

**SUBSTITUTE FOR
HOUSE BILL NO. 4286**

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 3, 4, 6, 6a, 11, 11a, 11j, 11k, 11m, 11s, 11w,
11x, 15, 19, 20, 20d, 21f, 21h, 22a, 22b, 22c, 22d, 22m, 22p, 23a,
24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 27a, 27b, 27c, 27d, 28, 31a,
31d, 31f, 31j, 31n, 31o, 31p, 31aa, 32d, 32n, 32p, 32t, 35a, 35d,
39, 39a, 41, 41b, 51a, 51c, 51d, 51e, 51g, 53a, 54, 54b, 54d, 56,
61a, 61b, 61c, 61d, 62, 65, 67, 74, 81, 94, 94a, 97, 97a, 98, 99h,
99s, 99t, 99x, 99cc, 101, 104, 107, 121, 147, 147a, 147b, 147c,
147e, 152a, and 163 (MCL 388.1603, 388.1604, 388.1606, 388.1606a,
388.1611, 388.1611a, 388.1611j, 388.1611k, 388.1611m, 388.1611s,
388.1611w, 388.1611x, 388.1615, 388.1619, 388.1620, 388.1620d,
388.1621f, 388.1621h, 388.1622a, 388.1622b, 388.1622c, 388.1622d,



388.1622m, 388.1622p, 388.1623a, 388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1626a, 388.1626b, 388.1626c, 388.1626d, 388.1627a, 388.1627b, 388.1627c, 388.1627d, 388.1628, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631n, 388.1631o, 388.1631p, 388.1631aa, 388.1632d, 388.1632n, 388.1632p, 388.1632t, 388.1635a, 388.1635d, 388.1639, 388.1639a, 388.1641, 388.1641b, 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, 388.1662, 388.1665, 388.1667, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1697, 388.1697a, 388.1698, 388.1699h, 388.1699s, 388.1699t, 388.1699x, 388.1699cc, 388.1701, 388.1704, 388.1707, 388.1721, 388.1747, 388.1747a, 388.1747b, 388.1747c, 388.1747e, 388.1752a, and 388.1763), sections 3, 6, 6a, 11a, 11j, 11k, 11m, 11s, 15, 20, 20d, 21f, 21h, 22a, 22c, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 28, 31a, 31d, 31j, 31n, 31o, 31p, 32d, 32p, 35a, 35d, 39, 41, 51d, 51g, 54b, 54d, 61a, 61b, 61c, 61d, 62, 65, 67, 74, 81, 94, 94a, 97, 97a, 98, 99h, 99s, 99t, 99x, 101, 104, 107, 147, 147a, 147b, 147e, and 152a as amended and sections 11x, 27a, 27b, 27c, 27d, 31aa, 32n, 32t, 41b, 51e, and 99cc as added by 2022 PA 144, sections 4 and 19 as amended by 2021 PA 48, sections 11, 22b, 31f, 39a, 51a, 51c, 53a, 54, and 147c as amended by 2023 PA 3, section 11w as added by 2022 PA 93, section 23a as amended by 2020 PA 22, section 56 as amended by 2022 PA 212, section 121 as amended by 2006 PA 342, and section 163 as amended by 2021 PA 15, and by adding sections 11v, 12a, 12b, 12c, 22e, 22k, 22l, 22o, 23g, 23h, 27g, 27h, 27i, 27j, 27k, 30d, 30e, 31k, 31ff, 31gg, 32o, 32w, 32x, 35i, 35j, 35k, 67f, 74b, 97g, 98d, 99ff, 99gg, 99hh, 99ii, 107a, 164i, and 164j; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:



1 Sec. 3. (1) "Average daily attendance", for the purposes of
2 complying with federal law, means 92% of the pupils counted in
3 membership on the pupil membership count day, as defined in section
4 6(7).

5 (2) "Board" means the governing body of a district or public
6 school academy.

7 (3) "Center" means the center for educational performance and
8 information created in section 94a.

9 (4) "Community district" means a school district organized
10 under part 5b of the revised school code, MCL 380.381 to 380.396.

11 (5) "Cooperative education program" means a written voluntary
12 agreement between and among districts to provide certain
13 educational programs for pupils in certain groups of districts. The
14 written agreement must be approved by all affected districts at
15 least annually and must specify the educational programs to be
16 provided and the estimated number of pupils from each district who
17 will participate in the educational programs.

18 (6) "Department", except as otherwise provided in this
19 article, means the department of education.

20 (7) "District" means, except as otherwise specifically
21 provided in this act, a local school district established under the
22 revised school code or, except in sections 6(4), 6(6), 11x, 11y,
23 12c, 13, 20, 22a, 22p, 31a, 51a(14), 105, 105c, and 166b, a public
24 school academy. Except in section 20, district also includes a
25 community district.

26 (8) "District of residence", except as otherwise provided in
27 this subsection, means the district in which a pupil's custodial
28 parent or parents or legal guardian resides. For a pupil described
29 in section 24b, the pupil's district of residence is the district



1 in which the pupil enrolls under that section. For a pupil
2 described in section 6(4)(d), the pupil's district of residence is
3 considered to be the district or intermediate district in which the
4 pupil is counted in membership under that section. For a pupil
5 under court jurisdiction who is placed outside the district in
6 which the pupil's custodial parent or parents or legal guardian
7 resides, the pupil's district of residence is considered to be the
8 educating district or educating intermediate district.

9 (9) "District superintendent" means the superintendent of a
10 district or the chief administrator of a public school academy.

11 Sec. 4. ~~(1) "Elementary pupil" means a pupil in membership in~~
12 ~~grades K to 8 in a district not maintaining classes above grade 8~~
13 ~~or in grades K to 6 in a district maintaining classes above grade 8~~
14 ~~or a child enrolled and in regular attendance in a publicly funded~~
15 ~~prekindergarten setting.~~

16 (1) ~~(2)~~—"Extended school year" means an educational program
17 conducted by a district in which pupils must be enrolled but not
18 necessarily in attendance on the pupil membership count day in an
19 extended year program. The mandatory clock hours must be completed
20 by each pupil not more than 365 calendar days after the pupil's
21 first day of classes for the school year prescribed. The department
22 shall prescribe pupil, personnel, and other reporting requirements
23 for the educational program.

24 (2) ~~(3)~~—"Fiscal year" means the state fiscal year that
25 commences October 1 and continues through September 30.

26 (3) ~~(4)~~—"High school equivalency certificate" means a
27 certificate granted for the successful completion of a high school
28 equivalency test.

29 (4) ~~(5)~~—"High school equivalency test" means the G.E.D. test



1 developed by the GED Testing Service, the HISET exam developed by
 2 ~~Educational Testing Service (ETS)~~, **administered by PSI Services**, or
 3 another comparable test approved by the department of labor and
 4 economic opportunity.

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

10 (6) ~~(7)~~—"High school pupil" means a pupil in membership in
 11 grades 7 to 12, except in a district not maintaining grades above
 12 grade 8.

13 Sec. 6. (1) "Center program" means a program operated by a
 14 district or by an intermediate district for special education
 15 pupils from several districts in programs for pupils with autism
 16 spectrum disorder, pupils with severe cognitive impairment, pupils
 17 with moderate cognitive impairment, pupils with severe multiple
 18 impairments, pupils with hearing impairment, pupils with visual
 19 impairment, and pupils with physical impairment or other health
 20 impairment. Programs for pupils with emotional impairment housed in
 21 buildings that do not serve regular education pupils also qualify.
 22 Unless otherwise approved by the department, a center program
 23 either serves all constituent districts within an intermediate
 24 district or serves several districts with less than 50% of the
 25 pupils residing in the operating district. In addition, special
 26 education center program pupils placed part-time in noncenter
 27 programs to comply with the least restrictive environment
 28 provisions of section 1412 of the individuals with disabilities
 29 education act, 20 USC 1412, may be considered center program pupils



1 for pupil accounting purposes for the time scheduled in either a
2 center program or a noncenter program.

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

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

12 (4) "Membership", except as otherwise provided in this
13 article, means for a district, a public school academy, or an
14 intermediate district **the sum of the product of .50 times the**
15 **district's, public school academy's, or intermediate district's**
16 **membership for the immediately preceding fiscal year, as calculated**
17 **under this section in the immediately preceding fiscal year, and**
18 **the product of .50 times** the sum of the product of .90 times the
19 number of full-time equated pupils in grades K to 12 actually
20 enrolled and in regular daily attendance in the district, public
21 school academy, or intermediate district on the pupil membership
22 count day for the current school year, plus the product of .10
23 times the final audited count from the supplemental count day of
24 full-time equated pupils in grades K to 12 actually enrolled and in
25 regular daily attendance in the district, public school academy, or
26 intermediate district for the immediately preceding school year. A
27 district's, public school academy's, or intermediate district's
28 membership is adjusted as provided under section 25e for pupils who
29 enroll after the pupil membership count day in a strict discipline



1 academy operating under sections 1311b to 1311m of the revised
2 school code, MCL 380.1311b to 380.1311m. All pupil counts used in
3 this subsection are as determined by the department and calculated
4 by adding the number of pupils registered for attendance plus
5 pupils received by transfer and minus pupils lost as defined by
6 rules promulgated by the superintendent, and as corrected by a
7 subsequent department audit. The amount of the foundation allowance
8 for a pupil in membership is determined under section 20. In making
9 the calculation of membership, all of the following, as applicable,
10 apply to determining the membership of a district, a public school
11 academy, or an intermediate district:

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

17 (b) If a pupil is educated in a district other than the
18 pupil's district of residence, if the pupil is not being educated
19 as part of a cooperative education program, if the pupil's district
20 of residence does not give the educating district its approval to
21 count the pupil in membership in the educating district, and if the
22 pupil is not covered by an exception specified in subsection (6) to
23 the requirement that the educating district must have the approval
24 of the pupil's district of residence to count the pupil in
25 membership, the pupil is not counted in membership in any district.

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

28 (d) A pupil placed by a court or state agency in an on-grounds
29 program of a juvenile detention facility, a child caring



1 institution, or a mental health institution, or a pupil funded
2 under section 53a, is counted in membership in the district or
3 intermediate district approved by the department to operate the
4 program.

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

8 (f) A pupil enrolled in a career and technical education
9 program supported by a millage levied over an area larger than a
10 single district or in an area vocational-technical education
11 program established under section 690 of the revised school code,
12 MCL 380.690, is counted in membership only in the pupil's district
13 of residence.

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

16 (h) For the purposes of this section and section 6a, for a
17 cyber school, as that term is defined in section 551 of the revised
18 school code, MCL 380.551, that is in compliance with section 553a
19 of the revised school code, MCL 380.553a, a pupil's participation
20 in the cyber school's educational program is considered regular
21 daily attendance, and for a district or public school academy, a
22 pupil's participation in a virtual course as that term is defined
23 in section 21f is considered regular daily attendance. Beginning
24 July 1, 2021, this subdivision is subject to section 8c. It is the
25 intent of the legislature that the immediately preceding sentence
26 apply retroactively and is effective July 1, 2021. For the purposes
27 of this subdivision, for a pupil enrolled in a cyber school, all of
28 the following apply with regard to the participation requirement as
29 described in this subdivision:



1 (i) Except as otherwise provided in this subdivision, the pupil
2 shall participate in each scheduled course on pupil membership
3 count day or supplemental count day, as applicable. If the pupil is
4 absent on pupil membership count day or supplemental count day, as
5 applicable, the pupil must attend and participate in class during
6 the next 10 consecutive school days if the absence was unexcused,
7 or during the next 30 calendar days if the absence was excused.

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

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

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

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

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

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

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

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

26 (A) Except as otherwise provided in this sub-subparagraph, the
27 pupil and the teacher of record or mentor complete a 2-way
28 interaction for 1 course during the week on which pupil membership
29 count day or supplemental count day, as applicable, occurs, and the



1 3 consecutive weeks following that week. However, if a school break
2 is scheduled during any of the weeks described in this sub-
3 subparagraph that is 4 or more days in length or instruction has
4 been canceled districtwide during any of the weeks described in
5 this sub-subparagraph for 3 or more school days, the district is
6 not required to ensure that the pupil and the teacher of record or
7 mentor completed a 2-way interaction for that week. As used in this
8 sub-subparagraph:

9 (I) "2-way interaction" means the communication that occurs
10 between the teacher of record or mentor and pupil, where 1 party
11 initiates communication and a response from the other party follows
12 that communication. Responses as described in this sub-sub-
13 subparagraph must be to the communication initiated by the teacher
14 of record or mentor, and not some other action taken. This
15 interaction may occur through, but is not limited to, means such as
16 email, telephone, instant messaging, or face-to-face conversation.
17 A parent- or legal-guardian-facilitated 2-way interaction is
18 considered a 2-way interaction if the pupil is in any of grades K
19 to 5 and does not yet possess the skills necessary to participate
20 in 2-way interactions unassisted. The interactions described in
21 this sub-sub-subparagraph must relate to a virtual course on the
22 pupil's schedule and pertain to course content or progress.

23 (II) "Mentor" means a professional employee of the district
24 who monitors the pupil's progress, ensures the pupil has access to
25 needed technology, is available for assistance, and ensures access
26 to the teacher of record. A mentor may also be the teacher of
27 record if the mentor meets the definition of a teacher of record
28 under this sub-subparagraph and the district is the provider for
29 the course.



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

3 (1) He or she is responsible for providing instruction,
4 determining instructional methods for each pupil, diagnosing
5 learning needs, assessing pupil learning, prescribing intervention
6 strategies and modifying lessons, reporting outcomes, and
7 evaluating the effects of instruction and support strategies. The
8 teacher of record may coordinate the distribution and assignment of
9 the responsibilities described in this sub-sub-sub-subparagraph
10 with other teachers participating in the instructional process for
11 a course.

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

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

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

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

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

24 (II) Documented completion of a course assignment.

25 (III) Documented completion of a course lesson or lesson
26 activity.

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

29 (V) Documented physical attendance on pupil membership count



1 day or supplemental count day, as applicable, in each scheduled
 2 course, if the pupil will attend at least 50% of the instructional
 3 time for each scheduled course on-site, face-to-face with the
 4 teacher of record. As used in this sub-sub-subparagraph, "teacher
 5 of record" means that term as defined in subparagraph (iii) (A).

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

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

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

25 (ii) If operations begin after the pupil membership count day
 26 for the fiscal year and not later than the supplemental count day
 27 for the fiscal year, membership is the final audited count of the
 28 number of full-time equated pupils in grades K to 12 actually
 29 enrolled and in regular daily attendance on the supplemental count



1 day for the current school year.

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

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

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

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

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

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



1 (B) Had dropped out of school.

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

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

11 (m) An individual who has achieved a high school diploma is
12 not counted in membership. An individual who has achieved a high
13 school equivalency certificate is not counted in membership unless
14 the individual is a student with a disability as that term is
15 defined in R 340.1702 of the Michigan Administrative Code. An
16 individual participating in a job training program funded under
17 former section 107a or a jobs program funded under former section
18 107b, administered by the department of labor and economic
19 opportunity, or participating in any successor of either of those 2
20 programs, is not counted in membership.

21 (n) If a pupil counted in membership in a public school
22 academy is also educated by a district or intermediate district as
23 part of a cooperative education program, the pupil is counted in
24 membership only in the public school academy unless a written
25 agreement signed by all parties designates the party or parties in
26 which the pupil is counted in membership, and the instructional
27 time scheduled for the pupil in the district or intermediate
28 district is included in the full-time equated membership
29 determination under subdivision (q) and section 101. However, for



1 pupils receiving instruction in both a public school academy and in
 2 a district or intermediate district but not as a part of a
 3 cooperative education program, the following apply:

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

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

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

29 (p) The department shall give a uniform interpretation of



1 full-time and part-time memberships.

2 (q) The number of class hours used to calculate full-time
3 equated memberships must be consistent with section 101. In
4 determining full-time equated memberships for pupils who are
5 enrolled in a postsecondary institution or for pupils engaged in an
6 internship or work experience under section 1279h of the revised
7 school code, MCL 380.1279h, a pupil is not considered to be less
8 than a full-time equated pupil solely because of the effect of his
9 or her postsecondary enrollment or engagement in the internship or
10 work experience, including necessary travel time, on the number of
11 class hours provided by the district to the pupil.

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

27 (s) For a district or a public school academy that has pupils
28 enrolled in a grade level that was not offered by the district or
29 public school academy in the immediately preceding school year, the



1 number of pupils enrolled in that grade level to be counted in
2 membership is the average of the number of those pupils enrolled
3 and in regular daily attendance on the pupil membership count day
4 and the supplemental count day of the current school year.
5 Membership is calculated by adding the number of pupils registered
6 for attendance in that grade level on the pupil membership count
7 day plus pupils received by transfer and minus pupils lost as
8 defined by rules promulgated by the superintendent, and as
9 corrected by subsequent department audit, plus the final audited
10 count from the supplemental count day for the current school year,
11 and dividing that sum by 2.

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

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



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

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

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

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

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

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

29 (x) If a district's membership for a particular fiscal year,



1 as otherwise calculated under this subsection, would be less than
2 1,550 pupils, the district has 4.5 or fewer pupils per square mile,
3 as determined by the department, and the district does not receive
4 funding under section 22d(2), the district's membership is
5 considered to be the membership figure calculated under this
6 subdivision. If a district educates and counts in its membership
7 pupils in grades 9 to 12 who reside in a contiguous district that
8 does not operate grades 9 to 12 and if 1 or both of the affected
9 districts request the department to use the determination allowed
10 under this sentence, the department shall include the square
11 mileage of both districts in determining the number of pupils per
12 square mile for each of the districts for the purposes of this
13 subdivision. If a district has established a community engagement
14 advisory committee in partnership with the department of treasury,
15 is required to submit a deficit elimination plan or an enhanced
16 deficit elimination plan under section 1220 of the revised school
17 code, MCL 380.1220, and is located in a city with a population
18 between 9,000 and 11,000, as determined by the department, that is
19 in a county with a population between 150,000 and 160,000, as
20 determined by the department, the district's membership is
21 considered to be the membership figure calculated under this
22 subdivision. The membership figure calculated under this
23 subdivision is the greater of the following:

24 (i) The average of the district's membership for the 3-fiscal-
25 year period ending with that fiscal year, calculated by adding the
26 district's actual membership for each of those 3 fiscal years, as
27 otherwise calculated under this subsection, and dividing the sum of
28 those 3 membership figures by 3.

29 (ii) The district's actual membership for that fiscal year as



1 otherwise calculated under this subsection.

2 (y) Full-time equated memberships for special education pupils
 3 who are not enrolled in kindergarten but are enrolled in a
 4 classroom program under R 340.1754 of the Michigan Administrative
 5 Code are determined by dividing the number of class hours scheduled
 6 and provided per year by 450. Full-time equated memberships for
 7 special education pupils who are not enrolled in kindergarten but
 8 are receiving early childhood special education services under R
 9 340.1755 or R 340.1862 of the Michigan Administrative Code are
 10 determined by dividing the number of hours of service scheduled and
 11 provided per year per pupil by 180.

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

17 (aa) For the first year in which a pupil is counted in
 18 membership on the pupil membership count day in a middle college
 19 program, the membership is the average of the full-time equated
 20 membership on the pupil membership count day and on the
 21 supplemental count day for the current school year, as determined
 22 by the department. If a pupil described in this subdivision was
 23 counted in membership by the operating district on the immediately
 24 preceding supplemental count day, the pupil is excluded from the
 25 district's immediately preceding supplemental count for the
 26 purposes of determining the district's membership.

27 (bb) A district or public school academy that educates a pupil
 28 who attends a United States Olympic Education Center may count the
 29 pupil in membership regardless of whether or not the pupil is a



1 resident of this state.

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

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

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

25 (ii) The pupil meets the district's definition under section
26 23a of satisfactory monthly progress for that month or, if the
27 pupil does not meet that definition of satisfactory monthly
28 progress for that month, the pupil did meet that definition of
29 satisfactory monthly progress in the immediately preceding month



1 and appropriate interventions, **as defined by the district**, are
2 implemented within 10 school days after it is determined that the
3 pupil does not meet that definition of satisfactory monthly
4 progress.

5 (ee) A pupil participating in a virtual course under section
6 21f is counted in membership in the district enrolling the pupil.

7 (ff) If a public school academy that is not in its first or
8 second year of operation closes at the end of a school year and
9 does not reopen for the next school year, the department shall
10 adjust the membership count of the district or other public school
11 academy in which a former pupil of the closed public school academy
12 enrolls and is in regular daily attendance for the next school year
13 to ensure that the district or other public school academy receives
14 the same amount of membership aid for the pupil as if the pupil
15 were counted in the district or other public school academy on the
16 supplemental count day of the preceding school year.

17 (gg) If a special education pupil is expelled under section
18 1311 or 1311a of the revised school code, MCL 380.1311 and
19 380.1311a, and is not in attendance on the pupil membership count
20 day because of the expulsion, and if the pupil remains enrolled in
21 the district and resumes regular daily attendance during that
22 school year, the district's membership is adjusted to count the
23 pupil in membership as if he or she had been in attendance on the
24 pupil membership count day.

25 (hh) A pupil enrolled in a community district is counted in
26 membership in the community district.

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



1 (jj) A district that borders another state or a public school
2 academy that operates at least grades 9 to 12 and is located within
3 20 miles of a border with another state may count in membership a
4 pupil who is enrolled in a course at a college or university that
5 is located in the bordering state and within 20 miles of the border
6 with this state if all of the following are met:

7 (i) The pupil would meet the definition of an eligible student
8 under the postsecondary enrollment options act, 1996 PA 160, MCL
9 388.511 to 388.524, if the course were an eligible course under
10 that act.

11 (ii) The course in which the pupil is enrolled would meet the
12 definition of an eligible course under the postsecondary enrollment
13 options act, 1996 PA 160, MCL 388.511 to 388.524, if the course
14 were provided by an eligible postsecondary institution under that
15 act.

16 (iii) The department determines that the college or university
17 is an institution that, in the other state, fulfills a function
18 comparable to a state university or community college, as those
19 terms are defined in section 3 of the postsecondary enrollment
20 options act, 1996 PA 160, MCL 388.513, or is an independent
21 nonprofit degree-granting college or university.

22 (iv) The district or public school academy pays for a portion
23 of the pupil's tuition at the college or university in an amount
24 equal to the eligible charges that the district or public school
25 academy would pay to an eligible postsecondary institution under
26 the postsecondary enrollment options act, 1996 PA 160, MCL 388.511
27 to 388.524, as if the course were an eligible course under that
28 act.

29 (v) The district or public school academy awards high school



1 credit to a pupil who successfully completes a course as described
2 in this subdivision.

3 (kk) A pupil enrolled in a middle college program may be
4 counted for more than a total of 1.0 full-time equated membership
5 **for any of the school years in which the pupil is enrolled in the**
6 **middle college program, but the total full-time equated membership**
7 **for that pupil for all of the school years in which the pupil is**
8 **enrolled in the middle college program must not be greater than**
9 **5.00 full-time equated membership,** if the pupil is enrolled in more
10 than the minimum number of instructional days and hours required
11 under section 101 and the pupil is expected to complete the 5-year
12 program with both a high school diploma and at least 60
13 transferable college credits or is expected to earn an associate's
14 degree in fewer than 5 years. **A pupil who graduates with both a**
15 **high school diploma and at least 60 transferrable college credits**
16 **or an associate's degree at least 1 semester early is considered to**
17 **have completed the middle college program in fewer than 5 years.**

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

23 (i) If the district's or public school academy's membership for
24 pupils counted under section 166b equals or exceeds 5% of the
25 district's or public school academy's membership for pupils not
26 counted in membership under section 166b in the immediately
27 preceding fiscal year, then the growth in the district's or public
28 school academy's membership for pupils counted under section 166b
29 must not exceed 10%.



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

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

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

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

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

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

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

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

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



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

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

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

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

27 (f) A pupil whose district of residence changed after the
28 pupil membership count day and before the supplemental count day
29 and who continues to be enrolled on the supplemental count day as a



1 nonresident in the district in which he or she was enrolled as a
2 resident on the pupil membership count day of the same school year.

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

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

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

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

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

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

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

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

25 (k) A pupil enrolled in a district other than the pupil's
26 district of residence in a middle college program if the pupil's
27 district of residence and the enrolling district are both
28 constituent districts of the same intermediate district.

29 (l) A pupil enrolled in a district other than the pupil's



1 district of residence who attends a United States Olympic Education
2 Center.

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

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

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

17 (7) "Pupil membership count day" of a district or intermediate
18 district means:

19 (a) Except as provided in subdivision (b) **or (c), ~~the either~~**
20 **of the following:**

21 (i) **The** first Wednesday in October each school year. ~~or, for~~

22 (ii) **For** a district or building in which school is not in
23 session on ~~that~~ **the** Wednesday **described in subparagraph (i)** due to
24 conditions not within the control of school authorities, with the
25 approval of the superintendent, the immediately following day on
26 which school is in 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 (c) If a date listed in subdivision (a) or (b) is a day of
5 religious or cultural significance, as determined by the
6 department, if approved by the superintendent of public
7 instruction, the immediately following day on which school is in
8 session in the district or building.

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



1 supplemental count day of a particular year but was expelled or
 2 suspended on the pupil membership count day or supplemental count
 3 day is only counted as 1.0 full-time equated membership if the
 4 pupil resumed attendance in the district, intermediate district, or
 5 public school academy within 45 days after the pupil membership
 6 count day or supplemental count day of that particular year. Except
 7 as otherwise provided in this section, a pupil not counted as 1.0
 8 full-time equated membership due to an absence from a class is
 9 counted as a prorated membership for the classes the pupil
 10 attended. For purposes of this subsection: ~~,"class" means either~~
 11 ~~of the following, as applicable:~~

12 **(a) "Appropriately placed" means holding a valid Michigan**
 13 **educator credential with the required grade range and discipline or**
 14 **subject area for the assignment, as defined by the superintendent**
 15 **of public instruction.**

16 **(b) ~~(a) A "Class" means a period of time in 1 day when pupils~~**
 17 **and an individual who is appropriately placed under a valid**
 18 **certificate, substitute permit, authorization, or approval issued**
 19 **by the department, are together and instruction is taking place.**
 20 ~~This subdivision does not apply for the 2020-2021, 2021-2022, and~~
 21 ~~2022-2023 school years.~~

22 ~~(b) For the 2020-2021, 2021-2022, and 2022-2023 school years~~
 23 ~~only, a period of time in 1 day when pupils and a certificated~~
 24 ~~teacher, a teacher engaged to teach under section 1233b of the~~
 25 ~~revised school code, MCL 380.1233b, or an individual working under~~
 26 ~~a valid substitute permit, authorization, or approval issued by the~~
 27 ~~department are together and instruction is taking place.~~

28 **(9) "Rule" means a rule promulgated pursuant to the**
 29 **administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to**



1 24.328.

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

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

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

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

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

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

17 (16) "Tuition pupil" means a pupil of school age attending
18 school in a district other than the pupil's district of residence
19 for whom tuition may be charged to the district of residence.
20 Tuition pupil does not include a pupil who is a special education
21 pupil, a pupil described in subsection (6)(d) to (n), or a pupil
22 whose parent or guardian voluntarily enrolls the pupil in a
23 district that is not the pupil's district of residence. A pupil's
24 district of residence shall not require a high school tuition
25 pupil, as provided under section 111, to attend another school
26 district after the pupil has been assigned to a school district.

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



1 (18) "Taxable value" means, except as otherwise provided in
2 this article, the taxable value of property as determined under
3 section 27a of the general property tax act, 1893 PA 206, MCL
4 211.27a.

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

12 (20) "Total state aid" or "total state school aid", except as
13 otherwise provided in this article, means the total combined amount
14 of all funds due to a district, intermediate district, or other
15 entity under this article.

16 Sec. 6a. Except as otherwise provided in this act, in addition
17 to the pupil membership count day, there is a supplemental pupil
18 count of the number of full-time equated pupils in grades ~~K-12~~**K to**
19 **12** actually enrolled and in regular daily attendance in a district
20 or intermediate district on the second Wednesday in February or,
21 for a district **or intermediate district** that is not in session on
22 that day due to conditions not within the control of school
23 authorities, with the approval of the superintendent, the
24 immediately following day on which the district is in session.
25 **However, if a date described in the immediately preceding sentence**
26 **is a day of religious or cultural significance, as determined by**
27 **the department, if approved by the superintendent of public**
28 **instruction, the immediately following day on which school is in**
29 **session is the day on which the supplemental pupil count described**



1 **in this section must occur.** For the purposes of this act, the day
 2 on which the supplemental pupil count is conducted is the
 3 supplemental count day.

4 Sec. 11. (1) For the fiscal year ending September 30, ~~2022,~~
 5 **2023**, there is appropriated for the public schools of this state
 6 and certain other state purposes relating to education the sum of
 7 ~~\$14,511,014,700.00~~ **\$17,738,115,900.00** from the state school aid
 8 fund, the sum of ~~\$98,119,400.00~~ **\$124,200,000.00** from the general
 9 fund, an amount not to exceed \$72,000,000.00 from the community
 10 district education trust fund created under section 12 of the
 11 Michigan trust fund act, 2000 PA 489, MCL 12.262, ~~and an amount not~~
 12 ~~to exceed \$100.00 from the water emergency reserve fund.~~ **and an**
 13 **amount not to exceed \$140,400,000.00 from the MPSEERS retirement**
 14 **obligation reform reserve fund created under section 147b.** For the
 15 fiscal year ending September 30, ~~2023,~~ **2024**, there is appropriated
 16 for the public schools of this state and certain other state
 17 purposes relating to education the sum of ~~\$16,754,072,900.00~~
 18 **\$18,439,183,600.00** from the state school aid fund, the sum of
 19 ~~\$124,200,000.00~~ **\$73,700,700.00** from the general fund, an amount not
 20 to exceed \$72,000,000.00 from the community district education
 21 trust fund created under section 12 of the Michigan trust fund act,
 22 2000 PA 489, MCL 12.262, ~~and an amount not to exceed~~
 23 ~~\$140,400,000.00~~ **\$202,000,000.00** from the MPSEERS retirement
 24 obligation reform reserve fund created under section 147b, **an**
 25 **amount not to exceed \$245,000,000.00 from the school consolidation**
 26 **and infrastructure fund created under section 11x, and an amount**
 27 **not to exceed \$150,000,000.00 from the school transportation fund**
 28 **created under section 22k.** In addition, all available federal funds
 29 are only appropriated as allocated in this article for the fiscal



1 years ending September 30, ~~2022~~**2023** and September 30, ~~2023~~**2024**.

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

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

10 Sec. 11a. (1) The school aid stabilization fund is created as
11 a separate account within the state school aid fund.

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

16 (a) Unexpended and unencumbered state school aid fund revenue
17 for a fiscal year that remains in the state school aid fund as of
18 the bookclosing for that fiscal year.

19 (b) Money statutorily dedicated to the school aid
20 stabilization fund.

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

22 (3) Money available in the school aid stabilization fund may
23 not be expended without a specific appropriation from the school
24 aid stabilization fund. Money in the school aid stabilization fund
25 must be expended only for purposes for which state school aid fund
26 money may be expended.

27 (4) The state treasurer shall direct the investment of the
28 school aid stabilization fund. The state treasurer shall credit to
29 the school aid stabilization fund interest and earnings from fund



1 investments.

2 (5) Money in the school aid stabilization fund at the close of
3 a fiscal year remains in the school aid stabilization fund and does
4 not lapse to the unreserved school aid fund balance or the general
5 fund.

6 (6) If the maximum amount appropriated under section 11 from
7 the state school aid fund for a fiscal year exceeds the amount
8 available for expenditure from the state school aid fund for that
9 fiscal year, there is appropriated from the school aid
10 stabilization fund to the state school aid fund an amount equal to
11 the projected shortfall as determined by the department of
12 treasury, but not to exceed available money in the school aid
13 stabilization fund. If the money in the school aid stabilization
14 fund is insufficient to fully fund an amount equal to the projected
15 shortfall, the state budget director shall notify the legislature
16 as required under section 296(2) and state payments in an amount
17 equal to the remainder of the projected shortfall must be prorated
18 in the manner provided under section 296(3).

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

23 Sec. 11j. From the state school aid fund money appropriated in
24 section 11, there is allocated an amount not to exceed
25 \$111,000,000.00 for ~~2022-2023~~ **2023-2024** for payments to the school
26 loan bond redemption fund in the department of treasury on behalf
27 of districts and intermediate districts. Notwithstanding section
28 296 or any other provision of this act, funds allocated under this
29 section are not subject to proration and must be paid in full.



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

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

15 Sec. 11s. (1) From the state school aid fund money
 16 appropriated in section 11, there is allocated \$5,000,000.00 for
 17 ~~2022-2023~~ **2023-2024** and from the general fund money appropriated in
 18 section 11, there is allocated \$3,075,000.00 for ~~2022-2023~~ **2023-**
 19 **2024** for the purpose of providing services and programs to children
 20 who reside within the boundaries of a district with the majority of
 21 its territory located within the boundaries of a city for which an
 22 executive proclamation of emergency concerning drinking water is
 23 issued in the current or immediately preceding ~~7-8~~ fiscal years
 24 under the emergency management act, 1976 PA 390, MCL 30.401 to
 25 30.421, and that has at least 4,500 pupils in membership for the
 26 2016-2017 fiscal year or has at least ~~2,900~~ **2,800** pupils in
 27 membership for a fiscal year after 2016-2017.

28 (2) From the general fund money allocated in subsection (1),
 29 there is allocated to a district with the majority of its territory



1 located within the boundaries of a city for which an executive
 2 proclamation of emergency concerning drinking water is issued in
 3 the current or immediately preceding 7-8 fiscal years under the
 4 emergency management act, 1976 PA 390, MCL 30.401 to 30.421, and
 5 that has at least 4,500 pupils in membership for the 2016-2017
 6 fiscal year or has at least ~~2,900~~ **2,800** pupils in membership for a
 7 fiscal year after 2016-2017, an amount not to exceed \$2,425,000.00
 8 for ~~2022-2023~~ **2023-2024** for the purpose of employing school nurses,
 9 classroom aides, and school social workers **and for the provision of**
 10 **behavioral or mental health supports, parental engagement**
 11 **activities, community coordination activities, and other support**
 12 **services.** The district shall provide a report to the department in
 13 a form, manner, and frequency prescribed by the department. The
 14 department shall provide a copy of that report to the governor, the
 15 house and senate school aid subcommittees, the house and senate
 16 fiscal agencies, and the state budget director within 5 days after
 17 receipt. The report must provide at least the following
 18 information:

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

21 (b) A description of the services provided to pupils by those
 22 personnel.

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

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

28 ~~(3) For 2022-2023, from the state school aid fund money~~
 29 ~~allocated in subsection (1), there is allocated an amount not to~~



1 ~~exceed \$2,000,000.00 to an intermediate district that has a~~
 2 ~~constituent district described in subsection (2) to provide state~~
 3 ~~early intervention services for children described in subsection~~
 4 ~~(1) who are between age 3 and age 5. The intermediate district~~
 5 ~~shall use these funds to provide state early intervention services~~
 6 ~~that are similar to the services described in the early on Michigan~~
 7 ~~state plan.~~

8 ~~(4) From the state school aid fund money allocated in~~
 9 ~~subsection (1), there is allocated an amount not to exceed~~
 10 ~~\$1,000,000.00 for 2022-2023 to the intermediate district described~~
 11 ~~in subsection (3) to enroll children described in subsection (1) in~~
 12 ~~school-day great start readiness programs, regardless of household~~
 13 ~~income eligibility requirements contained in section 32d. The~~
 14 ~~department shall administer this funding consistent with all other~~
 15 ~~provisions that apply to great start readiness programs under~~
 16 ~~sections 32d and 39.~~

17 ~~(3) (5) For 2022-2023, 2023-2024,~~ from the general fund money
 18 allocated in subsection (1), there is allocated an amount not to
 19 exceed \$650,000.00 for nutritional services to children described
 20 in subsection (1).

21 ~~(4) (6) For 2022-2023, 2023-2024,~~ from the state school aid
 22 fund money allocated in subsection (1), there is allocated an
 23 amount not to exceed ~~\$2,000,000.00~~ **\$5,000,000.00** to the
 24 intermediate district ~~described in subsection (3)~~ **that has a**
 25 **constituent district described in subsection (2)** for interventions
 26 and supports for students in K to 12 who were impacted by an
 27 executive proclamation of emergency described in subsection (1)
 28 concerning drinking water. Funds under this subsection must be used
 29 for behavioral supports, social workers, counselors, psychologists,



1 nursing services, including, but not limited to, vision and hearing
 2 services, transportation services, parental engagement, community
 3 coordination, and other support services.

4 (5) ~~(7)~~—In addition to the allocation under subsection (1),
 5 from the general fund money appropriated under section 11, there is
 6 allocated an amount not to exceed \$1,000,000.00 for ~~2022-2023-2023-~~
 7 **2024** only for an early childhood collaborative that serves students
 8 located in a county with a population of not less than ~~400,000~~
 9 **390,000** or more than ~~500,000-450,000~~. The funds allocated under
 10 this subsection must be used to continue the expansion of early
 11 childhood services in response to an executive proclamation of
 12 emergency described in this section concerning drinking water.

13 ~~(8) In addition to other funding allocated and appropriated in~~
 14 ~~this section, there is appropriated an amount not to exceed~~
 15 ~~\$5,000,000.00 for 2022-2023 for state restricted contingency funds.~~
 16 ~~These contingency funds are not available for expenditure until~~
 17 ~~they have been transferred to a section within this article under~~
 18 ~~section 393(2) of the management and budget act, 1984 PA 431, MCL~~
 19 ~~18.1393.~~

20 (6) ~~(9)~~—Notwithstanding section 17b, the department shall make
 21 payments under this section on a schedule determined by the
 22 department.

23 **Sec. 11v. From the state school aid fund money appropriated in**
 24 **section 11, there is allocated for 2022-2023 only \$94,400,000.00 to**
 25 **a community district that was created as described under section**
 26 **383 of the revised school code, MCL 380.383. Funds allocated under**
 27 **this section are direct grant funds to a community district and are**
 28 **not subject to approval by the state board of education or the**
 29 **superintendent of public instruction. A community district shall**



1 use funds allocated under this section only for literacy-related
 2 programs and initiatives. Notwithstanding section 17b, the
 3 department shall make payments under this section by not later than
 4 September 30, 2023.

5 Sec. 11w. (1) From the state school aid fund money
 6 appropriated in section 11, there is allocated for 2021-2022 an
 7 amount not to exceed \$9,828,000.00 for payments to 1 district that
 8 was forced to close a building operated by the district for an
 9 extended period of time, but not less than 20 consecutive school
 10 days, as a result of the district's response to an act of pupil
 11 violence. Funds allocated under this section may be used for
 12 personnel and additional student supports, including psychologists,
 13 family liaisons, mental health staff, school security, additional
 14 learning time, legal fees, and the physical restoration of a school
 15 building.

16 (2) For 2021-2022 only, for the district described in
 17 subsection (1), it is the intent of the legislature that results
 18 from summative assessments administered by the district during the
 19 2021-2022 school year are not used for retention decisions,
 20 educator evaluations, and other high-stakes decisions. The
 21 department is encouraged to work with the district to determine
 22 alternative methods to comply with applicable state laws.

23 (3) The funds allocated under this section for 2021-2022 are a
 24 work project appropriation, and any unexpended funds for 2021-2022
 25 are carried forward into 2022-2023. The purpose of the work project
 26 is to continue to provide support for the district described in
 27 subsection (1). The estimated completion date of the work project
 28 is September 30, ~~2023~~2024.

29 (4) Notwithstanding section 17b, the department shall make



1 payments under this section on a schedule determined by the
2 department.

3 Sec. 11x. (1) The school consolidation and infrastructure fund
4 is created as a separate account within the state school aid fund
5 for the purpose of improving student academic outcomes, increasing
6 the efficiency of the state's public education system, and creating
7 a healthy and safe space for students in this state.

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

15 (3) Money in the school consolidation and infrastructure fund
16 at the close of the fiscal year remains in the school consolidation
17 and infrastructure fund and does not lapse to the state school aid
18 fund or the general fund.

19 (4) The department of treasury is the administrator of the
20 school consolidation and infrastructure fund for auditing purposes.

21 (5) Money available in the school consolidation and
22 infrastructure fund must not be expended without a specific
23 appropriation. ~~No more than 50% of funds in the school~~
24 ~~consolidation and infrastructure fund may be appropriated for non-~~
25 ~~consolidation-related infrastructure projects.~~

26 (6) ~~From~~ **Subject to subsection (7),** from the state school aid
27 fund money appropriated under section 11, there is allocated for
28 2022-2023 only an amount not to exceed \$5,000,000.00 for grants to
29 ~~districts and intermediate districts~~ to support the cost of a



1 feasibility study or analysis of consolidation **or the consolidation**
 2 **of services** among 1 or more districts or among 1 or more
 3 intermediate districts. ~~Districts and intermediate districts~~ **Except**
 4 **as otherwise provided in this subsection, an intermediate district**
 5 **may apply to the department by not later than September 30, 2023**
 6 **for a grant under this section to the department on a first-come,**
 7 **first-serve basis. subsection in a form and manner prescribed by**
 8 **the department no later than September 30, 2023.** The maximum amount
 9 of a grant to be distributed under this ~~section~~ **subsection** may not
 10 exceed \$250,000.00. Notwithstanding section 17b, the department
 11 shall make payments under this subsection on a schedule determined
 12 by the department. **A district with more than 40,000 pupils in**
 13 **membership may apply to the department for a grant under this**
 14 **subsection on its own behalf and must not be included in an**
 15 **intermediate district application.**

16 (7) To be eligible for a grant under subsection (6), an
 17 intermediate district must demonstrate to the department, in the
 18 manner prescribed by the department, that the intermediate district
 19 will conduct a feasibility study or analysis and that all of the
 20 following will be met:

21 (a) Within 30 days after completion of the study or analysis,
 22 the intermediate district will make the results available to all
 23 districts and intermediate districts included in the study or
 24 analysis. Within 60 days after the completion of the study or
 25 analysis, the intermediate district will make the results available
 26 on a publicly available website.

27 (b) The study or analysis may include, but is not limited to,
 28 consolidation opportunities in the following areas:

29 (i) Financial services, which may include, but are not limited



1 to, the following:

2 (A) Budgeting and staffing.

3 (B) Payroll.

4 (C) Employee benefits.

5 (D) State reporting.

6 (E) Software consolidation to achieve common software
7 throughout the intermediate district.

8 (ii) Human resources, which may include, but are not limited

9 to, the following:

10 (A) Onboarding.

11 (B) Title IX administration.

12 (C) Hiring.

13 (D) Software consolidation to achieve common software
14 throughout the intermediate district.

15 (iii) Information technology, which may include, but is not
16 limited to, the following:

17 (A) Software consolidation to achieve common software
18 throughout the intermediate district.

19 (B) Fiber projects.

20 (C) Cybersecurity.

21 (D) One-to-one device management.

22 (iv) Grant management and reporting, which may include, but are
23 not limited to, the following:

24 (A) Management of all state grant sites and databases.

25 (B) Grant reporting.

26 (v) Cash management, which may include, but is not limited to,
27 the opportunities for intermediate districts and districts to
28 contract on cash flow management to maximize interest earnings.

29 (vi) Debt issuance and management, including at least all of



1 the following:

2 (A) Refunding opportunities.

3 (B) New bond issue analysis.

