachers to use digital technology for instruction.</p> <p>4. Provide to parents and community members a dashboard or report card including specified items demonstrating the ISD's efforts to manage its finances responsibly.</p> <p>5. Work in a consortium with other ISDs to develop information management system requirements and bid specifications for use as statewide models including student management systems, learning management tools, and business services.</p>	<p>1. Concurs with Executive.</p> <p>2. Concurs with Executive.</p> <p>3. Concurs with Executive.</p> <p>4. Concurs with Executive.</p> <p>5. Concurs with Executive.</p>	<p>1. Concurs with Executive.</p> <p>2. Concurs with Executive.</p> <p>3. Concurs with Executive.</p> <p>4. Concurs with Executive.</p> <p>5. Concurs with Executive.</p>	
Sec. 93 State Aid to Libraries for MeLCat	Appropriates \$1,304,300 to the Library of Michigan for state aid to libraries to help support the (MeLCat) in public schools and libraries.	Maintains the \$1,304,300 appropriation for FY 2012-13 and FY 2013-14.	Concurs with Executive Recommendation for FY 2012-13 at \$1,304,300.	Concurs with Executive Recommendation for FY 2012-13 at \$1,304,300.	



SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE PASSED	SENATE PASSED	CONFERENCE
Sec. 94a Center for Educational Performance and Information (CEPI)	<p>Appropriates \$5,768,700 GF/GP in FY 2011-12 to support the operations of the CEPI and for the comprehensive data management and student tracking system.</p> <p>Appropriates \$2,893,200 in FY 2011-12 from Federal funds for Federal reporting requirements and to postsecondary institutions to comply with Michigan's statewide longitudinal data system.</p>	<p>Appropriates \$9,218,400 GF/GP, an increase of \$3,449,700, for both FY 2012-13 and FY 2013-14.</p> <p>Appropriates \$193,500 in Federal funds for both FY 2021-13 and FY 2013-14.</p> <p>The increase in GF/GP offsets a reduction in federal funds equal to \$2,699,700 as well as a \$750,000 increase for retirement and economics.</p>	<p>Concurs with Executive Recommendation for FY 2012-13 at \$9,218,400 GF/GP.</p> <p>Concurs with Executive Recommendation for FY 2012-13 at \$193,500.</p>	<p>Concurs with Executive Recommendation for FY 2012-13 at \$9,218,400 GF/GP.</p> <p>Concurs with Executive Recommendation for FY 2012-13 at \$193,500.</p>	
NEW Sec. 95 Principal Educator Evaluator Training Grants		<p>NEW: Appropriates \$1,750,000 in FY 2012-13 and \$500,000 in FY 2013-14 for a new grant program to train principals and assistant principals in educator evaluations.</p> <p>(2) For FY 2012-13, all districts could apply for funds, but for FY 2013-14, priority would be given to districts with new building administrators who have not yet had training.</p> <p>(3) An MDE- approved training program must do the following : - include instructional content on methods of evaluating teachers consistently across multiple grades and subjects, - include training on observation focused on reliability and bias awareness</p>	<p>Concurs with Executive Recommendation for FY 2012-13.</p> <p>(2) Concurs with Executive.</p> <p>(3) Concurs with Executive with the following changes: Adds that at a minimum the department shall approve all training programs recommended by the Governor's Council on Educator Effectiveness and</p>	<p>Concurs with Executive Recommendation for FY 2012-13.</p> <p>(2) Concurs with Executive.</p> <p>(3) Eliminates department discretion and requires MDE to approve all training programs that include the items recommended by the Executive.</p>	

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE PASSED	SENATE PASSED	CONFERENCE
<p>Sec. 95 Principal Educator Evaluator Training Grants (cont.)</p>		<p>- incorporate online resources and videos of actual lessons for applying rubrics and consistent scoring - align with recommendations of the Governor's Council on Educator Effectiveness.</p> <p>(4) Grant awards would be determined by the MDE but shall not exceed \$350 per participant.</p>	<p>- deletes reference to "online resources".</p> <p>- adds "provide ongoing support to maintain inter-rater reliability" which is defined as consistency of measurement from different evaluators independently applying the same evaluation criteria to the same classroom observation.</p> <p>(4) Concurs with Executive.</p>	<p>- deletes reference to "online resources"</p> <p>- adds "provide ongoing support to maintain inter-rater reliability."</p> <p>(4) Requires department to provide awards not to exceed to \$350 per participant.</p> <p>(5) defines "inter-rater reliability" as consistency of measurement from different evaluators independently applying the same evaluation criteria to the same classroom observation.</p>	
<p>Sec. 98 Michigan Virtual University (MVU)</p>	<p>Appropriates \$1,687,500 GF/GP to MVU in FY 2011-12 for operations of the Virtual High School and appropriates \$2,700,000 in Federal funds.</p>	<p>Maintains the total appropriation of \$4,387,500 but funds it entirely with GF/GP for FY 2012-13 and FY 2013-14 due to potential reductions in federal fund sources.</p> <p>(2) Redefines role of MVU to expand to establish the Center for Online Learning Research and Innovation which would do the following:</p>	<p>Concurs with Executive Recommendation for FY 2012-13.</p> <p>(2) Concurs with Executive Recommendation.</p>	<p>Concurs with Executive Recommendation for FY 2012-13.</p> <p>(2) Concurs with Executive Recommendation for FY 2012-13.</p>	

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE PASSED	SENATE PASSED	CONFERENCE
Sec. 98 Michigan Virtual University (MVU) (cont.)		<ul style="list-style-type: none"> <li>- research, design and recommend online and blended learning education delivery models and online assessments,</li> <li>- develop criteria to monitor and evaluate cyber schools and online course providers,</li> <li>- analyze student performance and course completion data from cyber schools and online course providers,</li> <li>- design professional development for online learning.</li> </ul> <p>(3) Allows Governor to appoint an advisory group to make recommendations to accelerate innovation in education system.</p> <p>(4) Allocates \$500,000 for the MVU to conduct a year-long pilot study of a new performance-based funding model to demonstrate the merit of a payment system for online instruction based on student performance rather than solely on enrollment and attendance.</p> <p>(5) Requires that the Michigan Virtual School maintain accreditation from a recognized national or international accrediting entity to receive funding.</p>	<p>(3) Not included</p> <p><del>(4)</del> (3) Concurs with Executive Recommendation.</p> <p><del>(5)</del> (4) Concurs with Executive Recommendation.</p>	<p>(3) Concurs with Executive Recommendation for FY 2012-13.</p> <p>(4) Concurs with Executive Recommendation for FY 2012-13.</p> <p>(5) Concurs with Executive Recommendation for FY 2012-13.</p>	

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE PASSED	SENATE PASSED	CONFERENCE
Sec. 98 Michigan Virtual University (MVU) (cont.)		(8) Adds reporting requirement: (e) Results of the pilot study including districts in the study, number of successful online completions, courses offered in the pilot and their completion rates, and identification of opportunities and barriers to be addressed to apply an online learning performance funding model statewide.	<del>(8)</del> (7) Concurs with Executive Recommendation.	(8) Concurs with Executive Recommendation for FY 2012-13.	
Sec. 99 Math and Science Centers	Appropriates for FY 2011-12 \$2,515,000 SAF and \$110,000 GF/GP and \$5,249,300 in Federal funds for the funding of 33 math and science centers.	Maintains the total appropriation at \$2,625,000 but funds with SAF and eliminates GF/GP and maintains \$5,249,300 in Federal funds for FY 2012-13 and FY 2013-14.	Concurs with Executive Recommendation for FY 2012-13.	Increases SAF by \$100,000 to \$2,725,000. The additional \$100,000 would be awarded to a math/science center in the Michigan Science, Technology, Engineering, and Mathematics (STEM) Partnership.	
Sec. 101 Instructional Days and Hours	Provides for the minimum number of days and hours of required instruction.	(12) Repeals the requirement that MDE study the costs of providing distance learning and report by September 10, 2012.	(12) Concurs with Executive Recommendation.	(6) Repeals the required certification by each district by April 15 of the number of planned hours of instruction.  (12) Concurs with Executive Recommendation.	
Sec. 102 Deficit Districts and Deficit Elimination Plans				(1) Adds a requirement that a district or ISD that has a department approved deficit reduction plan, it shall post it on the district or ISD website.	