4 (vii) School facility consolidation.

5 (viii) The physical consolidation of districts.

6 (c) The intermediate district will meet with its constituent
7 districts located within the intermediate district to discuss the
8 results of the study or analysis and to implement changes where
9 feasible. The application must include a brief description of how
10 the intermediate district will conduct these meetings.

11 (8) The amount of the grant to each eligible intermediate
12 district under subsection (6) is an equal amount per pupil based on
13 the amount of funding available under subsection (6) and the
14 combined total number of pupils in membership in the intermediate
15 district and its constituent districts located within the
16 intermediate district. However, as prescribed in subsection (6),
17 the amount of the grant may not exceed \$250,000.00.

18 (9) ~~(7)~~—For the fiscal year ending September 30, 2022 only,
19 \$475,000,000.00 from the state school aid fund must be deposited
20 into the school consolidation and infrastructure fund.

21 (10) For the fiscal year ending September 30, 2023 only,
22 \$782,584,700.00 from the state school aid fund must be deposited
23 into the school consolidation and infrastructure fund.

24 (11) ~~(8)~~—To be eligible for the receipt of ~~funds~~ **funding for**
25 **infrastructure-related projects** appropriated from the school
26 consolidation and infrastructure fund created under this section, a
27 district must allow for the facility condition assessments
28 described in section 11y to be conducted in the district. **It is**
29 **intended that money in the school consolidation and infrastructure**



1 fund will not be appropriated for infrastructure projects until the
 2 completion of the facility condition assessments described in
 3 section 11y.

4 Sec. 12a. (1) From the state school aid fund money
 5 appropriated in section 11, there is allocated for 2022-2023 only
 6 an amount not to exceed \$300,000,000.00 for competitive grants to
 7 participating schools to lower energy costs and improve health
 8 outcomes at school facilities through the healthy schools grant
 9 program created under this section. The department shall create a
 10 healthy schools grant program to disburse grant funding for the
 11 purposes under this section.

12 (2) Except as otherwise provided in this subsection, to
 13 receive a grant under this section, a participating school must
 14 apply for the grant in a form and manner prescribed by the
 15 department, in collaboration with the department of environment,
 16 Great Lakes, and energy and the department of health and human
 17 services. An application described in this subsection must be
 18 evaluated using the following scoring criteria:

19 (a) Utilizing Justice40 parameters.

20 (b) Prioritizing applicants from the National Ambient Air
 21 Quality Standards nonattainment zones; high asthma burden areas;
 22 environmental justice areas; small area income and poverty
 23 estimates (SAIPE) program areas; rural areas, defined by locale
 24 codes "43-Rural: Remote" and "42-Rural: Distant" by the national
 25 center for education statistics; and communities with high free and
 26 reduced lunch participation rates.

27 (c) Prioritizing applicants utilizing union labor and Michigan
 28 companies for evaluation and installation of improvements.

29 (d) Prioritizing initial distribution of funds to



1 participating schools that participated in the racial disparities
2 task force initiative evaluating and analyzing opportunities to
3 improve air quality in K to 12 facilities in environmental justice
4 communities.

5 (3) Grants awarded to participating schools under this section
6 must only be used for 1 or more of the following purposes:

7 (a) Indoor air quality improvements, including HVAC and air
8 conditioning needs.

9 (b) Energy enhancements, including energy efficiencies, on-
10 site renewable energy production, and facility electrification.

11 (c) Toxin remediation, including the removal of lead and,
12 subject to section 168a, asbestos.

13 (d) Drinking water system upgrades, including the installation
14 of hydration stations.

15 (4) Each participating school receiving a grant under this
16 section shall match at least 50% of the grant funding received with
17 other sources toward the completion of projects commenced for
18 purposes of this section.

19 (5) The funds allocated under this section for 2022-2023 are a
20 work project appropriation, and any unexpended funds for 2022-2023
21 are carried forward into 2023-2024. The purpose of the work project
22 is to lower energy costs and improve health outcomes at school
23 facilities. The estimated completion date of the work project is
24 September 30, 2027.

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

28 (7) As used in this section, "participating school" means a
29 district or intermediate district.



1 Sec. 12b. (1) From the state school aid fund money
2 appropriated in section 11, there is allocated for 2023-2024 only
3 an amount not to exceed \$25,000,000.00 to districts and
4 intermediate districts for the provision of facility upgrades in
5 school-based health centers. Funding received by a district or
6 intermediate district under this section may be used only for the
7 following purposes:

8 (a) Modernizing antiquated medical equipment.

9 (b) Improving security and patient safety measures.

10 (c) Investing in new patient-centered technologies.

11 (d) Renovating physical spaces to improve patient privacy and
12 the care setting.

13 (2) To be eligible to receive funding under this section, a
14 district or intermediate district must have a school-based health
15 center that serves students in the current fiscal year and must
16 submit a joint application with the school-based health center
17 toward which it will apply funding under this section, in a form
18 and manner determined by the department in collaboration with the
19 department of health and human services.

20 (3) The award to each district or intermediate district of
21 funding under this section must not exceed \$150,000.00 per school-
22 based health center.

23 (4) If funding under this section is not sufficient to fully
24 fund all eligible applicants, the department shall prioritize
25 funding based on the age of the school-based health center for
26 which the district or intermediate district sought funding for
27 under this section.

28 (5) Notwithstanding section 17b, the department shall make
29 payments under this section in full when the funding is awarded.



1 Sec. 12c. (1) From the school consolidation and infrastructure
2 fund created under section 11x, there is allocated for 2023-2024
3 only an amount not to exceed \$245,000,000.00 for grants to
4 districts and intermediate districts to support the initial costs
5 related to the consolidation or the consolidation of services
6 identified in the feasibility study or analysis conducted under
7 section 11x.

8 (2) To be eligible for funding under this section, a district
9 or intermediate district must apply for the funding in a form and
10 manner prescribed by the department. An intermediate district may
11 apply for funding on behalf of a district if the intermediate
12 district is providing the consolidated services. An application
13 described in this subsection must include all of the following:

14 (a) An assurance that the district or intermediate district
15 was included in a feasibility study or analysis conducted under
16 section 11x.

17 (b) An assurance that the consolidation or the consolidated
18 service or services being funded were included as a recommendation
19 in a feasibility study or analysis conducted under section 11x.

20 (c) A brief description of how the district or intermediate
21 district plans to implement changes, as outlined in a feasibility
22 study or analysis conducted under section 11x, where possible.

23 (d) An assurance that the district or intermediate district
24 will submit to the department an annual report documenting the
25 estimated savings produced as a result of the consolidation or
26 consolidation of services.

27 (e) A budget of the estimated first-year costs associated with
28 the consolidation or the consolidation of services, in the form and
29 manner prescribed by the department.



1 (3) If funding under this section is not sufficient to fully
2 fund all applicants, the department shall do either of the
3 following:

4 (a) Ensure that awards under this section are determined based
5 upon a competitive grant process.

6 (b) Distribute funds under this section on a prorated or other
7 equitable basis as determined by the department.

8 (4) Each intermediate district that receives funding under
9 this section and also receives funding under section 11x(6) for
10 2022-2023 shall, in consultation with its constituent districts
11 that receive funds under this section, submit a report to the
12 department not later than June 30, 2025. The report must include
13 all of the following information regarding consolidation or
14 consolidated services supported by funding under this section, in
15 the form and manner prescribed by the department:

16 (a) The amount previously spent on each consolidation or
17 consolidated service in the prior fiscal year.

18 (b) The number of students impacted by the consolidation or
19 consolidated service.

20 (c) The vendors, third-party entities, or other educational
21 entities used for consolidation or to consolidate the service or
22 services.

23 (d) The impact on student learning attributable to money
24 reallocated as a result of the consolidation or consolidated
25 service or services.

26 (e) A total of cost savings produced as a result of the
27 consolidation or the consolidation of services, in the form and
28 manner prescribed by the department.

29 (5) As used in this section, "constituent district" means that



1 **terms as defined in section 3 of the revised school code, MCL**
 2 **380.3.**

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

26 (2) If the result of an audit conducted by or for the
 27 department affects the current fiscal year membership, the
 28 department shall adjust affected payments in the current fiscal
 29 year. A deduction due to an adjustment made as a result of an audit



1 conducted by or for the department, or as a result of information
2 obtained by the department from the district, an intermediate
3 district, the department of treasury, or the office of auditor
4 general, must be deducted from the district's apportionments when
5 the adjustment is finalized. At the request of the district and
6 upon the district presenting evidence satisfactory to the
7 department of the hardship, the department may grant up to an
8 additional 4 years for the adjustment and may advance payments to
9 the district otherwise authorized under this article if the
10 district would otherwise experience a significant hardship in
11 satisfying its financial obligations. However, a district that
12 presented satisfactory evidence of hardship and was undergoing an
13 extended adjustment during 2018-2019 may continue to use the period
14 of extended adjustment as originally granted by the department.

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



1 141.931 to 141.942, or from the proceeds of millage levied or
 2 pledged under section 1211 of the revised school code, MCL
 3 380.1211, as determined by the department.

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

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

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

19 (7) In addition to funds appropriated in section 11 for all
 20 programs and services, there is appropriated for ~~2022-2023~~**2023-**
 21 **2024** for obligations in excess of applicable appropriations an
 22 amount equal to the collection of overpayments, but not to exceed
 23 amounts available from overpayments.

24 Sec. 19. (1) A district or intermediate district shall comply
 25 with all applicable reporting requirements specified in state and
 26 federal law. Data provided to the center, in a form and manner
 27 prescribed by the center, shall be aggregated and disaggregated as
 28 required by state and federal law. In addition, a district or
 29 intermediate district shall cooperate with all measures taken by



1 the center to establish and maintain a statewide P-20 longitudinal
2 data system.

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

27 (3) By the first business day in December and by the last
28 business day in June of each year, **and within 30 days of any**
29 **changes in employment or assignment status**, a district shall



1 furnish to the center, in a manner prescribed by the center,
 2 information related to educational personnel **and personnel**
 3 **vacancies** as necessary for reporting required by state and federal
 4 law. For the purposes of this subsection, the center shall only
 5 require districts and intermediate districts to report information
 6 that is not already available from the office of retirement
 7 services in the department of technology, management, and budget,
 8 **including, but not limited to, information concerning vacancy start**
 9 **and end dates and reasons for vacancies and vacancy terminations.**

10 (4) If a district or intermediate district fails to meet the
 11 requirements of this section, the department shall withhold 5% of
 12 the total funds for which the district or intermediate district
 13 qualifies under this article until the district or intermediate
 14 district complies with this section. If the district or
 15 intermediate district does not comply with this section by the end
 16 of the fiscal year, the department shall place the amount withheld
 17 in an escrow account until the district or intermediate district
 18 complies with this section.

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



1 publish the list until after all appeals have been considered and
2 decided.

3 (6) The department shall implement statewide standard
4 reporting requirements for education data approved by the
5 department in conjunction with the center. The department shall
6 work with the center, intermediate districts, districts, and other
7 interested stakeholders to implement this policy change. A district
8 or intermediate district shall implement the statewide standard
9 reporting requirements not later than 2017-2018 or when a district
10 or intermediate district updates its education data reporting
11 system, whichever is later.

12 (7) **A district or intermediate district shall collect and**
13 **submit to the center tribal affiliation data for all students and**
14 **staff and the identification of student participation in federal**
15 **programs funded under 20 USC 7401 to 7546 and participation in**
16 **federal programs funded under the Johnson-O'Malley Supplemental**
17 **Indian Education Program Modernization Act, Public Law 115-404. The**
18 **data must be reported in a form and manner prescribed by the center**
19 **in consultation with the federally recognized Indian tribes in this**
20 **state and the department in adherence to the department's tribal**
21 **consultation policy. A district or intermediate district shall**
22 **begin implementing the reporting requirement under this subsection**
23 **by not later than the 2024-2025 fiscal year.**

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

25 ~~(a) For 2021-2022, the target foundation allowance is~~
26 ~~\$8,700.00.~~

27 ~~(b) For 2021-2022, the minimum foundation allowance is~~
28 ~~\$8,700.00.~~

29 ~~(c) For 2022-2023, 2023-2024, the target foundation allowance~~



1 is ~~\$9,150.00.~~ **\$9,516.00.**

2 (2) The department shall calculate the amount of each
3 district's foundation allowance as provided in this section, using
4 a target foundation allowance in the amount specified in subsection
5 (1).

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

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

23 (b) ~~For a district that in the immediately preceding fiscal~~
24 ~~year had a foundation allowance in an amount equal to the amount of~~
25 ~~the target foundation allowance for the immediately preceding~~
26 ~~fiscal year, the district receives a foundation allowance for 2021-~~
27 ~~2022 in an amount equal to the target foundation allowance for~~
28 ~~2021-2022. This subdivision does not apply after the 2021-2022~~
29 ~~fiscal year.~~



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

16 **(b)** ~~(d)~~ For a district that had a foundation allowance for the
17 immediately preceding fiscal year that was greater than the target
18 foundation allowance for the immediately preceding fiscal year, the
19 district's foundation allowance is an amount equal to the lesser of
20 (the sum of the district's foundation allowance for the immediately
21 preceding fiscal year plus any per pupil amount calculated under
22 section 20m(2) in the immediately preceding fiscal year plus the
23 increase in the target foundation allowance for the current fiscal
24 year, as compared to the immediately preceding fiscal year) or (the
25 product of the district's foundation allowance for the immediately
26 preceding fiscal year times the percentage increase in the United
27 States Consumer Price Index in the calendar year ending in the
28 immediately preceding fiscal year as reported by the May revenue
29 estimating conference conducted under section 367b of the



1 management and budget act, 1984 PA 431, MCL 18.1367b). ~~This~~
 2 ~~subdivision does not apply for the 2021-2022 fiscal year.~~

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

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

22 (4) Except as otherwise provided in this subsection, the state
 23 portion of a district's foundation allowance is an amount equal to
 24 the district's foundation allowance or the target foundation
 25 allowance for the current fiscal year, whichever is less, minus the
 26 local portion of the district's foundation allowance. Except as
 27 otherwise provided in this subsection, for a district described in
 28 subsection ~~(3) (d) and (e), beginning in 2021-2022,~~ **(3) (b) and (c),**
 29 the state portion of the district's foundation allowance is an



1 amount equal to the target foundation allowance minus the
2 district's foundation allowance supplemental payment per pupil
3 calculated under section 20m and minus the local portion of the
4 district's foundation allowance. For a district that has a millage
5 reduction required under section 31 of article IX of the state
6 constitution of 1963, the department shall calculate the state
7 portion of the district's foundation allowance as if that reduction
8 did not occur. For a receiving district, if school operating taxes
9 continue to be levied on behalf of a dissolved district that has
10 been attached in whole or in part to the receiving district to
11 satisfy debt obligations of the dissolved district under section 12
12 of the revised school code, MCL 380.12, the taxable value per
13 membership pupil of property in the receiving district used for the
14 purposes of this subsection does not include the taxable value of
15 property within the geographic area of the dissolved district. For
16 a community district, if school operating taxes continue to be
17 levied by a qualifying school district under section 12b of the
18 revised school code, MCL 380.12b, with the same geographic area as
19 the community district, the taxable value per membership pupil of
20 property in the community district to be used for the purposes of
21 this subsection does not include the taxable value of property
22 within the geographic area of the community district.

23 (5) The allocation calculated under this section for a pupil
24 is based on the foundation allowance of the pupil's district of
25 residence. For a pupil enrolled under section 105 or 105c in a
26 district other than the pupil's district of residence, the
27 allocation calculated under this section is based on the lesser of
28 the foundation allowance of the pupil's district of residence or
29 the foundation allowance of the educating district. For a pupil in



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

9 (6) Except as otherwise provided in this subsection, for
 10 pupils in membership, other than special education pupils, in a
 11 public school academy, the allocation calculated under this section
 12 is an amount per membership pupil other than special education
 13 pupils in the public school academy equal to ~~, for 2021-2022, the~~
 14 ~~minimum foundation allowance specified in subsection (1)(b) and,~~
 15 ~~for 2022-2023, the target foundation allowance specified in~~
 16 ~~subsection (1)(c).~~ **(1), or, for a public school academy that was**
 17 **issued a contract under section 552 of the revised school code, MCL**
 18 **380.552, to operate as a school of excellence that is a cyber**
 19 **school, \$9,150.00.** Notwithstanding section 101, for a public school
 20 academy that begins operations after the pupil membership count
 21 day, the amount per membership pupil calculated under this
 22 subsection must be adjusted by multiplying that amount per
 23 membership pupil by the number of hours of pupil instruction
 24 provided by the public school academy after it begins operations,
 25 as determined by the department, divided by the minimum number of
 26 hours of pupil instruction required under section 101(3). The
 27 result of this calculation must not exceed the amount per
 28 membership pupil otherwise calculated under this subsection.

29 (7) For pupils in membership, other than special education



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

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

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

26 (10) Except as otherwise provided in this subsection, state
27 payments related to payment of the foundation allowance for a
28 special education pupil are not calculated under this section but
29 are instead calculated under ~~section 51a and section 51e. All of~~



1 ~~the following apply with regard to state payments related to~~
 2 ~~payment of the foundation allowance for a special education pupil:~~

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

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

7 ~~(ii) Seventy-five percent is calculated under section 51c.~~

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

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

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

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



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

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

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

27 (13) If an amendment to section 2 of article VIII of the state
28 constitution of 1963 allowing state aid to some or all nonpublic
29 schools is approved by the voters of this state, each foundation



1 allowance or per-pupil payment calculation under this section may
2 be reduced.

3 (14) As used in this section:

4 (a) "Certified mills" means the lesser of 18 mills or the
5 number of mills of school operating taxes levied by the district in
6 1993-94.

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

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

13 (d) "Immediately preceding fiscal year" means the fiscal year
14 immediately preceding the current fiscal year.

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

26 (f) "Membership" means the definition of that term under
27 section 6 as in effect for the particular fiscal year for which a
28 particular calculation is made.

29 (g) "Nonexempt property" means property that is not a



1 principal residence, qualified agricultural property, qualified
2 forest property, supportive housing property, industrial personal
3 property, commercial personal property, or property occupied by a
4 public school academy.

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

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

13 (j) "School operating purposes" means the purposes included in
14 the operation costs of the district as prescribed in sections 7 and
15 18 and purposes authorized under section 1211 of the revised school
16 code, MCL 380.1211.

17 (k) "School operating taxes" means local ad valorem property
18 taxes levied under section 1211 of the revised school code, MCL
19 380.1211, and retained for school operating purposes.

20 (l) "Tax increment financing acts" means parts 2, 3, 4, and 6
21 of the recodified tax increment financing act, 2018 PA 57, MCL
22 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield
23 redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

24 (m) "Taxable value per membership pupil" means taxable value,
25 as certified by the county treasurer and reported to the
26 department, for the calendar year ending in the current state
27 fiscal year divided by the district's membership excluding special
28 education pupils for the school year ending in the current state
29 fiscal year.



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

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

21 (b) If a district had an adjustment made to its 1993-94 total
22 state school aid that excluded payments made under former section
23 146 and under section 147 on behalf of the district's employees who
24 provided direct services for intermediate district center programs
25 operated by the district under former section 51 and sections 51a
26 to 56, if nonresident pupils attending the center programs were
27 included in the district's membership for purposes of calculating
28 the combined state and local revenue per membership pupil for 1993-
29 94, and if there is a signed agreement by all constituent districts



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

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

22 (2) Subject to subsection (3), a primary district shall enroll
23 an eligible pupil in up to 2 virtual courses as requested by the
24 pupil during an academic term, semester, or trimester.

25 (3) A pupil may be enrolled in more than 2 virtual courses in
26 a specific academic term, semester, or trimester if both of the
27 following conditions are met:

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



1 (b) The pupil agrees with the recommendation of the primary
2 district.

3 (4) If the number of applicants eligible for acceptance in a
4 virtual course does not exceed the capacity of the provider to
5 provide the virtual course, the provider shall accept for
6 enrollment all of the applicants eligible for acceptance. If the
7 number of applicants exceeds the provider's capacity to provide the
8 virtual course, the provider shall use a random draw system,
9 subject to the need to abide by state and federal
10 antidiscrimination laws and court orders. A primary district that
11 is also a provider shall determine whether or not it has the
12 capacity to accept applications for enrollment from nonresident
13 applicants in virtual courses and may use that limit as the reason
14 for refusal to enroll a nonresident applicant.

15 (5) A primary district may not establish additional
16 requirements beyond those specified in this subsection that would
17 prohibit a pupil from taking a virtual course. A pupil's primary
18 district may deny the pupil enrollment in a virtual course if any
19 of the following apply, as determined by the district:

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

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

23 (c) The virtual course is not capable of generating academic
24 credit.

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

27 (e) The pupil has not completed the prerequisite coursework
28 for the requested virtual course or has not demonstrated
29 proficiency in the prerequisite course content.



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

3 (g) The virtual course is of insufficient quality or rigor. A
4 primary district that denies a pupil enrollment request for this
5 reason shall enroll the pupil in a virtual course in the same or a
6 similar subject that the primary district determines is of
7 acceptable rigor and quality.

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

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

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

19 (6) If a pupil is denied enrollment in a virtual course by the
20 pupil's primary district, the primary district shall provide
21 written notification to the pupil of the denial, the reason or
22 reasons for the denial under subsection (5), and a description of
23 the appeal process. The pupil may appeal the denial by submitting a
24 letter to the superintendent of the intermediate district in which
25 the pupil's primary district is located. The letter of appeal must
26 include the reason provided by the primary district for not
27 enrolling the pupil and the reason why the pupil is claiming that
28 the enrollment should be approved. The intermediate district
29 superintendent or designee shall respond to the appeal within 5



1 days after it is received. If the intermediate district
 2 superintendent or designee determines that the denial of enrollment
 3 does not meet 1 or more of the reasons specified in subsection (5),
 4 the primary district shall enroll the pupil in the virtual course.

5 (7) To provide a virtual course to an eligible pupil under
 6 this section, a provider must do all of the following:

7 (a) Ensure that the virtual course has been published in the
 8 pupil's primary district's catalog of board-approved courses or
 9 published in the statewide catalog of virtual courses maintained by
 10 the Michigan Virtual University.

11 (b) Assign to each pupil a teacher of record and provide the
 12 primary district with the personnel identification code assigned by
 13 the center for the teacher of record. If the provider is a
 14 community college, the virtual course must be taught by an
 15 instructor employed by or contracted through the providing
 16 community college.

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

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

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

27 (ii) Not later than October 1 of each fiscal year, provide the
 28 Michigan Virtual University with an aggregated count of enrollments
 29 for each virtual course the provider delivered to pupils under this



1 section during the immediately preceding school year, and the
2 number of enrollments in which the pupil earned 60% or more of the
3 total course points for each virtual course.

4 (8) To provide a virtual course under this section, a
5 community college shall ensure that each virtual course it provides
6 under this section generates postsecondary credit.

7 (9) For any virtual course a pupil enrolls in under this
8 section, the pupil's primary district must assign to the pupil a
9 mentor and shall supply the provider with the mentor's contact
10 information.

11 (10) For a pupil enrolled in 1 or more virtual courses, the
12 primary district shall use foundation allowance or per-pupil funds
13 calculated under section 20 to pay for the expenses associated with
14 the virtual course or courses. A primary district is not required
15 to pay toward the cost of a virtual course an amount that exceeds
16 6.67% of the target foundation allowance for the current fiscal
17 year as calculated under section 20.

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

25 (12) If a pupil successfully completes a virtual course, as
26 determined by the pupil's primary district, the pupil's primary
27 district shall grant appropriate academic credit for completion of
28 the course and shall count that credit toward completion of
29 graduation and subject area requirements. A pupil's school record



1 and transcript must identify the virtual course title as it appears
2 in the virtual course syllabus.

3 (13) The enrollment of a pupil in 1 or more virtual courses
4 must not result in a pupil being counted as more than 1.0 full-time
5 equivalent pupils under this article. The minimum requirements to
6 count the pupil in membership are those established by the pupil
7 accounting manual as it was in effect for the 2015-2016 school year
8 or as subsequently amended by the department if the department
9 notifies the legislature about the proposed amendment at least 60
10 days before the amendment becomes effective.

11 (14) As used in this section:

12 (a) "Instructor" means an individual who is employed by or
13 contracted through a community college.

14 (b) "Mentor" means a professional employee of the primary
15 district who monitors the pupil's progress, ensures the pupil has
16 access to needed technology, is available for assistance, and
17 ensures access to the teacher of record. A mentor may also serve as
18 the teacher of record if the primary district is the provider for
19 the virtual course and the mentor meets the requirements under
20 subdivision (e).

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

23 (d) "Provider" means the district, intermediate district,
24 community college, or other third-party vendor that the primary
25 district pays to provide the virtual course or the Michigan Virtual
26 University if it is providing the virtual course.

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

29 (i) Holds a valid Michigan teaching certificate or a teaching



1 permit recognized by the department.

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

4 (iii) Is responsible for providing instruction, determining
5 instructional methods for each pupil, diagnosing learning needs,
6 assessing pupil learning, prescribing intervention strategies and
7 modifying lessons, reporting outcomes, and evaluating the effects
8 of instruction and support strategies.

9 (iv) Has a personnel identification code provided by the
10 center.

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

13 (f) "Virtual course" means a course of study that is capable
14 of generating a credit or a grade and that is provided in an
15 interactive learning environment where ~~the majority~~ **any portion** of
16 the curriculum is delivered using the internet and in which pupils
17 may be separated from their instructor or teacher of record by time
18 or location, or both.

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

21 (i) An alignment document detailing how the course meets
22 applicable state standards or, if the state does not have state
23 standards, nationally recognized standards.

24 (ii) The virtual course content outline.

25 (iii) The virtual course required assessments.

26 (iv) The virtual course prerequisites.

27 (v) Expectations for actual instructor or teacher of record
28 contact time with the virtual learning pupil and other
29 communications between a pupil and the instructor or teacher of



1 record.

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

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

4 (viii) The name of the institution or organization providing the
5 virtual content.

6 (ix) The name of the institution or organization providing the
7 instructor or teacher of record.

8 (x) The course titles assigned by the provider and the course
9 titles and course codes from the National Center for Education
10 Statistics (NCES) school codes for the exchange of data (SCED).

11 (xi) The number of eligible pupils that will be accepted by the
12 provider in the virtual course. A primary district that is also the
13 provider may limit the enrollment to those pupils enrolled in the
14 primary district.

15 (xii) The results of the virtual course quality review using
16 the guidelines and model review process published by the Michigan
17 Virtual University.

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

20 Sec. 21h. (1) From the state school aid fund money
21 appropriated in section 11, there is allocated \$6,137,400.00 for
22 ~~2022-2023~~**2023-2024** for assisting districts assigned by the
23 superintendent to participate in a partnership and districts that
24 have established a community engagement advisory committee in
25 partnership with the department of treasury, are required to submit
26 a deficit elimination plan or an enhanced deficit elimination plan
27 under section 1220 of the revised school code, MCL 380.1220, and
28 are located in a city with a population between ~~9,000~~**8,000** and
29 ~~11,000~~**10,000**, as determined by the department, that is in a



1 county with a population between 150,000 and 160,000, as determined
2 by the department, to improve student achievement and district
3 financial stability. The superintendent shall collaborate with the
4 state treasurer to identify any conditions that may be contributing
5 to low academic performance within a district being considered for
6 assignment to a partnership. The purpose of the partnership is to
7 identify district needs, develop intervention plans, and partner
8 with public, private, and nonprofit organizations to coordinate
9 resources and improve student achievement. Assignment of a district
10 to a partnership is made by the superintendent in consultation with
11 the state treasurer.

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

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

28 (i) A review of the district's implementation and utilization
29 of a multi-tiered system of supports to ensure that it is used to



1 appropriately inform instruction.

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

4 (iii) A review of classroom, instructional, and operational
5 practices and curriculum to ensure alignment with research-based
6 instructional practices and state curriculum standards.

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

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

14 (ii) Specific measurable benchmarks that will be met within 18
15 months to improve student achievement and identification of
16 expected student achievement outcomes to be attained within 3 years
17 after assignment to the partnership.

18 (c) Craft academic goals that put pupils on track to meet or
19 exceed grade level proficiency, **increase high school graduation**
20 **rates, reduce class sizes, and improve attendance rates.**

21 (d) **Provide access to training for district leadership,**
22 **including, but not limited to, the superintendent or chief**
23 **administrator and school board or board of directors members, on**
24 **areas of education fiscal and policy matters.**

25 (3) Upon approval of the academic and financial operating or
26 intervention plan developed under subsection (2), the department,
27 in collaboration with the department of treasury, shall assign a
28 team of individuals with expertise in comprehensive school and
29 district reform to partner with the district, the intermediate



1 district, community organizations, education organizations, and
2 postsecondary institutions identified in the academic and financial
3 operating or intervention plan to review the district's use of
4 existing financial resources to ensure that those resources are
5 being used as efficiently and effectively as possible to improve
6 student academic achievement and to ensure district financial
7 stability. The superintendent of public instruction may waive
8 burdensome administrative rules for a partnership district for the
9 duration of the partnership agreement and for a district described
10 in subsection (1) that is not a partnership district under this
11 section and that receives funding under this section in the current
12 fiscal year.

13 (4) Funds allocated under this section, excluding funds
14 allocated under subsection (5), may be used to pay for district
15 expenditures approved by the superintendent to improve student
16 achievement. Funds may be used for professional development for
17 teachers or district or school leadership, increased instructional
18 time, teacher mentors, or other expenditures that directly impact
19 student achievement and cannot be paid from existing district
20 financial resources. An eligible district must not receive funds
21 under this section for more than 3 years. Notwithstanding section
22 17b, the department shall make payments to districts under this
23 section on a schedule determined by the department.

24 (5) From the funds allocated under subsection (1), there is
25 allocated for ~~2022-2023~~ **2023-2024** an amount not to exceed
26 \$137,400.00 for the purchase of a data analytics tool to be used by
27 districts described in subsection (1). The superintendent of public
28 instruction shall require districts described in subsection (1) to
29 purchase a data analytics tool funded under this subsection as part



1 of the agreements described in this section.

2 (6) The department, in consultation with the department of
3 treasury, shall annually report to the legislature on the
4 activities funded under this section and how those activities
5 impacted student achievement in districts that received funds under
6 this section. To the extent possible, participating districts
7 receiving funding under this section shall participate in the
8 report.

9 (7) In addition to the allocation under subsection (1), from
10 the state school aid fund money appropriated in section 11, there
11 is allocated an amount not to exceed \$36,000,000.00 to districts
12 described in subsection (1) for 2023-2024 only for supplemental
13 funding to be used by districts for the purposes of this section in
14 equal installments of \$12,000,000.00 in each of the fiscal years
15 2023-2024, 2024-2025, and 2025-2026. The funds allocated under this
16 subsection for 2023-2024 are a work project appropriation, and any
17 unexpended funds for 2023-2024 are carried forward into 2024-2025.
18 The purpose of the work project is to provide assistance to
19 districts eligible for funding under this section. The estimated
20 completion date of the work project described in this subsection is
21 September 30, 2026.

22 Sec. 22a. (1) From the state school aid fund money
23 appropriated in section 11, there is allocated an amount not to
24 exceed ~~\$4,492,000,000.00~~ **\$4,366,000,000.00** for ~~2021-2022-2022-2023~~
25 and there is allocated an amount not to exceed ~~\$4,376,000,000.00~~
26 **\$4,212,000,000.00** for ~~2022-2023-2023-2024~~ for payments to districts
27 and qualifying public school academies to guarantee each district
28 and qualifying public school academy an amount equal to its 1994-95
29 total state and local per-pupil revenue for school operating



1 purposes under section 11 of article IX of the state constitution
2 of 1963. Pursuant to section 11 of article IX of the state
3 constitution of 1963, this guarantee does not apply to a district
4 in a year in which the district levies a millage rate for school
5 district operating purposes less than it levied in 1994. However,
6 subsection (2) applies to calculating the payments under this
7 section. Funds allocated under this section that are not expended
8 in the fiscal year for which they were allocated, as determined by
9 the department, may be used to supplement the allocations under
10 sections 22b and 51c to fully fund those allocations for the same
11 fiscal year. ~~For each fund transfer as described in the immediately~~
12 ~~preceding sentence that occurs, the state budget director shall~~
13 ~~send notification of the transfer to the house and senate~~
14 ~~appropriations subcommittees on state school aid and the house and~~
15 ~~senate fiscal agencies by not later than 14 calendar days after the~~
16 ~~transfer occurs.~~

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

22 (a) Except as otherwise provided in this subsection, the state
23 portion of a district's 1994-95 foundation allowance is an amount
24 equal to the district's 1994-95 foundation allowance or \$6,500.00,
25 whichever is less, minus the difference between the sum of the
26 product of the taxable value per membership pupil of all property
27 in the district that is nonexempt property times the district's
28 certified mills and, for a district with certified mills exceeding
29 12, the product of the taxable value per membership pupil of



1 property in the district that is commercial personal property times
2 the certified mills minus 12 mills and the quotient of the ad
3 valorem property tax revenue of the district captured under tax
4 increment financing acts divided by the district's membership. For
5 a district that has a millage reduction required under section 31
6 of article IX of the state constitution of 1963, the department
7 shall calculate the state portion of the district's foundation
8 allowance as if that reduction did not occur. For a receiving
9 district, if school operating taxes are to be levied on behalf of a
10 dissolved district that has been attached in whole or in part to
11 the receiving district to satisfy debt obligations of the dissolved
12 district under section 12 of the revised school code, MCL 380.12,
13 taxable value per membership pupil of all property in the receiving
14 district that is nonexempt property and taxable value per
15 membership pupil of property in the receiving district that is
16 commercial personal property do not include property within the
17 geographic area of the dissolved district; ad valorem property tax
18 revenue of the receiving district captured under tax increment
19 financing acts does not include ad valorem property tax revenue
20 captured within the geographic boundaries of the dissolved district
21 under tax increment financing acts; and certified mills do not
22 include the certified mills of the dissolved district. For a
23 community district, the department shall reduce the allocation as
24 otherwise calculated under this section by an amount equal to the
25 amount of local school operating tax revenue that would otherwise
26 be due to the community district if not for the operation of
27 section 386 of the revised school code, MCL 380.386, and the amount
28 of this reduction is offset by the increase in funding under
29 section 22b(2).



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

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



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

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

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

24 (7) As used in this section:

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

29 (b) "Certified mills" means the lesser of 18 mills or the



1 number of mills of school operating taxes levied by the district in
2 1993-94.

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

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

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

20 (f) "Hold harmless millage" means, for a district with a 1994-
21 95 foundation allowance greater than \$6,500.00, the number of mills
22 by which the exemption from the levy of school operating taxes on a
23 principal residence, qualified agricultural property, qualified
24 forest property, supportive housing property, industrial personal
25 property, commercial personal property, and property occupied by a
26 public school academy could be reduced as provided in section 1211
27 of the revised school code, MCL 380.1211, and the number of mills
28 of school operating taxes that could be levied on all property as
29 provided in section 1211(2) of the revised school code, MCL



1 380.1211, as certified by the department of treasury for the 1994
2 tax year. For a receiving district, if school operating taxes are
3 to be levied on behalf of a dissolved district that has been
4 attached in whole or in part to the receiving district to satisfy
5 debt obligations of the dissolved district under section 12 of the
6 revised school code, MCL 380.12, school operating taxes do not
7 include school operating taxes levied within the geographic area of
8 the dissolved district.

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

12 (h) "Nonexempt property" means property that is not a
13 principal residence, qualified agricultural property, qualified
14 forest property, supportive housing property, industrial personal
15 property, commercial personal property, or property occupied by a
16 public school academy.

17 (i) "Principal residence", "qualified agricultural property",
18 "qualified forest property", "supportive housing property",
19 "industrial personal property", and "commercial personal property"
20 mean those terms as defined in section 1211 of the revised school
21 code, MCL 380.1211.

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

25 (k) "Receiving district" means a district to which all or part
26 of the territory of a dissolved district is attached under section
27 12 of the revised school code, MCL 380.12.

28 (l) "School operating taxes" means local ad valorem property
29 taxes levied under section 1211 of the revised school code, MCL



1 380.1211, and retained for school operating purposes as defined in
2 section 20.

3 (m) "Tax increment financing acts" means parts 2, 3, 4, and 6
4 of the recodified tax increment financing act, 2018 PA 57, MCL
5 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield
6 redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

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

9 (i) For the number of mills by which the exemption from the
10 levy of school operating taxes on a principal residence, qualified
11 agricultural property, qualified forest property, supportive
12 housing property, industrial personal property, commercial personal
13 property, and property occupied by a public school academy may be
14 reduced as provided in section 1211 of the revised school code, MCL
15 380.1211, the taxable value of principal residence, qualified
16 agricultural property, qualified forest property, supportive
17 housing property, industrial personal property, commercial personal
18 property, and property occupied by a public school academy for the
19 calendar year ending in the current fiscal year. For a receiving
20 district, if school operating taxes are to be levied on behalf of a
21 dissolved district that has been attached in whole or in part to
22 the receiving district to satisfy debt obligations of the dissolved
23 district under section 12 of the revised school code, MCL 380.12,
24 mills do not include mills within the geographic area of the
25 dissolved district.

26 (ii) For the number of mills of school operating taxes that may
27 be levied on all property as provided in section 1211(2) of the
28 revised school code, MCL 380.1211, the taxable value of all
29 property for the calendar year ending in the current fiscal year.



1 For a receiving district, if school operating taxes are to be
 2 levied on behalf of a dissolved district that has been attached in
 3 whole or in part to the receiving district to satisfy debt
 4 obligations of the dissolved district under section 12 of the
 5 revised school code, MCL 380.12, school operating taxes do not
 6 include school operating taxes levied within the geographic area of
 7 the dissolved district.

8 Sec. 22b. (1) For discretionary nonmandated payments to
 9 districts under this section, there is allocated for ~~2021-2022~~
 10 **2022-2023** an amount not to exceed ~~\$5,094,000,000.00~~
 11 **\$5,663,000,000.00** from the state school aid fund and general fund
 12 appropriations in section 11 and an amount not to exceed
 13 \$72,000,000.00 from the community district education trust fund
 14 appropriation in section 11, and there is allocated for ~~2022-2023~~
 15 **2023-2024** an amount not to exceed ~~\$5,686,000,000.00~~
 16 **\$6,192,100,000.00** from the state school aid fund and general fund
 17 appropriations in section 11 and an amount not to exceed
 18 \$72,000,000.00 from the community district education trust fund
 19 appropriation in section 11. For ~~2021-2022, 2022-2023~~, an amount
 20 not to exceed ~~\$14,500,000.00~~ **\$22,500,000.00** must be deposited from
 21 the general fund into the state school aid fund to reimburse the
 22 state school aid fund for community district education trust fund
 23 costs in excess of \$72,000,000.00, as required under section 12 of
 24 the Michigan trust fund act, 2000 PA 489, MCL 12.262. For ~~2022-~~
 25 ~~2023, \$19,500,000.00~~ **2023-2024, \$27,800,000.00** must be deposited
 26 from the general fund into the state school aid fund to reimburse
 27 the state school aid fund for community district education trust
 28 fund costs in excess of \$72,000,000.00, as required under section
 29 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262. If the



1 amount allocated under this subsection from the community district
2 education trust fund appropriation under section 11 is insufficient
3 to pay for an increase under this section, any amount exceeding
4 that allocation may be paid from other allocations under this
5 subsection. Except for money allocated under this section from the
6 community district education trust fund appropriation in section
7 11, funds allocated under this section that are not expended in the
8 fiscal year for which they were allocated, as determined by the
9 department, may be used to supplement the allocations under
10 sections 22a and 51c to fully fund those allocations for the same
11 fiscal year. ~~For each fund transfer as described in the immediately~~
12 ~~preceding sentence that occurs, the state budget director shall~~
13 ~~send notification of the transfer to the house and senate~~
14 ~~appropriations subcommittees on school aid and the house and senate~~
15 ~~fiscal agencies by not later than 14 calendar days after the~~
16 ~~transfer occurs.~~

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



1 foundation allowance under section 20(4).

2 (3) ~~In~~ **Subject to section 164j, in** order to receive an
3 allocation under subsection (1), each district must do all of the
4 following:

5 (a) Comply with section 1280b of the revised school code, MCL
6 380.1280b.

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

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

12 (d) Comply with section 1230g of the revised school code, MCL
13 380.1230g.

14 (e) Comply with section 21f.

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

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

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

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



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

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

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



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

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

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



1 payments to districts if the amount or allocation of reimbursed
 2 funds is challenged in the lawsuit. As used in this subsection,
 3 "title XIX" means title XIX of the social security act, 42 USC 1396
 4 to 1396w-6.

5 (12) From the allocation in subsection (1) for 2022-2023, the
 6 department may use the amount necessary, estimated at
 7 \$1,000,000.00, for payments to districts for state compliance with
 8 federal maintenance of equity requirements described in the
 9 American rescue plan act of 2021, Public Law 117-2. Notwithstanding
 10 section 17b, the department shall make calculations and payments
 11 under this subsection in a form and manner determined by the
 12 department.

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

14 (a) "Dissolved district" means that term as defined in section
 15 20.

16 (b) "Local school operating revenue" means school operating
 17 taxes levied under section 1211 of the revised school code, MCL
 18 380.1211. For a receiving district, if school operating taxes are
 19 to be levied on behalf of a dissolved district that has been
 20 attached in whole or in part to the receiving district to satisfy
 21 debt obligations of the dissolved district under section 12 of the
 22 revised school code, MCL 380.12, local school operating revenue
 23 does not include school operating taxes levied within the
 24 geographic area of the dissolved district.

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

27 Sec. 22c. From the state school aid fund money appropriated in
 28 section 11, there is allocated for ~~2022-2023~~ **2023-2024 only** an
 29 amount not to exceed \$3,000,000.00 for payments to eligible



1 districts as provided under this section. The payment for an
 2 eligible district under this section must be in an amount per
 3 membership pupil equal to \$171.00. As used in this section:

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

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

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

15 Sec. 22d. (1) From the state school aid fund money
 16 appropriated under section 11, an amount not to exceed
 17 ~~\$8,858,000.00~~ **\$11,101,000.00** is allocated for ~~2022-2023~~ **2023-2024**
 18 for supplemental payments to rural districts under this section. **It**
 19 **is the intent of the legislature that the amount allocated under**
 20 **this section for 2024-2025 will be \$9,301,000.00.**

21 (2) From the allocation under subsection (1), there is
 22 allocated for ~~2022-2023~~ **2023-2024** an amount not to exceed
 23 ~~\$1,638,300.00~~ **\$3,520,200.00** for payments under this subsection to
 24 eligible districts. **It is the intent of the legislature that the**
 25 **amount allocated under this subsection for 2024-2025 will be**
 26 **\$1,720,200.00.** A district that meets all of the following is an
 27 eligible district under this subsection:

28 (a) Operates grades K to 12.

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



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

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

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

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

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

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



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

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

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

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

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

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

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

26 **(8) In addition to the funds allocated in subsection (1),**
27 **there is allocated from the state school aid fund money**
28 **appropriated under section 11 \$500,000.00 for 2023-2024 only for a**
29 **district that is located on an island with a toll bridge and that**



1 does not otherwise receive funding under this section.

2 Sec. 22e. (1) From the state school aid fund money
3 appropriated in section 11, there is allocated for 2023-2024 only
4 an amount not to exceed \$40,000,000.00 to forgive outstanding debt
5 for distressed districts, as determined by the department in
6 conjunction with the department of treasury.

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

10 Sec. 22k. (1) The school transportation fund is created as a
11 separate account within the state school aid fund for the purpose
12 of supporting district transportation costs.

13 (2) The state treasurer may receive money or other assets from
14 any source for deposit into the school transportation fund. The
15 state treasurer shall direct the investment of the school
16 transportation fund. The state treasurer shall credit to the school
17 transportation fund interest and earnings from school
18 transportation fund investments.

19 (3) Money in the school transportation fund at the close of
20 the fiscal year remains in the school transportation fund and does
21 not lapse to the state school aid fund or the general fund.

22 (4) The department of treasury is the administrator of the
23 school transportation fund for auditing purposes.

24 (5) Money available in the school transportation fund must not
25 be expended without a specific appropriation.

26 (6) For the fiscal year ending September 30, 2024 only,
27 \$450,000,000.00 from the state school aid fund must be deposited
28 into the school transportation fund.

29 Sec. 22l. From the school transportation fund under section



1 22k, there is allocated for 2023-2024 only an amount not to exceed
 2 \$150,000,000.00 to districts for transportation costs. Funding for
 3 each district is as follows:

4 (a) The department must assign each district to a quartile
 5 based on the number of riders per mile and calculate the median
 6 cost per rider for each quartile.

7 (b) Funds must be distributed to each district at the lesser
 8 of the quartile's median cost per rider or the actual
 9 transportation cost per general education student at the district.

10 (c) If funds are insufficient to fully fund payments under
 11 this section, payments may be prorated on an equal percentage
 12 basis.

13 Sec. 22m. (1) From the state school aid fund money
 14 appropriated in section 11, there is allocated for ~~2022-2023-2023-~~
 15 **2024 only** an amount not to exceed ~~\$2,200,000.00~~ **\$3,200,000.00** for
 16 supporting the integration of local data systems into the Michigan
 17 data hub network based on common standards and applications that
 18 are in compliance with section 19(6).

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

25 (3) The center shall work with an advisory committee composed
 26 of representatives from intermediate districts within each of the
 27 data hub regions to coordinate the activities of the Michigan data
 28 hub network.

29 (4) The center, in collaboration with the Michigan data hub



1 network, shall determine the amount of funds distributed under this
2 section to each participating regional data hub within the network,
3 based upon a competitive grant process. The center shall ensure
4 that the entities receiving funding under this section represent
5 geographically diverse areas in this state.

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

8 (6) To receive funding under this section, a regional data hub
9 must have a governance model that ensures local control of data,
10 data security, and student privacy issues. The integration of data
11 within each of the regional data hubs must provide for the
12 actionable use of data by districts and intermediate districts
13 through common reports and dashboards and for efficiently providing
14 information to meet state and federal reporting purposes.

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

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

19 (a) Creating an infrastructure that effectively manages the
20 movement of data between data systems used by intermediate
21 districts, districts, and other educational organizations in
22 Michigan based on common data standards to improve student
23 achievement.

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

27 (c) Promoting the use of a more common set of applications by
28 promoting systems that integrate with the Michigan data hub
29 network.



1 (d) Promoting 100% district adoption of the Michigan data hub
2 network.

3 (e) Ensuring local control of data, data security, and student
4 data privacy.

5 (f) Utilizing the infrastructure to promote the actionable use
6 of data through common reports and dashboards that are consistent
7 statewide.

8 (g) Creating a governance model to facilitate sustainable
9 operations of the infrastructure in the future, including
10 administration, legal agreements, documentation, staffing, hosting,
11 and funding.

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

15 (9) Not later than January 1 of each fiscal year, the center
16 shall prepare a summary report of information provided by each
17 entity that received funds under this section that includes
18 measurable outcomes based on the objectives described under this
19 section and a summary of compiled data from each entity to provide
20 a means to evaluate the effectiveness of the project. The center
21 shall submit the report to the house and senate appropriations
22 subcommittees on school aid and to the house and senate fiscal
23 agencies.

24 **(10) The funds allocated under this section for 2023-2024 are**
25 **a work project appropriation, and any unexpended funds for 2023-**
26 **2024 are carried forward into 2024-2025. The purpose of the work**
27 **project is to continue support for the Michigan data hub network.**
28 **The estimated completion date of the work project is September 30,**
29 **2025.**



1 **Sec. 22o. From the state school aid fund money appropriated in**
 2 **section 11, there is allocated \$2,500,000.00 for 2023-2024 only to**
 3 **intermediate districts to administer 10 MiFamily Engagement Centers**
 4 **across this state.**

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

10 (a) Measurable academic outcomes that the district or public
 11 school academy will achieve for each school operated by the
 12 district or public school academy that is subject to the
 13 partnership agreement after 18 months and after 36 months from the
 14 date the agreement was originally signed. Measurable academic
 15 outcomes under this subdivision must include all of the following:

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

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

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

22 (B) At least 1 proficiency or growth outcome based on a
 23 benchmark assessment described in section ~~104h or 104i.~~ ~~as~~
 24 ~~applicable.~~

25 **(iii) Outcomes that are intended to measure improved high school**
 26 **graduation rates, as applicable.**

27 **(iv) Outcomes that measure attendance rates.**

28 (b) Accountability measures to be imposed if the district or
 29 public school academy does not achieve the measurable academic



1 outcomes described in subdivision (a) for each school operated by
2 the district or public school academy that is subject to the
3 partnership agreement. For a district assigned as a partnership
4 district as described in this subsection, accountability measures
5 under this subdivision must include the reconstitution of the
6 school. For a public school academy assigned as a partnership
7 district as described in this subsection, accountability measures
8 under this subdivision may include the reconstitution of the
9 school.

10 (c) For a public school academy assigned as a partnership
11 district as described in this subsection, a requirement that, if
12 reconstitution is imposed on a school that is operated by the
13 public school academy and that is subject to the partnership
14 agreement, the school must be reconstituted as described in section
15 507, 528, or 561, as applicable, of the revised school code, MCL
16 380.507, 380.528, and 380.561.

17 (d) For a district assigned as a partnership district as
18 described in this subsection, a provision that, if reconstitution
19 is imposed on a school that is operated by the district and that is
20 subject to the partnership agreement, reconstitution may require
21 closure of the school building, but, if the school building remains
22 open, reconstitution must include, but is not limited to, all of
23 the following:

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

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



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

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

17 Sec. 23a. (1) A dropout recovery program operated by a
18 district qualifies for the special membership counting provisions
19 of section 6(4)(dd) and the hours and days of pupil instruction
20 exemption under section 101(12) if the dropout recovery program
21 meets all of the following:

22 (a) Enrolls only eligible pupils.

23 (b) Provides an advocate and teacher of record. An advocate
24 may serve in that role for more than 1 pupil but not more than 50
25 pupils. An advocate or teacher of record may be employed by the
26 district or may be provided by an education management organization
27 that is partnering with the district. Before an individual is
28 assigned to be an advocate or teacher of record for a pupil in the
29 dropout recovery program, the district must comply with sections



1 1230 and 1230a of the revised school code, MCL 380.1230 and
2 380.1230a, with respect to that individual.

3 (c) Develops a written learning plan.

4 (d) Monitors the pupil's progress against the written learning
5 plan.

6 (e) Requires each pupil to make satisfactory monthly progress,
7 as defined by the district under subsection (2).

8 (f) Reports the pupil's progress results to the partner
9 district at least monthly.

10 (g) The program may be operated on or off a district school
11 campus, but may be operated using distance learning online only if
12 the program provides a computer and internet access for each
13 eligible pupil participating in the program.

14 (h) Is operated throughout the entire calendar year.

15 (i) If the district partners with an education management
16 organization for the program, the education management organization
17 has a dropout recovery program partnership relationship with at
18 least 1 other district.

19 (2) A district operating a dropout recovery program under this
20 section shall adopt a definition of satisfactory monthly progress
21 that is consistent with the definition of that term under
22 subsection (3).

23 (3) As used in this section:

24 (a) "Advocate" means an adult available to meet in person with
25 assigned pupils, as needed, to conduct social interventions, to
26 proctor final examinations, and to provide academic and social
27 support to pupils enrolled in the district's dropout recovery
28 program.

29 (b) "Education management organization" means a private



1 provider that operates 1 or more other dropout recovery programs
2 that meet the requirements of this section in partnership with 1 or
3 more districts.

4 (c) "Eligible pupil" means a pupil who has been expelled from
5 school under the mandatory expulsion provisions in section 1311 or
6 1311a of the revised school code, MCL 380.1311 and 380.1311a, a
7 pupil who has been suspended or expelled from school under a local
8 policy, a pupil who is referred by a court, a pupil who is pregnant
9 or is a parent, a pupil who was previously a dropout, or a pupil
10 who is determined by the district to be at risk of dropping out.

11 (d) "Satisfactory monthly progress" means an amount of
12 progress that is measurable on a monthly basis and that, if
13 continued for a full 12 months, would result in the same amount of
14 academic credit being awarded to the pupil as would be awarded to a
15 general education pupil completing a full school year. Satisfactory
16 monthly progress may include a lesser required amount of progress
17 for the first 2 months a pupil participates in the program, **but**
18 **must include at least a total of 0.25 earned academic credit by the**
19 **end of that 2-month period.**

20 (e) "Teacher of record" means a teacher who holds a valid
21 Michigan teaching certificate; who, if applicable, is endorsed in
22 the subject area and grade of the course; and is responsible for
23 providing instruction, determining instructional methods for each
24 pupil, diagnosing learning needs, assessing pupil learning,
25 prescribing intervention strategies, reporting outcomes, and
26 evaluating the effects of instruction and support strategies. If
27 the district partners with an education management organization for
28 the program, the teacher of record may be employed by or contracted
29 through the education management organization.



1 (f) "Written learning plan" means a written plan developed in
 2 conjunction with the advocate that includes the plan start and end
 3 dates, courses to be taken, credit to be earned for each course,
 4 teacher of record for each course, and advocate name and contact
 5 information.

6 **Sec. 23g. (1) From the state school aid fund money**
 7 **appropriated in section 11, there is allocated for 2022-2023 only**
 8 **an amount not to exceed \$300,000,000.00 for payments to eligible**
 9 **districts and eligible intermediate districts for implementing the**
 10 **MI Kids Back on Track Program as described in this section.**

11 (2) The department shall pay an equal amount per membership
 12 pupil to each eligible district and eligible intermediate district
 13 under this section. Eligible districts and eligible intermediate
 14 districts must use funding received under this section only for
 15 costs related to implementation of the MI Kids Back on Track
 16 Program as described in this section. Implementation costs of the
 17 program include, but are not limited to, costs related to staffing,
 18 high quality training, curriculum needs, student transportation
 19 needs, technology needs, materials, any purpose for which any
 20 district previously used funds allocated under section 98c, or
 21 other costs incurred as a result of the provision of services for
 22 the program.

23 (3) A district or intermediate district that meets all of the
 24 following is an eligible district or eligible intermediate district
 25 under this section:

26 (a) It applies for funding in a form and manner prescribed by
 27 the department.

28 (b) It posts a MI Kids Back on Track Program plan to its
 29 website homepage that describes evidence-based actions the district



1 or intermediate district is taking to respond to student needs
2 related to unfinished learning and how funds received under this
3 section will create or expand these efforts. The plan described in
4 this subdivision must meet the following criteria:

5 (i) Reflect input from educators, parents and legal guardians,
6 and community members.

7 (ii) Include an analysis of student data and describe student
8 needs.

9 (iii) Identify evidence-based best practices to be implemented
10 or expanded in response to student needs.

11 (c) Implement and maintain functionality on its website
12 homepage that allows parents, legal guardians, and students to
13 request additional assistance through the MI Kids Back on Track
14 Program.

15 (d) Match at least 50% of the funding received under this
16 section with funds from other sources and use those funds for the
17 MI Kids Back on Track Program.

18 (e) Provide transparency reporting on the MI Kids Back on
19 Track Program spending, including posting on its website a
20 transparency dashboard concerning funding from the federal
21 elementary and secondary school emergency relief fund used for the
22 program, in a form and manner prescribed by the department.

23 (4) If a district or intermediate district does not match at
24 least 50% of funding received under this section with other
25 available funds, the district or intermediate district must return
26 any unmatched funds to the department on a timeline determined by
27 the department. The department may redistribute any returned funds
28 to eligible districts or eligible intermediate districts on an
29 equal per-pupil basis. Districts or intermediate districts



1 receiving redistributed dollars must increase expenditures from
2 other sources to match the amount of redistributed dollars
3 received.

4 (5) The superintendent of public instruction shall provide
5 guidelines to districts and intermediate districts on evidence-
6 based best practices and effective strategies a district or
7 intermediate district may use to respond to unfinished learning and
8 shall provide resources to assist districts and intermediate
9 districts in implementing the evidence-based practices.

10 (6) The funds allocated under this section for 2022-2023 are a
11 work project appropriation, and any unexpended funds for 2022-2023
12 are carried forward into 2023-2024. The purpose of the work project
13 is to address unfinished learning. The estimated completion date of
14 the work project is September 30, 2025.

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

18 (8) As used in this section, the "MI Kids Back on Track
19 Program" means programs provided before school, during school,
20 after school, or during the summer, directly by the district or
21 intermediate district or in partnership with community-based
22 organizations for students in any of grades pre-K to 12 in this
23 state that are designed to address unfinished learning, get
24 students to grade-level academic standards, provide additional
25 academic assistance to students at risk of falling behind their
26 peers, or help high school students prepare for postsecondary
27 education.

28 Sec. 23h. (1) From the state school aid fund money
29 appropriated in section 11, there is allocated for 2023-2024 only



1 an amount not to exceed \$30,000,000.00 to support the improvement
2 of mathematics teaching and learning in this state over a 2-year
3 period.

4 (2) Funds allocated under this section must be used for grants
5 to districts and intermediate districts for the following purposes:

6 (a) Continued system development, capacity building, and
7 networking spaces for early math specialists in districts and
8 intermediate districts.

9 (b) Support for all of the following:

10 (i) The delivery of high-quality professional learning
11 delivered regionally to support teachers' implementation of best
12 practices mathematics instruction.

13 (ii) Collaboration with researchers with expertise in early
14 mathematics to develop resources to support implementation of best
15 practices, including on-demand capacity building courses available
16 to all teacher and instructional leaders in this state.

17 (iii) The development of a process or tools, including
18 leveraging the MiStrategyBank and the MiSTEM Regional Network, to
19 share best practices support for math goals in this state's
20 continuous improvement process.

21 (c) Incentives and supports for K to 5 schools in the
22 purchasing and implementation of high-quality mathematics
23 instructional materials programs to engage students in equitable
24 high-quality mathematics learning experiences through a guided
25 adoption process through intermediate districts.

26 (d) Supports for the expansion of math recovery specialists
27 statewide through intermediate districts. These specialists must do
28 all of the following:

29 (i) Support the implementation of research-based diagnostic



1 assessments, learning progressions, and high-quality instructional
2 tools to help participants increase student understanding and
3 achievement.

4 (ii) Build upon the assets of math recovery in this state.

5 (iii) Expand and begin to sustain the efforts specific to this
6 state's mathematics essentials and the collaboration between the
7 department and state educational organizations focused on
8 increasing mathematics achievement.

9 (e) Supports for secondary schools in offering supplemental
10 just-in-time, personalized support programs.

11 (3) To receive funding under this section, districts and
12 intermediate districts must apply for the funding in a form and
13 manner determined by the department. Notwithstanding section 17b,
14 the department shall make payments under this section on a schedule
15 determined by the department.

16 (4) 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 support improvement of mathematics teaching and learning in
20 this state. The estimated completion date of the work project is
21 September 30, 2025.

22 Sec. 24. (1) From the state school aid fund money appropriated
23 in section 11, there is allocated for ~~2022-2023~~ **2023-2024** an amount
24 not to exceed \$7,650,000.00 for payments to the educating district
25 or intermediate district for educating pupils assigned by a court
26 or the department of health and human services to reside in or to
27 attend a juvenile detention facility or child caring institution
28 licensed by the department of health and human services and
29 approved by the department to provide an on-grounds education



1 program. The amount of the payment under this section to a district
2 or intermediate district is calculated as prescribed under
3 subsection (2).

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

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

24 (b) "Department's approved per-pupil allocation" for a
25 district or intermediate district is determined by dividing the
26 total amount allocated under this section for a fiscal year by the
27 full-time equated membership total for all pupils approved by the
28 department to be funded under this section for that fiscal year for
29 the district or intermediate district.



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

10 (4) Special education pupils funded under section 53a are not
11 funded under this section.

12 Sec. 24a. From the state school aid fund money appropriated in
13 section 11, there is allocated an amount not to exceed
14 \$1,355,700.00 for ~~2022-2023~~**2023-2024** for payments to intermediate
15 districts for pupils who are placed in juvenile justice service
16 facilities operated by the department of health and human services.
17 The amount of the payment to each intermediate district is an
18 amount equal to the state share of those costs that are clearly and
19 directly attributable to the educational programs for pupils placed
20 in facilities described in this section that are located within the
21 intermediate district's boundaries. The intermediate districts
22 receiving payments under this section shall cooperate with the
23 department of health and human services to ensure that all funding
24 allocated under this section is utilized by the intermediate
25 district and department of health and human services for
26 educational programs for pupils described in this section. Pupils
27 described in this section are not eligible to be funded under
28 section 24. However, a program responsibility or other fiscal
29 responsibility associated with these pupils must not be transferred



1 from the department of health and human services to a district or
2 intermediate district unless the district or intermediate district
3 consents to the transfer.

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

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

13 (3) The total amount allocated to a strict discipline academy
14 or qualified district under this section must first be distributed
15 as the lesser of the strict discipline academy's or qualified
16 district's added cost or the department's approved per-pupil
17 allocation for the strict discipline academy or qualified district.
18 Subject to subsection (7), any funds remaining after the first
19 distribution must be distributed by prorating on an equal per-pupil
20 membership basis, not to exceed a strict discipline academy's or
21 qualified district's added cost. However, the sum of the amounts
22 received by a strict discipline academy or qualified district under
23 this section and under section 24 must not exceed the product of
24 the strict discipline academy's or qualified district's per-pupil
25 allocation calculated under section 20 multiplied by the strict
26 discipline academy's or qualified district's full-time equated
27 membership. The department shall allocate funds to strict
28 discipline academies and qualified districts under this section on
29 a monthly basis.



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

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

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

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

14 (8) As used in this section:

15 (a) "Added cost" means 100% of the added cost each fiscal year
16 for educating all pupils enrolled and in regular daily attendance
17 at a strict discipline academy or qualified district. Added cost
18 must be computed by deducting all other revenue received under this
19 article for pupils described in this subdivision from total costs,
20 as approved by the department, in whole or in part, for educating
21 those pupils in a strict discipline academy or qualified district.
22 The department shall include all costs, including, but not limited
23 to, educational costs, insurance, management fees, technology
24 costs, legal fees, auditing fees, interest, pupil accounting costs,
25 and any other administrative costs necessary to operate the program
26 or to comply with statutory requirements. Costs reimbursed by
27 federal funds are not included.

28 (b) "Department's approved per-pupil allocation" means, for a
29 strict discipline academy or qualified district, an amount equal to



1 the quotient of the total amount allocated under this section for a
2 fiscal year and the full-time equated membership total for all
3 pupils approved by the department to be funded under this section
4 for that fiscal year for the strict discipline academy or qualified
5 district.

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

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

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

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

17 Sec. 25g. (1) From the state school aid fund money
18 appropriated in section 11, there is allocated an amount not to
19 exceed \$750,000.00 for ~~2022-2023~~**2023-2024 only** for the purposes of
20 this section. Except as otherwise provided in this section, if the
21 operation of the special membership counting provisions under
22 section 6(4) (dd) and the other membership counting provisions under
23 section 6(4) result in a pupil being counted as more than 1.0 FTE
24 in a fiscal year, then the payment made for the pupil under
25 sections 22a and 22b must not be based on more than 1.0 FTE for
26 that pupil, and that portion of the FTE that exceeds 1.0 is paid
27 under this section in an amount equal to that portion multiplied by
28 the educating district's foundation allowance or per-pupil payment
29 calculated under section 20.



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

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

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

9 Sec. 26a. From the state school aid fund money appropriated in
10 section 11, there is allocated an amount not to exceed
11 \$14,000,000.00 for ~~2021-2022~~**2023-2024** to reimburse districts and
12 intermediate districts under section 12 of the Michigan renaissance
13 zone act, 1996 PA 376, MCL 125.2692, for taxes levied in ~~2021,~~ and
14 ~~there is allocated an amount not to exceed \$14,000,000.00 for 2022-~~
15 ~~2023 to reimburse districts and intermediate districts under~~
16 ~~section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL~~
17 ~~125.2692, for taxes levied in 2022.~~**2023**. The department shall pay
18 the allocations not later than 60 days after the department of
19 treasury certifies to the department and to the state budget
20 director that the department of treasury has received all necessary
21 information to properly determine the amounts due to each eligible
22 recipient.

23 Sec. 26b. (1) From the state school aid fund money
24 appropriated in section 11, there is allocated an amount not to
25 exceed ~~\$4,989,000.00~~**\$5,084,000.00** for ~~2022-2023~~**2023-2024** for
26 payments to districts, intermediate districts, and community
27 college districts for the portion of the payment in lieu of taxes
28 obligation that is attributable to districts, intermediate
29 districts, and community college districts under section 2154 of



1 the natural resources and environmental protection act, 1994 PA
2 451, MCL 324.2154.

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

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

16 (2) Funds allocated to the promise zone fund under this
17 section must be used solely for payments to eligible districts and
18 intermediate districts, in accordance with section 17 of the
19 Michigan promise zone authority act, 2008 PA 549, MCL 390.1677,
20 that have a promise zone development plan approved by the
21 department of treasury under section 7 of the Michigan promise zone
22 authority act, 2008 PA 549, MCL 390.1667. Eligible districts and
23 intermediate districts shall use payments made under this section
24 for reimbursement for qualified educational expenses as that term
25 is defined in section 3 of the Michigan promise zone authority act,
26 2008 PA 549, MCL 390.1663.

27 (3) The promise zone fund is created as a separate account
28 within the state school aid fund to be used solely for the purposes
29 of the Michigan promise zone authority act, 2008 PA 549, MCL



1 390.1661 to 390.1679. All of the following apply to the promise
2 zone fund:

3 (a) The state treasurer shall direct the investment of the
4 promise zone fund. The state treasurer shall credit to the promise
5 zone fund interest and earnings from fund investments.

6 (b) Money in the promise zone fund at the close of a fiscal
7 year remains in the promise zone fund and does not lapse to the
8 general fund.

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

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

17 Sec. 26d. (1) From the state school aid fund money
18 appropriated under section 11, there is allocated an amount not to
19 exceed ~~\$12,000,000.00~~ **\$14,400,000.00** for ~~2021-2022~~ and an amount
20 ~~not to exceed \$14,400,000.00 for 2022-2023~~ **2023-2024** for
21 reimbursements to intermediate districts as required under section
22 15b of the brownfield redevelopment financing act, 1996 PA 381, MCL
23 125.2665b.

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

27 (3) The Michigan strategic fund and the Michigan economic
28 development corporation shall work with the department of treasury
29 in identifying the amount of tax revenues that are to be reimbursed



1 under subsection (1).

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

5 Sec. 27a. (1) From the state school aid fund money
6 appropriated in section 11, there is allocated for ~~2022-2023-2023-~~
7 **2024 only** an amount not to exceed \$20,000,000.00 and from the
8 general fund money appropriated in section 11, there is allocated
9 for ~~2022-2023-2023-2024~~ an amount not to exceed \$5,000,000.00 for
10 the MI future educator fellowship program. **It is the intent of the**
11 **legislature to fund this section from the funds in the educator**
12 **fellowship public provider fund and educator fellowship private**
13 **provider fund in future fiscal years.** The funds allocated under
14 this section must be used to offset tuition costs for individuals
15 who are working toward earning their initial teacher certification.

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

19 (a) Have graduated from high school with a diploma or
20 certificate of completion or achieved a high school equivalency
21 certificate.

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

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



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

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

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

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

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

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

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

19 (a) Maintain continuous enrollment in an eligible educator
20 preparation program and earn at least 24 credits in an academic
21 year or the equivalent of full-time participation for individuals
22 enrolled in an alternative certification program, as defined by the
23 department, excluding any period of time missed due to a medical or
24 other emergency, as determined by the department of treasury.

25 (b) Maintain satisfactory academic progress, including a grade
26 point average of at least 3.0, in courses provided by the eligible
27 educator preparation program and meet requirements established by
28 the eligible educator preparation program.

29 (c) Participate in relevant academic and career advising



1 programs offered by the eligible educator preparation program.

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

5 (e) Timely apply for all available gift aid for each academic
6 year in which the individual applies for funding under this
7 section.

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

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

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

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

21 (7) To be an eligible recipient of fellowship funding under
22 this section, an individual must pledge to work as a certified
23 teacher in a public school, ~~nonpublic school,~~ or a qualifying
24 public preschool program in this state and must meet 1 of the
25 following work requirements:

26 (a) For a recipient of funding under this section who received
27 an award for 1 academic year, 3 years of work as a certified
28 teacher in a public school, ~~nonpublic school,~~ or a qualifying
29 public preschool program in this state.



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

5 (c) For a recipient of funding under this section who received
 6 an award for 3 academic years, 5 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 (d) For a recipient working in a critical needs district, 3
 10 years of work as a certified teacher. As used in this subdivision,
 11 "critical needs district" means a district with a median household
 12 income in the lowest quartile in each prosperity region, as
 13 determined by the department.

14 (8) If an award recipient does not maintain enrollment in
 15 their educator preparation program as required under subsection
 16 (3)(a), does not successfully complete their educator preparation
 17 program, or does not meet the work requirement described in
 18 subsection (7), any amount received from funds under this section
 19 converts to a 0% interest loan that must be repaid to this state
 20 within 10 years **plus any deferment period as determined and**
 21 **approved by the department of treasury.** The amount of repayment
 22 must be reduced proportionate to the number of years worked in
 23 schools or qualifying public preschool programs in this state as a
 24 certificated teacher out of 5 years. The department of treasury
 25 shall develop guidance to enforce this subsection.

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

29 (10) If the amount allocated in subsection (1) is not



1 sufficient to fully fund awards under this section, there is
 2 appropriated from the educator fellowship public provider fund or
 3 the educator fellowship private provider fund, as applicable, the
 4 amount necessary to fully fund these programs. The state budget
 5 director shall provide notification to the house and senate
 6 appropriations subcommittees on K to 12 school aid and the house
 7 and senate fiscal agencies for any additional appropriation
 8 described under this subsection.

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

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

15 (a) Is a public or nonpublic institution of higher education
 16 in this state.

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

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

20 (d) Has not increased tuition and fee rates above the
 21 limitations described in section ~~265-~~**241c**.

22 Sec. 27b. (1) From the state school aid fund money
 23 appropriated in section 11, there is allocated for 2022-2023 only
 24 an amount not to exceed \$20,000,000.00 and from the federal funding
 25 appropriated under section 11, there is allocated for 2022-2023
 26 only an amount not to exceed \$155,000,000.00 from the federal
 27 funding awarded to this state from the coronavirus state fiscal
 28 recovery fund under the American rescue plan act of 2021, title IX,
 29 subtitle M of Public Law 117-2, to districts and intermediate



1 districts for a grow your own program as described in subsection
2 (2).

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

10 (a) Tuition and fees for attendance at a state-approved
11 education preparation provider for an accelerated degree, for a
12 traditional bachelor's degree for current staff who are not
13 teachers, or for ~~an advanced degree.~~ **a department-approved**
14 **certification program.**

15 (b) Books.

16 (c) Testing fees.

17 (d) Travel to and from coursework.

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

21 (f) Costs for curriculum, materials, professional development,
22 and hands-on-learning experiences to implement a program within the
23 district or intermediate district to encourage students in any of
24 grades 6 through 12 to consider a career in education. Not more
25 than 10% of funds received by a district or intermediate district
26 under this section may be used for this purpose.

27 (3) The department shall establish a grant process to
28 distribute funds under this section. A district or intermediate
29 school district must apply for funds in a form and manner



1 prescribed by the department. As part of the application described
2 in this subsection, a district or intermediate district must submit
3 the following information and assurances:

4 (a) Demonstrated need for funding in the district or
5 intermediate district or the broader community, including projected
6 workforce needs, and a proposed spending plan on how the funds will
7 be utilized that includes expected tuition, fees, and books for the
8 program.

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

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

14 (d) Assurances that the pathway will be no cost for
15 participants and that participants will be compensated as an
16 employee for the duration of their training, including a paid
17 residency or student teaching.

18 (e) Identification of eligible recipients and a pledge to hire
19 an eligible recipient as a full-time teacher upon their receipt of
20 an initial teaching certificate and provide for student teaching
21 opportunities.

22 (f) A pledge that, before providing funding under this section
23 to an eligible recipient, the district or intermediate district
24 will require that the eligible recipient pledge to serve as a full-
25 time teacher at the district or intermediate district for at least
26 the same number of years as the recipient participated in a grow
27 your own program. If the district or intermediate district is
28 unable to hire an eligible recipient as required under subdivision
29 (e), the eligible recipient may serve the years the recipient



1 pledged to serve under this subdivision at another district,
2 intermediate district, or nonpublic school.

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

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

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

12 (7) The funds allocated under this section for 2022-2023 are a
13 work project appropriation, and any unexpended funds for 2022-2023
14 are carried forward into 2023-2024. The purpose of the work project
15 is to continue support for grow your own programs in districts and
16 intermediate districts. The estimated completion date of the work
17 project is December 31, 2026.

18 Sec. 27c. (1) From the state school aid fund money
19 appropriated in section 11, there is allocated \$50,000,000.00 for
20 ~~2022-2023~~**2023-2024** for the MI future educator student teacher
21 stipend program. Except as otherwise provided in this section, the
22 funds allocated under this section must be paid to eligible
23 educator preparation programs for payments to eligible student
24 teachers working in a district.

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

27 (a) The individual must be admitted to an eligible educator
28 preparation program, be working toward a teacher certification, be
29 participating in required student teaching coursework, and be



1 maintaining satisfactory academic progress. As used in this
2 subdivision, "required student teaching coursework" means credit
3 hours, or the program equivalent, required by an eligible educator
4 preparation program for successful completion of the program. This
5 coursework must include regular placement in a district where the
6 student gains real-world, first-hand experience working in a
7 classroom, teaching students, engaging in the day-to-day activities
8 of a certified teacher, and working daily under the guidance of a
9 certified teacher.

10 (b) The individual must timely complete an application in a
11 form and manner prescribed by the department of treasury. The
12 application must include the district in which the individual is
13 working as a student teacher and must include a certification by
14 the district and the individual's eligible educator preparation
15 program that the student is working as a student teacher. If the
16 individual's eligible educator preparation program is not provided
17 by a public institution of higher education, the district in which
18 the individual is working must also provide an assurance that they
19 will forward any amount received under this section from the
20 department of treasury for purposes of the program described in
21 this section to the individual's eligible educator preparation
22 program.

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

27 (d) If an individual is ~~paid~~**employed** by their district **as a**
28 **teacher of record**, they are not eligible for payment under this
29 section.



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

18 (4) Eligible educator preparation programs shall pay funds
 19 received under this section, in entirety, to the eligible student
 20 teacher. ~~Eligible student teachers may use these funds for any of~~
 21 ~~the following:~~

22 ~~(a) Tuition costs.~~

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

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

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

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



1 the department of treasury.

2 (6) As used in this section, "eligible educator preparation
3 program" means **City Year or** an institution of higher education that
4 meets all of the following:

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

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

9 (c) Has not increased tuition and fee rates above the
10 limitations described in section ~~265-~~**241c**.

11 Sec. 27d. (1) The educator fellowship public provider fund is
12 created as a separate account within the state school aid fund for
13 the purpose of improving the educator workforce through recruitment
14 efforts for students attending public educator preparation
15 programs.

16 (2) The state treasurer may receive money or other assets from
17 any source for deposit into the educator fellowship public provider
18 fund. The state treasurer shall direct the investment of the
19 educator fellowship public provider fund. The state treasurer shall
20 credit to the educator fellowship public provider fund interest and
21 earnings from educator fellowship public provider fund investments.

22 (3) Money in the educator fellowship public provider fund at
23 the close of the fiscal year remains in the educator fellowship
24 public provider fund and does not lapse to the state school aid
25 fund.

26 (4) The department of treasury is the administrator of the
27 educator fellowship public provider fund for auditing purposes.

28 (5) The department of treasury shall expend money from the
29 educator fellowship public provider fund, upon appropriation, for



1 the purposes described in section 27a(10) for students admitted to
2 public educator preparation programs.

3 (6) For the fiscal year ending September 30, 2022 only,
4 \$235,000,000.00 from the state school aid fund is deposited into
5 the educator fellowship public ~~programs~~**provider** fund.

6 (7) For the fiscal year ending September 30, 2023 only,
7 \$25,000,000.00 from the state school aid fund is deposited into the
8 educator fellowship public provider fund.

9 Sec. 27g. (1) From the state school aid fund money
10 appropriated in section 11, there is allocated for 2022-2023 only
11 an amount not to exceed \$25,000,000.00 to intermediate districts
12 and consortia of intermediate districts based on the number of
13 pupils in membership in constituent districts of the intermediate
14 district or consortium of intermediate districts to support the
15 Talent Together coalition as described in this section.

16 (2) Intermediate districts and consortia of intermediate
17 districts shall use the money received under this section to
18 partner with 1 eligible nonprofit to provide funding, programs, and
19 technical assistance for the following activities:

20 (a) Teacher recruitment, teacher retention, and teacher
21 development to ensure greater efficacy, satisfaction, and outcomes.

22 (b) Improve teacher certification programs to increase quality
23 and retention, and foster close relationships with schools.

24 (c) Provide school leader development programs to increase
25 educator retention and efficacy.

26 (d) Serve as a convener and hub for innovation and
27 conversation to support collaboration and coordination among this
28 state's educator talent efforts.

29 (e) Promote research so that this state can learn from its



1 investments and innovations and become a top state for educators.

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

5 (4) As used in this section, "eligible nonprofit" means an
6 entity that meets all of the following criteria, as determined by
7 the department:

8 (a) Is based in this state.

9 (b) Operates statewide.

10 (c) Is a non-higher education institution under section
11 501(c) (3) of the internal revenue code of 1986, 26 USC 501.

12 (d) Has formal partnerships with more than 35 intermediate
13 districts in this state.

14 (e) Has launched a statewide grow your own program in
15 partnership with intermediate districts.

16 (f) Has staff experienced in implementing research-based
17 programs in all of the following areas:

18 (i) Teacher recruitment.

19 (ii) Teacher development.

20 (iii) Teacher retention.

21 (iv) Teacher certification.

22 (v) School leader development.

23 (vi) School leader retention.

24 (g) Has staff experienced in designing and developing a
25 department-approved grow your own program.

26 Sec. 27h. (1) From the state school aid fund money
27 appropriated in section 11, there is allocated for 2023-2024 only
28 for the purposes of this section an amount not to exceed
29 \$25,000,000.00. Programs funded under this section are intended to



1 expand support for new teachers, school counselors, and
2 administrators; improve their instructional practices; and improve
3 teacher retention.

4 (2) From the allocation under subsection (1), the department
5 shall provide grants to districts for mentor stipends to support
6 and retain quality teachers, school counselors, and administrators
7 in this state.

8 (3) To receive a grant under this section, a district must
9 apply for the grant in a form and manner prescribed by the
10 department.

11 (4) Districts that receive grants under subsection (2) may use
12 the funding for any of the following allowable expenditures:

13 (a) Stipends for any of the following individuals:

14 (i) Veteran teachers who serve as mentor teachers of teachers
15 participating in grow your own programs.

16 (ii) Veteran teachers who serve as mentor teachers for teachers
17 who are within their first 3 years of teaching.

18 (b) Stipends for any of the following individuals:

19 (i) Veteran school counselors who serve as mentor school
20 counselors of school counselors participating in grow your own
21 programs.

22 (ii) Veteran school counselors who serve as mentor school
23 counselors for school counselors who are within their first 3 years
24 of serving as school counselors.

25 (c) Stipends for any of the following individuals:

26 (i) Veteran school administrators who serve as mentor school
27 administrators of school administrators participating in grow your
28 own programs.

29 (ii) Veteran school administrators who serve as mentor school



1 administrators for school administrators who are within their first
2 3 years of serving as school administrators.

3 (d) Training for mentor teachers, mentor school counselors,
4 and mentor administrators.

5 (e) Books, materials, professional learning expenses, and
6 other resources necessary for mentoring and onboarding new
7 teachers. Professional learning expenses under this subdivision
8 must be in addition to professional learning requirements described
9 under section 1526 of the revised school code, MCL 380.1526.

10 (f) Staffing costs to cover time spent by both new and mentor
11 teachers, school counselors, and administrators dedicated to
12 mentoring and onboarding rather than being in the classroom or
13 performing other job duties.

14 (g) Contracting with 1 or more established state professional
15 organizations to provide mentoring services to school
16 administrators. Only \$3,000.00 per administrator or the actual
17 program cost, whichever is lesser, of the costs described in this
18 subdivision may be reimbursed from grant funding under subsection
19 (2).

20 (5) From the allocation under subsection (1), there is
21 allocated \$500,000.00 for a competitive grant to assist the
22 department with the development of research-based mentor standards,
23 curricula, and professional learning to ensure mentors are prepared
24 to support new teachers. Intermediate districts and other
25 educational entities are eligible to apply for this grant in a form
26 and manner determined by the department.

27 (6) From the allocation under subsection (1), there is
28 allocated \$500,000.00 for a competitive grant to conduct a program
29 evaluation of activities funded under this section. The evaluation



1 must identify recommendations to strengthen the program. Qualified
2 evaluators are eligible to apply for this grant in a form and
3 manner prescribed by the department. The funds allocated under this
4 subsection for 2023-2024 are a work project appropriation, and any
5 unexpended funds for 2023-2024 are carried forward into 2024-2025.
6 The purpose of the work project is to evaluate the activities under
7 this section. The estimated completion date of the work project is
8 September 30, 2027.

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

12 (8) Subject to subsection (6), the funds allocated under this
13 section for 2023-2024 are a work project appropriation, and any
14 unexpended funds for 2023-2024 are carried forward into 2024-2025.
15 The purpose of the work project is to continue support for grants
16 for mentor stipends. The estimated completion date of the work
17 project is September 30, 2025.

18 Sec. 27i. (1) From the state school aid fund money
19 appropriated in section 11, there is allocated for 2023-2024 only
20 an amount not to exceed \$15,000,000.00 to pilot the creation and
21 implementation of a rural educator credentialing hub.

22 (2) The department must award a grant to a lead approved
23 educator preparation institution to develop the hub working with a
24 consortium of other educator preparation institutions and rural
25 districts to support prospective educators through certifications
26 and career experiences.

27 (3) To receive funding under this section, educator
28 preparation institutions must apply for the funding in a form and
29 manner prescribed by the department. The department must prioritize



1 funding for educator preparation institutions best equipped to
2 support rural districts with the greatest need for additional
3 credentialed educators.

4 (4) The hub described in subsection (1) must provide
5 programming and supports for educators to complete requirements for
6 initial or additional credentials, at no cost to the educator,
7 through assessment of nontraditional and experiential learning and
8 to offset associated costs, including, but not limited to, costs
9 related to transcript review, assessments of skills and knowledge,
10 mentoring, licensure test fees, reasonable course fees, and
11 preparation experiences.

12 (5) The hub described in subsection (1) must meet the
13 credentialing needs of a variety of educators, including
14 individuals who completed or nearly completed formal teacher
15 preparation in this state or another state but have not been
16 certified, individuals who have worked successfully in rural
17 schools under temporary credentials, and veteran educators seeking
18 to expand the authorizations of their credentials.

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

22 (7) As used in this section, "rural district" means districts
23 defined by the department.

24 Sec. 27j. (1) From the state school aid fund money
25 appropriated in section 11, there is allocated for 2023-2024 only
26 an amount not to exceed \$5,000,000.00 for payments to an eligible
27 intermediate district as described in this section.

28 (2) The department shall award a grant to an intermediate
29 district to enter into a partnership with a statewide special



1 education organization to improve the capacity of building-level
2 special education administration personnel.

3 (3) The special education organization described in subsection
4 (2) must provide a training series for school building-level
5 leaders that ensures the knowledge, skills, mentoring, wellness
6 framework, and strategies needed to support special educators,
7 students with disabilities, and their families and community.

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

11 (5) The funds allocated under this section for 2023-2024 are a
12 work project appropriation, and any unexpended funds for 2023-2024
13 do not lapse to the state school aid fund and are carried forward
14 into 2024-2025. The purpose of the work project is to deliver the
15 training described in subsection (3). The estimated completion date
16 of the work project is September 30, 2025.

17 Sec. 27k. (1) From the general fund money appropriated in
18 section 11, there is allocated for 2023-2024 only an amount not to
19 exceed \$100.00 to procure and establish a secure, public online
20 talent dashboard and digital wallet system for storing, viewing,
21 and monitoring the credentials awarded by education providers to
22 all students and adults in this state.

23 (2) As used in this section:

24 (a) "Credential" means degrees, diplomas, certificates,
25 transcripts, reports, or documents, that signify satisfactory
26 completion of the requirements or prerequisites for any educational
27 program.

28 (b) "Digital wallet system" means a secure, private online
29 data management tool for people to store evidence of their academic



1 or skills-based achievements across their lifetimes.

2 (c) "Education provider" means an organization, including, but
3 not limited to, a public educational institution, a private
4 enterprise, nonprofit organization, or noneducational public body,
5 that provides education, either as a main or ancillary objective.

6 (d) "Talent dashboard" means a visual display of aggregated
7 education and training data that is housed and displayed on its own
8 page and that receives information from the secure digital wallet
9 system. The dashboard must be designed for use in different ways,
10 but must primarily be designed to provide a complete picture at a
11 glance of the education and skill levels of specific populations
12 aggregated by state, county, intermediate district, or district.

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

18 (a) Section 22d, isolated and rural districts,
19 ~~\$8,858,000.00~~. **\$11,601,000.00.**

20 (b) Section 221, transportation costs, **\$150,000,000.00.**

21 (c) ~~(b)~~ Section 31a, at risk,
22 ~~\$747,500,000.00~~. **\$1,021,400,000.00.**

23 (d) ~~(e)~~ Section 41, bilingual education for English language
24 learners, ~~\$26,511,000.00~~. **\$32,760,300.00.**

25 (e) ~~(d)~~ Section 51c, special education, mandated percentages,
26 ~~\$709,900,000.00~~. **\$819,200,000.00.**

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

29 (g) ~~(f)~~ Section 61d, career and technical education



1 incentives, \$5,000,000.00.

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

5 **Sec. 30d. (1) From the state school aid fund money**
6 **appropriated in section 11, there is allocated an amount not to**
7 **exceed \$25,000,000.00 for 2022-2023 and an amount not to exceed**
8 **\$160,000,000.00 for 2023-2024 for the purpose of making payments to**
9 **participating entities to provide free school lunch and breakfast**
10 **to public school pupils in grades pre-K to 12.**

11 (2) In order to receive funding from this section, a
12 participating entity must participate in the National School Lunch
13 Program and must do all of the following:

14 (a) Provide reimbursable breakfasts and reimbursable lunches
15 at no cost to all students for any school breakfast program or
16 school lunch program operated by the participating entity.