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE PASSED	SENATE PASSED	CONFERENCE
Sec. 104 Assessment Funding	<p>Appropriates \$35,194,400 for FY 2011-12 from the SAF for reimbursement of costs associated with state student assessment requirements.</p> <p>Appropriates \$8,250,000 in Federal assessment funding for the purposes of complying with Federal NCLB Act.</p>	<p>Reduces SAF to \$26,694,400 in FY 2012-13 to eliminate two-year funding of \$8,500,000 related to the implementation of assessment changes required by 2009 education reforms. Maintains the same appropriation for FY 2013-14.</p> <p>Maintains Federal funding of \$8,250,000 for FY 2012-13 and FY 2013-14.</p>	<p>Concurs with Executive Recommendation for FY 2012-13.</p> <p>Concurs with Executive Recommendation for FY 2012-13.</p>	<p>Concurs with Executive Recommendation for FY 2012-13.</p> <p>Concurs with Executive Recommendation for FY 2012-13.</p>	
NEW Sec. 104c Computer Adaptive Test				<p>Appropriates \$18,000,000 for FY 2012-13 for a new computer adaptive test. The test would have to include all the following:</p> <ul style="list-style-type: none"> <li>(a) Internet-delivered, standards-based</li> <li>(b) unlimited testing opportunities</li> <li>(c) Valid, reliable diagnostic assessment data</li> <li>(d) adjustment of testing difficulty based on previous answers to test questions.</li> <li>(e) immediate feedback to teachers and pupils.</li> </ul>	
Sec. 107 Adult Education	<p>Appropriates \$22,000,000 in SAF for Adult Education programs for FY 2011-12.</p>	<p>Appropriates \$22,000,000 for FY 2012-13 and FY 2013-14.</p>	<p>Concurs with Executive Recommendation for FY 2012-13.</p>	<p>Concurs with Executive Recommendation for FY 2012-13.</p>	

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE PASSED	SENATE PASSED	CONFERENCE																																																
Sec. 147 Retirement Contribution Rate	<p>Estimated FY 2011-12 rate with an amortization period of 26 years.</p> <p>Employees Pre July 2010:</p> <table border="0"> <tr> <td></td> <td style="text-align: center;"><u>FY 12</u></td> <td></td> </tr> <tr> <td>Pension:</td> <td style="text-align: center;">15.96%</td> <td></td> </tr> <tr> <td>Health:</td> <td style="text-align: center;">8.50%</td> <td></td> </tr> <tr> <td>Total:</td> <td style="text-align: center;">24.46%</td> <td></td> </tr> </table> <p>Employees Post July 2010:</p> <table border="0"> <tr> <td></td> <td style="text-align: center;"><u>FY 11</u></td> <td></td> </tr> <tr> <td>Pension:</td> <td style="text-align: center;">14.73%</td> <td></td> </tr> <tr> <td>Health:</td> <td style="text-align: center;">8.50%</td> <td></td> </tr> <tr> <td>Total:</td> <td style="text-align: center;">23.23%</td> <td></td> </tr> </table>		<u>FY 12</u>		Pension:	15.96%		Health:	8.50%		Total:	24.46%			<u>FY 11</u>		Pension:	14.73%		Health:	8.50%		Total:	23.23%		<p>Rate increases as follows, and the amortization period is 26 years.</p> <p>Employees Pre July 2010:</p> <table border="0"> <tr> <td></td> <td style="text-align: center;"><u>FY 13</u></td> <td style="text-align: center;"><u>FY 14</u></td> </tr> <tr> <td>Pension:</td> <td style="text-align: center;">18.62%</td> <td style="text-align: center;">22.46%</td> </tr> <tr> <td>Health:</td> <td style="text-align: center;">8.75%</td> <td style="text-align: center;">8.75%</td> </tr> <tr> <td>Total:</td> <td style="text-align: center;">27.37%</td> <td style="text-align: center;">31.21%</td> </tr> </table> <p>Employees Post July 2010:</p> <table border="0"> <tr> <td></td> <td style="text-align: center;"><u>FY 13</u></td> <td style="text-align: center;"><u>FY 14</u></td> </tr> <tr> <td>Pension:</td> <td style="text-align: center;">17.39%</td> <td style="text-align: center;">21.19%</td> </tr> <tr> <td>Health:</td> <td style="text-align: center;">8.75%</td> <td style="text-align: center;">8.75%</td> </tr> <tr> <td>Total:</td> <td style="text-align: center;">26.14%</td> <td style="text-align: center;">29.94%</td> </tr> </table>		<u>FY 13</u>	<u>FY 14</u>	Pension:	18.62%	22.46%	Health:	8.75%	8.75%	Total:	27.37%	31.21%		<u>FY 13</u>	<u>FY 14</u>	Pension:	17.39%	21.19%	Health:	8.75%	8.75%	Total:	26.14%	29.94%	Concurs with Executive Recommendation for FY 2012-13.	Concurs with Executive Recommendation for FY 2012-13.	
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Sec. 147a MPSERS Cost Offset	<p>Appropriates \$155,000,000 from the FY 2010-11 SAF balance carried forward for one time for FY 2011-12 to offset a portion of MPSERS cost increases for districts based on MPSERS payroll.</p> <p>Reimburses districts for approximately 1.9% of MPSERS payroll.</p>	<p>Increases the appropriation to \$179,000,000 to provide an additional 0.25% of payroll to districts and ISDs to reimburse them for the increase in retiree health care from 8.5% to 8.75%.</p>	<p>Increases the appropriation to \$248,506,300 to offset a portion of MPSERS cost increases for both districts and ISDs.</p> <p>Reimburses districts and ISDs for approximately 2.8% of MPSERS payroll.</p>	Repeals this section.																																																	
Sec. 147b MPSERS Retirement Obligation Reform Reserve Fund	<p>Appropriates \$133,000,000 from the FY 2010-11 SAF balance carried forward for one time for FY 2011-12 to deposit into a subaccount created in the SAF called the MPSERS retirement obligation reform reserve fund. Provides intent that the legislature will convene a workgroup on retirement reforms.</p>	<p>Does not make any recommendations for the distribution of the funds in the MPSERS reserve fund and repeals this section.</p>	<p>Makes no recommendations for the distribution of the funds but retains the section.</p>	<p>Reduces the FY 2011-12 appropriation by \$23,000,000 to \$110,000,000. Designates funding as a work project to pay the employer costs of matching a proposed 2% contribution into a "401k for retiree health" plan. Fund expended until exhausted with estimated completion date of Sept. 30, 2017.</p>																																																	