17 (b) Submit information regarding the number of reimbursable
18 breakfasts and reimbursable lunches served in a manner prescribed
19 by the department and, except for in 2022-2023, pledge that it will
20 report to the department, not later than the last business day of
21 January for each fiscal year, in a form and manner prescribed by
22 the department, the number of meals and the average cost per meal
23 provided during the first half of the current school fiscal year.

24 (c) Maximize federal reimbursement for reimbursable breakfasts
25 and reimbursable lunches by operating under the CEP if the
26 participating entity has an identified student percentage greater
27 than or equal to the minimum requirement to be eligible to
28 participate in the CEP. For purposes of this subdivision, all
29 eligible participating entities must elect CEP on behalf of a



1 single school, a group or groups of schools, or all schools in the
2 participating entity, as applicable, in a manner that maximizes
3 federal reimbursement.

4 (d) The participating entity meets all applicable state and
5 federal standards in its school breakfast and lunch programs, as
6 determined by the department.

7 (e) The participating entity takes all efforts to maximize and
8 implement policies that require parents or guardians to fill out
9 relevant family income information, in a manner prescribed by the
10 department, for the purposes of determining student eligibility for
11 federal free or reduced cost meal reimbursement rates and CEP
12 eligibility determinations.

13 (f) By not later than February 1, 2024, all school meal debt
14 has been forgiven by the participating entity, as determined by the
15 department.

16 (g) The participating entity offers meals that meet students'
17 dietary restrictions, including the provision of gluten-free meals,
18 vegetarian meals, vegan meals, and, upon request, kosher meals,
19 halal meals, and meals meeting any allergy restrictions as
20 confirmed by a doctor's note.

21 (3) For each eligible participating entity, the department
22 shall pay an amount equal to the following:

23 (a) The amount equal to the federal rate per student paid per
24 pupil per free breakfast and lunch under the Child Nutrition Act of
25 1966, 42 USC 21 1771 to 1793, and the Richard B. Russell National
26 School Lunch Act, 42 USC 1751 to 1769j, multiplied by the number of
27 breakfasts and lunches provided by the participating entity to
28 students, less the federal revenue received by the participating
29 entity under the school breakfast program and the school lunch



1 program under the Child Nutrition Act of 1966, 42 USC 21 1771 to
 2 1793, and the Richard B. Russell National School Lunch Act, 42 USC
 3 1751 to 1769j, and other state lunch payments received under
 4 section 31d.

5 (b) The amount equal to the federal rate per student paid per
 6 pupil per free breakfast and lunch under the Child Nutrition Act of
 7 1966, 42 USC 21 1771 to 1793, and the Richard B. Russell National
 8 School Lunch Act, 42 USC 1751 to 1769j, multiplied by the number of
 9 breakfasts and lunches provided by the participating entity, as
 10 applicable, to children participating in the Great Start Readiness
 11 Program under section 32d at the participating entity, less all
 12 other federal and state lunch payments made for those children. For
 13 purposes of this subdivision, compliance with 7 CFR 226.9 is
 14 required. The department shall assign rates of reimbursement, at
 15 least annually, on the basis of family size and income information
 16 reported by each eligible participating entity. Assigned rates of
 17 reimbursement must be adjusted annually to reflect changes in the
 18 national average payment rates.

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

22 (5) As used in this section:

23 (a) "CEP" means the Community Eligibility Provision under the
 24 Richard B. Russell National School Lunch Act, 42 USC 1751 to 1769j.

25 (b) "Participating entity" means a district, intermediate
 26 district, or the Michigan School for the Deaf and Blind.

27 Sec. 30e. (1) From the state school aid fund money
 28 appropriated in section 11, there is allocated for 2022-2023 only
 29 an amount not to exceed \$10,000,000.00 to districts and



1 intermediate districts to offer meals that meet students' dietary
 2 restrictions, including the provision of gluten-free meals,
 3 vegetarian meals, vegan meals, and, upon request, kosher meals,
 4 halal meals, and meals meeting any allergy restrictions as
 5 confirmed by a doctor's note. The funds allocated under this
 6 section must be paid in installments over 2 fiscal years.

7 (2) In order to receive funding under this section, a district
 8 or intermediate district must apply for funds under this section in
 9 a form and manner prescribed by the department.

10 (3) The funds allocated under this section for 2022-2023 are a
 11 work project appropriation, and any unexpended funds for 2022-2023
 12 are carried forward into 2023-2024. The purpose of the work project
 13 is to continue support for dietary restrictions in school meals.
 14 The estimated completion date of the work project is September 30,
 15 2024.

16 Sec. 31a. (1) From the state school aid fund money
 17 appropriated in section 11, there is allocated for ~~2021-2022-2023-~~
 18 ~~2024~~ an amount not to exceed ~~\$537,650,000.00,~~ **\$1,059,550,000.00** and
 19 from the general fund money appropriated in section 11 there is
 20 allocated for ~~2021-2022-2023-2024~~ an amount not to exceed
 21 \$1,500,000.00 ~~, and, from the state school aid fund money~~
 22 ~~appropriated in section 11, there is allocated for 2022-2023 an~~
 23 ~~amount not to exceed \$785,650,000.00, and from the general fund~~
 24 ~~money appropriated in section 11, there is allocated for 2022-2023~~
 25 ~~an amount not to exceed \$1,500,000.00~~ for payments to eligible
 26 districts and eligible public school academies for the purposes of
 27 ensuring that pupils are proficient in English language arts by the
 28 end of grade 3, that pupils are proficient in mathematics by the
 29 end of grade 8, that pupils are attending school regularly, that



1 high school graduates are career and college ready, and for the
 2 purposes under subsections ~~(7) and (8)~~. **(6) and (7)** .

3 ~~(2) For 2021-2022 only, for a district that has combined state~~
 4 ~~and local revenue per membership pupil under sections 20 and 20m~~
 5 ~~that is greater than the target foundation allowance under section~~
 6 ~~20 for the current fiscal year and that, for the immediately~~
 7 ~~preceding fiscal year, had combined state and local revenue per~~
 8 ~~membership pupil under section 20 and 20m that was greater than the~~
 9 ~~target foundation allowance under section 20 that was in effect for~~
 10 ~~that fiscal year, the allocation under subsection (4) is an amount~~
 11 ~~equal to 35% of the allocation for which it would otherwise be~~
 12 ~~eligible under subsection (4) before any proration under subsection~~
 13 ~~(15). It is the intent of the legislature that, if revenues are~~
 14 ~~sufficient and if districts with combined state and local revenue~~
 15 ~~per membership pupil under sections 20 and 20m that is below the~~
 16 ~~target foundation allowance are receiving nonprorated payments~~
 17 ~~under subsection (4), the percentage in the immediately preceding~~
 18 ~~sentence must be increased annually until it reaches 100%. If a~~
 19 ~~district has combined state and local revenue per membership pupil~~
 20 ~~under sections 20 and 20m that is greater than the target~~
 21 ~~foundation allowance under section 20 for the current fiscal year,~~
 22 ~~but for the 2018-2019 fiscal year had combined state and local~~
 23 ~~revenue per membership pupil under section 20 that was less than~~
 24 ~~the basic foundation allowance under section 20 that was in effect~~
 25 ~~for the 2018-2019 fiscal year, the district shall receive an amount~~
 26 ~~per pupil equal to 11.5% of the target foundation allowance, as~~
 27 ~~applied under subsection (4), and before any proration under~~
 28 ~~subsection (15). This subsection does not apply beginning in 2022-~~
 29 ~~2023.~~



1 (2) ~~(3)~~ For a district or public school academy to be eligible
2 to receive funding under this section, other than funding under
3 subsection ~~(7) or (8)~~, **(6) or (7)**, the district or public school
4 academy, for grades K to 12, must comply with the requirements
5 under section 1280f of the revised school code, MCL 380.1280f, and
6 shall use resources to address early literacy and numeracy, and for
7 at least grades K to 12 or, if the district or public school
8 academy does not operate all of grades K to 12, for all of the
9 grades it operates, must implement a multi-tiered system of
10 supports that is an ~~evidence-based~~ **evidence-based** framework that
11 uses data driven problem solving to integrate academic and
12 behavioral instruction and that uses intervention delivered to all
13 pupils in varying intensities based on pupil needs. The multi-
14 tiered system of supports described in this subsection must provide
15 at least all of the following essential components:

- 16 (a) Team-based leadership.
- 17 (b) A tiered delivery system.
- 18 (c) Selection and implementation of instruction,
19 interventions, and supports.
- 20 (d) A comprehensive screening and assessment system.
- 21 (e) Continuous data-based decision making.

22 (3) ~~(4)~~ From the state school aid fund money allocated under
23 subsection (1), there is allocated for ~~2021-2022~~ **2023-2024** an
24 amount not to exceed ~~\$512,500,000.00 and, for 2022-2023, an amount~~
25 ~~not to exceed \$747,500,000.00~~ **\$1,021,400,000.00** to continue a
26 weighted foundation per pupil payment for districts and public
27 school academies enrolling economically disadvantaged pupils. The
28 department shall pay under this subsection to each eligible
29 district or eligible public school academy an amount per pupil



1 equal to ~~11.5%~~ **35.0%** of the target foundation allowance for the
2 following, as applicable:

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

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

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



1 pupils counted in an eligible district or eligible public school
2 academy on the pupil membership count day in the fiscal year
3 preceding the first fiscal year in which the eligible district or
4 eligible public school academy is in the community eligibility
5 program.

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

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

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



1 the department may choose to have the calculations under
2 subdivision (a) instead be made using the number of membership
3 pupils in the district or public school academy who are determined
4 to be economically disadvantaged, as reported to the center in the
5 form and manner prescribed by the center not later than the fifth
6 Wednesday after the supplemental count day of the immediately
7 preceding fiscal year.

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



1 (5) ~~(6)~~—A district or public school academy that receives
 2 funds under this section and that operates a school breakfast
 3 program under section 1272a of the revised school code, MCL
 4 380.1272a, shall use from the funds received under this section an
 5 amount, not to exceed \$10.00 per pupil for whom the district or
 6 public school academy receives funds under this section, necessary
 7 to pay for costs associated with the operation of the school
 8 breakfast program.

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



1 readily available technical support and coordination services to
 2 all child and adolescent health centers in this state.

3 **(7)** ~~(8)~~—From the state school aid fund money allocated under
 4 subsection (1), there is allocated for ~~2021–2022–~~**2023–2024** an
 5 amount not to exceed \$5,150,000.00 ~~and there is allocated for 2022–~~
 6 ~~2023 an amount not to exceed \$5,150,000.00~~ for the state portion of
 7 the hearing and vision screenings as described in part 93 of the
 8 public health code, 1978 PA 368, MCL 333.9301 to 333.9329, and,
 9 from the general fund money allocated under subsection (1), there
 10 is allocated for ~~2021–2022–~~**2023–2024** an amount not to exceed
 11 \$1,500,000.00 ~~and there is allocated for 2022–2023 an amount not to~~
 12 ~~exceed \$1,500,000.00~~ for the state portion of the dental screenings
 13 as described in part 93 of the public health code, 1978 PA 368, MCL
 14 333.9301 to 333.9329. A local public health department shall pay at
 15 least 50% of the total cost of the screenings. The frequency of the
 16 vision screenings must be as required under R 325.13091 to R
 17 325.13096 of the Michigan Administrative Code and the frequency of
 18 the hearing screenings must be as required under R 325.3271 to R
 19 325.3276 of the Michigan Administrative Code. Funds must be awarded
 20 in a form and manner approved jointly by the department and the
 21 department of health and human services. Notwithstanding section
 22 17b, the department shall make payments to eligible entities under
 23 this subsection on a schedule determined by the department.

24 **(8)** ~~(9)~~—Each district or public school academy receiving funds
 25 under this section shall submit to the department by July 15 of
 26 each fiscal year a report, in the form and manner prescribed by the
 27 department, that includes a brief description of each program
 28 conducted or services performed by the district or public school
 29 academy using funds under this section, the amount of funds under



1 this section allocated to each of those programs or services, the
 2 total number of ~~at-risk-at-risk~~ pupils served by each of those
 3 programs or services, and the data necessary for the department and
 4 the department of health and human services to verify matching
 5 funds for the temporary assistance for needy families program. In
 6 prescribing the form and manner of the report, the department shall
 7 ensure that districts are allowed to expend funds received under
 8 this section on any activities that are permissible under this
 9 section. If a district or public school academy does not comply
 10 with this subsection, the department shall withhold an amount equal
 11 to the August payment due under this section until the district or
 12 public school academy complies with this subsection. If the
 13 district or public school academy does not comply with this
 14 subsection by the end of the fiscal year, the withheld funds are
 15 forfeited to the school aid fund.

16 (9) ~~(10)~~—In order to receive funds under this section, a
 17 district or public school academy must allow access for the
 18 department or the department's designee to audit all records
 19 related to the program for which it receives those funds. The
 20 district or public school academy shall reimburse the state for all
 21 disallowances found in the audit.

22 (10) ~~(11)~~—Subject to subsections ~~(6), (7), and (8),~~ (5), (6),
 23 and (7), for schools in which more than 40% of pupils are
 24 identified as at-risk, a district or public school academy may use
 25 the funds it receives under this section to implement tier 1,
 26 evidence-based practices in schoolwide reforms that are guided by
 27 the district's comprehensive needs assessment and are included in
 28 the district improvement plan. Schoolwide reforms must include
 29 parent and community supports, activities, and services, that may



1 include the pathways to potential program created by the department
 2 of health and human services or the communities in schools program.
 3 As used in this subsection, "tier 1, evidence-based practices"
 4 means research based instruction and classroom interventions that
 5 are available to all learners and effectively meet the needs of
 6 most pupils.

7 **(11)** ~~(12)~~—A district or public school academy that receives
 8 funds under this section may use those funds to provide research
 9 based professional development and to implement a coaching model
 10 that supports the multi-tiered system of supports framework.
 11 Professional development may be provided to district and school
 12 leadership and teachers and must be aligned to professional
 13 learning standards; integrated into district, school building, and
 14 classroom practices; and solely related to the following:

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

18 (b) Implementing section 1280f of the revised school code, MCL
 19 380.1280f, as required under subsection ~~(3)~~ **(2)**, with fidelity.

20 **(12)** ~~(13)~~ ~~For 2021-2022, a district or public school academy~~
 21 ~~that receives funds under subsection (4) or (17) may use funds~~
 22 ~~received under subsection (4) or (17) for support staff providing~~
 23 ~~services to at-risk pupils. For 2022-2023, 2023-2024~~ a district or
 24 public school academy that receives funds under subsection ~~(4)~~ **(3)**
 25 may use funds received under subsection ~~(4)~~ **(3)** for support staff
 26 providing services to at-risk pupils.

27 **(13)** ~~(14)~~—A district or public school academy that receives
 28 funds under this section may use up to 10% of the funds received
 29 under this section to provide evidence-based instruction for pre-



1 kindergarten instructional and noninstructional services to
 2 children who meet at least 1 of the criteria in subsection
 3 ~~(20) (a) (i) to (x)~~. **(18) (a) (i) to (x)**.

4 **(14)** ~~(15)~~—If necessary, the department shall prorate payments
 5 under this section, except payments under subsection ~~(7), (8), or,~~
 6 ~~for 2021-2022, (17),~~ **(6) or (7)**, by reducing the amount of the
 7 allocation as otherwise calculated under this section by an equal
 8 percentage per district.

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

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



1 ~~in those calculations the 2017-2018 number of pupils determined to~~
 2 ~~be economically disadvantaged. However, if the allocation as~~
 3 ~~otherwise calculated under this subsection would have been less~~
 4 ~~than \$0.00, the allocation under this subsection is \$0.00. If~~
 5 ~~necessary, and before any proration required under section 296, the~~
 6 ~~department shall prorate payments under this subsection by reducing~~
 7 ~~the amount of the allocation as otherwise calculated under this~~
 8 ~~subsection by an equal percentage per district or public school~~
 9 ~~academy. Any unexpended funds under this subsection are to be~~
 10 ~~distributed through payments made under subsection (4) as provided~~
 11 ~~under subsection (4), but those funds must not be factored into~~
 12 ~~calculating payments under this subsection. This subsection does~~
 13 ~~not apply beginning in 2022-2023.~~

14 **(16)** ~~(18)~~ A district or public school academy that receives
 15 funds under this section may use funds received under this section
 16 to provide an anti-bullying or crisis intervention program.

17 **(17)** ~~(19)~~ The department shall collaborate with the department
 18 of health and human services to prioritize assigning Pathways to
 19 Potential success coaches to elementary schools that have a high
 20 percentage of pupils in grades K to 3 who are not proficient in
 21 English language arts, based upon state assessments for pupils in
 22 those grades.

23 **(18)** ~~(20)~~ As used in this section:

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

27 (i) The pupil is economically disadvantaged.

28 (ii) The pupil is an English language learner.

29 (iii) The pupil is chronically absent as defined by and reported



1 to the center.

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

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

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

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

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

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

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

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

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

26 (d) "Economically disadvantaged" means a pupil who has been
27 determined eligible for free or reduced-price meals as determined
28 under the Richard B. Russell national school lunch act, 42 USC 1751
29 to 1769j; who is in a household receiving supplemental nutrition



1 assistance program or temporary assistance for needy families
 2 assistance; or who is homeless, migrant, or in foster care, as
 3 reported to the center.

4 (e) "English language learner" means limited English
 5 proficient pupils who speak a language other than English as their
 6 primary language and have difficulty speaking, reading, writing, or
 7 understanding English as reported to the center.

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

10 Sec. 31d. (1) From the state school aid fund money
 11 appropriated in section 11, there is allocated an amount not to
 12 exceed \$24,553,400.00 for ~~2021-2022-2022-2023~~ and there is
 13 allocated an amount not to exceed ~~\$24,553,400.00~~ **\$25,290,400.00** for
 14 ~~2022-2023-2023-2024~~ for the purpose of making payments to districts
 15 and other eligible entities under this section.

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

24 (3) The payments made under this section include all state
 25 payments made to districts so that each district receives at least
 26 6.0127% of the necessary costs of operating the state mandated
 27 portion of the lunch program in a fiscal year.

28 (4) The payments made under this section to districts and
 29 other eligible entities that are not required under section 1272a



1 of the revised school code, MCL 380.1272a, to provide a lunch
 2 program must be in an amount not to exceed \$10.00 per eligible
 3 pupil plus 5 cents for each free lunch and 2 cents for each reduced
 4 price lunch provided, as determined by the department.

5 (5) From the federal funds appropriated in section 11, there
 6 is allocated for ~~2021-2022-2022-2023~~ all available federal funding,
 7 estimated at ~~\$900,000,000.00, \$901,400,000.00~~, and there is
 8 allocated for ~~2022-2023-2023-2024~~ all available federal funding,
 9 estimated at ~~\$900,000,000.00, \$901,400,000.00~~, for child nutrition
 10 programs and, for ~~2021-2022, 2022-2023~~, all available federal
 11 funding, estimated at ~~\$30,700,000.00, \$15,000,000.00~~, and, for
 12 ~~2022-2023, 2023-2024~~, all available federal funding, estimated at
 13 \$15,000,000.00, for food distribution programs.

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

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

21 Sec. 31f. (1) From the state school aid fund money
 22 appropriated in section 11, there is allocated an amount not to
 23 exceed ~~\$12,400,000.00 \$11,900,000.00~~ for ~~2021-2022~~ and
 24 ~~\$11,900,000.00 for 2022-2023-2023-2024~~ for the purpose of making
 25 payments to districts to reimburse for the cost of providing
 26 breakfast.

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



1 (a) The district participates in the federal school breakfast
 2 program and meets all standards as prescribed by 7 CFR parts 210,
 3 220, 225, 226, and 245.

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

6 (3) The payment for a district under this section is at a per
 7 meal rate equal to the lesser of the district's actual cost or 100%
 8 of the statewide average cost of a meal served, as determined and
 9 approved by the department, less federal reimbursement, participant
 10 payments, and other state ~~reimbursement.~~ **breakfast reimbursements**
 11 **received under section 30d.** The department shall determine the
 12 statewide average cost using costs as reported in a manner approved
 13 by the department for the preceding school year.

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

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

21 Sec. 31j. (1) From the general fund money appropriated in
 22 section 11, there is allocated **for 2023-2024** an amount not to
 23 exceed \$500,000.00, and from the state school aid fund money
 24 appropriated in section 11, ~~there is allocated an amount not to~~
 25 ~~exceed \$4,000,000.00 for 2021-2022, and from the general fund money~~
 26 ~~appropriated in section 11, there is allocated an amount not to~~
 27 ~~exceed \$500,000.00 and from the state school aid fund money~~
 28 ~~appropriated in section 11, there is allocated an amount not to~~
 29 exceed \$8,800,000.00 for ~~2022-2023~~ **2023-2024** for a program to



1 support districts and other non-school sponsors in the purchase of
2 locally grown fruits and vegetables as described in this section.
3 It is the intent of the legislature that, for ~~2023-2024~~, ~~2024-2025~~,
4 the allocation from the state school aid fund money appropriated in
5 section 11 for purposes described in this section will be
6 \$4,000,000.00.

7 (2) Funding under this section retained by the department for
8 administration must not exceed 5%. Funding under this section
9 retained by project partners for data collection, outreach, and
10 training must not exceed 1% for each partner.

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

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

29 (5) A district or other non-school sponsor that receives a



1 grant under this section shall use those funds for the costs
2 incurred by the district or the sponsor to purchase whole or
3 minimally processed fruits, vegetables, and legumes that meet both
4 of the following:

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

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

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

16 (7) In awarding grants under this section, the department
17 shall work in consultation with Michigan-based farm to school
18 resource organizations, to develop scoring criteria that assess an
19 applicant's ability to procure Michigan-grown products, prepare and
20 menu Michigan-grown products, promote and market Michigan-grown
21 products, and submit letters of intent from districts or other non-
22 school sponsors on plans for educational activities that promote
23 the goals of the program.

24 (8) The department shall give preference to districts or other
25 non-school sponsors that propose educational activities that meet 1
26 or more of the following: promote healthy food activities; have
27 clear educational objectives; involve parents or the community;
28 connect to a school's or child care center's farm-to-school or
29 farm-to-early-child-care procurement activities; and market and



1 promote the program, leading to increased pupil knowledge and
2 consumption of Michigan-grown products. The department shall give
3 stronger weighting and consideration to applications with robust
4 marketing and promotional activities.

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

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

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

12 (c) Existing or planned collaboration between child care
13 sponsors, between districts, or with agricultural businesses and
14 essential local food infrastructure, such as farms, farm
15 cooperatives, processors, distributors, and local food hubs.

16 (10) As a condition of receiving a grant under this section, a
17 district or other non-school sponsor shall provide or direct its
18 vendors to provide to the department copies of monthly receipts
19 that show the quantity of different Michigan-grown fruits,
20 vegetables, and legumes purchased, the amount of money spent on
21 each of these products, the name and Michigan location of the farm
22 that grew the products, and the methods or plans to market and
23 promote the program. The district or other non-school sponsor also
24 shall provide to the department monthly United States Department of
25 Agriculture child nutrition reimbursable meal numbers and must
26 retain monthly menus noting when and how Michigan-grown products
27 were used in meals. The district or other non-school sponsor and
28 school or non-school sponsor food service director or directors
29 also shall agree to respond to brief online surveys and to provide



1 a report that shows the percentage relationship of Michigan
2 spending compared to total food spending. Not later than 60 days
3 after the end of the period in which funds under this section were
4 received, and in which federal child nutrition programs require
5 submission of claims, each district or each non-school sponsor
6 shall submit a report to the department on outcomes and related
7 measurements for economic development and children's nutrition and
8 readiness to learn. The report must include at least both of the
9 following:

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

15 (i) The data used to determine the amount of this increase are
16 the total dollar amount of Michigan or local fruits, vegetables,
17 and legumes purchased by schools and other non-school sponsors,
18 along with the number of different types of products purchased;
19 school and non-school sponsor food purchasing trends identified
20 along with products that are of new and growing interest among food
21 service directors; the number of businesses impacted; and the
22 percentage of total food budget spent on Michigan-grown fruits,
23 vegetables, and legumes.

24 (ii) The district or other non-school sponsor shall use
25 purchasing data collected for the program and surveys of school and
26 non-school sponsor food service directors on the impact and success
27 of the program as the source for the data described in subparagraph
28 (i).

29 (b) The ability to which pupils can access a variety of



1 healthy Michigan-grown foods through schools and other non-school
 2 sponsor centers and increase their consumption of those foods. All
 3 of the following apply for purposes of this subdivision:

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

10 (ii) The district or other non-school sponsor shall use
 11 purchasing data collected for the project, meal count and
 12 enrollment numbers, school menu calendars, and surveys of school
 13 and non-school sponsor food service directors as the source for the
 14 data described in subparagraph (i).

15 **(11) As a condition of receiving grants under this section, a**
 16 **district or other non-school sponsor shall offer meals that meet**
 17 **students' dietary restrictions, including the provision of gluten-**
 18 **free meals, vegetarian meals, vegan meals, and, upon request,**
 19 **kosher meals, halal meals, and meals meeting any allergy**
 20 **restrictions as confirmed by a doctor's note.**

21 (12) ~~(11)~~—The department shall compile the reports provided by
 22 districts and other non-school sponsors under subsection (10) into
 23 1 legislative report. The department shall provide this report not
 24 later than April 1 of each fiscal year following the fiscal year
 25 for which funding is allocated under this section to the house and
 26 senate subcommittees responsible for school aid, the house and
 27 senate fiscal agencies, and the state budget director.

28 (13) ~~(12)~~—Notwithstanding section 17b, the department shall
 29 make payments under this section on a schedule determined by the



1 department.

2 Sec. 31k. (1) From the state school aid fund money
3 appropriated in section 11, there is allocated for 2022-2023 only
4 an amount not to exceed \$2,500,000.00 for payments to eligible
5 districts as described in this section.

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

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

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

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

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

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

27 (6) Subject to subsection (8), if the amount paid to eligible
28 districts under subsection (4) is less than the amount allocated
29 under subsection (1), the department may distribute the remaining



1 funds to eligible districts through a second application in an
2 amount necessary to reimburse eligible districts for the cost of
3 forgiving all outstanding student-meal debt. An eligible district
4 receiving a reimbursement payment under subsection (4) is not
5 eligible for a reimbursement payment through a second application
6 under this subsection.

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

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

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

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

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

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

25 (8) If the amount allocated under this section is insufficient
26 to fully reimburse the cost of student-meal debt forgiveness for
27 all eligible districts, the department shall prorate the
28 reimbursement on an equal percentage per district.

29 Sec. 31n. (1) From the state school aid fund money



1 appropriated in section 11, there is allocated for ~~2022-2023-2023-~~
 2 **2024** for the purposes of this section an amount not to exceed
 3 ~~\$77,600,000.00-\$106,545,000.00~~ and from the general 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 \$1,300,000.00. The department and the department of health and
 7 human services shall continue a program to distribute this funding
 8 to add licensed behavioral health providers for general education
 9 pupils, and shall continue to seek federal Medicaid match funding
 10 for all eligible mental health and support services.

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

27 (3) The advisory council shall develop a fiduciary agent
 28 checklist for intermediate districts to facilitate development of a
 29 plan to submit to the department and to the department of health



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

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

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



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

11 (6) From the state school aid fund money allocated under
 12 subsection (1), there is allocated for ~~2022-2023~~**2023-2024** an
 13 amount not to exceed ~~\$62,800,000.00~~**\$91,745,000.00** to be
 14 distributed to intermediate districts for the provision of mental
 15 health and support services to general education students. If a
 16 district or intermediate district is not able to procure the
 17 services of a licensed master's level behavioral health provider,
 18 the district or intermediate district shall notify the department
 19 and the department of health and human services and, if the
 20 department and department of health and human services verify that
 21 the district or intermediate district attempted to procure services
 22 from a master's level behavioral health provider and was not able
 23 to do so, then the district or intermediate district may instead
 24 procure services from a provider with less than a master's degree
 25 in behavioral health. To be able to use the exemption in the
 26 immediately preceding sentence, the district or intermediate
 27 district must submit evidence satisfactory to the department and
 28 department of health and human services demonstrating that the
 29 district or intermediate district took measures to procure the



1 services of a licensed master's level behavioral health provider
 2 but was unable to do so, and the department and department of
 3 health and human services must be able to verify this evidence.
 4 From the first ~~\$53,496,800.00~~ **\$56,173,600.00** of the funds allocated
 5 under this subsection, the department shall distribute ~~\$955,300.00~~
 6 **\$1,003,100.00** for ~~2022-2023~~ **2023-2024** to each intermediate district
 7 that submits a plan approved by the department and the department
 8 of health and human services. The department shall distribute the
 9 remaining ~~\$9,303,200.00~~ **\$35,571,400.00** of the funds allocated under
 10 this subsection for ~~2022-2023~~ **2023-2024** to intermediate districts
 11 on an equal per-pupil basis based on the combined total number of
 12 pupils in membership in the intermediate district and its
 13 constituent districts, including public school academies that are
 14 considered to be constituent districts under section 705(7) of the
 15 revised school code, MCL 380.705. The department and department of
 16 health and human services shall work cooperatively in providing
 17 oversight and assistance to intermediate districts during the plan
 18 submission process and shall monitor the program upon
 19 implementation. An intermediate district shall use funds awarded
 20 under this subsection to provide funding to its constituent
 21 districts, including public school academies that are considered to
 22 be constituent districts under section 705(7) of the revised school
 23 code, MCL 380.705, for the provision of mental health and support
 24 services to general education students. In addition to the criteria
 25 identified under subsection (7), an intermediate district shall
 26 consider geography, cost, or other challenges when awarding funding
 27 to its constituent districts. Districts receiving funding under
 28 this subsection are encouraged to provide suicide prevention and
 29 awareness education and counseling. If funding awarded to an



1 intermediate district remains after funds are provided by the
2 intermediate district to its constituent districts, the
3 intermediate district may hire or contract for experts to provide
4 mental health and support services to general education students
5 residing within the boundaries of the intermediate district,
6 including, but not limited to, expanding, hiring, or contracting
7 for staff and experts to provide those services directly or to
8 increase access to those services through coordination with outside
9 mental health agencies; the intermediate district may also contract
10 with 1 or more other intermediate districts for coordination and
11 the facilitation of activities related to providing mental health
12 and support services to general education students residing within
13 the boundaries of the intermediate district; and the intermediate
14 district is encouraged to provide suicide prevention and awareness
15 education and counseling.

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

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

29 (b) The district's commitment to work with its intermediate



1 district to use funding it receives under this section that is
2 spent by the district for general education pupils toward
3 participation in federal Medicaid match methodologies. A district
4 must provide a local match of at least 20% of the funding allocated
5 to the district under section 31n.

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

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

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

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

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

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

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

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

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

28 (8) Funding under this section, including any federal Medicaid
29 funds that are generated, must not be used to supplant existing



1 services.

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

5 (a) For ~~2022-2023~~, **2023-2024**, an amount not to exceed
6 \$1,000,000.00 for the purpose of upgrading technology and systems
7 infrastructure and other administrative requirements to support the
8 programs funded under this section.

9 (b) For ~~2022-2023~~, **2023-2024**, an amount not to exceed
10 \$300,000.00 for the purpose of administering the programs under
11 this section and working on generating additional Medicaid funds as
12 a result of programs funded under this section.

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

18 (11) The department and the department of health and human
19 services shall work with the advisory council to develop proposed
20 measurements of outcomes and performance. Those measurements must
21 include, at a minimum, the number of pupils served, the number of
22 schools served, and where those pupils and schools were located.
23 The department and the department of health and human services
24 shall compile data necessary to measure outcomes and performance,
25 and districts and intermediate districts receiving funding under
26 this section shall provide data requested by the department and
27 department of health and human services for the measurement of
28 outcomes and performance. The department and department of health
29 and human services shall provide an annual report not later than



1 December 1 of each year to the house and senate appropriations
2 subcommittees on school aid and health and human services, to the
3 house and senate fiscal agencies, and to the state budget director.
4 At a minimum, the report must include measurements of outcomes and
5 performance, proposals to increase efficacy and usefulness,
6 proposals to increase performance, and proposals to expand
7 coverage.

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

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

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

27 (3) The department shall award funding to districts and
28 intermediate districts with the greatest need for additional school
29 psychologists, school social workers, school counselors, or school



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

7 (a) 1 school psychologist for every 500 full-time equated
8 pupils counted in the district or directly served by the
9 intermediate district.

10 (b) 1 school social worker for every 250 full-time equated
11 pupils counted in the district or directly served by the
12 intermediate district.

13 (c) 1 school counselor for every 250 full-time equated pupils
14 counted in the district or directly served by the intermediate
15 district.

16 (d) 1 school nurse for every 750 full-time equated pupils
17 counted in the district or directly served by the intermediate
18 district.

19 (4) To be eligible for funding under this section, a district
20 or intermediate district must hire additional school psychologists,
21 school social workers, school counselors, or school nurses by March
22 1, 2024 and must maintain support for the new staff **or, as**
23 **determined by the department, staff hired to replace the new staff,**
24 in an ongoing manner. As determined by the department, staff hired
25 and supported by funding under this section must meet all
26 applicable state and federal laws, rules, and license requirements
27 to be considered a school psychologist, school social worker,
28 school counselor, or school nurse.

29 (5) Subject to subsections (6) and (7), payments to eligible



1 districts and intermediate districts must be made as follows:

2 (a) For staff hired before March 1, 2022, **or staff hired to**
3 **replace that staff**, the department shall provide payments to
4 eligible districts and intermediate districts equal to 100% of the
5 annualized cost of newly hired school psychologists, school social
6 workers, school counselors, or school nurses. The amount paid to
7 the eligible district and intermediate district must be the lesser
8 of the actual annualized cost of the employee, as determined by the
9 department, or the median wage for an equivalent employee working
10 in a school setting, as determined by the department, using wage
11 data from the United States Bureau of Labor Statistics that is
12 specific to this state.

13 (b) For retained staff hired with funds under subdivision (a)
14 or hired between March 1, 2022 and March 1, 2023, **or staff hired to**
15 **replace that staff**, the department shall pay eligible districts and
16 intermediate districts 66% of the annualized cost of newly hired
17 school psychologists, school social workers, school counselors, or
18 school nurses. The amount paid to the eligible district or
19 intermediate district must be the lesser of 66% of the actual
20 annualized cost of the employee, as determined by the department,
21 or 66% of the median wage for an equivalent employee working in a
22 school setting, as determined by the department, using wage data
23 from the United States Bureau of Labor Statistics that are specific
24 to this state.

25 (c) For retained staff hired or retained with funds under
26 subdivision (a) or (b) or hired between March 1, 2023 and March 1,
27 2024, **or staff hired to replace that staff**, the department shall
28 pay eligible districts or intermediate districts 33% of the
29 annualized cost of newly hired school psychologists, school social



1 workers, school counselors, or school nurses. The amount paid to
2 the eligible district or intermediate district must be the lesser
3 of 33% of the actual annualized cost of the employee, as determined
4 by the department, or 33% of the median wage for an equivalent
5 employee working in a school setting, as determined by the
6 department, using wage data from the United States Bureau of Labor
7 Statistics that are specific to this state.

8 (6) If a district or intermediate district does not retain
9 staff **or staff hired to replace that staff** hired with funds under
10 subsection (5) (a), the district is not eligible to receive funding
11 for that staff member under subsection (5) (b) or (c).

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

18 (8) The funds allocated under this section for 2021-2022 are a
19 work project appropriation, and any unexpended funds for 2021-2022
20 are carried forward into 2022-2023. The purpose of the work project
21 is to increase the number of school psychologists, school social
22 workers, school counselors, and school nurses in school buildings.
23 The estimated completion date of the work project is September 30,
24 2024.

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

28 Sec. 31p. (1) From the federal funding appropriated under
29 section 11, there is allocated for 2022-2023 only an amount not to



1 exceed \$50,000,000.00 from the federal funding awarded to this
 2 state from the coronavirus state fiscal recovery fund under the
 3 American rescue plan act of 2021, title IX, subtitle M of Public
 4 Law 117-2, for grants to intermediate districts to implement a
 5 TRAILS program as described in subsection (2).

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

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

15 (4) The department shall award, in an equal amount, grants
 16 under this section to each intermediate district that has an
 17 approved grant application for funding under this section.
 18 ~~Intermediate districts must use funds received under this section~~
 19 ~~for a direct partnership with the TRAILS program described in~~
 20 ~~subsection (2).~~ **contract with and forward to the TRAILS program**
 21 **described in subsection (2) an amount equal to the amount awarded**
 22 **to the intermediate district under this subsection. The TRAILS**
 23 **program must use funding received from intermediate districts under**
 24 **this subsection to satisfy the terms of the contracts with the**
 25 **intermediate districts on a statewide basis.**

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

29 (6) The 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 support for the TRAILS program. The estimated
 4 completion date of the work project is December 31, 2026.

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

8 Sec. 31aa. (1) From the state school aid fund money
 9 appropriated in section 11, there is allocated ~~\$150,000,000.00~~
 10 **\$300,000,000.00** for ~~2022-2023-2023-2024~~ only to provide payments to
 11 districts for activities to improve student mental health. **Fifty**
 12 **percent of the funds allocated in this section are distributed to**
 13 **districts during 2023-2024 and 50% are distributed during 2024-**
 14 **2025.** The allowable expenditures of funds under this section
 15 include, but are not limited to, the following:

16 (a) Hiring or contracting for support staff for student mental
 17 health needs, including, but not limited to, school psychologists,
 18 social workers, counselors, and school nurses.

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

20 (c) Providing school-based mental health personnel access to
 21 consultation with behavioral health clinicians to respond to
 22 complex student mental health needs.

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

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

28 (3) If funding remains after the distribution of funds as
 29 described in subsection (2), the department may provide additional



1 per-pupil allocations to allocate remaining dollars, using for
2 those calculations the same requirements described in subsection
3 (2).

4 (4) Except as otherwise provided in this section, to receive
5 funding under this section, districts must apply for funding under
6 this section in a form and manner prescribed by the department. In
7 its application described in this subsection, a district or
8 intermediate district, as applicable, shall document how it or, if
9 an intermediate district is applying, its constituent district,
10 will use community input to guide the expenditure of the funds it
11 or the constituent district will receive under this section and it
12 shall pledge to host, or shall pledge on behalf of its constituent
13 district that the constituent district will host, at least 1
14 community conversation about student mental health and school
15 safety. With consent of its constituent districts, an intermediate
16 district may apply for funding under this section on behalf of its
17 constituent districts. As used in this section, "constituent
18 district" means that term as defined in section 3 of the revised
19 school code, MCL 380.3.

20 (5) Districts receiving funds under this section must
21 coordinate with intermediate school districts to avoid duplication
22 of services and to streamline delivery of mental health services to
23 students.

24 (6) **The funds allocated under this section for 2023-2024 are a**
25 **work project appropriation, and any unexpended funds for 2023-2024**
26 **are carried forward into 2024-2025. The purpose of the work project**
27 **is to continue the support of mental health programs described in**
28 **this section. The estimated completion date of the work project is**
29 **September 30, 2025.**



1 (7) ~~(6)~~ Notwithstanding section 17b, the department shall make
2 payments under this section on a schedule determined by the
3 department.

4 **Sec. 31ff. (1) From the state school aid fund money**
5 **appropriated in section 11, there is allocated \$2,000,000.00 for**
6 **2023-2024 only for districts to partner with an eligible nonprofit**
7 **organization to support delivery of high-dosage neighborhood-based**
8 **tutoring and direct noninstructional services for at-risk pupils 3**
9 **to 12 years of age. Funding under this section is intended to**
10 **ensure that pupils are proficient in English language arts by the**
11 **end of grade 3, that pupils are proficient in mathematics by the**
12 **end of grade 8, that all participants are kindergarten ready, and**
13 **that pupils are prepared to attend school regularly. Funding under**
14 **this section is intended to support communities in meeting service**
15 **gaps for children unable to access 21st century community learning**
16 **center programs due to transportation barriers.**

17 (2) Districts that receive funding under this section must use
18 an amount equal to the amount awarded under this section to
19 contract with an eligible nonprofit organization. A nonprofit
20 organization is eligible for purposes of this section if it meets
21 all of the following criteria:

- 22 (a) It operates in Detroit.
- 23 (b) It employs a community model that includes all of the
24 following:
 - 25 (i) It evaluates a kid success-ready neighborhood.
 - 26 (ii) It invites community input.
 - 27 (iii) It renovates a house in the neighborhood.
 - 28 (iv) It holds goal-setting meetings with the family of each
29 participating child.



1 (v) It partners with organizations to collect data and
2 facilitate a rigorous evaluation.

3 (c) It has the capacity to show evidence of improvements.

4 (d) It has systems to support early learning and K to 3 school
5 referrals.

6 (e) It has an understanding of assessments and growth measures
7 used in this state.

8 (3) Funding under this section must be spent on staffing to
9 support the delivery of support and wraparound services. Funding
10 under this section must not be used to supplant early learning or K
11 to 3 program staff.

12 (4) As used in this section, "at-risk pupil" means that term
13 as defined under section 31a.

14 Sec. 31gg. From the general fund money appropriated in section
15 11, there is allocated for 2023-2024 only an amount not to exceed
16 \$100.00 for the Kids Kicking Cancer Program.

17 Sec. 32d. (1) From the state school aid fund money
18 appropriated in section 11, there is allocated to eligible
19 intermediate districts and consortia of intermediate districts for
20 great start readiness programs an amount not to exceed
21 \$369,120,000.00 for 2022-2023 **and an amount not to exceed**
22 **\$529,820,000.00 for 2023-2024.** In addition, from the federal
23 funding appropriated in section 11, there is allocated for 2022-
24 2023 an amount not to exceed \$83,000,000.00, from the federal
25 funding awarded to this state from the coronavirus state fiscal
26 recovery fund under the American rescue plan act of 2021, title IX,
27 subtitle M of Public Law 117-2, to eligible intermediate districts
28 and consortia of intermediate districts for great start readiness
29 programs. An intermediate district or consortium shall use funds



1 allocated under this section for great start readiness programs to
 2 provide part-day, school-day, or GSRP/Head Start blended
 3 comprehensive free compensatory classroom programs designed to
 4 improve the readiness and subsequent achievement of educationally
 5 disadvantaged children who meet the participant eligibility and
 6 prioritization guidelines as defined by the department. For a child
 7 to be eligible to participate in a program under this section, the
 8 child must be at least 4, but less than 5, years of age as of
 9 September 1 of the school year in which the program is offered and
 10 must meet those eligibility and prioritization guidelines. A child
 11 who is not 4 years of age as of September 1, but who will be 4
 12 years of age not later than December 1, is eligible to participate
 13 if the child's parent or legal guardian seeks a waiver from the
 14 September 1 eligibility date by submitting a request for enrollment
 15 in a program to the responsible intermediate district, if the
 16 program has capacity on or after September 1 of the school year,
 17 and if the child meets eligibility and prioritization guidelines.

18 (2) From the state school aid fund money allocated under
 19 subsection (1), an amount not to exceed \$367,120,000.00 **for 2022-**
 20 **2023 and \$527,820,000.00 for 2023-2024**, and from the federal funds
 21 allocated under subsection (1), an amount not to exceed
 22 \$83,000,000.00 **for 2022-2023**, is allocated to intermediate
 23 districts or consortia of intermediate districts based on the
 24 formula in section 39. An intermediate district or consortium of
 25 intermediate districts receiving funding under this section shall
 26 act as the fiduciary for the great start readiness programs. An
 27 intermediate district or consortium of intermediate districts
 28 receiving funding under this section may collaborate with local
 29 governments to identify children eligible for programs funded under



1 this section and may contract with local governments to provide
 2 services. In order to be eligible to receive funds allocated under
 3 this subsection from an intermediate district or consortium of
 4 intermediate districts, a district, a consortium of districts, a
 5 local government, or a public or private for-profit or nonprofit
 6 legal entity or agency must comply with this section and section
 7 39. ~~The funds allocated under this subsection for 2022-2023 are a~~
 8 ~~work project appropriation, and any unexpended funds for 2022-2023~~
 9 ~~are carried forward into 2023-2024. The purpose of the work project~~
 10 ~~is to continue to improve access to preschool programming for~~
 11 ~~economically disadvantaged children. The estimated completion date~~
 12 ~~of the work project described in the immediately preceding sentence~~
 13 ~~is September 30, 2024.~~

14 (3) In addition to the allocation under subsection (1), from
 15 the general fund money appropriated under section 11, there is
 16 allocated an amount not to exceed ~~\$350,000.00~~ **\$500,000.00** for 2022-
 17 2023 **and \$600,000.00 for 2023-2024** for a competitive grant to
 18 continue a longitudinal evaluation of children who have
 19 participated in great start readiness programs.

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

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

29 (b) An age-appropriate educational curriculum that is in



1 compliance with the early childhood standards of quality for
2 prekindergarten children adopted by the state board, including, at
3 least, the Connect4Learning curriculum.

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

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

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

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

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

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

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

28 (j) Participation in this state's great start to quality
29 process with a rating of at least, **for 2022-2023, 3 stars, and, for**



1 **2023-2024, enhancing quality level.**

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

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

7 (b) Except as otherwise provided in this subdivision, ensure
8 that at least 85% of the children participating in an eligible
9 great start readiness program for whom the intermediate district is
10 receiving funds under this section are children who live with
11 families with a household income that is equal to or less than, **for**
12 **2022-2023, 250%, and, for 2023-2024, 275%**, of the federal poverty
13 guidelines. If the intermediate district determines that all
14 eligible children are being served and that there are no children
15 on the waiting list who live with families with a household income
16 that is equal to or less than, **for 2022-2023, 250%, and, for 2023-**
17 **2024, 275%**, of the federal poverty guidelines, the intermediate
18 district may then enroll children who live with families with a
19 household income that is equal to or less than, **for 2022-2023, 300%**
20 **and, for 2023-2024, 400%**, of the federal poverty guidelines. The
21 enrollment process must consider income and risk factors, such that
22 children determined with higher need are enrolled before children
23 with lesser need. For purposes of this subdivision, all age-
24 eligible children served in foster care or who are experiencing
25 homelessness or who have individualized education programs
26 recommending placement in an inclusive preschool setting are
27 considered to live with families with household income equal to or
28 less than, **for 2022-2023, 250%, and, for 2023-2024, 275%**, of the
29 federal poverty guidelines regardless of actual family income and



1 are prioritized for enrollment within the lowest quintile.

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

4 (i) Teachers possessing proper training. A lead teacher must
5 have a valid Michigan teaching certificate with an early childhood
6 or lower elementary endorsement or a bachelor's or higher degree in
7 child development or early childhood education with specialization
8 in preschool teaching. However, if an applicant demonstrates to the
9 department that it is unable to fully comply with this subparagraph
10 after making reasonable efforts to comply, teachers or
11 paraprofessionals with at least 5 years of experience as a
12 paraprofessional in a great start readiness program classroom who
13 have significant but incomplete training in early childhood
14 education or child development may be used if the applicant
15 provides to the department, and the department approves, a plan for
16 each teacher to come into compliance with the standards in this
17 subparagraph. **Beginning 2023-2024, for purposes of the immediately**
18 **preceding sentence, individuals may also qualify with at least 3**
19 **years of experience based on the recommendation of the intermediate**
20 **district after a classroom observation.** A teacher's compliance plan
21 must be completed within 3 years of the date of employment.
22 Progress toward completion of the compliance plan consists of at
23 least 2 courses per calendar year.

24 (ii) Paraprofessionals possessing proper training in early
25 childhood education, including an associate degree in early
26 childhood education or child development or the equivalent, or a
27 child development associate (CDA) credential. However, if an
28 applicant demonstrates to the department that it is unable to fully
29 comply with this subparagraph after making reasonable efforts to



1 comply, the applicant may use paraprofessionals who have completed
 2 at least 1 course that earns college credit in early childhood
 3 education or child development **or, beginning 2023-2024, enrolls in**
 4 **a child development associate credential with at least 6 months of**
 5 **verified experience in early education and care,** if the applicant
 6 provides to the department, and the department approves, a plan for
 7 each paraprofessional to come into compliance with the standards in
 8 this subparagraph. A paraprofessional's compliance plan must be
 9 completed within 3 years of the date of employment. Progress toward
 10 completion of the compliance plan consists of at least 2 courses or
 11 60 clock hours, **or, beginning 2023-2024, the equivalent,** of
 12 training per calendar year.

13 (d) Include a program budget that contains only those costs
 14 that are not reimbursed or reimbursable by federal funding, that
 15 are clearly and directly attributable to the great start readiness
 16 program, and that would not be incurred if the program were not
 17 being offered. Eligible costs include transportation costs. The
 18 program budget must indicate the extent to which these funds will
 19 supplement other federal, state, local, or private funds. An
 20 applicant shall not use funds received under this section to
 21 supplant any federal funds received by the applicant to serve
 22 children eligible for a federally funded preschool program that has
 23 the capacity to serve those children.

24 (6) For a grant recipient that enrolls pupils in a school-day
 25 program funded under this section, each child enrolled in the
 26 school-day program is counted as described in section 39 for
 27 purposes of determining the amount of the grant award.

28 (7) For a grant recipient that enrolls pupils in a GSRP/Head
 29 Start blended program, the grant recipient shall ensure that all



1 Head Start and GSRP policies and regulations are applied to the
 2 blended slots, with adherence to the highest standard from either
 3 program, to the extent allowable under federal law.

4 (8) An intermediate district or consortium of intermediate
 5 districts receiving a grant under this section shall designate an
 6 early childhood coordinator, and may provide services directly or
 7 may contract with 1 or more districts or public or private for-
 8 profit or nonprofit providers that meet all requirements of
 9 subsections (4) and (5).

10 (9) An intermediate district or consortium of intermediate
 11 districts may retain for administrative services provided by the
 12 intermediate district or consortium of intermediate districts an
 13 amount not to exceed 4% of the grant amount. Expenses incurred by
 14 subrecipients engaged by the intermediate district or consortium of
 15 intermediate districts for directly running portions of the program
 16 are considered program costs or a contracted program fee for
 17 service. Subrecipients operating with a federally approved indirect
 18 rate for other early childhood programs may include indirect costs,
 19 not to exceed the federal 10% de minimis.

20 (10) An intermediate district or consortium of intermediate
 21 districts may expend not more than 2% of the total grant amount for
 22 outreach, recruiting, and public awareness of the program,
 23 **beginning 2023-2024, if they are also participating in related**
 24 **statewide marketing and outreach efforts.**

25 (11) Each grant recipient shall enroll children identified
 26 under subsection (5)(b) according to how far the child's household
 27 income is below, **for 2022-2023, 250%, and, for 2023-2024, 275%**, of
 28 the federal poverty guidelines by ranking each applicant child's
 29 household income from lowest to highest and dividing the applicant



1 children into quintiles based on how far the child's household
 2 income is below, **for 2022-2023, 250%, and, for 2023-2024, 275%**, of
 3 the federal poverty guidelines, and then enrolling children in the
 4 quintile with the lowest household income before enrolling children
 5 in the quintile with the next lowest household income until slots
 6 are completely filled. If the grant recipient determines that all
 7 eligible children are being served and that there are no children
 8 on the waiting list who live with families with a household income
 9 that is equal to or less than, **for 2022-2023, 250%, and, for 2023-**
 10 **2024, 275%**, of the federal poverty guidelines, the grant recipient
 11 may then enroll children who live with families with a household
 12 income that is equal to or less than, **for 2022-2023, 300%, and, for**
 13 **2023-2024, 400%**, of the federal poverty guidelines. The enrollment
 14 process must consider income and risk factors, such that children
 15 determined with higher need are enrolled before children with
 16 lesser need. For purposes of this subsection, all age-eligible
 17 children served in foster care or who are experiencing homelessness
 18 or who have individualized education programs recommending
 19 placement in an inclusive preschool setting are considered to live
 20 with families with household income equal to or less than, **for**
 21 **2022-2023, 250%, and, for 2023-2024, 275%**, of the federal poverty
 22 guidelines regardless of actual family income and are prioritized
 23 for enrollment within the lowest quintile.

24 (12) An intermediate district or consortium of intermediate
 25 districts receiving a grant under this section shall allow parents
 26 of eligible children who are residents of the intermediate district
 27 or within the consortium to choose a program operated by or
 28 contracted with another intermediate district or consortium of
 29 intermediate districts and shall enter into a written agreement



1 regarding payment, in a manner prescribed by the department.

2 (13) An intermediate district or consortium of intermediate
3 districts receiving a grant under this section shall conduct a
4 local process to contract with interested and eligible public and
5 private for-profit and nonprofit community-based providers that
6 meet all requirements of subsection (4) for at least 30% of its
7 total allocation. For the purposes of this 30% allocation, an
8 intermediate district or consortium of intermediate districts may
9 count children served by a Head Start grantee or delegate in a
10 blended Head Start and great start readiness school-day program.
11 Children served in a program funded only through Head Start are not
12 counted toward this 30% allocation. The intermediate district or
13 consortium shall report to the department, in a manner prescribed
14 by the department, a detailed list of community-based providers by
15 provider type, including private for-profit, private nonprofit,
16 community college or university, Head Start grantee or delegate,
17 and district or intermediate district, and the number and
18 proportion of its total allocation allocated to each provider as
19 subrecipient. If the intermediate district or consortium is not
20 able to contract for at least 30% of its total allocation, the
21 grant recipient shall notify the department and, if the department
22 verifies that the intermediate district or consortium attempted to
23 contract for at least 30% of its total allocation and was not able
24 to do so, then the intermediate district or consortium may retain
25 and use all of its allocation as provided under this section. To be
26 able to use this exemption, the intermediate district or consortium
27 shall demonstrate to the department that the intermediate district
28 or consortium increased the percentage of its total allocation for
29 which it contracts with a community-based provider and the



1 intermediate district or consortium shall submit evidence
2 satisfactory to the department, and the department must be able to
3 verify this evidence, demonstrating that the intermediate district
4 or consortium took measures to contract for at least 30% of its
5 total allocation as required under this subsection, including, but
6 not limited to, at least all of the following measures:

7 (a) The intermediate district or consortium notified each
8 nonparticipating licensed child care center located in the service
9 area of the intermediate district or consortium regarding the
10 center's eligibility to participate, in a manner prescribed by the
11 department.

12 (b) The intermediate district or consortium provided to each
13 nonparticipating licensed child care center located in the service
14 area of the intermediate district or consortium information
15 regarding great start readiness program requirements and a
16 description of the application and selection process for community-
17 based providers.

18 (c) The intermediate district or consortium provided to the
19 public and to participating families a list of community-based
20 great start readiness program subrecipients with a great start to
21 quality rating of at least, **for 2022-2023, 3 stars, and, for 2023-**
22 **2024, enhancing quality level.**

23 (14) If an intermediate district or consortium of intermediate
24 districts receiving a grant under this section fails to submit
25 satisfactory evidence to demonstrate its effort to contract for at
26 least 30% of its total allocation, as required under subsection
27 (13), the department shall reduce the allocation to the
28 intermediate district or consortium by a percentage equal to the
29 difference between the percentage of an intermediate district's or



1 consortium's total allocation awarded to community-based providers
2 and 30% of its total allocation.

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

7 (a) Ensure that a great start resource center or the
8 department provides each intermediate district or consortium
9 receiving a grant under this section with the contact information
10 for each licensed child care center located in the service area of
11 the intermediate district or consortium by March 1 of each year.

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

16 (c) Ensure that all intermediate district, district, community
17 college or university, Head Start grantee or delegate, private for-
18 profit, and private nonprofit providers are subject to a single
19 great start to quality rating system. The rating system must ensure
20 that regulators process all prospective providers at the same pace
21 on a first-come, first-served basis and must not allow 1 type of
22 provider to receive a great start to quality rating ahead of any
23 other type of provider.

24 (d) Not later than March 1 of each year, compile the results
25 of the information reported by each intermediate district or
26 consortium under subsection (13) and report to the legislature **and,**
27 **beginning 2023-2024, post on a publicly available website,** a list
28 by intermediate district or consortium with the number and
29 percentage of each intermediate district's or consortium's total



1 allocation allocated to community-based providers by provider type,
2 including private for-profit, private nonprofit, community college
3 or university, Head Start grantee or delegate, and district or
4 intermediate district.

5 (16) A recipient of funds under this section shall report to
6 the center in a form and manner prescribed by the center the
7 information necessary to derive the number of children
8 participating in the program who meet the program eligibility
9 criteria under subsection (5) (b), the number of eligible children
10 not participating in the program and on a waitlist, and the total
11 number of children participating in the program by various
12 demographic groups and eligibility factors necessary to analyze
13 equitable and priority access to services for the purposes of
14 subsection (3).

15 (17) As used in this section:

16 (a) "GSRP/Head Start blended program" means a part-day program
17 funded under this section and a Head Start program, which are
18 combined for a school-day program.

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

23 (c) "Part-day program" means a program that operates at least
24 4 days per week, 30 weeks per year, for at least 3 hours of
25 teacher-child contact time per day but for fewer hours of teacher-
26 child contact time per day than a school-day program.

27 (d) "School-day program" means a program that operates for at
28 least the same length of day as a district's first grade program
29 for a minimum of 4 days per week, 30 weeks per year. A classroom



1 that offers a school-day program must enroll all children for the
2 school day to be considered a school-day program.

3 (18) An intermediate district or consortium of intermediate
4 districts receiving funds under this section shall establish and
5 charge tuition according to a sliding scale of tuition rates based
6 upon household income for children participating in an eligible
7 great start readiness program who live with families with a
8 household income that is more than, **for 2022-2023, 250%, and, for**
9 **2023-2024, 275%**, of the federal poverty guidelines to be used by
10 all of its providers, as approved by the department.

11 (19) From the amount allocated in subsection (2), there is
12 allocated for 2022-2023 an amount not to exceed \$10,000,000.00 **and**
13 **there is allocated for 2023-2024 an amount not to exceed**
14 **\$28,000,000.00** for reimbursement of transportation costs for
15 children attending great start readiness programs funded under this
16 section. To receive reimbursement under this subsection, not later
17 than November 1 of each year, a program funded under this section
18 that provides transportation shall submit to the intermediate
19 district that is the fiscal agent for the program a projected
20 transportation budget. The amount of the reimbursement for
21 transportation under this subsection is no more than the projected
22 transportation budget or, **for 2022-2023, \$300.00, and, for 2023-**
23 **2024, \$500.00**, multiplied by the number of children funded for the
24 program under this section. If the amount allocated under this
25 subsection is insufficient to fully reimburse the transportation
26 costs for all programs that provide transportation and submit the
27 required information, the department shall prorate the
28 reimbursement in an equal amount per child funded. The department
29 shall make payments to the intermediate district that is the fiscal



1 agent for each program, and the intermediate district shall then
2 reimburse the program provider for transportation costs as
3 prescribed under this subsection.

4 (20) Subject to, and from the funds allocated under,
5 subsection (19), the department shall reimburse a program for
6 transportation costs related to parent- or guardian-accompanied
7 transportation provided by transportation service companies, buses,
8 or other public transportation services. To be eligible for
9 reimbursement under this subsection, a program must submit to the
10 intermediate district or consortia of intermediate districts all of
11 the following:

12 (a) The names of families provided with transportation support
13 along with a documented reason for the need for transportation
14 support and the type of transportation provided.

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

18 (c) Any other documentation or information determined
19 necessary by the department.

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

27 (22) An intermediate district that is a GSRP grantee may
28 approve the use of a supplemental curriculum that aligns with and
29 enhances the age-appropriate educational curriculum in the



1 classroom. If the department objects to the use of a supplemental
2 curriculum approved by an intermediate district, the superintendent
3 shall establish a review committee independent of the department.
4 The review committee shall meet within 60 days of the department
5 registering its objection in writing and provide a final
6 determination on the validity of the objection within 60 days of
7 the review committee's first meeting.

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

12 (24) From the funds allocated under subsection (1), there is
13 allocated for 2022-2023 an amount not to exceed \$2,000,000.00 **and**
14 **there is allocated for 2023-2024 an amount not to exceed**
15 **\$2,000,000.00** for payments to intermediate districts or consortia
16 of intermediate districts for professional development and training
17 materials for educators in programs implementing new curricula or
18 child assessment tools approved for use in the great start
19 readiness program.

20 (25) A great start readiness program or a GSRP/Head Start
21 blended program funded under this section is permitted to utilize
22 AmeriCorps Pre-K Reading Corps members in classrooms implementing
23 research-based early literacy intervention strategies.

24 (26) **In addition to the allocation under subsection (1), from**
25 **the state school aid fund money appropriated under section 11,**
26 **there is allocated an amount not to exceed \$63,500,000.00 for 2022-**
27 **2023 only for classroom start up grants to intermediate districts**
28 **and consortia of intermediate districts for new or expanding great**
29 **start readiness classrooms. All of the following apply to funding**



1 allocated under this subsection:

2 (a) To receive funding under this subsection, intermediate
3 districts and consortia of intermediate districts must apply for
4 the funding in a form and manner prescribed by the department.

5 (b) The department shall pay an amount not to exceed
6 \$25,000.00 for each new or expanded classroom. If funding is not
7 sufficient to fully fund all eligible applicants, the department
8 must prorate the per-classroom amount on an equal basis. If the
9 allocation is not fully paid in the current fiscal year, the
10 department may award any remaining funding during fiscal year 2023-
11 2024 for each new or expanded classroom at an equal amount per
12 classroom, based on remaining available funds, not to exceed
13 \$25,000.00 per classroom.

14 (c) Funds received under this subsection by intermediate
15 districts and consortia of intermediate districts must be paid in
16 full to the entity operating the classroom and may be used for any
17 of the following purposes:

18 (i) Costs associated with attracting, recruiting, retaining,
19 and licensing required classroom education personnel to staff new
20 or expanded classrooms.

21 (ii) Supporting facility improvements or purchasing facility
22 space necessary to provide a safe, high-quality learning
23 environment for children in each new or expanded classroom.

24 (iii) Outreach material necessary for public awareness that the
25 great start readiness program has openings in the area and for
26 costs associated with enrolling eligible children in new or
27 expanded classrooms.

28 (iv) Supporting costs in each new or expanded classroom
29 associated with improving a provider's great start to quality



1 rating.

2 (d) The funds allocated under this subsection for 2022-2023
3 are a work project appropriation, and any unexpended funds for
4 2022-2023 do not lapse to the state school aid fund and are carried
5 forward into 2023-2024. The purpose of the work project is to
6 continue support for new or expanded great start readiness
7 classrooms. The estimated completion date of the work project is
8 September 30, 2024.

9 (27) In addition to the funds allocated in subsection (1),
10 from the state school aid fund money appropriated under section 11,
11 there is allocated for 2022-2023 only an amount not to exceed
12 \$75,000,000.00 to expand the hours and weeks of great start
13 readiness program teacher-child contact time beyond the school-day
14 program levels described in subsection (17). All of the following
15 apply to the funding described in this subsection:

16 (a) To receive a grant under this subsection, great start
17 readiness program providers must apply for the grant in a form and
18 manner prescribed by the department. Eligible applicants must
19 increase the program week from 4 days to 5 days and add additional
20 weeks to the program year or establish partnerships with the child
21 development and care program to create full-day, full-year
22 programming.

23 (b) For each eligible expanded program described in this
24 subsection, the department shall pay a 1-time expansion grant equal
25 to \$75,000.00. If funding allocated in this subsection is not
26 sufficient to fully fund all eligible applicants, the department
27 shall prioritize funding toward programs in intermediate districts
28 with the highest levels of poverty.

29 (c) The funds allocated under this subsection for 2022-2023



1 are a work project appropriation, and any unexpended funds for
2 2022-2023 are carried forward into 2023-2024. The purpose of the
3 work project is to expand participation in preschool programming.
4 The estimated completion date of the work project is September 30,
5 2027.

6 (28) In addition to the funds allocated in subsection (1),
7 there is allocated from the state school aid fund money
8 appropriated under section 11 for 2022-2023 only an amount not to
9 exceed \$10,000,000.00 for a consortium of intermediate districts to
10 partner with the department and community-based organizations to
11 implement a multiyear statewide campaign to raise awareness about
12 the availability of services through the great start readiness
13 program, and to develop systems to identify and reach out to
14 eligible families. All of the following apply to funding under this
15 subsection:

16 (a) Funding under this section must be used for the following
17 purposes:

18 (i) Implementing a statewide outreach campaign to make families
19 aware of the availability of the great start readiness program.

20 (ii) Organizing community events and outreach activities to
21 inform parents about the availability of the great start readiness
22 program, the positive impacts of early childhood education, and
23 additional early childhood programs available to families.

24 (iii) Developing and implementing a statewide website that
25 allows providers to advertise available great start readiness slots
26 and allows families to connect with providers to fill open slots.
27 The website must include information about additional early
28 childhood programs for families, including, but not limited to, the
29 child development and care program and Head Start.



1 (b) The funds allocated under this subsection for 2022-2023
 2 are a work project appropriation, and any unexpended funds for
 3 2022-2023 are carried forward into 2023-2024. The purpose of the
 4 work project is to raise awareness of and participation in great
 5 start readiness programming. The estimated completion date of the
 6 work project is September 30, 2027.

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

10 Sec. 32n. (1) From the **state school aid fund money**
 11 **appropriated under section 11, there is allocated for 2023-2024**
 12 **only an amount not to exceed \$25,000,000.00, and from the** federal
 13 funding appropriated under section 11, there is allocated for ~~2022-~~
 14 ~~2023-~~**2023-2024** only an amount not to exceed \$25,000,000.00 from the
 15 federal funding awarded to this state from the coronavirus state
 16 fiscal recovery fund under the American rescue plan act of 2021,
 17 title IX, subtitle M of Public Law 117-2, for the purposes of this
 18 section. The department shall develop a competitive grant program
 19 to distribute this funding to eligible entities, as described in
 20 subsection (2), as prescribed under this section.

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

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

28 (b) Be a community-based organization that is exempt from
 29 federal income tax under section 501(c)(3) of the internal revenue



1 code, 26 USC 501, an institution of higher education, a community
2 or adult education program, a public library, a local government,
3 or an intermediate district.

4 (c) Provide before-school, after-school, before-and-after-
5 school, or summer school programming to children described in
6 subdivision (a). These programs must be used to support expanded
7 learning opportunities, including, but not limited to, mentoring,
8 leadership, community engagement, agriculture, art, music,
9 literacy, science, technology, engineering, mathematics, health,
10 and recreation programming.

11 (d) Address measurable goals, including, but not limited to,
12 improved school attendance, academic outcomes, positive behaviors,
13 and skill acquisition, and include activities linked to research or
14 quality practices.

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

28 (4) Subject to subsection (8), in determining award amounts
29 under this subsection, the department shall, to the extent



1 practicable, ensure that eligible entities in all geographic
2 regions of this state are represented in the distribution of grant
3 funding under this section.

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

7 (a) An applicant's demonstrated need.

8 (b) The percentage of low-income families in the geographic
9 area being served. Prioritization must be determined by the average
10 percentage of pupils in the district who are eligible for free and
11 reduced-priced meals as determined under the Richard B. Russell
12 national school lunch act, 42 USC 1751 to 1769j, where eligible
13 entities will provide before-and-after-school or summer school
14 programs.

15 (c) Whether the application provides services for the full
16 school year.

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

19 (e) Whether an applicant serving children in any of grades K
20 through 8 is licensed or is in the process of becoming licensed or
21 has implemented the Michigan State Board of Education Michigan Out-
22 of-School Time Standards of Quality. This does not preclude a
23 nonlicensed entity from applying for funding under this section and
24 being funded under this section.

25 (6) Subject to subsection (7), an eligible entity that
26 receives grant funding under this section shall use the funding
27 only to provide before-school, after-school, before-and-after-
28 school, or summer school programming to children described in
29 subsection (2) (a). The programming offered under this subsection



1 must meet all of the following:

2 (a) Be provided to children in a manner in which the children
3 are physically present at a building or location designated by the
4 eligible entity.

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

7 (c) Provide data to evaluate the program in a form and manner
8 as prescribed by the department.

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

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

18 (9) Notwithstanding section 17b, the department shall make
19 payments under this section in full upon grant award. Grantees that
20 do not comply with reporting requirements, fail to provide the
21 services proposed in their grant application, or close during the
22 grant period may be required to repay the funding they received
23 under this section to the department.

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

27 **Sec. 32o. (1) From the state school aid fund money**
28 **appropriated under section 11, there is allocated for 2023-2024**
29 **only an amount not to exceed \$25,000,000.00, and from the general**



1 fund money appropriated under section 11, there is allocated for
2 2023-2024 only an amount not to exceed \$500,000.00 as provided
3 under this section.

4 (2) From the state school aid fund money allocated in
5 subsection (1), \$25,000,000.00 must be paid to Clinton County RESA
6 to distribute to eligible applicants as directed by the MOST
7 Council.

8 (3) From the general fund money allocated under subsection
9 (1), \$300,000.00 must be utilized by the department to support the
10 administration of the MOST Council and \$200,000.00 must be provided
11 to the Michigan Association of United Ways for the Michigan
12 Afterschool Partnership to administer quality supports, workforce
13 participation, and evaluation, and to ensure family, youth, and
14 parent or legal guardian engagement.

15 (4) The Michigan Out-of-School-Time Council is created within
16 the department. All of the following apply with regard to the MOST
17 Council:

18 (a) The MOST Council shall develop and adopt a statewide
19 strategy and annually shall review and make recommendations
20 concerning changes to the strategy to the governor, the
21 legislature, and the department concerning the delivery of OST
22 programs to K to 12 pupils.

23 (b) The MOST Council shall meet in public at least 4 times
24 annually.

25 (c) The MOST Council shall include, at least, all of the
26 following members, appointed by the governor:

27 (i) An intermediate district or district administrator.

28 (ii) An individual representing a statewide community-based
29 organization that provides an OST program.



1 (iii) Two members representing a local or regional community-
2 based organization that provides OST programs.

3 (iv) An individual representing a regional intermediary for OST
4 programs.

5 (v) A parent or legal guardian of a child in an OST program.

6 (vi) A youth participant or former participant in an OST
7 program.

8 (vii) An individual representing the business community.

9 (viii) An individual representing a philanthropic organization
10 who is investing in OST programs.

11 (ix) A representative of the child care licensing bureau at the
12 department of licensing and regulatory affairs.

13 (x) A representative of the MiSTEM Network or the department
14 of labor and economic opportunity.

15 (xi) A representative of the department of health and human
16 services.

17 (xii) A representative of the Michigan Economic Development
18 Corporation or the Michigan Future Talent Council.

19 (xiii) The superintendent of public instruction or the
20 superintendent's designee.

21 (xiv) The director of the Michigan After School Partnership
22 (MASP) or the director's designee.

23 (xv) Two members of the house of representatives, recommended
24 by the speaker of the house of representatives and the minority
25 leader of the house of representatives, who will serve as ex-
26 officio members without voting privileges.

27 (xvi) Two members of the senate, recommended by the majority
28 and minority leaders of the senate, who will serve as ex-officio



1 members without voting privileges.

2 (xvii) The governor or the governor's designee, who will serve
3 as ex-officio members without voting privileges.

4 (d) Subject to subsection (6), the MOST Council shall make
5 funding recommendations for the funds allocated under subsection
6 (1) by December 1 of each fiscal year. Each funding recommendation
7 must be for a program approved by the MOST Council.

8 (e) The MOST Council shall work with the Michigan After School
9 Partnership (MASP) to develop locally and regionally developed
10 programs and professional learning experiences for the programs
11 approved as described in subdivision (d).

12 (f) The MOST Council shall work with the department to
13 implement the statewide strategy adopted by the MOST Council.

14 (5) If the MOST Council is unable to make funding
15 recommendations by December 1 of a fiscal year as described in
16 subsection (4) (d), the department shall work with the intermediate
17 district identified in subsection (2) to allocate funds under
18 subsection (1) on a competitive grant basis that at least follows
19 the statewide strategy described in subsection (4). Each grant must
20 provide for OST programs for pupils.

21 (6) The statewide strategy described in subsection (4) must
22 include at least the following criteria:

23 (a) The development and annual updating of a statewide
24 strategy for moving the state to universal access and equitable
25 participation by youth in OST programs, including funding and
26 statutory recommendations necessary to aid such efforts.

27 (b) The development of a process related to funding to be used
28 for competitive grants, including creating an application process,
29 setting funding priorities, determining criteria and a review



1 process for evaluating applications and for awarding grants, and
2 approving grant awards. For 2023-2024 only, the process described
3 in this subdivision must include the following criteria:

4 (i) Establishing competitive grant criteria for eligible
5 applicants to expand access to quality, affordable programming
6 before and after the school day, and during the summer for young
7 people. The grant criteria must require that an applicant meet, at
8 a minimum, all of the following criteria:

9 (A) Serve children in any of grades K to 12.

10 (B) Be a community-based organization that is exempt from
11 federal income tax under section 501(c)(3) of the internal revenue
12 code, 26 USC 501, or a district, intermediate district, or
13 partnership of districts or intermediate districts with a
14 community-based organization or organizations, a statewide or
15 regional intermediary entity, an institution of higher education, a
16 community or adult education program, a public library, or a local
17 government.

18 (C) Provide before-school, after-school, summer programming,
19 or before-and-after-school and summer programming to children
20 described in sub-subparagraph (A). These programs must be used to
21 support expanded learning opportunities, including, but not limited
22 to, mentoring, leadership, community engagement, agriculture, art,
23 music, literacy, science, technology, engineering, mathematics,
24 health, and recreation programming.

25 (ii) The process must be posted publicly at least 30 days
26 before the opening of the grant application period and must include
27 the form and manner for applying for the grants and the criteria
28 that will be used for application review. The application must
29 include a request for information on the applicant's outreach to



1 children, youth, and families who qualify for free- or reduced-
2 price lunch. The application must be open for at least 30 calendar
3 days. The criteria for evaluating applications as described in this
4 subparagraph must include, but are not limited to, priorities
5 described in subparagraph (iv).

6 (iii) The process must provide that, in determining award
7 amounts under this section, the MOST Council shall, to the extent
8 practicable, ensure that eligible grant recipients in all
9 geographic regions of this state are represented in the
10 distribution of grant funding under this section.

11 (iv) The process must provide that the MOST Council shall
12 prioritize the distribution of grant funding under this section
13 based on, at a minimum, the following:

14 (A) An applicant's demonstrated need.

15 (B) The percentage of low-income families in the geographic
16 area being served. Prioritization under this sub-subparagraph must
17 be determined by the average percentage of pupils in the district
18 where eligible entities will provide before-and-after-school or
19 summer programs who are eligible for free- and reduced-priced meals
20 as determined under the Richard B. Russell national school lunch
21 act, 42 USC 1751 to 1769j.

22 (C) Whether the application provides services for the full
23 school year.

24 (D) The applicant's track record for providing quality,
25 affordable before-and-after-school or summer services.

26 (v) The process must provide that an eligible grant recipient
27 that receives grant funding under this section shall use the
28 funding only to provide before-school, after-school, or before-and-
29 after-school programming, or summer programming to children



1 described in subparagraph (i) (A). The programming offered under this
2 subparagraph must meet all of the following:

3 (A) Be provided to children in a manner in which the children
4 are physically present at a building or location designated by the
5 eligible entity.

6 (B) Provide educational programming in core subject areas,
7 including, but not limited to, mathematics, reading, and science.

8 (C) Provide data to evaluate the program in a form and manner
9 as prescribed by the MOST Council.

10 (vi) The process must provide that the MOST Council shall
11 ensure at least 60% of the funding is awarded to OST programs
12 operated by community-based organizations.

13 (vii) The process must provide that, notwithstanding section
14 17b, the intermediate district under subsection (2) shall make
15 payments under this section in full, upon grant award, including
16 reimbursing for pre-award expenses beginning October 1 of the
17 fiscal year in which funding under this section is allocated.
18 Grantees that do not comply with reporting requirements, fail to
19 provide the services proposed in their grant application, or close
20 during the grant period may be required to repay the funding they
21 received under this section to the department.

22 (viii) Notwithstanding section 17b, the process must provide
23 that payment must be made in full to the intermediate district
24 under subsection (2), must be made in a manner determined by the
25 department, and must be distributed by not later than November 30
26 of the fiscal year in which funding under this section is
27 allocated.

28 (c) Annual reporting of programs that received funding and the
29 MOST Council's activities.



1 (d) With the department, monitoring the administration of
2 funding usage and ensuring the implementation of funding is
3 consistent with the terms of acceptance.

4 (7) As used in this section:

5 (a) "MOST Council" means the Michigan Out-of-School-Time
6 Council created in subsection (4).

7 (b) "OST" means the out-of-school-time programs.

8 Sec. 32p. (1) From the state school aid fund money
9 appropriated in section 11, there is allocated an amount not to
10 exceed ~~\$13,400,000.00~~ **\$31,900,000.00** to intermediate districts for
11 ~~2022-2023~~ **2023-2024** for the purpose of providing early childhood
12 funding to intermediate districts to support the goals and outcomes
13 under ~~subsection~~ **subsections** (2) and ~~subsection~~ (4), **at the**
14 **discretion of the intermediate district**, and to provide supports
15 for early childhood programs for children from birth through age 8.
16 **It is the intent of the legislature that the amount allocated under**
17 **this section for 2024-2025 will be \$13,400,000.00.** The funding
18 provided to each intermediate district under this section is
19 determined by the distribution formula established by the
20 department's office of great start to provide equitable funding
21 statewide. In order to receive funding under this section, each
22 intermediate district must provide an application to the office of
23 great start not later than September 15 of the immediately
24 preceding fiscal year indicating the strategies planned to be
25 provided.

26 (2) Each intermediate district or consortium of intermediate
27 districts that receives funding under this section shall convene a
28 local great start collaborative and a ~~parent~~ **family** coalition that
29 includes an active partnership with at least 1 community-based



1 organization. The goal of each great start collaborative and ~~parent~~
 2 **family** coalition is to ensure the coordination and expansion of
 3 local early childhood systems and programs that allow every child
 4 in the community to achieve the following outcomes:

5 (a) Children born healthy.

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

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

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

12 (3) Each local great start collaborative and ~~parent~~-**family**
 13 coalition shall convene workgroups to make recommendations about
 14 community services designed to achieve the outcomes described in
 15 subsection (2) and to ensure that its local great start system
 16 includes the following supports for children from birth through age
 17 8:

18 (a) Physical **and social-emotional** health.

19 ~~(b) Social-emotional health.~~

20 ~~(b) (e)~~-Family supports, including, but not limited to, the
 21 provision of basic needs and economic self-sufficiency.

22 ~~(c) (d)~~-Parent leadership and family engagement.

23 ~~(d) (e)~~-Early education, including the child's development of
 24 skills linked to success in foundational literacy, and care.

25 **(e) Community infrastructure.**

26 (4) From the funds allocated in subsection (1), at least
 27 ~~\$2,500,000.00~~ **\$4,500,000.00** must be used for the purpose of
 28 providing home visits to at-risk children and their families. **It is**
 29 **the intent of the legislature that the amount allocated under this**



1 **subsection for 2024-2025 will be \$2,500,000.00.** The home visits
2 must be conducted as part of a locally coordinated, family-
3 centered, evidence-based, data-driven home visit strategic plan
4 that is approved by the department. The goals of the home visits
5 funded under this subsection are to improve school readiness using
6 evidence-based methods, including a focus on developmentally
7 appropriate outcomes for early literacy, to improve positive
8 parenting practices, and to improve family economic self-
9 sufficiency while reducing the impact of high-risk factors through
10 community resources and referrals. The department shall coordinate
11 the goals of the home visit strategic plans approved under this
12 subsection with other state agency home visit programs in a way
13 that strengthens Michigan's home visiting infrastructure and
14 maximizes federal funds available for the purposes of at-risk
15 family home visits. The coordination among departments and agencies
16 is intended to avoid duplication of state services and spending,
17 and should emphasize efficient service delivery of home visiting
18 programs.

19 (5) Not later than December 1 of each year, each intermediate
20 district shall provide a report to the department detailing the
21 strategies actually implemented during the immediately preceding
22 school year and the families and children actually served. At a
23 minimum, the report must include an evaluation of the services
24 provided with additional funding under subsection (4) for home
25 visits, using the goals identified in subsection (4) as the basis
26 for the evaluation, including the degree to which school readiness
27 was improved, the degree to which positive parenting practices were
28 improved, the degree to which there was improved family economic
29 self-sufficiency, and the degree to which community resources and



1 referrals were utilized. The department shall compile and summarize
 2 these reports and submit its summary to the house and senate
 3 appropriations subcommittees on school aid and to the house and
 4 senate fiscal agencies not later than February 15 of each year.

5 **(6) From the funds allocated in subsection (1), at least**
 6 **\$4,000,000.00 must be used for 2023-2024 only for the purpose of**
 7 **improving access to books and other literacy materials for children**
 8 **ages birth to age 5. The amount of funding allocated to each**
 9 **intermediate district must utilize the distribution formula**
 10 **described in subsection (1). An intermediate district may use the**
 11 **funding to support programs, including, but not limited to, the**
 12 **Dolly Parton Imagination Library, Reach Out and Read Michigan, or**
 13 **any other program that provides books and literacy materials to**
 14 **children ages birth to age 5. If funding under this subsection is**
 15 **not sufficient to enroll all interested families in the service,**
 16 **each intermediate district must prioritize enrollment to those**
 17 **families with the highest levels of economic need. If an**
 18 **intermediate district will not fully utilize funding under this**
 19 **subsection, those funds must be returned to the department for**
 20 **redistribution for the purposes under this subsection. This**
 21 **subsection does not apply after the 2023-2024 fiscal year.**

22 **(7) ~~(6)~~—An intermediate district or consortium of intermediate**
 23 **districts that receives funding under this section may carry over**
 24 **any unexpended funds received under this section into the next**
 25 **fiscal year and may expend those unused funds through June 30 of**
 26 **the next fiscal year. However, an intermediate district or**
 27 **consortium of intermediate districts that receives funding for the**
 28 **purposes described in subsection (2) in ~~fiscal year 2022-2023~~ **the****
 29 **current fiscal year shall not carry over into the next fiscal year**



1 any amount exceeding 15% of the amount awarded to the intermediate
 2 district or consortium in the ~~2022-2023-current~~ fiscal year. **The**
 3 **immediately preceding sentence does not apply for funding received**
 4 **under this section that was allocated under this section in the**
 5 **2023-2024 fiscal year.** A recipient of a grant shall return any
 6 unexpended grant funds to the department in the manner prescribed
 7 by the department not later than September 30 of the next fiscal
 8 year after the fiscal year in which the funds are received.

9 Sec. 32t. **(1)** From the ~~state school aid fund money~~
 10 ~~appropriated in section 11, there is allocated for 2022-2023 only~~
 11 ~~an amount not to exceed \$2,200,000.00~~ **federal funding appropriated**
 12 **under section 11, there is allocated for 2023-2024 only an amount**
 13 **not to exceed \$18,000,000.00 from the federal funding awarded to**
 14 **this state from the coronavirus state fiscal recovery fund under**
 15 **the American rescue plan act of 2021, title IX, subtitle M of**
 16 **Public Law 117-2, to the department for payments** to Clinton County
 17 RESA (CCRESA) for the ~~Strong Beginnings Program~~ **3-year-old**
 18 **preschool pilot program** to provide services to children who **do not**
 19 **meet the age eligibility criteria for the great start readiness**
 20 **program, but** meet ~~the~~ **all other** eligibility criteria for the great
 21 start readiness program. ~~, but do not meet the age eligibility~~
 22 ~~criteria for the great start readiness program.~~ These services must
 23 be designed for children who are age 3 and must be similar to the
 24 services provided through the great start readiness program. The
 25 program described in this section must be administered by CCRESA
 26 Strong Beginnings Implementation Team under the direction of the
 27 department, office of great start, with assessment, data, and
 28 collection analysis for the program being provided by Michigan
 29 State University.



1 (2) The department must pay the funding under this section to
2 Clinton County RESA in installments over 3 years. The department
3 must obligate funds received under this section before December 31,
4 2024. Clinton County RESA must expend funds received under this
5 section before December 31, 2026. The federal funds allocated under
6 this section must be allocated and expended in a manner consistent
7 with federal rules and regulations.

8 (3) The funding allocated under this section must be used with
9 the intent to serve at least 1,000 children over the next 3 school
10 years, evaluate outcomes, and create a scalable 3-year-old
11 preschool model. At the end of the pilot program described in this
12 section, Clinton County RESA must provide both of the following to
13 the department:

14 (a) A report detailing how the pilot program was conducted,
15 demographics of the children served, outcomes achieved, challenges
16 faced in the implementation of the pilot program, and how the
17 Implementation Team responded to the challenges.

18 (b) A model this state could use to scale the pilot program
19 statewide, if funding were available.

20 (4) The funds allocated under this section for 2023-2024 are a
21 work project appropriation, and any unexpended funds for 2023-2024
22 are carried forward into 2024-2025. The purpose of the work project
23 is to pilot the expansion of great start readiness program
24 opportunities to 3-year-old children. The estimated completion date
25 of the work project is September 30, 2027.

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

29 Sec. 32w. (1) From the federal funding appropriated under



1 section 11, there is allocated for 2023-2024 only an amount not to
2 exceed \$6,000,000.00 from the federal funding awarded to this state
3 from the coronavirus state fiscal recovery fund under the American
4 rescue plan act of 2021, title IX, subtitle M of Public Law 117-2,
5 to the department to grant funding to GOAL Line Detroit. This
6 project is intended to respond to the COVID-19 public health
7 emergency and its impact on student development, including
8 academic, mental, behavioral, and social-emotional development. To
9 receive funding under this section, GOAL Line Detroit must apply
10 for funding in a form and manner determined by the department.