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Sec. 152a Adair Data collection and reporting costs	Appropriates \$34,064,500 for FY 2011-12 to reimburse districts for data collection and reporting costs as required in <i>Adair v. State of Michigan</i> .	Increases to \$38,000,500 for FY 2012-13 and FY 2013-14 to reimburse districts based on an updated time-study.	Concurs with Executive Recommendation for FY 2012-13.	Concurs with Executive Recommendation for FY 2012-13.	
Technical Adjustments	N/A	Includes date changes.  Adds references to the Education Achievement Authority and Achievement Schools.  Removes all references to university schools due to elimination of Sec. 23.	Concurs with Executive Recommendation.  Concurs with Executive Recommendation.  Concurs with Executive Recommendation.	Concurs with Executive Recommendation.  Concurs with Executive Recommendation.  Concurs with Executive Recommendation.	
Enacting Section 1 State Spending and Payments to Locals	N/A	FY 2012-13 state spending from state sources is \$10,985,973,400 and payments to locals are \$10,841,677,500.  FY 2013-14 state spending from state sources is \$10,902,593,400 and payments to locals are \$10,737,027,500.	FY 2012-13 state spending from state sources is \$11,115,707,800 and payments to locals are \$10,971,411,900.	FY 2012-13 state spending from state sources is \$11,011,607,800 and payments to locals are \$10,855,311,900.	
Enacting Section 2 Repeals Sections as of October 1, 2012.	N/A	Repeals the following:  Sec. 12: FY 2012-13 estimated appropriations  Sec. 22e: Michigan Business Tax hold harmless grants  Sec. 23: University Schools	Repeals the following:  Sec. 22e: Michigan Business Tax hold harmless grants  Sec. 23: University Schools	Repeals the following:  Sec. 22e: Michigan Business Tax hold harmless grants  Sec. 22f: Best Practices	

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE PASSED	SENATE PASSED	CONFERENCE
		<p>Sec. 40: GSRP readiness needs assessment biennial review</p> <p>Sec. 147b: MPSERS Retirement Obligation Reform Reserve Fund</p> <p>Sec. 164c: Purchase of foreign goods and services</p>	<p>Sec. 40: GSRP readiness needs assessment biennial review</p>	<p>Sec. 32b: Great Start Collaboratives</p> <p>Sec. 32g: Early Childhood Assessments/ Tiered Quality Rating Improvement System (TQRIS)</p> <p>Sec. 32j: Great Start 0-5 Grants</p> <p>Sec. 32l: GSRP Competitive Program Allocations</p> <p>Sec. 40: GSRP readiness needs assessment biennial review</p> <p>Sec. 147a: MPSERS Cost Offset</p>	