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

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

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



1 **Sec. 32x. (1) From the state school aid fund money**
 2 **appropriated in section 11, there is allocated for 2023-2024 only**
 3 **\$3,200,000.00 to be paid in installments over 4 fiscal years to**
 4 **Wayne State University Law School's Levin Center for Oversight and**
 5 **Democracy for statewide implementation of the Learning by Hearings**
 6 **civic education program. The Learning by Hearings program is a**
 7 **civics education curriculum and after-school program that does all**
 8 **of the following:**

9 **(a) Immerses students in United States history and government**
 10 **as they analyze facts and roleplay a legislative oversight hearing.**

11 **(b) Teaches critical thinking, primary source research,**
 12 **writing, and public speaking.**

13 **(c) Exposes students to diverse viewpoints and opportunities**
 14 **to practice civic discourse.**

15 **(d) Reaches students in class and after school to maximize**
 16 **impact.**

17 **(2) Funds allocated under this section for 2023-2024 are a**
 18 **work project appropriation, and any unexpended funds for 2023-2024**
 19 **are carried forward into 2024-2025. The purpose of the work project**
 20 **is to continue providing funding to support the Learning by**
 21 **Hearings civic education program throughout this state. The**
 22 **estimated completion date of the work project is September 30,**
 23 **2027.**

24 **(3) Notwithstanding section 17b, the department shall make**
 25 **payments under this section not later than November 1, 2023.**

26 **Sec. 35a. (1) From the appropriations in section 11, there is**
 27 **allocated for ~~2022-2023~~2023-2024 for the purposes of this section**
 28 **an amount not to exceed ~~\$67,400,000.00~~\$88,400,000.00 from the**
 29 **state school aid fund and there is allocated for ~~2022-2023~~2023-**



1 **2024 only** for the purposes of subsection (8) an amount not to
2 exceed ~~\$5,000,000.00~~ **\$4,500,000.00** from the general fund. **It is the**
3 **intent of the legislature that the state school aid fund money**
4 **allocated under this section for 2024-2025 will be \$51,400,000.00.**
5 Excluding staff or contracted employees funded under subsection
6 (8), the superintendent shall designate staff or contracted
7 employees funded under this section as critical shortage. Programs
8 funded under this section are intended to ensure that this state
9 will be a top 10 state in grade 4 reading proficiency by 2025
10 according to the National Assessment of Educational Progress
11 (NAEP). By December 31 of each fiscal year in which funding is
12 allocated under this section, the superintendent of public
13 instruction shall do both of 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 the amount**
 29 **allocated under this subsection for 2024-2025 will be**



1 **\$31,500,000.00.** All of the following apply to funding under this
2 subsection:

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

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

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

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

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

22 (i) The department shall award each intermediate district grant
23 funding to support the cost of ~~1-2~~ early literacy ~~coach~~**coaches** in
24 an equal amount per early literacy coach, not to exceed
25 ~~\$112,500.00.~~**\$125,000.00.**

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~~**\$125,000.00** per early literacy coach. The number of



1 funded early literacy coaches for each intermediate district is
 2 based on the percentage of the total statewide number of pupils in
 3 grades K to 3 who meet the income eligibility standards for the
 4 federal free and reduced-price lunch programs who are enrolled in
 5 districts in the 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 the amount allocated under this**
 19 **subsection for 2024-2025 will be \$19,900,000.00.** Additional
 20 instructional time may be provided before, during, and after
 21 regular school hours or as part of a year-round balanced school
 22 calendar. All of the following apply to funding under this
 23 subsection:

24 (a) In order to be eligible to receive funding, a district
 25 must demonstrate to the satisfaction of the department that the
 26 district has done all of the following:

27 (i) Implemented a multi-tiered system of supports instructional
 28 delivery model that is an evidence-based model that uses data-
 29 driven problem solving to integrate academic and behavioral



1 instruction and that uses intervention delivered to all pupils in
2 varying intensities based on pupil needs. The multi-tiered system
3 of supports must provide at least all of the following essential
4 components:

5 (A) Team-based leadership.

6 (B) A tiered delivery system.

7 (C) Selection and implementation of instruction,
8 interventions, and supports.

9 (D) A comprehensive screening and assessment system.

10 (E) Continuous data-based decision making.

11 (ii) Used department-approved research-based diagnostic tools
12 to identify individual pupils in need of additional instructional
13 time.

14 (iii) Used a reading instruction method that focuses on the 5
15 fundamental building blocks of reading: phonics, phonemic
16 awareness, fluency, vocabulary, and comprehension and content
17 knowledge.

18 (iv) Provided teachers of pupils in grades pre-K to 3 with
19 research-based professional development in diagnostic data
20 interpretation.

21 (v) Complied with the requirements under section 1280f of the
22 revised school code, MCL 380.1280f.

23 (b) The department shall distribute funding allocated under
24 this subsection to eligible districts on an equal per-first-grade-
25 pupil basis.

26 (c) If the funds allocated under this subsection are
27 insufficient to fully fund the payments under this subsection,
28 payments under this subsection are prorated on an equal per-pupil
29 basis based on grade 1 pupils.



1 (6) Not later than September 1 of each year, a district that
2 receives funding under subsection (5) in conjunction with the
3 Michigan student data system, if possible, shall provide to the
4 department a report that includes at least both of the following,
5 in a form and manner prescribed by the department:

6 (a) For pupils in grades pre-K to 3, the teachers, pupils,
7 schools, and grades served with funds under this section and the
8 categories of services provided.

9 (b) For pupils in grades pre-K to 3, pupil proficiency and
10 growth data that allows analysis both in the aggregate and by each
11 of the following subgroups, as applicable:

12 (i) School.

13 (ii) Grade level.

14 (iii) Gender.

15 (iv) Race.

16 (v) Ethnicity.

17 (vi) Economically disadvantaged status.

18 (vii) Disability.

19 (viii) Pupils identified as having reading deficiencies.

20 (7) From the allocation under subsection (1), there is
21 allocated an amount not to exceed ~~\$6,000,000.00~~ **\$12,000,000.00** for
22 ~~2022-2023~~ **2023-2024 only** to an intermediate district in which the
23 combined total number of pupils in membership of all of its
24 constituent districts is the fewest among all intermediate
25 districts. All of the following apply to the funding under this
26 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 (d) **Funds allocated under this subsection for 2023-2024 are a**
 15 **work project appropriation, and any unexpended funds for 2023-2024**
 16 **are carried forward into 2024-2025. The purpose of the work project**
 17 **is to continue providing funding for the purposes under this**
 18 **subsection. The estimated completion date of the work project is**
 19 **September 30, 2025.**

20 (8) From the general fund money allocated in subsection (1),
 21 the department shall allocate the amount of ~~\$5,000,000.00~~
 22 **\$4,500,000.00** for ~~2022-2023~~**2023-2024** only to the Michigan
 23 Education Corps for the PreK Reading Corps, the K3 Reading Corps,
 24 and the Math Corps. All of the following apply to funding under
 25 this subsection:

26 (a) By September 1 of the current fiscal year, the Michigan
 27 Education Corps shall provide a report concerning its use of the
 28 funding to the senate and house appropriations subcommittees on
 29 school aid, the senate and house fiscal agencies, and the senate



1 and house caucus policy offices on outcomes and performance
2 measures of the Michigan Education Corps, including, but not
3 limited to, the degree to which the Michigan Education Corps'
4 replication of the PreK Reading Corps, the K3 Reading Corps, and
5 the Math Corps programs is demonstrating sufficient efficacy and
6 impact. The report must include data pertaining to at least all of
7 the following:

8 (i) The current impact of the programs on this state in terms
9 of numbers of children and schools receiving support. This portion
10 of the report must specify the number of children tutored,
11 including dosage and completion, and the demographics of those
12 children.

13 (ii) Whether the assessments and interventions are implemented
14 with fidelity. This portion of the report must include details on
15 the total number of assessments and interventions completed and the
16 range, mean, and standard deviation.

17 (iii) Whether the literacy or math improvement of children
18 participating in the programs is consistent with expectations. This
19 portion of the report must detail at least all of the following:

20 (A) Growth rate by grade or age level, in comparison to
21 targeted growth rate.

22 (B) Average linear growth rates.

23 (C) Exit rates.

24 (D) Percentage of children who exit who also meet or exceed
25 spring benchmarks.

26 (iv) The impact of the programs on organizations and
27 stakeholders, including, but not limited to, school administrators,
28 internal coaches, and AmeriCorps members.

29 (b) If the department determines that the Michigan Education



1 Corps has misused the funds allocated under this subsection, the
2 Michigan Education Corps shall reimburse this state for the amount
3 of state funding misused.

4 (c) The department may not reserve any portion of the
5 allocation provided under this subsection for an evaluation of the
6 Michigan Education Corps, the Michigan Education Corps' funding, or
7 the Michigan Education Corps' programming unless agreed to in
8 writing by the Michigan Education Corps. The department shall award
9 the entire \$5,000,000.00 allocated under this subsection to the
10 Michigan Education Corps and shall not condition the awarding of
11 this funding on the implementation of an independent evaluation.

12 (9) If a district or intermediate district expends any funding
13 received under subsection (4) or (5) for professional development
14 in research-based effective reading instruction, the district or
15 intermediate district shall select a professional development
16 program from the list described under subdivision (a). All of the
17 following apply to the requirement under this subsection:

18 (a) The department shall issue a request for proposals for
19 professional development programs in research-based effective
20 reading instruction to develop an initial approved list of
21 professional development programs in research-based effective
22 reading instruction. The department shall make the initial approved
23 list public and shall determine if it will, on a rolling basis,
24 approve any new proposals submitted for addition to its initial
25 approved list.

26 (b) To be included as an approved professional development
27 program in research-based effective reading instruction under
28 subdivision (a), an applicant must demonstrate to the department in
29 writing the program's competency in all of the following topics:



1 (i) Understanding of phonemic awareness, phonics, fluency,
2 vocabulary, and comprehension.

3 (ii) Appropriate use of assessments and differentiated
4 instruction.

5 (iii) Selection of appropriate instructional materials.

6 (iv) Application of research-based instructional practices.

7 (c) As used in this subsection, "effective reading
8 instruction" means reading instruction scientifically proven to
9 result in improvement in pupil reading skills.

10 ~~(10) From the allocation under subsection (1), there is~~
11 ~~allocated an amount not to exceed \$10,000,000.00 for 2022-2023 only~~
12 ~~for the provision of professional learning by the approved provider~~
13 ~~described in subsection (11), first to educators in pre-K,~~
14 ~~kindergarten, and grade 1 next to educators in grade 2 and grade 3;~~
15 ~~and then to additional elementary school educators and pre-K to~~
16 ~~grade 12 certificated special education personnel with endorsements~~
17 ~~in learning disabilities, emotional impairments, or speech and~~
18 ~~language impairments. For purposes of this subsection, the~~
19 ~~department must establish and manage professional learning~~
20 ~~opportunities that are open to all school personnel described in~~
21 ~~this subsection as follows:~~

22 ~~(a) The department must first open voluntary enrollment for~~
23 ~~any pre-K through grade 3 teacher on a first-come, first-served~~
24 ~~basis, with voluntary enrollment prioritized for pre-K,~~
25 ~~kindergarten, and grade 1 teachers. The department shall then open~~
26 ~~voluntary enrollment for the remaining school personnel described~~
27 ~~in this subsection.~~

28 ~~(b) The department must maintain open enrollment until all~~
29 ~~funds are expended.~~



1 ~~(11) For the provision of professional learning to the school~~
2 ~~personnel described in subsection (10), the department shall~~
3 ~~approve LETRS as the approved provider of professional learning, if~~
4 ~~LETRS continues to meet all of the following:~~

5 ~~(a) Be offered through a system of training that provides~~
6 ~~educators with the knowledge base to effectively implement any~~
7 ~~class-wide, supplemental, or intervention reading approach and to~~
8 ~~determine why some students struggle with reading, writing,~~
9 ~~spelling, and language.~~

10 ~~(b) Provide training activities that direct educators to~~
11 ~~implement effective reading and spelling instruction supported by~~
12 ~~scientifically based research and foster a direct explicit~~
13 ~~instructional sequence that uses techniques to support teachers'~~
14 ~~independence in using their newly-learned skills with students in~~
15 ~~the classroom.~~

16 ~~(c) Include integrated components for educators and~~
17 ~~administrators in pre-K to grade 3 with embedded evaluation or~~
18 ~~assessment of knowledge. Evaluation or assessment of knowledge~~
19 ~~under this subdivision must incorporate evaluations of learning~~
20 ~~throughout each unit and include a summative assessment that must~~
21 ~~be completed to demonstrate successful course completion.~~

22 ~~(d) Build teacher content knowledge and pedagogical knowledge~~
23 ~~of the critical components of literacy including how the brain~~
24 ~~learns to read, phonological and phonemic awareness; letter~~
25 ~~knowledge; phonics; advanced phonics; vocabulary and oral language;~~
26 ~~fluency; comprehension; spelling and writing; and the organization~~
27 ~~of language.~~

28 ~~(e) Support educators in understanding how to effectively use~~
29 ~~screening, progress monitoring, and diagnostic assessment data to~~

1 ~~improve literacy outcomes through prevention and intervention for~~
 2 ~~reading difficulties in a multi-tiered system of supports. The~~
 3 ~~multi-tiered system of supports must include at least all of the~~
 4 ~~following essential components:~~

5 ~~(i) Team-based leadership.~~

6 ~~(ii) A tiered delivery system.~~

7 ~~(iii) Selection and implementation of instruction,~~
 8 ~~interventions, and supports.~~

9 ~~(iv) A comprehensive screening and assessment system.~~

10 ~~(v) Continuous data-based decision making.~~

11 **(10)** ~~(12)~~ Notwithstanding section 17b, the department shall
 12 make payments made under subsections (7) and (8) on a schedule
 13 determined by the department.

14 **(11)** ~~(13)~~ As used in this section:

15 (a) "Dyslexia" means both of the following:

16 (i) A specific learning disorder that is neurobiological in
 17 origin and characterized by difficulties with accurate or fluent
 18 word recognition and by poor spelling and decoding abilities that
 19 typically result from a deficit in the phonological component of
 20 language that is often unexpected in relation to other cognitive
 21 abilities and the provision of effective classroom instruction.

22 (ii) A specific learning disorder that may include secondary
 23 consequences, such as problems in reading comprehension and a
 24 reduced reading experience that can impede the growth of vocabulary
 25 and background knowledge and lead to social, emotional, and
 26 behavioral difficulties.

27 (b) "Evidence-based" means an activity, program, process,
 28 service, strategy, or intervention that demonstrates statistically
 29 significant effects on improving pupil outcomes or other relevant



1 outcomes and that meets at least both of the following:

2 (i) At least 1 of the following:

3 (A) Is based on strong evidence from at least 1 well-designed
4 and well-implemented experimental study.

5 (B) Is based on moderate evidence from at least 1 well-
6 designed and well-implemented quasi-experimental study.

7 (C) Is based on promising evidence from at least 1 well-
8 designed and well-implemented correlational study with statistical
9 controls for selection bias.

10 (D) Demonstrates a rationale based on high-quality research
11 findings or positive evaluation that the activity, program,
12 process, service, strategy, or intervention is likely to improve
13 pupil outcomes or other relevant outcomes.

14 (ii) Includes ongoing efforts to examine the effects of the
15 activity, program, process, service, strategy, or intervention.

16 ~~(c) "Explicit" means direct and deliberate instruction through~~
17 ~~continuous pupil-teacher interaction that includes teacher~~
18 ~~modeling, guided practice, and independent practice.~~

19 (c) ~~(d)~~ "Fluency" means the ability to read with speed,
20 accuracy, and proper expression.

21 (d) ~~(e)~~ "Multi-tiered system of supports" means a
22 comprehensive framework that includes 3 distinct tiers of
23 instructional support and is composed of a collection of evidence-
24 based strategies designed to meet the individual needs and assets
25 of a whole pupil at all achievement levels.

26 (e) ~~(f)~~ "Phonemic awareness" means the conscious awareness of
27 all of the following:

28 (i) Individual speech sounds, including, but not limited to,
29 consonants and vowels, in spoken syllables.



1 (ii) The ability to consciously manipulate through, including,
2 but not limited to, matching, blending, segmenting, deleting, or
3 substituting, individual speech sounds described in subparagraph
4 (i).

5 (iii) All levels of the speech sound system, including, but not
6 limited to, word boundaries, rhyme recognition, stress patterns,
7 syllables, onset-rime units, and phonemes.

8 (f) ~~(g)~~ "Phonological" means relating to the system of
9 contrastive relationships among the speech sounds that constitute
10 the fundamental components of a language.

11 (g) ~~(h)~~ "Progress monitoring" means the assessing of students'
12 academic performance, quantifying students' rates of improvement or
13 progress toward goals, and determining how students are responding
14 to instruction.

15 (h) ~~(i)~~ "Rapid automatized naming (RAN)" means a task that
16 measures how quickly individuals can name objects; pictures;
17 colors; or symbols, including letters and digits, aloud, which can
18 predict later reading abilities for preliterate children.

19 Sec. 35d. (1) From the ~~general~~ **state school aid** fund money
20 appropriated under section 11, for ~~2022-2023~~ **2023-2024** only, there
21 is allocated an amount not to exceed ~~\$1,000,000.00~~ **\$3,000,000.00**
22 for the department to provide grants to districts and intermediate
23 districts for the purchase of 1 or more components or trainings
24 through an eligible teacher training program for children with
25 dyslexia from a provider of an eligible teacher training program
26 for children with dyslexia as provided under this section.

27 (2) A provider that provides programming that meets all of the
28 following is considered to be a provider of an eligible teacher
29 training program for purposes of this section:



1 (a) Allows teachers to incorporate the 5 components essential
2 to an effective reading program into their daily lessons. The 5
3 components described in this subdivision are phonemic awareness,
4 phonics, vocabulary, fluency, and comprehension.

5 (b) Trains educators to teach reading using a proven,
6 multisensory approach.

7 (c) Educates teachers on how to explicitly and effectively
8 teach reading to beginning readers.

9 (d) Breaks reading and spelling down into smaller skills
10 involving letters and sounds, and then builds on these skills over
11 time.

12 (e) Uses multisensory teaching strategies to teach reading by
13 using sight, hearing, touch, and movement to help students connect
14 and learn the concepts being taught.

15 (3) Districts and intermediate districts may apply to the
16 department for grants to purchase components or training through an
17 eligible teacher training program from a provider of an eligible
18 teacher training program, and, upon receiving an application but
19 except as otherwise provided in this subsection, the department
20 shall make payments to districts and intermediate districts for
21 those purchases. The department shall make payments under this
22 section on a first-come, first-served basis until funds are
23 depleted.

24 **(4) Funds allocated under this section for 2023-2024 are a**
25 **work project appropriation, and any unexpended funds for 2023-2024**
26 **are carried forward into 2024-2025. The purpose of the work project**
27 **is to continue providing funding for the purposes under this**
28 **section. The estimated completion date of the work project is**
29 **September 30, 2025.**



1 Sec. 35i. (1) From the state school aid fund money
2 appropriated in section 11, there is allocated for 2023-2024 only
3 an amount not to exceed \$2,400,000.00 to support the network of
4 early literacy hubs across this state and to build an equitable and
5 aligned system of early literacy supports for children ages birth
6 through age 5.

7 (2) The department must distribute funds allocated under
8 subsection (1) to intermediate districts or consortia of
9 intermediate districts to support 10 regional literacy hubs. The
10 regional literacy hubs must use this funding to develop a network
11 designed to increase equitable access to literacy supports and
12 improve early literacy outcomes by allowing providers, children,
13 and families to seek and receive specific and developmentally
14 appropriate early literacy supports.

15 (3) Funds received under subsection (2) by regional literacy
16 hubs may be used for any of the following:

17 (a) Eligible literacy network development and training costs,
18 as determined by the department.

19 (b) Literacy supplies and curriculum.

20 (c) Materials necessary for improving early literacy outcomes.

21 (d) Marketing, outreach, and website development.

22 (4) In addition to the funds allocated in subsection (1), from
23 the federal funding appropriated under section 11, there is
24 allocated for 2023-2024 only an amount not to exceed \$2,000,000.00
25 from the federal funding awarded to this state from the coronavirus
26 state fiscal recovery fund under the American rescue plan act of
27 2021, title IX, subtitle M of Public Law 117-2, to implement a
28 statewide campaign to share how parents and legal guardians can
29 support early literacy for children birth to age 5. All of the



1 following apply to funding allocated under this subsection:

2 (a) Funding under this subsection must be allocated by the
3 department to each literacy hub receiving funding under subsection
4 (2).

5 (b) Each literacy hub must use this funding to expand parental
6 and legal guardian knowledge regarding literacy instruction
7 practices; to raise awareness of and participation in local great
8 start collaborative and family coalitions; to raise awareness of
9 the availability of before-, during-, and after-school literacy
10 support programs; and to build on the existing practices of the
11 literacy hubs.

12 (c) The department must obligate funds received under this
13 subsection before December 31, 2024, and literacy hubs must expend
14 funds received under this subsection before December 31, 2026. The
15 federal funds allocated under this section must be allocated and
16 expended in a manner consistent with federal rules and regulations.

17 (d) Funds under this subsection are intended to respond to the
18 COVID-19 public health emergency and its impact on childhood
19 literacy.

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

23 (6) Funds allocated under subsection (1) for 2023-2024 are a
24 work project appropriation, and any unexpended funds for 2023-2024
25 are carried forward into 2024-2025. The purpose of the work project
26 is to continue to support the network of early literacy hubs across
27 this state and to build an equitable and aligned system of early
28 literacy supports for children ages birth through age 5. The
29 estimated completion date of the work project is September 30,



1 2025.

2 Sec. 35j. (1) From the state school aid fund money
3 appropriated in section 11, there is allocated for 2023-2024 only
4 an amount not to exceed \$300,000,000.00 for payments to districts
5 and intermediate districts to improve literacy instructional
6 practices by investing in quality, research-based best practices,
7 and professional learning.

8 (2) Subject to subsection (4), to be eligible to receive
9 funding under this section, a district or intermediate district
10 must apply for the funding in a form and manner prescribed by the
11 department. Intermediate districts may apply for funding under this
12 section on behalf of their constituent districts.

13 (3) From the allocation under subsection (1), the department
14 shall make payments to eligible districts and intermediate
15 districts in an equal amount per pupil based on the number of
16 pupils in the district or intermediate district in grades pre-K to
17 grade 5. Districts and intermediate districts receiving funding
18 under this section must use that funding for all of the following
19 purposes:

20 (a) Providing professional learning for all pre-K to grade 5
21 teachers, administrators, and instructional coaches in literacy
22 instruction best practices.

23 (b) Complementing existing efforts to improve literacy
24 instruction.

25 (c) Developing and implementing a comprehensive literacy
26 system.

27 (4) For a district or intermediate district to be eligible for
28 funding under this section, the district or intermediate district
29 must do all of the following:



1 (a) Use a valid screening tool, as determined by the
2 department, to identify gaps in current literacy practices and
3 complete a needs assessment.

4 (b) Submit a plan to the department targeting identified focus
5 areas to address gaps in literacy practices.

6 (c) Ensure 100% of current pre-K to grade 5 teachers complete
7 selected training.

8 (d) Report to the department and post on its website which
9 pre-K to grade 5 literacy curriculum and benchmark assessment the
10 district or intermediate districts utilized.

11 (5) From the funds allocated in subsection (1), there is
12 allocated an amount not to exceed \$20,000,000.00 for the provision
13 of professional learning by the approved provider described in
14 subsection (6), first to educators in pre-K, kindergarten, and
15 grade 1 next to educators in grade 2 and grade 3 and then to
16 additional elementary school educators and pre-K to grade 12
17 certificated special education personnel with endorsements in
18 learning disabilities, emotional impairments, or speech and
19 language impairments. The department must not pay more than 50% of
20 the amount allocated in this subsection in 2023-2024 and must pay
21 remaining eligible payments during 2024-2025. For purposes of this
22 subsection, the department must establish and manage professional
23 learning opportunities that are open to all school personnel
24 described in this subsection as follows:

25 (a) The department must first open voluntary enrollment for
26 any pre-K through grade 3 teacher on a first-come, first-served
27 basis, with voluntary enrollment prioritized for pre-K,
28 kindergarten, and grade 1 teachers. The department shall then open
29 voluntary enrollment for the remaining school personnel described



1 in this subsection.

2 (b) The department must maintain open enrollment until all
3 funds are expended.

4 (6) For the provision of professional learning to the school
5 personnel described in subsection (5), the department shall approve
6 LETRS as the approved provider of professional learning, if LETRS
7 continues to meet all of the following:

8 (a) Is offered through a system of training that provides
9 educators with the knowledge base to effectively implement any
10 class-wide, supplemental, or intervention reading approach and to
11 determine why some students struggle with reading, writing,
12 spelling, and language.

13 (b) Provides training activities that direct educators to
14 implement effective reading and spelling instruction supported by
15 scientifically based research and foster a direct explicit
16 instructional sequence that uses techniques to support teachers'
17 independence in using their newly learned skills with students in
18 the classroom.

19 (c) Includes integrated components for educators and
20 administrators in pre-K to grade 3 with embedded evaluation or
21 assessment of knowledge. Evaluation or assessment of knowledge
22 under this subdivision must incorporate evaluations of learning
23 throughout each unit and include a summative assessment that must
24 be completed to demonstrate successful course completion.

25 (d) Builds teacher content knowledge and pedagogical knowledge
26 of the critical components of literacy including how the brain
27 learns to read, phonological and phonemic awareness, letter
28 knowledge, phonics, advanced phonics, vocabulary and oral language,
29 fluency, comprehension, spelling and writing, and the organization



1 of language.

2 (e) Supports educators in understanding how to effectively use
3 screening, progress monitoring, and diagnostic assessment data to
4 improve literacy outcomes through prevention and intervention for
5 reading difficulties in a multi-tiered system of supports. The
6 multi-tiered system of supports must include at least all of the
7 following essential components:

8 (i) Team-based leadership.

9 (ii) A tiered delivery system.

10 (iii) Selection and implementation of instruction,
11 interventions, and supports.

12 (iv) A comprehensive screening and assessment system.

13 (v) Continuous data-based decision making.

14 (7) Except as otherwise provided in this subsection and
15 notwithstanding section 17b, the department shall make payments
16 under this section on a schedule determined by the department. The
17 department must not pay more than 50% of the amount allocated in
18 subsection (1) in 2023-2024 and must pay remaining eligible
19 payments during 2024-2025.

20 (8) Funds allocated under this section for 2023-2024 are a
21 work project appropriation, and any unexpended funds for 2023-2024
22 are carried forward into 2024-2025. The purpose of the work project
23 is to improve literacy instructional practices. The estimated
24 completion date of the work project is September 30, 2026.

25 Sec. 35k. (1) From the federal funding appropriated under
26 section 11, there is allocated for 2023-2024 only an amount not to
27 exceed \$3,000,000.00 from the federal funding awarded to this state
28 from the coronavirus state fiscal recovery fund under the American
29 rescue plan act of 2021, title IX, subtitle M of Public Law 117-2,



1 to the department to grant funding to the Detroit Parent Network.
2 This project is intended to respond to the COVID-19 public health
3 emergency and its impact on the academic, social, behavioral, and
4 physical well-being of children, parents, and families. To receive
5 funding under this section, the Detroit Parent Network must apply
6 for funding in a form and manner determined by the department.

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

14 (3) The Detroit Parent Network must use funds allocated under
15 this section to expand capacity to provide parental training
16 programs, parental support groups, early literacy and family
17 education programs, programs that support healthy families, and
18 programs supporting civic engagement and community advocacy. The
19 Detroit Parent Network must plan to provide programming to at least
20 5,000 families, parents, caregivers, and children in at least 10
21 counties in this state experiencing economic, educational, and
22 social indicators that adversely impact the well-being of children
23 and adults.

24 (4) The funds allocated under this section for 2023-2024 are a
25 work project appropriation, and any unexpended funds for 2023-2024
26 are carried forward into 2024-2025. The purpose of the work project
27 is to support the academic, social, behavioral, and physical well-
28 being of children, parents, and families to mitigate the negative
29 impacts of the COVID-19 public health emergency. The estimated



1 **completion date of the work project is September 30, 2027.**

2 Sec. 39. (1) An eligible applicant receiving funds under
3 section 32d shall submit an application, in a form and manner
4 prescribed by the department, by a date specified by the department
5 in the immediately preceding fiscal year. An eligible applicant is
6 not required to amend the applicant's current accounting cycle or
7 adopt this state's fiscal year accounting cycle in accounting for
8 financial transactions under this section. The application must
9 include all of the following:

10 (a) The estimated total number of children in the community
11 who meet the criteria of section 32d **and the total number of age-**
12 **eligible children in the community**, as provided to the applicant by
13 the department utilizing the most recent population data available
14 from the American Community Survey conducted by the United States
15 Census Bureau. The department shall ensure that it provides updated
16 American Community Survey population data at least once every 3
17 years.

18 (b) The estimated number of children in the community who meet
19 the criteria of section 32d and are being served exclusively by
20 Head Start programs operating in the community.

21 (c) The number of children whom the applicant has the capacity
22 to serve who meet the criteria of section 32d including a
23 verification of physical facility and staff resources capacity.

24 (2) After notification of funding allocations, an applicant
25 receiving funds under section 32d shall also submit an
26 implementation plan for approval, in a form and manner prescribed
27 by the department, by a date specified by the department, that
28 details how the applicant complies with the program components
29 established by the department under section 32d.



1 (3) The initial allocation to each eligible applicant under
2 section 32d is the lesser of the following:

3 (a) The sum of the number of children served in a school-day
4 program in the preceding school year multiplied by ~~\$9,150.00~~
5 **\$9,516.00** and the number of children served in a GSRP/Head Start
6 blended program or a part-day program in the preceding school year
7 multiplied by ~~\$4,575.00~~ **\$4,758.00**.

8 (b) The sum of the number of children the applicant has the
9 capacity to serve in the current school year in a school-day
10 program multiplied by ~~\$9,150.00~~ **\$9,516.00** and the number of
11 children served in a GSRP/Head Start blended program or a part-day
12 program the applicant has the capacity to serve in the current
13 school year multiplied by ~~\$4,575.00~~ **\$4,758.00**.

14 (4) If funds remain after the allocations under subsection
15 (3), the department shall distribute the remaining funds to each
16 intermediate district or consortium of intermediate districts that
17 serves less than the state percentage benchmark determined under
18 subsection (5). The department shall distribute these remaining
19 funds to each eligible applicant based upon each applicant's
20 proportionate share of the remaining unserved children necessary to
21 meet the statewide percentage benchmark in intermediate districts
22 or consortia of intermediate districts serving less than the
23 statewide percentage benchmark. When all applicants have been given
24 the opportunity to reach the statewide percentage benchmark, the
25 statewide percentage benchmark may be reset, as determined by the
26 department, until greater equity of opportunity to serve eligible
27 children across all intermediate school districts has been
28 achieved.

29 (5) For the purposes of subsection (4), the department shall



1 calculate a percentage of children served by each intermediate
2 district or consortium of intermediate districts by adding the
3 number of children served in the immediately preceding year by that
4 intermediate district or consortium with the number of eligible
5 children under section 32d served exclusively by ~~head start,~~ **Head**
6 **Start,** as reported in a form and manner prescribed by the
7 department, within the intermediate district or consortia service
8 area and dividing that total by the total number of children within
9 the intermediate district or consortium of intermediate districts
10 who meet the criteria of section 32d as determined by the
11 department utilizing the most recent population data available from
12 the American Community Survey conducted by the United States Census
13 Bureau. The department shall compare the resulting percentage of
14 eligible children served to a statewide percentage benchmark to
15 determine if the intermediate district or consortium is eligible
16 for additional funds under subsection (4). The statewide percentage
17 benchmark is 100%.

18 (6) If, taking into account the total amount to be allocated
19 to the applicant as calculated under this section, an applicant
20 determines that it is able to include additional eligible children
21 in the great start readiness program without additional funds under
22 section 32d, the applicant may include additional eligible children
23 but does not receive additional funding under section 32d for those
24 children.

25 (7) The department shall review the program components under
26 section 32d and under this section at least biennially. The
27 department also shall convene a committee of internal and external
28 stakeholders at least once every 5 years to ensure that the funding
29 structure under this section reflects current system needs under



1 section 32d.

2 (8) As used in this section, "GSRP/Head Start blended
3 program", "part-day program", and "school-day program" mean those
4 terms as defined in section 32d.

5 Sec. 39a. (1) From the federal funds appropriated in section
6 11, there is allocated for 2022-2023 to districts, intermediate
7 districts, and other eligible entities all available federal
8 funding, estimated at ~~\$780,200,000.00~~, **\$782,600,000.00 and there is**
9 **allocated for 2023-2024 to districts, intermediate districts, and**
10 **other eligible entities all available federal funding, estimated at**
11 **\$754,700,000.00**, for the federal programs under the no child left
12 behind act of 2001, Public Law 107-110, or the every student
13 succeeds act, Public Law 114-95. These funds are allocated as
14 follows:

15 (a) An amount estimated at \$1,200,000.00 for 2022-2023 **and**
16 **\$1,200,000.00 for 2023-2024** to provide students with drug- and
17 violence-prevention programs and to implement strategies to improve
18 school safety, funded from DED-OESE, drug-free schools and
19 communities funds.

20 (b) An amount estimated at \$100,000,000.00 for 2022-2023 **and**
21 **\$100,000,000.00 for 2023-2024** for the purpose of preparing,
22 training, and recruiting high-quality teachers and class size
23 reduction, funded from DED-OESE, improving teacher quality funds.

24 (c) An amount estimated at \$13,000,000.00 for 2022-2023 **and**
25 **\$13,000,000.00 for 2023-2024** for programs to teach English to
26 limited English proficient (LEP) children, funded from DED-OESE,
27 language acquisition state grant funds.

28 (d) An amount estimated at \$2,800,000.00 for 2022-2023 **and**
29 **\$2,800,000.00 for 2023-2024** for rural and low-income schools,



1 funded from DED-OESE, rural and low income school funds.

2 (e) An amount estimated at \$535,000,000.00 for 2022-2023 **and**
3 **\$535,000,000.00 for 2023-2024** to provide supplemental programs to
4 enable educationally disadvantaged children to meet challenging
5 academic standards, funded from DED-OESE, title I, disadvantaged
6 children funds.

7 (f) An amount estimated at \$9,200,000.00 for 2022-2023 **and**
8 **\$9,200,000.00 for 2023-2024** for the purpose of identifying and
9 serving migrant children, funded from DED-OESE, title I, migrant
10 education funds.

11 (g) An amount estimated at ~~\$39,000,000.00~~ **\$40,400,000.00** for
12 2022-2023 **and \$40,400,000.00 for 2023-2024** for the purpose of
13 providing high-quality extended learning opportunities, after
14 school and during the summer, for children in low-performing
15 schools, funded from DED-OESE, twenty-first century community
16 learning center funds.

17 (h) An amount estimated at \$14,000,000.00 for 2022-2023 **and**
18 **\$14,000,000.00 for 2023-2024** to help support local school
19 improvement efforts, funded from DED-OESE, title I, local school
20 improvement grants.

21 (i) An amount estimated at \$35,000,000.00 for 2022-2023 **and**
22 **\$35,000,000.00 for 2023-2024** to improve the academic achievement of
23 students, funded from DED-OESE, title IV, student support and
24 academic enrichment grants.

25 (j) An amount estimated at \$3,100,000.00 for 2022-2023 **and**
26 **\$3,100,000.00 for 2023-2024** for literacy programs that advance
27 literacy skills for students from birth through grade 12,
28 including, but not limited to, English-proficient students and
29 students with disabilities, funded from DED-OESE, striving readers



1 comprehensive literacy program.

2 (k) An amount estimated at \$27,900,000.00 for 2022-2023 **only**
 3 to establish safer and healthier learning environments, and to
 4 prevent and respond to acts of bullying, violence, and hate that
 5 impact school communities at individual and systemic levels, funded
 6 from DED-OESE, stronger connections grant program.

7 (l) An amount estimated at \$1,000,000.00 for 2022-2023 and an
 8 amount estimated at \$1,000,000.00 for 2023-2024 for grants to
 9 support and demonstrate innovative partnerships to train school-
 10 based mental health service providers, funded from DED-OESE, mental
 11 health service professional demonstration grant program.

12 (2) From the federal funds appropriated in section 11, there
 13 is allocated to districts, intermediate districts, and other
 14 eligible entities all available federal funding, estimated at
 15 ~~\$56,500,000.00~~ **\$60,500,000.00** for 2022-2023 **and estimated at**
 16 **\$60,500,000.00 for 2023-2024** for the following programs that are
 17 funded by federal grants:

18 (a) An amount estimated at \$3,000,000.00 for 2022-2023 **and**
 19 **\$3,000,000.00 for 2023-2024** to provide services to homeless
 20 children and youth, funded from DED-OVAE, homeless children and
 21 youth funds.

22 (b) An amount estimated at \$24,000,000.00 for 2022-2023 **and**
 23 **\$24,000,000.00 for 2023-2024** for providing career and technical
 24 education services to pupils, funded from DED-OVAE, basic grants to
 25 states.

26 (c) An amount estimated at \$14,000,000.00 for 2022-2023 **and**
 27 **\$14,000,000.00 for 2023-2024** for the Michigan charter school
 28 subgrant program, funded from DED-OII, public charter schools
 29 program funds.



1 (d) An amount estimated at ~~\$14,000,000.00~~ **\$18,000,000.00** for
2 2022-2023 **and \$18,000,000.00 for 2023-2024** for the purpose of
3 promoting and expanding high-quality preschool services, funded
4 from HHS-OCC, preschool development funds.

5 (e) An amount estimated at \$1,500,000.00 for 2022-2023 **and**
6 **\$1,500,000.00 for 2023-2024** for the purpose of addressing priority
7 substance abuse treatment, prevention, and mental health needs,
8 funded from HHS-SAMHSA.

9 (3) The department shall distribute all federal funds
10 allocated under this section in accordance with federal law and
11 with flexibility provisions outlined in Public Law 107-116, and in
12 the education flexibility partnership act of 1999, Public Law 106-
13 25. Notwithstanding section 17b, the department shall make payments
14 of federal funds to districts, intermediate districts, and other
15 eligible entities under this section on a schedule determined by
16 the department.

17 (4) For the purposes of applying for federal grants
18 appropriated under this article, the department shall allow an
19 intermediate district to submit a consortium application on behalf
20 of 2 or more districts with the agreement of those districts as
21 appropriate according to federal rules and guidelines.

22 (5) For the purposes of funding federal title I grants under
23 this article, in addition to any other federal grants for which the
24 strict discipline academy is eligible, the department shall
25 allocate to a strict discipline academy out of title I, part A an
26 amount equal to what the strict discipline academy would have
27 received if included and calculated under title I, part D, or what
28 it would receive under the formula allocation under title I, part
29 A, whichever is greater.



1 (6) As used in this section:

2 (a) "DED" means the United States Department of Education.

3 (b) "DED-OESE" means the DED Office of Elementary and
4 Secondary Education.

5 (c) "DED-OII" means the DED Office of Innovation and
6 Improvement.

7 (d) "DED-OVAE" means the DED Office of Vocational and Adult
8 Education.

9 (e) "HHS" means the United States Department of Health and
10 Human Services.

11 (f) "HHS-OCC" means the HHS Office of Child Care.

12 (g) "HHS-SAMHSA" means the HHS Substance Abuse and Mental
13 Health Services Project.

14 Sec. 41. (1) For a district to be eligible to receive funding
15 under this section, the district must administer to English
16 language learners the English language proficiency assessment known
17 as the "WIDA ACCESS for English language learners" or the "WIDA
18 Alternate ACCESS". From the state school aid fund money
19 appropriated in section 11, there is allocated an amount not to
20 exceed ~~\$26,511,000.00~~ **\$32,760,300.00** for ~~2022-2023~~ **2023-2024** for
21 payments to eligible districts for services for English language
22 learners who have been administered the WIDA ACCESS for English
23 language learners.

24 (2) The department shall distribute funding allocated under
25 subsection (1) to eligible districts based on the number of full-
26 time equivalent English language learners as follows:

27 (a) ~~\$984.00~~ **75% of the target foundation allowance as**
28 **described in section 20(1)** per full-time equivalent English
29 language learner who has been assessed under the WIDA ACCESS for



1 English language learners or the WIDA Alternate ACCESS with a WIDA
2 ACCESS or WIDA Alternate ACCESS composite score between 1.0 and
3 1.9, or less, as applicable to each assessment.

4 (b) ~~50%~~ **50% of the target foundation allowance as**
5 **described in section 20(1)** per full-time equivalent English
6 language learner who has been assessed under the WIDA ACCESS for
7 English language learners or the WIDA Alternate ACCESS with a WIDA
8 ACCESS or WIDA Alternate ACCESS composite score between 2.0 and
9 2.9, or less, as applicable to each assessment.

10 (c) ~~35%~~ **35% of the target foundation allowance as**
11 **described in section 20(1)** per full-time equivalent English
12 language learner who has been assessed under the WIDA ACCESS for
13 English language learners or the WIDA Alternate ACCESS with a WIDA
14 ACCESS or WIDA Alternate ACCESS composite score between 3.0 and
15 3.9, or less, as applicable to each assessment.

16 (3) If funds allocated under subsection (1) are insufficient
17 to fully fund the payments as prescribed under subsection (2), the
18 department shall prorate payments on an equal percentage basis,
19 with the same percentage proration applied to all funding
20 categories.

21 (4) Each district receiving funds under subsection (1) shall
22 submit to the department by July 15 of each fiscal year a report,
23 not to exceed 10 pages, on the usage by the district of funds under
24 subsection (1) in a form and manner determined by the department,
25 including a brief description of each program conducted or services
26 performed by the district using funds under subsection (1) and the
27 amount of funds under subsection (1) allocated to each of those
28 programs or services. If a district does not comply with this
29 subsection, the department shall withhold an amount equal to the



1 August payment due under this section until the district complies
 2 with this subsection. If the district does not comply with this
 3 subsection by the end of the fiscal year, the withheld funds are
 4 forfeited to the state school aid fund.

5 (5) In order to receive funds under subsection (1), a district
 6 must allow access for the department or the department's designee
 7 to audit all records related to the program for which it receives
 8 those funds. The district shall reimburse this state for all
 9 disallowances found in the audit.

10 (6) Beginning July 1, 2020, and every 3 years thereafter, the
 11 department shall review the per-pupil distribution under subsection
 12 (2), to ensure that funding levels are appropriate and make
 13 recommendations for adjustments to the members of the senate and
 14 house subcommittees on K-12 school aid appropriations.

15 Sec. 41b. From the state school aid fund money appropriated in
 16 section 11, there is allocated for ~~2022-2023~~**2023-2024** only an
 17 amount not to exceed ~~\$1,250,000.00~~**\$1,500,000.00** for KEYS Grace
 18 Academy to, in partnership with Kalasho Education and Youth
 19 Services, provide English-as-a-second-language services, provide
 20 early childhood learning, improve progress toward high school
 21 graduation attainment, and provide K to 12 education-support
 22 services to legal immigrants, including, but not limited to, those
 23 individuals who recently arrived to the United States from
 24 Afghanistan with an application before the United States Department
 25 of Homeland Security for temporary protected status or federal
 26 humanitarian parole.

27 Sec. 51a. (1) From the state school aid fund money in section
 28 11, there is allocated an amount not to exceed ~~\$1,134,196,100.00~~
 29 **\$1,573,096,100.00** for ~~2021-2022~~**2022-2023** and there is allocated an



1 amount not to exceed ~~\$1,460,503,100.00~~ **\$1,731,796,100.00** for ~~2022-~~
2 ~~2023-2023-2024~~ from state sources and all available federal funding
3 under sections 1411 to 1419 of part B of the individuals with
4 disabilities education act, 20 USC 1411 to 1419, estimated at
5 ~~\$380,000,000.00~~ **\$390,000,000.00** for ~~2021-2022-2022-2023~~ and
6 \$390,000,000.00 for ~~2022-2023,~~ **2023-2024** plus any carryover federal
7 funds from previous year appropriations. The allocations under this
8 subsection are for the purpose of reimbursing districts and
9 intermediate districts for special education programs, services,
10 and special education personnel as prescribed in article 3 of the
11 revised school code, MCL 380.1701 to 380.1761; net tuition payments
12 made by intermediate districts to the Michigan Schools for the Deaf
13 and Blind; and special education programs and services for pupils
14 who are eligible for special education programs and services
15 according to statute or rule. For meeting the costs of special
16 education programs and services not reimbursed under this article,
17 a district or intermediate district may use money in general funds
18 or special education funds, not otherwise restricted, or
19 contributions from districts to intermediate districts, tuition
20 payments, gifts and contributions from individuals or other
21 entities, or federal funds that may be available for this purpose,
22 as determined by the intermediate district plan prepared under
23 article 3 of the revised school code, MCL 380.1701 to 380.1761.
24 Notwithstanding section 17b, the department shall make payments of
25 federal funds to districts, intermediate districts, and other
26 eligible entities under this section on a schedule determined by
27 the department.

28 (2) From the funds allocated under subsection (1), there is
29 allocated the amount necessary, estimated at ~~\$324,000,000.00~~



1 **\$350,500,000.00** for ~~2021-2022-2022-2023~~ and estimated at
 2 ~~\$323,300,000.00~~ **\$368,000,000.00** for ~~2022-2023, 2023-2024~~, for
 3 payments toward reimbursing districts and intermediate districts
 4 for 28.6138% of total approved costs of special education,
 5 excluding costs reimbursed under section 53a, and 70.4165% of total
 6 approved costs of special education transportation. Allocations
 7 under this subsection are made as follows:

8 (a) ~~For 2021-2022, the department shall calculate the initial~~
 9 ~~amount allocated to a district under this subsection toward~~
 10 ~~fulfilling the specified percentages by multiplying the district's~~
 11 ~~special education pupil membership, excluding pupils described in~~
 12 ~~subsection (11), times the foundation allowance under section 20 of~~
 13 ~~the pupil's district of residence, plus the amount of the~~
 14 ~~district's per-pupil allocation under section 20m, not to exceed~~
 15 ~~the target foundation allowance for the current fiscal year, or,~~
 16 ~~for a special education pupil in membership in a district that is a~~
 17 ~~public school academy, times an amount equal to the amount per~~
 18 ~~membership pupil calculated under section 20(6). For an~~
 19 ~~intermediate district, the amount allocated under this subdivision~~
 20 ~~toward fulfilling the specified percentages is an amount per~~
 21 ~~special education membership pupil, excluding pupils described in~~
 22 ~~subsection (11), and is calculated in the same manner as for a~~
 23 ~~district, using the foundation allowance under section 20 of the~~
 24 ~~pupil's district of residence, not to exceed the target foundation~~
 25 ~~allowance for the current fiscal year, and that district's per-~~
 26 ~~pupil allocation under section 20m.~~

27 (b) ~~For 2022-2023, the department shall calculate the initial~~
 28 ~~amount allocated to a district under this subsection toward~~
 29 ~~fulfilling the specified percentages by multiplying the district's~~



1 special education pupil membership, excluding pupils described in
 2 subsection (11), times ~~25%–0%~~ of the foundation allowance under
 3 section 20 of the pupil's district of residence, plus ~~25%–0%~~ of the
 4 amount of the district's per-pupil allocation under section 20m,
 5 not to exceed ~~25%–0%~~ of the target foundation allowance for the
 6 current fiscal year, or, for a special education pupil in
 7 membership in a district that is a public school academy, times an
 8 amount equal to ~~25%–0%~~ of the amount per membership pupil
 9 calculated under section 20(6). For an intermediate district, the
 10 amount allocated under this subdivision toward fulfilling the
 11 specified percentages is an amount per special education membership
 12 pupil, excluding pupils described in subsection (11), and is
 13 calculated in the same manner as for a district, using ~~25%–0%~~ of
 14 the foundation allowance under section 20 of the pupil's district
 15 of residence, not to exceed ~~25%–0%~~ of the target foundation
 16 allowance for the current fiscal year, and that district's per-
 17 pupil allocation under section 20m.

18 (b) ~~(e)~~ After the allocations under subdivision (a), ~~or (b)~~,
 19 ~~as applicable~~, the department shall pay a district or intermediate
 20 district for which the payments calculated under subdivision (a),
 21 ~~or (b)~~, ~~as applicable~~, do not fulfill the specified percentages the
 22 amount necessary to achieve the specified percentages for the
 23 district or intermediate district.

24 (3) From the funds allocated under subsection (1), there is
 25 allocated for ~~2021–2022–2022–2023~~ an amount not to exceed
 26 \$1,000,000.00 and there is allocated for ~~2022–2023–2023–2024~~ **only**
 27 an amount not to exceed \$1,000,000.00 to make payments to districts
 28 and intermediate districts under this subsection. If the amount
 29 allocated to a district or intermediate district for the fiscal



1 year under subsection ~~(2)(c)~~ **(2)(b)** is less than the sum of the
 2 amounts allocated to the district or intermediate district for
 3 1996-97 under sections 52 and 58, there is allocated to the
 4 district or intermediate district for the fiscal year an amount
 5 equal to that difference, adjusted by applying the same proration
 6 factor that was used in the distribution of funds under section 52
 7 in 1996-97 as adjusted to the district's or intermediate district's
 8 necessary costs of special education used in calculations for the
 9 fiscal year. This adjustment is to reflect reductions in special
 10 education program operations or services between 1996-97 and
 11 subsequent fiscal years. The department shall make adjustments for
 12 reductions in special education program operations or services in a
 13 manner determined by the department and shall include adjustments
 14 for program or service shifts.

15 (4) If the department determines that the sum of the amounts
 16 allocated for a fiscal year to a district or intermediate district
 17 under subsection (2) is not sufficient to fulfill the specified
 18 percentages in subsection (2), then the department shall pay the
 19 shortfall to the district or intermediate district during the
 20 fiscal year beginning on the October 1 following the determination
 21 and shall adjust payments under subsection (3) as necessary. If the
 22 department determines that the sum of the amounts allocated for a
 23 fiscal year to a district or intermediate district under subsection
 24 (2) exceeds the sum of the amount necessary to fulfill the
 25 specified percentages in subsection (2), then the department shall
 26 deduct the amount of the excess from the district's or intermediate
 27 district's payments under this article for the fiscal year
 28 beginning on the October 1 following the determination and shall
 29 adjust payments under subsection (3) as necessary. ~~However, for~~



1 ~~2021-2022 only, if the amount allocated under subsection (2) (a) in~~
 2 ~~itself exceeds the amount necessary to fulfill the specified~~
 3 ~~percentages in subsection (2), there is no deduction under this~~
 4 ~~subsection. Beginning in 2022-2023, if **If** the amount allocated~~
 5 ~~under subsection (2) (b) **(2) (a)** in itself exceeds the amount~~
 6 ~~necessary to fulfill the specified percentages in subsection (2),~~
 7 ~~there is no deduction under this subsection.~~

8 (5) State funds are allocated on a total approved cost basis.
 9 Federal funds are allocated under applicable federal requirements.

10 (6) From the amount allocated in subsection (1), there is
 11 allocated an amount not to exceed \$2,200,000.00 for ~~2021-2022~~**2022-**
 12 **2023** and there is allocated an amount not to exceed \$2,200,000.00
 13 for ~~2022-2023~~**2023-2024** to reimburse 100% of the net increase in
 14 necessary costs incurred by a district or intermediate district in
 15 implementing the revisions in the administrative rules for special
 16 education that became effective on July 1, 1987. As used in this
 17 subsection, "net increase in necessary costs" means the necessary
 18 additional costs incurred solely because of new or revised
 19 requirements in the administrative rules minus cost savings
 20 permitted in implementing the revised rules. The department shall
 21 determine net increase in necessary costs in a manner specified by
 22 the department.

23 (7) For purposes of this section and sections 51b to 58, all
 24 of the following apply:

25 (a) "Total approved costs of special education" are determined
 26 in a manner specified by the department and may include indirect
 27 costs, but must not exceed 115% of approved direct costs for
 28 section 52 and section 53a programs. The total approved costs
 29 include salary and other compensation for all approved special



1 education personnel for the program, including payments for Social
2 Security and Medicare and public school employee retirement system
3 contributions. The total approved costs do not include salaries or
4 other compensation paid to administrative personnel who are not
5 special education personnel as that term is defined in section 6 of
6 the revised school code, MCL 380.6. Costs reimbursed by federal
7 funds, other than those federal funds included in the allocation
8 made under this article, are not included. Special education
9 approved personnel not utilized full time in the evaluation of
10 students or in the delivery of special education programs,
11 ancillary, and other related services are reimbursed under this
12 section only for that portion of time actually spent providing
13 these programs and services, with the exception of special
14 education programs and services provided to youth placed in child
15 caring institutions or juvenile detention programs approved by the
16 department to provide an on-grounds education program.

17 (b) A district or intermediate district that employed special
18 education support services staff to provide special education
19 support services in 2003-2004 or in a subsequent fiscal year and
20 that in a fiscal year after 2003-2004 receives the same type of
21 support services from another district or intermediate district
22 shall report the cost of those support services for special
23 education reimbursement purposes under this article. This
24 subdivision does not prohibit the transfer of special education
25 classroom teachers and special education classroom aides if the
26 pupils counted in membership associated with those special
27 education classroom teachers and special education classroom aides
28 are transferred and counted in membership in the other district or
29 intermediate district in conjunction with the transfer of those



1 teachers and aides.

2 (c) If the department determines before bookclosing for a
3 fiscal year that the amounts allocated for that fiscal year under
4 subsections (2), (3), (6), and (11) and sections 53a, 54, and 56
5 will exceed expenditures for that fiscal year under subsections
6 (2), (3), (6), and (11) and sections 53a, 54, and 56, then for a
7 district or intermediate district whose reimbursement for that
8 fiscal year would otherwise be affected by subdivision (b),
9 subdivision (b) does not apply to the calculation of the
10 reimbursement for that district or intermediate district and the
11 department shall calculate reimbursement for that district or
12 intermediate district in the same manner as it was for 2003-2004.
13 If the amount of the excess allocations under subsections (2), (3),
14 (6), and (11) and sections 53a, 54, and 56 is not sufficient to
15 fully fund the calculation of reimbursement to those districts and
16 intermediate districts under this subdivision, then the department
17 shall prorate calculations and resulting reimbursement under this
18 subdivision on an equal percentage basis. The amount of
19 reimbursement under this subdivision for a fiscal year must not
20 exceed \$2,000,000.00 for any district or intermediate district.

21 (d) Reimbursement for ancillary and other related services, as
22 that term is defined by R 340.1701c of the Michigan Administrative
23 Code, is not provided when those services are covered by and
24 available through private group health insurance carriers or
25 federal reimbursed program sources unless the department and
26 district or intermediate district agree otherwise and that
27 agreement is approved by the state budget director. Expenses, other
28 than the incidental expense of filing, must not be borne by the
29 parent. In addition, the filing of claims must not delay the



1 education of a pupil. A district or intermediate district is
2 responsible for payment of a deductible amount and for an advance
3 payment required until the time a claim is paid.

4 (e) If an intermediate district purchases a special education
5 pupil transportation service from a constituent district that was
6 previously purchased from a private entity; if the purchase from
7 the constituent district is at a lower cost, adjusted for changes
8 in fuel costs; and if the cost shift from the intermediate district
9 to the constituent does not result in any net change in the revenue
10 the constituent district receives from payments under sections 22b
11 and 51c, then upon application by the intermediate district, the
12 department shall direct the intermediate district to continue to
13 report the cost associated with the specific identified special
14 education pupil transportation service and shall adjust the costs
15 reported by the constituent district to remove the cost associated
16 with that specific service.

17 (8) A pupil who is enrolled in a full-time special education
18 program conducted or administered by an intermediate district or a
19 pupil who is enrolled in the Michigan Schools for the Deaf and
20 Blind is not included in the membership count of a district, but is
21 counted in membership in the intermediate district of residence.

22 (9) Special education personnel transferred from 1 district to
23 another to implement the revised school code are entitled to the
24 rights, benefits, and tenure to which the individual would
25 otherwise be entitled had that individual been employed by the
26 receiving district originally.

27 (10) If a district or intermediate district uses money
28 received under this section for a purpose other than the purpose or
29 purposes for which the money is allocated, the department may



1 require the district or intermediate district to refund the amount
 2 of money received. The department shall deposit money that is
 3 refunded in the state treasury to the credit of the state school
 4 aid fund.

5 (11) From the funds allocated in subsection (1), there is
 6 allocated the amount necessary, estimated at ~~\$1,600,000.00~~
 7 **\$1,700,000.00** for ~~2021-2022-2022-2023~~ and estimated at
 8 ~~\$1,500,000.00~~ **\$1,700,000.00** for ~~2022-2023,~~ **2023-2024**, to pay the
 9 foundation allowances for pupils described in this subsection. The
 10 department shall calculate the allocation to a district under this
 11 subsection by multiplying the number of pupils described in this
 12 subsection who are counted in membership in the district times the
 13 sum of the foundation allowance under section 20 of the pupil's
 14 district of residence, plus the amount of the district's per-pupil
 15 allocation under section 20m, not to exceed the target foundation
 16 allowance for the current fiscal year, or, for a pupil described in
 17 this subsection who is counted in membership in a district that is
 18 a public school academy, times an amount equal to the amount per
 19 membership pupil under section 20(6). The department shall
 20 calculate the allocation to an intermediate district under this
 21 subsection in the same manner as for a district, using the
 22 foundation allowance under section 20 of the pupil's district of
 23 residence not to exceed the target foundation allowance for the
 24 current fiscal year and that district's per-pupil allocation under
 25 section 20m. This subsection applies to all of the following
 26 pupils:

27 (a) Pupils described in section 53a.

28 (b) Pupils counted in membership in an intermediate district
 29 who are not special education pupils and are served by the



1 intermediate district in a juvenile detention or child caring
2 facility.

3 (c) Pupils with an emotional impairment counted in membership
4 by an intermediate district and provided educational services by
5 the department of health and human services.

6 (12) If it is determined that funds allocated under subsection
7 (2) or (11) or under section 51c will not be expended, funds up to
8 the amount necessary and available may be used to supplement the
9 allocations under subsection (2) or (11) or under section 51c in
10 order to fully fund those allocations. After payments under
11 subsections (2) and (11) and section 51c, the department shall
12 expend the remaining funds from the allocation in subsection (1) in
13 the following order:

14 (a) One hundred percent of the reimbursement required under
15 section 53a.

16 (b) One hundred percent of the reimbursement required under
17 subsection (6).

18 (c) One hundred percent of the payment required under section
19 54.

20 (d) One hundred percent of the payment required under
21 subsection (3).

22 (e) One hundred percent of the payments under section 56.

23 (13) The allocations under subsections (2), (3), and (11) are
24 allocations to intermediate districts only and are not allocations
25 to districts, but instead are calculations used only to determine
26 the state payments under section 22b.

27 (14) If a public school academy that is not a cyber school, as
28 that term is defined in section 551 of the revised school code, MCL
29 380.551, enrolls under this section a pupil who resides outside of



1 the intermediate district in which the public school academy is
2 located and who is eligible for special education programs and
3 services according to statute or rule, or who is a child with a
4 disability, as that term is defined under the individuals with
5 disabilities education act, Public Law 108-446, the intermediate
6 district in which the public school academy is located and the
7 public school academy shall enter into a written agreement with the
8 intermediate district in which the pupil resides for the purpose of
9 providing the pupil with a free appropriate public education, and
10 the written agreement must include at least an agreement on the
11 responsibility for the payment of the added costs of special
12 education programs and services for the pupil. If the public school
13 academy that enrolls the pupil does not enter into an agreement
14 under this subsection, the public school academy shall not charge
15 the pupil's resident intermediate district or the intermediate
16 district in which the public school academy is located the added
17 costs of special education programs and services for the pupil, and
18 the public school academy is not eligible for any payouts based on
19 the funding formula outlined in the resident or nonresident
20 intermediate district's plan. If a pupil is not enrolled in a
21 public school academy under this subsection, the provision of
22 special education programs and services and the payment of the
23 added costs of special education programs and services for a pupil
24 described in this subsection are the responsibility of the district
25 and intermediate district in which the pupil resides.

26 (15) For the purpose of receiving its federal allocation under
27 part B of the individuals with disabilities education act, Public
28 Law 108-446, a public school academy that is a cyber school, as
29 that term is defined in section 551 of the revised school code, MCL



1 380.551, and is in compliance with section 553a of the revised
 2 school code, MCL 380.553a, directly receives the federal allocation
 3 under part B of the individuals with disabilities education act,
 4 Public Law 108-446, from the intermediate district in which the
 5 cyber school is located, as the subrecipient. If the intermediate
 6 district does not distribute the funds described in this subsection
 7 to the cyber school by the part B application due date of July 1,
 8 the department may distribute the funds described in this
 9 subsection directly to the cyber school according to the formula
 10 prescribed in 34 CFR 300.705 and 34 CFR 300.816. Beginning July 1,
 11 2021, this subsection is subject to section 8c. It is the intent of
 12 the legislature that the immediately preceding sentence apply
 13 retroactively and is effective July 1, 2021.

14 (16) For a public school academy that is a cyber school, as
 15 that term is defined in section 551 of the revised school code, MCL
 16 380.551, and is in compliance with section 553a of the revised
 17 school code, MCL 380.553a, that enrolls a pupil under this section,
 18 the intermediate district in which the cyber school is located
 19 shall ensure that the cyber school complies with sections 1701a,
 20 1703, 1704, 1751, 1752, 1756, and 1757 of the revised school code,
 21 MCL 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756,
 22 and 380.1757; applicable rules; and the individuals with
 23 disabilities education act, Public Law 108-446. Beginning July 1,
 24 2021, this subsection is subject to section 8c. It is the intent of
 25 the legislature that the immediately preceding sentence apply
 26 retroactively and is effective July 1, 2021.

27 (17) For the purposes of this section, the department or the
 28 center shall only require a district or intermediate district to
 29 report information that is not already available from the financial



1 information database maintained by the center.

2 Sec. 51c. As required by the court in the consolidated cases
 3 known as *Durant v State of Michigan*, 456 Mich 175 (1997), from the
 4 allocation under section 51a(1), there is allocated for ~~2021-2022~~
 5 **2022-2023** and for ~~2022-2023, 2023-2024~~, the amount necessary,
 6 estimated at ~~\$719,000,000.00~~ **\$779,600,000.00** for ~~2021-2022-2022-~~
 7 **2023** and ~~\$709,900,000.00~~ **\$819,200,000.00** for ~~2022-2023, 2023-2024~~,
 8 for payments to reimburse districts for 28.6138% of total approved
 9 costs of special education excluding costs reimbursed under section
 10 53a, and 70.4165% of total approved costs of special education
 11 transportation. Funds allocated under this section that are not
 12 expended in the fiscal year for which they were allocated, as
 13 determined by the department, may be used to supplement the
 14 allocations under sections 22a and 22b to fully fund those
 15 allocations for the same fiscal year. ~~For each fund transfer as~~
 16 ~~described in the immediately preceding sentence that occurs, the~~
 17 ~~state budget director shall send notification of the transfer to~~
 18 ~~the house and senate appropriations subcommittees on state school~~
 19 ~~aid and the house and senate fiscal agencies by not later than 14~~
 20 ~~calendar days after the transfer occurs.~~

21 Sec. 51d. (1) From the federal funds appropriated in section
 22 11, there is allocated for ~~2022-2023-2023-2024~~ all available
 23 federal funding, estimated at \$71,000,000.00, for special education
 24 programs and services that are funded by federal grants. The
 25 department shall distribute all federal funds allocated under this
 26 section in accordance with federal law. Notwithstanding section
 27 17b, the department shall make payments of federal funds to
 28 districts, intermediate districts, and other eligible entities
 29 under this section on a schedule determined by the department.



1 (2) From the federal funds allocated under subsection (1), the
2 following amounts are allocated:

3 (a) For ~~2022-2023~~, **2023-2024**, an amount estimated at
4 \$14,000,000.00 for handicapped infants and toddlers, funded from
5 DED-OSERS, handicapped infants and toddlers funds.

6 (b) For ~~2022-2023~~, **2023-2024**, an amount estimated at
7 \$14,000,000.00 for preschool grants under Public Law 94-142, funded
8 from DED-OSERS, handicapped preschool incentive funds.

9 (c) For ~~2022-2023~~, **2023-2024**, an amount estimated at
10 \$43,000,000.00 for special education programs funded by DED-OSERS,
11 handicapped program, individuals with disabilities act funds.

12 (3) As used in this section, "DED-OSERS" means the United
13 States Department of Education Office of Special Education and
14 Rehabilitative Services.

15 Sec. 51e. (1) From the allocation under section 51a(1), there
16 is allocated for 2022-2023 the amount necessary, estimated at
17 ~~\$336,207,000.00~~ **\$351,700,000.00** for 2022-2023 **and there is**
18 **allocated for 2023-2024 the amount necessary, estimated at**
19 **\$487,500,000.00 for 2023-2024** for payments to districts and
20 intermediate districts for ~~75%~~ **100%** of foundation allowance costs
21 associated with special education pupils.

22 (2) The department shall calculate the amount allocated to a
23 district under this section by multiplying the district's special
24 education pupil membership, excluding pupils described in section
25 51a(11), times ~~75%~~ **100%** of the foundation allowance under section
26 20 of the pupil's district of residence, plus ~~75%~~ **100%** of the
27 amount of the district's per-pupil allocation under section 20m,
28 not to exceed ~~75%~~ **100%** of the target foundation allowance for the
29 current fiscal year, or, for a special education pupil in



1 membership in a district that is a public school academy, times an
 2 amount equal to ~~75%~~**100%** of the amount per membership pupil
 3 calculated under section 20(6). For an intermediate district, the
 4 amount allocated under this subsection is an amount per special
 5 education membership pupil, excluding pupils described in section
 6 51a(11), and is calculated in the same manner as for a district,
 7 using ~~75%~~**100%** of the foundation allowance under section 20 of the
 8 pupil's district of residence, not to exceed ~~75%~~**100%** of the target
 9 foundation allowance for the current fiscal year, and ~~75%~~**100%** of
 10 that district's per-pupil allocation under section 20m.

11 (3) In addition to the amount calculated in subsection (2) **for**
 12 **2022-2023**, there is allocated **for 2022-2023** the difference between
 13 the amount received under section 51f in the 2021-2022 fiscal year
 14 and the amount calculated under subsection (2) **for 2022-2023**. If
 15 the calculated amount under subsection (2) **for 2022-2023** exceeds
 16 the amount received by the district or intermediate district under
 17 section 51f for the 2021-2022 fiscal year, there is no payment
 18 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~~
23 **2022-2023** and an amount not to exceed \$40,008,100.00 for ~~2022-2023~~
24 **2023-2024** to reimburse intermediate districts levying millages for
25 special education under part 30 of the revised school code, MCL
26 380.1711 to 380.1741. The purpose, use, and expenditure of the
27 reimbursement are limited as if the funds were generated by these
28 millages and governed by the intermediate district plan adopted
29 under article 3 of the revised school code, MCL 380.1701 to



1 380.1761. As a condition of receiving funds under this section, an
 2 intermediate district distributing any portion of special education
 3 millage funds to its constituent districts must submit for
 4 departmental approval and implement a distribution plan.

5 (3) Except as otherwise provided in this subsection,
 6 reimbursement for those millages levied in ~~2020-2021~~**2021-2022** is
 7 made in ~~2021-2022~~**2022-2023** at an amount per ~~2020-2021~~**2021-2022**
 8 membership pupil computed by subtracting from ~~\$218,200.00~~
 9 **\$230,000.00** the ~~2020-2021~~**2021-2022** taxable value behind each
 10 membership pupil and multiplying the resulting difference by the
 11 2020-2021 millage levied, and then subtracting from that amount the
 12 ~~2020-2021~~**2021-2022** local community stabilization share revenue for
 13 special education purposes behind each membership pupil for
 14 reimbursement of personal property exemption loss under the local
 15 community stabilization authority act, 2014 PA 86, MCL 123.1341 to
 16 123.1362. Reimbursement in ~~2021-2022~~**2022-2023** for an intermediate
 17 district whose 2017-2018 allocation was affected by the operation
 18 of subsection (5) is an amount equal to 102.5% of the 2017-2018
 19 allocation to that intermediate district.

20 (4) Except as otherwise provided in this subsection,
 21 reimbursement for those millages levied in ~~2021-2022~~**2022-2023** is
 22 made in ~~2022-2023~~**2023-2024** at an amount per ~~2021-2022~~**2022-2023**
 23 membership pupil computed by subtracting from ~~\$229,600.00~~
 24 **\$241,100.00** the ~~2021-2022~~**2022-2023** taxable value behind each
 25 membership pupil and multiplying the resulting difference by the
 26 ~~2021-2022~~**2022-2023** millage levied, and then subtracting from that
 27 amount the ~~2021-2022~~**2022-2023** local community stabilization share
 28 revenue for special education purposes and ~~2021-2022~~**2022-2023** tax
 29 increment revenues captured by a brownfield redevelopment authority



1 created under the brownfield redevelopment financing act, 1996 PA
 2 381, MCL 125.2651 to 125.2670, behind each membership pupil for
 3 reimbursement of personal property exemption loss under the local
 4 community stabilization authority act, 2014 PA 86, MCL 123.1341 to
 5 123.1362, and reimbursements paid under section 26d for tax
 6 increment revenues captured by a brownfield redevelopment authority
 7 under the brownfield redevelopment financing act, 1996 PA 381, MCL
 8 125.2651 to 125.2670. Reimbursement in ~~2022-2023~~**2023-2024** for an
 9 intermediate district whose 2017-2018 allocation was affected by
 10 the operation of subsection (5) is an amount equal to 102.5% of the
 11 2017-2018 allocation to that intermediate district.

12 (5) The department shall ensure that the amount paid to a
 13 single intermediate district under subsection (2) does not exceed
 14 62.9% of the total amount allocated under subsection (2).

15 (6) The department shall ensure that the amount paid to a
 16 single intermediate district under subsection (2) is not less than
 17 75% of the amount allocated to the intermediate district under
 18 subsection (2) for the immediately preceding fiscal year.

19 ~~(7) From the allocation under section 51a(1), there is~~
 20 ~~allocated an amount not to exceed \$34,200,000.00 for 2021-2022 and~~
 21 ~~an amount not to exceed \$34,200,000.00 for 2022-2023, to provide~~
 22 ~~payments to intermediate districts levying millages for special~~
 23 ~~education under part 30 of the revised school code, MCL 380.1711 to~~
 24 ~~380.1741. The purpose, use, and expenditure of the payments under~~
 25 ~~this subsection are limited as if the funds were generated by these~~
 26 ~~millages and governed by the intermediate district plan adopted~~
 27 ~~under article 3 of the revised school code, MCL 380.1701 to~~
 28 ~~380.1761. The department shall provide a payment under this~~
 29 ~~subsection to each intermediate district described in this~~



1 ~~subsection as follows:~~

2 ~~(a) For 2021-2022, except as otherwise provided in this~~
 3 ~~subsection, for an intermediate district with a 3-year average~~
 4 ~~special education millage revenue per pupil in the immediately~~
 5 ~~preceding fiscal year that is less than \$251.00 and that is levying~~
 6 ~~at least 46.2% but less than 60.0% of its maximum millage rate~~
 7 ~~allowed under section 1724a of the revised school code, MCL~~
 8 ~~380.1724a, an amount computed by subtracting from \$251.00 the 3-~~
 9 ~~year average special education millage revenue per pupil in the~~
 10 ~~immediately preceding fiscal year and, only if the millage levied~~
 11 ~~by the intermediate district is less than 1, multiplying that~~
 12 ~~amount by the number of mills levied divided by 1, and then~~
 13 ~~multiplying that amount by the 3-year average membership in the~~
 14 ~~immediately preceding fiscal year, and then subtracting from that~~
 15 ~~amount the amount allocated under subsection (2) for the current~~
 16 ~~fiscal year. If the calculation under this subdivision results in~~
 17 ~~an amount below zero, there is no payment under this subdivision.~~

18 ~~(b) For 2021-2022, except as otherwise provided in this~~
 19 ~~subsection, for an intermediate district with a 3-year average~~
 20 ~~special education millage revenue per pupil in the immediately~~
 21 ~~preceding fiscal year that is less than \$281.00 and that is levying~~
 22 ~~at least 60.0% of its maximum millage rate allowed under section~~
 23 ~~1724a of the revised school code, MCL 380.1724a, an amount computed~~
 24 ~~by subtracting from \$281.00 the 3-year average special education~~
 25 ~~millage revenue per pupil in the immediately preceding fiscal year,~~
 26 ~~and, only if the millage levied by the intermediate district is~~
 27 ~~less than 1, multiplying that amount by the number of mills levied~~
 28 ~~divided by 1, and then multiplying that amount by the 3-year~~
 29 ~~average membership in the immediately preceding fiscal year, and~~



1 ~~then subtracting from that amount the amount allocated under~~
 2 ~~subsection (2) for the current fiscal year. If the calculation~~
 3 ~~under this subdivision results in an amount below zero, there is no~~
 4 ~~payment under this subdivision.~~

5 ~~(c) For 2022-2023, except as otherwise provided in this~~
 6 ~~subsection, for an intermediate district with a 3-year average~~
 7 ~~special education millage revenue per pupil in the immediately~~
 8 ~~preceding fiscal year that is less than \$251.00 and that is levying~~
 9 ~~at least 46.2% but less than 60.0% of its maximum millage rate~~
 10 ~~allowed under section 1724a of the revised school code, MCL~~
 11 ~~380.1724a, an amount computed by subtracting from \$251.00 the 3-~~
 12 ~~year average special education millage revenue per pupil in the~~
 13 ~~immediately preceding fiscal year and, only if the millage levied~~
 14 ~~by the intermediate district is less than 1, multiplying that~~
 15 ~~amount by the number of mills levied divided by 1, and then~~
 16 ~~multiplying that amount by the 3-year average membership in the~~
 17 ~~immediately preceding fiscal year, and then subtracting from that~~
 18 ~~amount the amount allocated under subsection (2) for the current~~
 19 ~~fiscal year. If the calculation under this subdivision results in~~
 20 ~~an amount below zero, there is no payment under this subdivision.~~

21 ~~(d) For 2022-2023, except as otherwise provided in this~~
 22 ~~subsection, for an intermediate district with a 3-year average~~
 23 ~~special education millage revenue per pupil in the immediately~~
 24 ~~preceding fiscal year that is less than \$296.00 and that is levying~~
 25 ~~at least 60.0% of its maximum millage rate allowed under section~~
 26 ~~1724a of the revised school code, MCL 380.1724a, an amount computed~~
 27 ~~by subtracting from \$296.00 the 3-year average special education~~
 28 ~~millage revenue per pupil in the immediately preceding fiscal year,~~
 29 ~~and, only if the millage levied by the intermediate district is~~



1 ~~less than 1, multiplying that amount by the number of mills levied~~
 2 ~~divided by 1, and then multiplying that amount by the 3-year~~
 3 ~~average membership in the immediately preceding fiscal year, and~~
 4 ~~then subtracting from that amount the amount allocated under~~
 5 ~~subsection (2) for the current fiscal year. If the calculation~~
 6 ~~under this subdivision results in an amount below zero, there is no~~
 7 ~~payment under this subdivision.~~

8 ~~(8) As used in subsection (7):~~

9 ~~(a) "3-year average membership" means the 3-year average pupil~~
 10 ~~membership for each of the 3 most recent fiscal years.~~

11 ~~(b) "3-year average special education millage revenue per~~
 12 ~~pupil" means the 3-year average taxable value per mill levied~~
 13 ~~behind each membership pupil for each of the 3 most recent fiscal~~
 14 ~~years multiplied by the millage levied in the most recent fiscal~~
 15 ~~year.~~

16 **(7) After making allocations to eligible intermediate**
 17 **districts under subsection (3), if funds remain unallocated from**
 18 **the allocation under subsections (2), the department must allocate**
 19 **remaining funds to intermediate districts proportional to the**
 20 **amounts allocated to intermediate districts under subsection (3).**

21 Sec. 61a. (1) From the state school aid fund money
 22 appropriated in section 11, there is allocated an amount not to
 23 exceed \$47,611,300.00 for ~~2022-2023~~**2023-2024** only to reimburse on
 24 an added cost basis districts, except for a district that served as
 25 the fiscal agent for a vocational education consortium in the 1993-
 26 94 school year and that has a foundation allowance as calculated
 27 under section 20 greater than the target foundation allowance under
 28 that section, and secondary area vocational-technical education
 29 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~~, **2024-2025**, the allocation
3 from the state school aid fund money appropriated in section 11 for
4 purposes described in this subsection will be \$37,611,300.00.
5 Applications for participation in the programs must be submitted in
6 the form prescribed by the department. The department shall
7 determine the added cost for each career and technical education
8 program area. The department shall prioritize the allocation of
9 added cost funds based on the capital and program expenditures
10 needed to operate the career and technical education programs
11 provided; the number of pupils enrolled; the advancement of pupils
12 through the instructional program; the existence of an articulation
13 agreement with at least 1 postsecondary institution that provides
14 pupils with opportunities to earn postsecondary credit during the
15 pupil's participation in the career and technical education program
16 and 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



1 subsection to each intermediate district serving as a fiscal agent
2 for state-approved CTE early middle college and CTE dual enrollment
3 programs in each of the career education planning districts
4 identified by the department. An intermediate district shall not
5 use more than 5% of the funds allocated under this subsection for
6 administrative costs for serving as the fiscal agent.

7 (3) To be an eligible fiscal agent, an intermediate district
8 must agree to do all of the following in a form and manner
9 determined by the department:

10 (a) Distribute funds to eligible CTE early middle college and
11 CTE dual enrollment programs in a career education planning
12 district as described in this section.

13 (b) Collaborate with the career and educational advisory
14 council in the workforce development board service delivery area to
15 develop 1 regional strategic plan under subsection (4) that aligns
16 CTE programs and services into an efficient and effective delivery
17 system for high school students. The department will align career
18 education planning districts, workforce development board service
19 delivery areas, and intermediate districts for the purpose of
20 creating 1 regional strategic plan for each workforce development
21 board service delivery area.

22 (c) Implement a regional process to rank career clusters in
23 the workforce development board service delivery area as described
24 under subsection (4). Regional processes must be approved by the
25 department before the ranking of career clusters.

26 (d) Report CTE early middle college and CTE dual enrollment
27 program and student data and information as prescribed by the
28 department and the center.

29 (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. ~~To be eligible to receive funding under~~
17 ~~this section, at least 50% of the area served by a CEPD must be~~
18 ~~located in an intermediate district that did not levy a vocational~~
19 ~~education millage in 2022.~~

20 (2) To receive funding under subsection (1), each ~~eligible~~
21 CEPD must apply in a form and manner prescribed by the department.
22 Funding to each ~~eligible~~ CEPD must be ~~equal to the quotient of the~~
23 ~~allocation under subsection (1) and the sum of the number of career~~
24 ~~education planning districts applying for funding under subsection~~
25 ~~(1) that are located in an intermediate district that did not levy~~
26 ~~a vocational education millage in 2022.~~ **proportionate to the number**
27 **of state-approved CTE programs, based on program serial numbers,**
28 **excluding early middle college programs, within the CEPD in 2023,**
29 **except that a CEPD for which at least 50% of the area served by the**



1 CEPD is located in an intermediate district that did not levy a
 2 millage for area vocational-technical education in 2023 must
 3 receive twice the allocation as otherwise calculated under this
 4 subsection.

5 (3) At least 50% of the funding allocated to each ~~eligible~~
 6 CEPD **under this section** must be used to update equipment in current
 7 **state-approved** CTE programs that have been identified in the
 8 highest 5 career cluster rankings **in any of the prosperity regions**
 9 in the most recent CEPD regional strategic plans jointly approved
 10 by ~~the Michigan talent investment agency in the~~ department of labor
 11 and economic opportunity and the department; ~~7~~for training on new
 12 equipment; ~~7~~for professional development relating to computer
 13 science or coding **or new equipment purchases; 7**for the replacement
 14 of old or outdated equipment or new equipment in existing state-
 15 approved CTE programs that align with new technology used in
 16 industries; or for new and emerging certified **state-approved** CTE
 17 programs to allow CEPD administrators to provide programming in
 18 communities that will enhance economic development. The funding for
 19 equipment should be used to support and enhance community areas
 20 that have sustained job growth, and act as a commitment to build a
 21 more qualified and skilled workforce. In addition, each CEPD is
 22 encouraged to explore the option of leasing equipment from local
 23 private industry to encourage the use of the most advanced
 24 equipment.

25 (4) The allocation of funds **under this section** at the local
 26 level must be determined by CEPD administrators using data from the
 27 state, region, and local sources to make well-informed decisions on
 28 program equipment improvements. Grants awarded by CEPD
 29 administrators for capital infrastructure **costs related to the**



1 **purchase of new equipment** must be used to ensure that **state-**
 2 **approved** CTE programs can deliver educational programs in high-
 3 wage, high-skill, and high-demand occupations. Each CEPD shall
 4 continue to ensure that program advisory boards make
 5 recommendations on needed improvements for equipment that support
 6 job growth and job skill development and retention for both the
 7 present and the future.

8 (5) Not later than ~~September~~**December** 15 of each fiscal year,
 9 each CEPD receiving funding shall annually report to the
 10 department, the senate and house appropriations subcommittees on
 11 school aid, the senate and house fiscal agencies, and **the**
 12 legislature on equipment purchased under subsection (1). In
 13 addition, the report must identify growth data on program
 14 involvement, retention, and development of student skills.

15 (6) As used in this section:

16 (a) "CEPD" means a career education planning district
 17 described in this section.

18 (b) "CTE" means career and technical education.

19 Sec. 61d. (1) From the appropriation in section 11, there is
 20 allocated for ~~2022-2023~~**2023-2024** an amount not to exceed
 21 \$5,000,000.00 from the state school aid fund for additional
 22 payments to districts for career and technical education programs
 23 for the purpose of increasing the number of Michigan residents with
 24 high-quality degrees or credentials, and to increase the number of
 25 pupils who are college- and career-ready upon high school
 26 graduation.

27 (2) The department shall calculate payments to districts under
 28 this section in the following manner:

29 (a) A payment of \$35.00 multiplied by the number of pupils in



1 grades 9 to 12 who are counted in membership in the district and
2 are enrolled in at least 1 career and technical education program.

3 (b) An additional payment of \$35.00 multiplied by the number
4 of pupils in grades 9 to 12 who are counted in membership in the
5 district and are enrolled in at least 1 career and technical
6 education program that provides instruction in critical skills and
7 high-demand career fields.

8 (3) If the allocation under subsection (1) is insufficient to
9 fully fund payments under subsection (2), the department shall
10 prorate payments under this section on an equal per-pupil basis.

11 ~~(4) If a student attends a career and technical education~~
12 ~~program at an intermediate district, the payment under subsection~~
13 ~~(2) attributable to that student must be split equally between the~~
14 ~~intermediate district providing the program and the district that~~
15 ~~counts the student in membership.~~

16 (4) ~~(5)~~—As used in this section:

17 (a) "Career and technical education program" means a state-
18 approved career and technical education program, as determined by
19 the department.

20 (b) "Career and technical education program that provides
21 instruction in critical skills and high-demand career field" means
22 a career and technical education program classified under any of
23 the following 2-digit classification of instructional programs
24 (CIP) codes:

25 (i) 01, which refers to "agriculture, agriculture operations,
26 and related sciences".

27 (ii) 03, which refers to "natural resources and conservation".

28 (iii) 10 through 11, which refers to "communications
29 technologies/technicians and support services" and "computer and



1 information sciences and support services".

2 (iv) 14 through 15, which refers to "engineering" and
3 "engineering technologies and engineering-related fields".

4 (v) 26, which refers to "biological and biomedical sciences".

5 (vi) 46 through 48, which refers to "construction trades",
6 "mechanic and repair technologies/technicians", and "precision
7 production".

8 (vii) 51, which refers to "health professions and related
9 programs".

10 Sec. 62. (1) For the purposes of this section:

11 (a) "Membership" means for a particular fiscal year the total
12 membership of the intermediate district and the districts
13 constituent to the intermediate district or the total membership of
14 the area vocational-technical program, except that if a district
15 has elected not to come under sections 681 to 690 of the revised
16 school code, MCL 380.681 to 380.690, the membership of that
17 district are not included in the membership of the intermediate
18 district. However, the membership of a district that has elected
19 not to come under sections 681 to 690 of the revised school code,
20 MCL 380.681 to 380.690, is included in the membership of the
21 intermediate district if the district meets both of the following:

22 (i) The district operates the area vocational-technical
23 education program pursuant to a contract with the intermediate
24 district.

25 (ii) The district contributes an annual amount to the operation
26 of the program that is commensurate with the revenue that would
27 have been raised for operation of the program if millage were
28 levied in the district for the program under sections 681 to 690 of
29 the revised school code, MCL 380.681 to 380.690.



1 (b) "Millage levied" means the millage levied for area
2 vocational-technical education under sections 681 to 690 of the
3 revised school code, MCL 380.681 to 380.690, including a levy for
4 debt service obligations incurred as the result of borrowing for
5 capital outlay projects and in meeting capital projects fund
6 requirements of area vocational-technical education.

7 (c) "Taxable value" means the total taxable value of the
8 districts constituent to an intermediate district or area
9 vocational-technical education program, except that if a district
10 has elected not to come under sections 681 to 690 of the revised
11 school code, MCL 380.681 to 380.690, the taxable value of that
12 district is not included in the taxable value of the intermediate
13 district. However, the taxable value of a district that has elected
14 not to come under sections 681 to 690 of the revised school code,
15 MCL 380.681 to 380.690, is included in the taxable value of the
16 intermediate district if the district meets both of the following:

17 (i) The district operates the area vocational-technical
18 education program pursuant to a contract with the intermediate
19 district.

20 (ii) The district contributes an annual amount to the operation
21 of the program that is commensurate with the revenue that would
22 have been raised for operation of the program if millage were
23 levied in the district for the program under sections 681 to 690 of
24 the revised school code, MCL 380.681 to 380.690.

25 (2) From the appropriation in section 11, there is allocated
26 an amount not to exceed \$9,190,000.00 each fiscal year for ~~2021-~~
27 ~~2022-2023~~ **2022-2023** and for ~~2022-2023~~ **2023-2024** to reimburse
28 intermediate districts and area vocational-technical education
29 programs established under section 690(3) of the revised school



1 code, MCL 380.690, levying millages for area vocational-technical
 2 education under sections 681 to 690 of the revised school code, MCL
 3 380.681 to 380.690. The purpose, use, and expenditure of the
 4 reimbursement are limited as if the funds were generated by those
 5 millages.

6 (3) Reimbursement for those millages levied in ~~2020-2021-2021-~~
 7 ~~2022~~ is made in ~~2021-2022-2022-2023~~ at an amount per ~~2020-2021~~
 8 ~~2021-2022~~ membership pupil computed by subtracting from ~~\$227,300.00~~
 9 ~~\$238,000.00~~ the ~~2020-2021-2021-2022~~ taxable value behind each
 10 membership pupil and multiplying the resulting difference by the
 11 ~~2020-2021-2021-2022~~ millage levied, and then subtracting from that
 12 amount the ~~2020-2021-2021-2022~~ local community stabilization share
 13 revenue for area vocational technical education behind each
 14 membership pupil for reimbursement of personal property exemption
 15 loss under the local community stabilization authority act, 2014 PA
 16 86, MCL 123.1341 to 123.1362.

17 (4) Reimbursement for those millages levied in ~~2021-2022-2022-~~
 18 ~~2023~~ is made in ~~2022-2023-2023-2024~~ at an amount per ~~2021-2022~~
 19 ~~2022-2023~~ membership pupil computed by subtracting from ~~\$237,500.00~~
 20 ~~\$249,300.00~~ the ~~2021-2022-2022-2023~~ taxable value behind each
 21 membership pupil and multiplying the resulting difference by the
 22 ~~2021-2022-2022-2023~~ millage levied, and then subtracting from that
 23 amount the ~~2021-2022-2022-2023~~ local community stabilization share
 24 revenue for area vocational technical education and ~~2021-2022-2022-~~
 25 ~~2023~~ tax increment revenues captured by a brownfield redevelopment
 26 authority created under the brownfield redevelopment financing act,
 27 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil
 28 for reimbursement of personal property exemption loss under the
 29 local community stabilization authority act, 2014 PA 86, MCL



1 123.1341 to 123.1362, and reimbursements paid under section 26d for
2 tax increment revenues captured by a brownfield redevelopment
3 authority under the brownfield redevelopment financing act, 1996 PA
4 381, MCL 125.2651 to 125.2670.

5 (5) The department shall ensure that the amount paid to a
6 single intermediate district under this section does not exceed
7 38.4% of the total amount allocated under subsection (2).

8 (6) The department shall ensure that the amount paid to a
9 single intermediate district under this section is not less than
10 75% of the amount allocated to the intermediate district under this
11 section for the immediately preceding fiscal year.

12 Sec. 65. (1) From the appropriation under section 11, there is
13 allocated an amount not to exceed \$900,000.00 for ~~2022-2023-2023-~~
14 **2024** only for a pre-college engineering K-12 educational program
15 that is focused on the development of a diverse future Michigan
16 workforce, that serves multiple communities within southeast
17 Michigan, that enrolls pupils from multiple districts, and that
18 received funds appropriated for this purpose in the appropriations
19 act that provided the Michigan strategic fund budget for 2014-2015.
20 ~~It is the intent of the legislature that, for 2023-2024, the~~
21 ~~allocation from the state school aid fund money appropriated in~~
22 ~~section 11 for purposes described in this section will be~~
23 ~~\$400,000.00.~~

24 (2) To be eligible for funding under this section, a program
25 must have the ability to expose pupils to, and motivate and prepare
26 pupils for, science, technology, engineering, and mathematics
27 careers and postsecondary education with special attention given to
28 groups of pupils who are at-risk and underrepresented in technical
29 professions and careers.



1 Sec. 67. (1) From the general fund money appropriated in
2 section 11, there is allocated an amount not to exceed
3 \$3,000,000.00 for ~~2022-2023~~**2023-2024** for college access programs.
4 The programs funded under this section are intended to inform
5 students of college and career options and to provide resources
6 intended to increase the number of pupils who are adequately
7 prepared with the information needed to make informed decisions on
8 college and career. The funds appropriated under this section are
9 intended to be used to increase the number of Michigan residents
10 with high-quality degrees or credentials. Funds appropriated under
11 this section must not be used to supplant funding for counselors
12 already funded by districts.

13 (2) The department of labor and economic opportunity shall
14 administer funds allocated under this section in collaboration with
15 the Michigan college access network. These funds may be used for
16 any of the following purposes:

17 (a) Michigan college access network operations, programming,
18 and services to local college access networks.

19 (b) Local college access networks, which are community-based
20 college access/success partnerships committed to increasing the
21 college participation and completion rates within geographically
22 defined communities through a coordinated strategy.

23 (c) The Michigan college advising program, a program intended
24 to place trained, recently graduated college advisors in high
25 schools that serve significant numbers of low-income and first-
26 generation college-going pupils. State funds used for this purpose
27 may not exceed 33% of the total funds available under this
28 subsection.

29 (d) Subgrants of up to \$5,000.00 to districts with



1 comprehensive high schools that establish a college access team and
2 implement specific strategies to create a college-going culture in
3 a high school in a form and manner approved by the Michigan college
4 access network and the department of labor and economic
5 opportunity.

6 (e) The Michigan college access portal, an online one-stop
7 portal to help pupils and families plan and apply for college.

8 (f) Public awareness and outreach campaigns to encourage low-
9 income and first-generation college-going pupils to take necessary
10 steps toward college and to assist pupils and families in
11 completing a timely and accurate free application for federal
12 student aid.

13 (g) Subgrants to postsecondary institutions to recruit, hire,
14 and train college student mentors and college advisors to assist
15 high school pupils in navigating the postsecondary planning and
16 enrollment process.

17 (3) For the purposes of this section, "college" means any
18 postsecondary educational opportunity that leads to a career,
19 including, but not limited to, a postsecondary degree, industry-
20 recognized technical certification, or registered apprenticeship.

21 **Sec. 67f. (1) From the state school aid fund money**
22 **appropriated in section 11, there is allocated for 2023-2024 only**
23 **an amount not to exceed \$15,000,000.00 for the FAFSA completion**
24 **challenge. Funds allocated under this section must be distributed**
25 **to districts to improve FAFSA completion rates.**

26 (2) To be eligible to receive funding under this section, each
27 district must apply in a form and manner prescribed by the
28 department. As part of the application, the district must
29 demonstrate to the department that each high school from the



1 applying district receiving funds under this section has a data-use
2 agreement on file with the department of treasury naming at least 1
3 data receiver designee to access student-level data regarding FAFSA
4 completion.

5 (3) By not later than November 30, 2023, the department must
6 pay, from funds allocated under this section, each eligible
7 district an amount not to exceed \$50.00 multiplied by the number of
8 students enrolled and attending grade 12 in the district. The
9 receiving district must use funds received under this subsection
10 for participation in and implementation of activities that are
11 known to drive FAFSA completion, as determined by the department,
12 in collaboration with the Michigan College Access Network.
13 Districts may use funds under this subsection to purchase gift
14 cards of \$50.00 to be disbursed for students who have submitted
15 their FAFSA on or prior to May 1, 2024.

16 (4) By not later than May 31, 2024, the department must pay,
17 from funds allocated under this section, each eligible district an
18 amount not to exceed \$50.00 multiplied by the number of students
19 enrolled and attending grade 12 in the district who submitted a
20 FAFSA on or prior to May 1, 2024. The district must use funds
21 received under this subsection for the purchase and distribution of
22 gift cards for grade 12 students who submitted their FAFSA on or
23 prior to May 1, 2024. For purposes of this subsection, the amount
24 of funding a district used from subsection (3) to purchase gift
25 cards up to \$50.00 for each student who submitted their FAFSA on or
26 prior to May 1, 2024 must be used for participation in and
27 implementation of activities that are known to drive FAFSA
28 completion, as determined by the department, in collaboration with
29 the Michigan College Access Network.



1 (5) By not later than August 1, 2024, the department must pay,
 2 from funds allocated under this section, each eligible district an
 3 amount not to exceed \$50.00 multiplied by the number of students
 4 enrolled and attending grade 12 in the district who submitted a
 5 FAFSA prior to June 30, 2024. Funds received under this subsection
 6 may be used for discretionary purposes, as determined by the
 7 districts, though districts are encouraged to use funds received
 8 under this subsection to continue work to improve FAFSA completion
 9 rates.

10 (6) The department must collaborate with the department of
 11 treasury to verify eligible FAFSA completion counts for the
 12 purposes of calculating payments under subsections (4) and (5).

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

16 (8) As used in the section, "FAFSA" means the free application
 17 for federal student aid form.

18 Sec. 74. (1) From the state school aid fund money appropriated
 19 in section 11, there is allocated an amount not to exceed
 20 ~~\$3,964,800.00~~ **\$3,842,700.00** for ~~2021-2022~~ and there is allocated an
 21 ~~amount not to exceed \$3,844,200.00 for 2022-2023~~ **2023-2024** for the
 22 purposes of this section.

23 (2) From the allocation in subsection (1), there is allocated
 24 for ~~2021-2022~~ and for ~~2022-2023~~ **2023-2024** the amount necessary for
 25 payments to state supported colleges or universities and
 26 intermediate districts providing school bus driver safety
 27 instruction under section 51 of the pupil transportation act, 1990
 28 PA 187, MCL 257.1851. The department shall make payments in an
 29 amount determined by the department not to exceed the actual cost



1 of instruction and driver compensation for each public or nonpublic
 2 school bus driver attending a course of instruction. For the
 3 purpose of computing compensation, the hourly rate allowed each
 4 school bus driver must not exceed the hourly rate received for
 5 driving a school bus. The department shall make reimbursement
 6 compensating the driver during the course of instruction to the
 7 college or university or intermediate district providing the course
 8 of instruction.

9 (3) From the allocation in subsection (1), there is allocated
 10 for ~~2021-2022 and for 2022-2023~~ **2023-2024** the amount necessary to
 11 pay the reasonable costs of nonspecial education auxiliary services
 12 transportation provided under section 1323 of the revised school
 13 code, MCL 380.1323. Districts funded under this subsection do not
 14 receive funding under any other section of this article for
 15 nonspecial education auxiliary services transportation.

16 (4) From the funds allocated in subsection (1), there is
 17 allocated an amount not to exceed ~~\$1,780,800.00~~ **\$1,817,700.00** for
 18 ~~2021-2022 and there is allocated an amount not to exceed~~
 19 ~~\$1,819,200.00 for 2022-2023~~ **2023-2024** for reimbursement to
 20 districts and intermediate districts for costs associated with the
 21 inspection of school buses and pupil transportation vehicles by the
 22 department of state police as required under section 715a of the
 23 Michigan vehicle code, 1949 PA 300, MCL 257.715a, and section 39 of
 24 the pupil transportation act, 1990 PA 187, MCL 257.1839. The
 25 department of state police shall prepare a statement of costs
 26 attributable to each district for which bus inspections are
 27 provided and submit it to the department and to an intermediate
 28 district serving as fiduciary in a time and manner determined
 29 jointly by the department and the department of state police. Upon



1 review and approval of the statement of cost, the department shall
2 forward to the designated intermediate district serving as
3 fiduciary the amount of the reimbursement on behalf of each
4 district and intermediate district for costs detailed on the
5 statement within 45 days after receipt of the statement. The
6 designated intermediate district shall make payment in the amount
7 specified on the statement to the department of state police within
8 45 days after receipt of the statement. The total reimbursement of
9 costs under this subsection must not exceed the amount allocated
10 under this subsection. Notwithstanding section 17b, the department
11 shall make payments to eligible entities under this subsection on a
12 schedule prescribed by the department.

13 **Sec. 74b. (1) From the state school aid fund money**
14 **appropriated in section 11, there is allocated for 2023-2024 only**
15 **an amount not to exceed \$150,000,000.00 for grants under the clean**
16 **school bus grant program as described in this section. Funds under**
17 **this section must be administered through the department's MI Clean**
18 **Fleet Initiative, which supports the conversion of vehicular fleets**
19 **to low or no greenhouse gas emissions operations as determined by**
20 **the department.**

21 **(2) To receive funding under this section, qualified**
22 **recipients must apply for funding in a form and manner prescribed**
23 **by the department. Qualified recipients must agree to be responsive**
24 **to legitimate and reasonable requests from this state to support**
25 **the promotion, education, and operation of EV school buses,**
26 **including participating in and offering ride events for the public**
27 **and drive events for other school bus drivers as allowed by**
28 **insurance.**

29 **(3) The department must award funding under this section on a**



1 prioritization basis, with funds covering 90% of the cost for
2 prioritized qualified recipients and 70% of costs for
3 nonprioritized qualified recipients. The department may cap total
4 funding amounts per qualified recipient. Funding under this section
5 must not be used for maintenance or operational costs of new or
6 existing vehicles.

7 (4) The department must establish eligibility standards for
8 replacement and new bus purchases, including eligibility standards
9 for which types of buses are eligible for purchase with funds under
10 this section. For a qualified recipient that is a privately owned
11 school bus company, the qualified recipient must agree to repay a
12 portion of amounts received from funds under this section if the
13 qualified recipient does not maintain a service contract with a
14 public school district for the useful life of vehicles purchased
15 with funds under this section. The department must determine a
16 repayment amount based on the projected useful life of the vehicle
17 purchased, the number of years in which the privately owned school
18 bus company maintained a service contract with a public school
19 district, and the total amount of funding received under this
20 section.

21 (5) The department must create and publicly post selection
22 criteria and prioritization of qualified recipients. The department
23 shall utilize federal Justice40 parameters for this process.
24 Criteria must give preference to school districts in:

25 (a) National Ambient Air Quality Standards (NAAQS)
26 nonattainment zones.

27 (b) Environmental justice communities as identified by the
28 state's MiEJScreen Environmental Justice Screening Tool.

29 (c) Small Area Income and Poverty Estimates (SAIPE) Program



1 areas.

2 (d) Rural areas as defined by locale codes "43-Rural: Remote"
3 and "42-Rural: Distant" by the National Center for Education
4 Statistics.

5 (e) Communities with high free and reduced lunch participation
6 rates.

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

10 (7) The funds allocated under this section for 2023-2024 are a
11 work project appropriation, and any unexpended funds for 2023-2024
12 are carried forward into 2024-2025. The purpose of the work project
13 is to provide support for qualified recipients to transition to
14 environmentally friendly transportation vehicles. The estimated
15 completion date of the work project is September 30, 2027.

16 (8) As used in this section:

17 (a) "Department" means the department of environment, Great
18 Lakes, and energy.

19 (b) "Qualified recipient" means a district, an intermediate
20 district, or a privately owned school bus company under contract
21 with a public school district.

22 Sec. 81. (1) From the state school aid fund money appropriated
23 in section 11, there is allocated for ~~2022-2023~~**2023-2024** to the
24 intermediate districts the sum necessary, but not to exceed
25 ~~\$75,642,600.00~~**\$79,424,700.00** to provide state aid to intermediate
26 districts under this section.

27 (2) The amount allocated under this section for ~~2022-2023~~
28 **2023-2024** to each intermediate district is an amount equal to
29 ~~105.2%~~**105.0%** of the amount allocated to the intermediate district



1 under this section for ~~2021-2022.~~ **2022-2023**. An intermediate
 2 district shall use funding provided under this section to comply
 3 with requirements of this article and the revised school code that
 4 are applicable to intermediate districts, and for which funding is
 5 not provided elsewhere in this article, and to provide technical
 6 assistance to districts as authorized by the intermediate school
 7 board.

8 (3) Intermediate districts receiving funds under this section
 9 shall collaborate with the department to develop expanded
 10 professional development opportunities for teachers to update and
 11 expand their knowledge and skills needed to support the Michigan
 12 merit curriculum.

13 (4) From the allocation in subsection (1), there is allocated
 14 to an intermediate district, formed by the consolidation or
 15 annexation of 2 or more intermediate districts or the attachment of
 16 a total intermediate district to another intermediate district or
 17 the annexation of all of the constituent K-12 districts of a
 18 previously existing intermediate district which has disorganized,
 19 an additional allotment of \$3,500.00 each fiscal year for each
 20 intermediate district included in the new intermediate district for
 21 3 years following consolidation, annexation, or attachment.

22 (5) In order to receive funding under this section, an
 23 intermediate district shall do all of the following:

24 (a) Demonstrate to the satisfaction of the department that the
 25 intermediate district employs at least 1 person who is trained in
 26 pupil accounting and auditing procedures, rules, and regulations.

27 (b) Demonstrate to the satisfaction of the department that the
 28 intermediate district employs at least 1 person who is trained in
 29 rules, regulations, and district reporting procedures for the



1 individual-level student data that serves as the basis for the
2 calculation of the district and high school graduation and dropout
3 rates.

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

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

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

11 ~~(f) Provide advice, guidance, and leadership to assist all
12 districts located within its geographic boundaries to assist in the
13 preparedness and response efforts toward addressing COVID-19. At a
14 minimum, this must include the coordination and collaboration with
15 any local public health agency that has jurisdiction within the
16 intermediate district's geographic boundaries and may include the
17 coordination of bulk purchasing of personal protective equipment,
18 technology, or other products or services necessary for students to
19 return to school.~~

20 ~~(g) Ensure that all districts located within its geographic
21 boundaries have equitable access to the intermediate district's
22 coordination activities and services, intermediate district wide or
23 regional meetings, regularly scheduled superintendent meetings,
24 programming, events, email distribution lists, listservs, or other
25 coordination or collaboration activities organized by or hosted at
26 the intermediate district. In ensuring that all districts located
27 within the geographic boundaries of the intermediate district have
28 equitable access to services, meetings, programming, events, email
29 distribution lists, listservs, or activities as described in the~~



1 ~~immediately preceding sentence, the intermediate district shall~~
 2 ~~ensure that districts that are public school academies that are~~
 3 ~~located within its geographic boundaries are not excluded from said~~
 4 ~~services, meetings, programming, events, email distribution lists,~~
 5 ~~listservs, or activities organized by or hosted at the intermediate~~
 6 ~~district if districts that are not public school academies that are~~
 7 ~~located within the geographic boundaries of the intermediate~~
 8 ~~district are not excluded.~~

9 Sec. 94. (1) From the general fund money appropriated in
 10 section 11, there is allocated to the department for ~~2022-2023~~
 11 **2023-2024** an amount not to exceed \$1,200,000.00 for efforts to
 12 increase the number of pupils who participate and succeed in
 13 advanced placement **programs**, ~~and~~ international baccalaureate
 14 programs, **and career and technical education programs**, and to
 15 support the college-level examination program (CLEP).

16 (2) From the funds allocated under this section, the
 17 department shall award funds to cover all or part of the costs of
 18 ~~advanced placement test fees or international baccalaureate test~~
 19 ~~fees and international baccalaureate registration fees~~ **any of the**
 20 **following** for low-income pupils: ~~who take an advanced placement or~~
 21 ~~an international baccalaureate test and CLEP fees for low-income~~
 22 ~~pupils who take a CLEP test.~~

- 23 (a) **Advanced placement test fees.**
 24 (b) **International baccalaureate test fees.**
 25 (c) **International baccalaureate registration fees.**
 26 (d) **CLEP fees.**
 27 (e) **Fees for assessments required by this state as a**
 28 **prerequisite for obtaining a professional certification or locally**
 29 **and state-recognized industry certifications.**



1 (f) Fees for career and technical skills assessments necessary
 2 to achieve completer status in a career and technical education
 3 program.

4 (g) Fees for assessments that enable students to earn credit
 5 for introductory level courses that count toward completion of a
 6 postsecondary credential.

7 (h) Fees for any other assessment determined by the department
 8 to be capable of generating postsecondary credentials for high
 9 school students.

10 (3) The department shall only award funds under this section
 11 if the department determines that all of the following criteria are
 12 met:

13 (a) Each pupil for whom payment is made meets eligibility
 14 requirements of the federal advanced placement test fee program
 15 under the no child left behind act of 2001, Public Law 107-110, or
 16 the every student succeeds act, Public Law 114-95, as applicable.

17 (b) The tests are administered by the college board, the
 18 international baccalaureate organization, or another test provider
 19 approved by the department.

20 (c) The pupil for whom payment is made pays at least \$5.00
 21 toward the cost of each test for which payment is made.

22 (4) The department shall establish procedures for awarding
 23 funds under this section.

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

27 Sec. 94a. (1) There is created within the state budget office
 28 in the department of technology, management, and budget the center
 29 for educational performance and information. The center shall do



1 all of the following:

2 (a) Coordinate the collection of all data required by state
3 and federal law from districts, intermediate districts, and
4 postsecondary institutions.

5 (b) Create, maintain, and enhance this state's P-20
6 longitudinal data system and ensure that it meets the requirements
7 of subsection (4).

8 (c) Collect data in the most efficient manner possible in
9 order to reduce the administrative burden on reporting entities,
10 including, but not limited to, electronic transcript services.

11 (d) Create, maintain, and enhance this state's web-based
12 educational portal to provide information to school leaders,
13 teachers, researchers, and the public in compliance with all
14 federal and state privacy laws. Data must include, but are not
15 limited to, all of the following:

16 (i) Data sets that link teachers to student information,
17 allowing districts to assess individual teacher impact on student
18 performance and consider student growth factors in teacher and
19 principal evaluation systems.

20 (ii) Data access or, if practical, data sets, provided for
21 regional data hubs that, in combination with local data, can
22 improve teaching and learning in the classroom.

23 (iii) Research-ready data sets for researchers to perform
24 research that advances this state's educational performance.

25 (e) Provide data in a useful manner to allow state and local
26 policymakers to make informed policy decisions.

27 (f) Provide public reports to the residents of this state to
28 allow them to assess allocation of resources and the return on
29 their investment in the education system of this state.



1 (g) Other functions as assigned by the state budget director.

2 (2) Each state department, officer, or agency that collects
3 information from districts, intermediate districts, or
4 postsecondary institutions as required under state or federal law
5 shall make arrangements with the center to ensure that the state
6 department, officer, or agency is in compliance with subsection
7 (1). This subsection does not apply to information collected by the
8 department of treasury under the uniform budgeting and accounting
9 act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal
10 finance act, 2001 PA 34, MCL 141.2101 to 141.2821; the school bond
11 qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to
12 388.1939; or section 1351a of the revised school code, MCL
13 380.1351a.

14 (3) The center may enter into any interlocal agreements
15 necessary to fulfill its functions.

16 (4) The center shall ensure that the P-20 longitudinal data
17 system required under subsection (1)(b) meets all of the following:

18 (a) Includes data at the individual student level from
19 preschool through postsecondary education and into the workforce.

20 (b) Supports interoperability by using standard data
21 structures, data formats, and data definitions to ensure linkage
22 and connectivity in a manner that facilitates the exchange of data
23 among agencies and institutions within the state and between
24 states.

25 (c) Enables the matching of individual teacher and student
26 records so that an individual student may be matched with those
27 teachers providing instruction to that student.

28 (d) Enables the matching of individual teachers with
29 information about their certification and the institutions that



1 prepared and recommended those teachers for state certification.

2 (e) Enables data to be easily generated for continuous
3 improvement and decision-making, including timely reporting to
4 parents, teachers, and school leaders on student achievement.

5 (f) Ensures the reasonable quality, validity, and reliability
6 of data contained in the system.

7 (g) Provides this state with the ability to meet federal and
8 state reporting requirements.

9 (h) For data elements related to preschool through grade 12
10 and postsecondary, meets all of the following:

11 (i) Contains a unique statewide student identifier that does
12 not permit a student to be individually identified by users of the
13 system, except as allowed by federal and state law.

14 (ii) Contains student-level enrollment, demographic, and
15 program participation information **including data associated with**
16 **students who have been identified as having an affiliation to 1 or**
17 **more federally recognized Indian tribes and student participation**
18 **in federal programs funded under 20 USC 7401 to 7546 and**
19 **participation in federal programs funded under the Johnson-O'Malley**
20 **Supplemental Indian Education Program Modernization Act, Public Law**
21 **115-404.**

22 (iii) Contains student-level information about the points at
23 which students exit, transfer in, transfer out, drop out, or
24 complete education programs.

25 (iv) Has the capacity to communicate with higher education data
26 systems.

27 (i) For data elements related to preschool through grade 12
28 only, meets all of the following:

29 (i) Contains yearly test records of individual students for



1 assessments approved by DED-OESE for accountability purposes under
 2 section 1111(b) of the elementary and secondary education act of
 3 1965, 20 USC 6311, including information on individual students not
 4 tested, by grade and subject.

5 (ii) Contains student-level transcript information, including
 6 information on courses completed and grades earned.

7 (iii) Contains student-level college readiness test scores.

8 (j) For data elements related to postsecondary education only:

9 (i) Contains data that provide information regarding the extent
 10 to which individual students transition successfully from secondary
 11 school to postsecondary education, including, but not limited to,
 12 all of the following:

13 (A) Enrollment in remedial coursework.

14 (B) Completion of 1 year's worth of college credit applicable
 15 to a degree within 2 years of enrollment.

16 (ii) Contains data that provide other information determined
 17 necessary to address alignment and adequate preparation for success
 18 in postsecondary education.

19 (5) From the general fund money appropriated in section 11,
 20 there is allocated an amount not to exceed ~~\$19,032,300.00~~
 21 **\$18,988,600.00** for ~~2022-2023~~**2023-2024** to the department of
 22 technology, management, and budget to support the operations of the
 23 center. In addition, from the federal funds appropriated in section
 24 11, there is allocated for ~~2022-2023~~**2023-2024** the amount
 25 necessary, estimated at \$193,500.00, to support the operations of
 26 the center and to establish a P-20 longitudinal data system
 27 necessary for state and federal reporting purposes. The center
 28 shall cooperate with the department to ensure that this state is in
 29 compliance with federal law and is maximizing opportunities for



1 increased federal funding to improve education in this state.

2 (6) From the funds allocated in subsection (5), the center may
 3 use an amount determined by the center for competitive grants for
 4 ~~2022-2023~~**2023-2024** to support collaborative efforts on the P-20
 5 longitudinal data system. All of the following apply to grants
 6 awarded under this subsection:

7 (a) The center shall award competitive grants to eligible
 8 intermediate districts or a consortium of intermediate districts
 9 based on criteria established by the center.

10 (b) Activities funded under the grant must support the P-20
 11 longitudinal data system portal and may include portal hosting,
 12 hardware and software acquisition, maintenance, enhancements, user
 13 support and related materials, and professional learning tools and
 14 activities aimed at improving the utility of the P-20 longitudinal
 15 data system.

16 (c) An applicant that received a grant under this subsection
 17 for the immediately preceding fiscal year has priority for funding
 18 under this section. However, after 3 fiscal years of continuous
 19 funding, an applicant is required to compete openly with new
 20 applicants.

21 (7) Funds allocated under this section that are not expended
 22 in the fiscal year in which they were allocated may be carried
 23 forward to a subsequent fiscal year and are appropriated for the
 24 purposes for which the funds were originally allocated.

25 (8) The center may bill departments as necessary in order to
 26 fulfill reporting requirements of state and federal law. The center
 27 may also enter into agreements to supply custom data, analysis, and
 28 reporting to other principal executive departments, state agencies,
 29 local units of government, and other individuals and organizations.



1 The center may receive and expend funds in addition to those
2 authorized in subsection (5) to cover the costs associated with
3 salaries, benefits, supplies, materials, and equipment necessary to
4 provide such data, analysis, and reporting services.

5 (9) As used in this section, "DED-OESE" means the United
6 States Department of Education Office of Elementary and Secondary
7 Education.

8 Sec. 97. (1) From the state school aid fund money appropriated
9 in section 11, there is allocated ~~\$150,000,000.00~~ **\$300,000,000.00**
10 for ~~2022-2023~~ **2023-2024** only, and from the general fund money
11 appropriated in section 11, there is allocated \$18,000,000.00 for
12 ~~2022-2023~~ **2023-2024** only, to provide payments to districts,
13 **intermediate districts**, and nonpublic schools for activities to
14 improve student safety. **It is intended that 50% of the state school**
15 **aid fund money allocated in this section is distributed to**
16 **districts and intermediate districts during 2023-2024 and 50% is**
17 **distributed during 2024-2025.** Allowable expenditures of funds
18 allocated under this section include, but are not limited to, the
19 following:

- 20 (a) Coordination with local law enforcement.
- 21 (b) Training for school staff on threat assessment.
- 22 (c) Training for school staff and students on threat response.
- 23 (d) Training for school staff on crisis communication.
- 24 (e) Safety infrastructure, including, but not limited to,
25 cameras, door blocks, hardened vestibules, window screening, and
26 technology necessary to operate buzzer systems. This may also
27 include firearm detection software that integrates to existing
28 security cameras to detect and alert school personnel and first
29 responders to visible firearms on school property. The software



1 described in the immediately preceding sentence must be organically
 2 developed and proprietary to the company it is purchased from and
 3 should not include any third-party or open-source data.

4 (f) Age-appropriate training for students and families on
 5 responsible gun ownership.

6 (g) Providing professional development to school resource
 7 officers that includes training on the best practices for serving
 8 in a school setting.

9 **(h) School resource officers.**

10 **(i)** ~~(h)~~ Any other school safety service or product necessary
 11 to improve or maintain security in buildings.

12 (2) From the state school aid fund money allocated in
 13 subsection (1), the department shall make payments to districts **and**
 14 **intermediate districts** in an equal amount per pupil based on the
 15 total number of pupils in membership in each district **or**
 16 **intermediate district**. From the general fund money allocated in
 17 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 **and intermediate 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,
 28 **intermediate districts**, and nonpublic schools must apply for the
 29 funding in a form and manner prescribed by the department. As part



1 of the application process described in this subsection, districts,
 2 **intermediate districts**, and nonpublic schools must document how
 3 they will use community input to guide the expenditure of these
 4 funds and must commit to hosting at least 1 community conversation
 5 about school safety and student mental health.

6 **(5) The funds allocated under this section for 2023-2024 are a**
 7 **work project appropriation, and any unexpended funds for 2023-2024**
 8 **are carried forward into 2024-2025. The purpose of the work project**
 9 **is to increase school safety as described in this section. The**
 10 **estimated completion date of the work project is September 30,**
 11 **2025.**

12 **(6) ~~(5)~~—Notwithstanding section 17b, the department shall make**
 13 **payments under this section on a schedule determined by the**
 14 **department.**

15 Sec. 97a. From the general fund money appropriated in section
 16 11, there is allocated an amount not to exceed ~~\$1,947,000.00~~
 17 **\$100.00** for ~~2022-2023~~**2023-2024** only for Michigan Virtual
 18 University to support Navigate 360.

19 **Sec. 97g. (1) From the state school aid fund money**
 20 **appropriated in section 11, there is allocated for 2023-2024 only**
 21 **an amount not to exceed \$9,000,000.00 for grants to districts and**
 22 **intermediate districts for the purposes of this section.**

23 **(2) To receive payments under this section, a district or**
 24 **intermediate district must apply for the grant in a form and manner**
 25 **prescribed by the department.**

26 **(3) The department shall make grant payments from funding**
 27 **under this section in an amount not to exceed \$10,000.00 per**
 28 **eligible district or intermediate district for the purpose of**
 29 **contracting with eligible cybersecurity risk assessment providers**



1 to perform a cybersecurity risk assessment for the district or
2 intermediate district. Risk assessments funded under this section
3 must, at a minimum, include all of the following:

4 (a) An identification of information technologies operated by
5 the district or intermediate district and the various risks that
6 could affect those assets.

7 (b) An assessment of the levels of risks affecting the assets
8 identified in subdivision (a).

9 (c) An identification of controls that should be implemented
10 by the district or intermediate district to mitigate the risks
11 described in subdivision (b).

12 (4) If, after awarding funding under subsection (3), funding
13 remains from the allocation under subsection (1), the department
14 may award additional payments to districts and intermediate
15 districts on a competitive basis for the purposes of implementing
16 cybersecurity controls identified under subsection (3)(c), and for
17 training to avoid phishing attacks, for implementation of multi-
18 factor authentication, and for deployment of off-site backup
19 options. A district or intermediate district is only eligible for
20 funding under this subsection if it was awarded funding under
21 subsection (3). The department must prioritize funding under this
22 subsection toward districts or intermediate districts based on the
23 projected costs of implementing controls identified in subsection
24 (3)(c) and the ability of the district or intermediate district to
25 pay for these costs based on the available fund balance of the
26 district or intermediate district.

27 (5) The funds allocated under this section for 2023-2024 are a
28 work project appropriation, and any unexpended funds for 2023-2024
29 are carried forward into 2024-2025. The purpose of the work project



1 is to increase cybersecurity in districts and intermediate
 2 districts. The estimated completion date of the work project is
 3 September 30, 2025.

4 (6) For the purposes of this section, the department, in
 5 consultation with the department of technology, management, and
 6 budget, shall determine a list of eligible cybersecurity risk
 7 assessment providers for the purposes of this section.

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

11 Sec. 98. (1) From the general fund money appropriated in
 12 section 11, there is allocated an amount not to exceed
 13 ~~\$8,000,000.00~~ **\$9,300,000.00** for ~~2022-2023~~ **2023-2024** for the
 14 purposes described in this section. ~~It is the intent of the~~
 15 ~~legislature that, for 2023-2024, the allocation from the general~~
 16 ~~fund money appropriated in section 11 for purposes described in~~
 17 ~~this section will be \$7,500,000.00.~~ The Michigan Virtual University
 18 shall provide a report to the legislature not later than November 1
 19 of each fiscal year for which funding is allocated under this
 20 section that includes its mission, its plans, and proposed
 21 benchmarks it must meet, including a plan to achieve the
 22 organizational priorities identified in this section, in order to
 23 receive full funding for the next fiscal year for which funding is
 24 allocated under this section. Not later than March 1 of each fiscal
 25 year for which funding is allocated under this section, the
 26 Michigan Virtual University shall provide an update to the house
 27 and senate appropriations subcommittees on school aid to show the
 28 progress being made to meet the benchmarks identified.

29 (2) The Michigan Virtual University shall operate the Michigan



1 Virtual Learning Research Institute. The Michigan Virtual Learning
2 Research Institute shall do all of the following:

3 (a) Support and accelerate innovation in education through the
4 following activities:

5 (i) Test, evaluate, and recommend as appropriate new
6 technology-based instructional tools and resources.

7 (ii) Research, design, and recommend virtual education delivery
8 models for use by pupils and teachers that include age-appropriate
9 multimedia instructional content.

10 (iii) Research, develop, and recommend annually to the
11 department criteria by which cyber schools and virtual course
12 providers should be monitored and evaluated to ensure a quality
13 education for their pupils.

14 (iv) Based on pupil completion and performance data reported to
15 the department or the center from cyber schools and other virtual
16 course providers operating in this state, analyze the effectiveness
17 of virtual learning delivery models in preparing pupils to be
18 college- and career-ready and publish a report that highlights
19 enrollment totals, completion rates, and the overall impact on
20 pupils. The Michigan Virtual Learning Research Institute shall
21 submit the report to the house and senate appropriations
22 subcommittees on school aid, the state budget director, the house
23 and senate fiscal agencies, the department, districts, and
24 intermediate districts not later than March 31 of each fiscal year
25 for which funding is allocated under this section.

26 (v) Provide an extensive professional development program to
27 at least 30,000 educational personnel, including teachers, school
28 administrators, and school board members, that focuses on the
29 effective integration of virtual learning into curricula and



1 instruction. The Michigan Virtual Learning Research Institute is
2 encouraged to work with the MiSTEM council described in section 99s
3 to coordinate professional development of teachers in applicable
4 fields. In addition, the Michigan Virtual Learning Research
5 Institute and external stakeholders are encouraged to coordinate
6 with the department for professional development in this state,
7 **including professional development for employees in child care**
8 **facilities, early childhood facilities, and after-school programs.**
9 Not later than December 1 of each fiscal year for which funding is
10 allocated under this section, the Michigan Virtual Learning
11 Research Institute shall submit a report to the house and senate
12 appropriations subcommittees on school aid, the state budget
13 director, the house and senate fiscal agencies, and the department
14 on the number of teachers, school administrators, and school board
15 members who have received professional development services from
16 the Michigan Virtual University. The report must also include both
17 of the following:

18 (A) The identification of barriers and other opportunities to
19 encourage the adoption of virtual learning in the public education
20 system.

21 (B) A link to, and explanation of, the Michigan Virtual
22 University's online course standards for professional development
23 programming. The standards described in this sub-subparagraph must
24 inform learners how to file a complaint about course content and
25 detail the steps that will be taken for the review and resolution
26 of complaints.

27 (vi) Identify and share best practices for planning,
28 implementing, and evaluating virtual and blended education delivery
29 models with intermediate districts, districts, and public school



1 academies to accelerate the adoption of innovative education
2 delivery models statewide.

3 (b) Provide leadership for this state's system of virtual
4 learning education by doing the following activities:

5 (i) Develop and report policy recommendations to the governor
6 and the legislature that accelerate the expansion of effective
7 virtual learning in this state's schools.

8 (ii) Provide a clearinghouse for research reports, academic
9 studies, evaluations, and other information related to virtual
10 learning.

11 (iii) Promote and distribute the most current instructional
12 design standards and guidelines for virtual teaching.

13 (iv) In collaboration with the department and interested
14 colleges and universities in this state, support implementation and
15 improvements related to effective virtual learning instruction.

16 (v) Pursue public/private partnerships that include districts
17 to study and implement competency-based technology-rich virtual
18 learning models.

19 (vi) Create a statewide network of school-based mentors serving
20 as liaisons between pupils, virtual instructors, parents, and
21 school staff, as provided by the department or the center, and
22 provide mentors with research-based training and technical
23 assistance designed to help more pupils be successful virtual
24 learners.

25 (vii) Convene focus groups and conduct annual surveys of
26 teachers, administrators, pupils, parents, and others to identify
27 barriers and opportunities related to virtual learning.

28 (viii) Produce an annual consumer awareness report for schools
29 and parents about effective virtual education providers and



1 education delivery models, performance data, cost structures, and
2 research trends.

3 (ix) Provide an internet-based platform that educators can use
4 to create student-centric learning tools and resources for sharing
5 in the state's open educational resource repository and facilitate
6 a user network that assists educators in using the content creation
7 platform and state repository for open educational resources. As
8 part of this initiative, the Michigan Virtual University shall work
9 collaboratively with districts and intermediate districts to
10 establish a plan to make available virtual resources that align to
11 Michigan's K-12 curriculum standards for use by students,
12 educators, and parents.

13 (x) Create and maintain a public statewide catalog of virtual
14 learning courses being offered by all public schools and community
15 colleges in this state. The Michigan Virtual Learning Research
16 Institute shall identify and develop a list of nationally
17 recognized best practices for virtual learning and use this list to
18 support reviews of virtual course vendors, courses, and
19 instructional practices. The Michigan Virtual Learning Research
20 Institute shall also provide a mechanism for intermediate districts
21 to use the identified best practices to review content offered by
22 constituent districts. The Michigan Virtual Learning Research
23 Institute shall review the virtual course offerings of the Michigan
24 Virtual University, and make the results from these reviews
25 available to the public as part of the statewide catalog. The
26 Michigan Virtual Learning Research Institute shall ensure that the
27 statewide catalog is made available to the public on the Michigan
28 Virtual University website and shall allow the ability to link it
29 to each district's website as provided for in section 21f. The



1 statewide catalog must also contain all of the following:

2 (A) The number of enrollments in each virtual course in the
3 immediately preceding school year.

4 (B) The number of enrollments that earned 60% or more of the
5 total course points for each virtual course in the immediately
6 preceding school year.

7 (C) The pass rate for each virtual course.

8 (xi) Support registration, payment services, and transcript
9 functionality for the statewide catalog and train key stakeholders
10 on how to use new features.

11 (xii) Collaborate with key stakeholders to examine district
12 level accountability and teacher effectiveness issues related to
13 virtual learning under section 21f and make findings and
14 recommendations publicly available.

15 (xiii) Provide a report on the activities of the Michigan
16 Virtual Learning Research Institute.

17 (3) To further enhance its expertise and leadership in virtual
18 learning, the Michigan Virtual University shall continue to operate
19 the Michigan Virtual School as a statewide laboratory and quality
20 model of instruction by implementing virtual and blended learning
21 solutions for Michigan schools in accordance with the following
22 parameters:

23 (a) The Michigan Virtual School must maintain its
24 accreditation status from recognized national and international
25 accrediting entities.

26 (b) The Michigan Virtual University shall use no more than
27 \$1,000,000.00 of the amount allocated under this section to
28 subsidize the cost paid by districts for virtual courses.

29 (c) In providing educators responsible for the teaching of



1 virtual courses as provided for in this section, the Michigan
 2 Virtual School shall follow the requirements to request and assess,
 3 and the department of state police shall provide, a criminal
 4 history check and criminal records check under sections 1230 and
 5 1230a of the revised school code, MCL 380.1230 and 380.1230a, in
 6 the same manner as if the Michigan Virtual School were a school
 7 district under those sections.

8 (4) From the funds allocated under subsection (1), the
 9 Michigan Virtual University shall allocate up to \$500,000.00 to
 10 support the expansion of new online and blended educator
 11 professional development programs.

12 (5) If the course offerings are included in the statewide
 13 catalog of virtual courses under subsection (2)(b)(x), the Michigan
 14 Virtual School operated by the Michigan Virtual University may
 15 offer virtual course offerings, including, but not limited to, all
 16 of the following:

17 (a) Information technology courses.

18 (b) College level equivalent courses, as that term is defined
 19 in section 1471 of the revised school code, MCL 380.1471.

20 (c) Courses and dual enrollment opportunities.

21 (d) Programs and services for at-risk pupils.

22 (e) High school equivalency test preparation courses for
 23 adjudicated youth.

24 (f) Special interest courses.

25 (g) Professional development programs for teachers, school
 26 administrators, other school employees, and school board members.

27 (6) If a home-schooled or nonpublic school student is a
 28 resident of a district that subscribes to services provided by the
 29 Michigan Virtual School, the student may use the services provided



1 by the Michigan Virtual School to the district without charge to
 2 the student beyond what is charged to a district pupil using the
 3 same services.

4 (7) Not later than December 1 of each fiscal year for which
 5 funding is allocated under this section, the Michigan Virtual
 6 University shall provide a report to the house and senate
 7 appropriations subcommittees on school aid, the state budget
 8 director, the house and senate fiscal agencies, and the department
 9 that includes at least all of the following information related to
 10 the Michigan Virtual School for the preceding fiscal year:

11 (a) A list of the districts served by the Michigan Virtual
 12 School.

13 (b) A list of virtual course titles available to districts.

14 (c) The total number of virtual course enrollments and
 15 information on registrations and completions by course.

16 (d) The overall course completion rate percentage.

17 (8) In addition to the information listed in subsection (7),
 18 the report under subsection (7) must also include a plan to serve
 19 at least 600 schools with courses from the Michigan Virtual School
 20 or with content available through the internet-based platform
 21 identified in subsection (2) (b) (ix).

22 (9) The governor may appoint an advisory group for the
 23 Michigan Virtual Learning Research Institute established under
 24 subsection (2). The members of the advisory group serve at the
 25 pleasure of the governor and without compensation. The purpose of
 26 the advisory group is to make recommendations to the governor, the
 27 legislature, and the president and board of the Michigan Virtual
 28 University that will accelerate innovation in this state's
 29 education system in a manner that will prepare elementary and



1 secondary students to be career and college ready and that will
 2 promote the goal of increasing the percentage of residents of this
 3 state with high-quality degrees and credentials to at least 60% by
 4 2025.

5 (10) Not later than November 1 of each fiscal year for which
 6 funding is allocated under this section, the Michigan Virtual
 7 University shall submit to the house and senate appropriations
 8 subcommittees on school aid, the state budget director, and the
 9 house and senate fiscal agencies a detailed budget for that fiscal
 10 year that includes a breakdown on its projected costs to deliver
 11 virtual educational services to districts and a summary of the
 12 anticipated fees to be paid by districts for those services. Not
 13 later than March 1 each fiscal year for which funding is allocated
 14 under this section, the Michigan Virtual University shall submit to
 15 the house and senate appropriations subcommittees on school aid,
 16 the state budget director, and the house and senate fiscal agencies
 17 a breakdown on its actual costs to deliver virtual educational
 18 services to districts and a summary of the actual fees paid by
 19 districts for those services based on audited financial statements
 20 for the immediately preceding fiscal year.

21 (11) As used in this section:

22 (a) "Blended learning" means a hybrid instructional delivery
 23 model where pupils are provided content, instruction, and
 24 assessment, in part at a supervised educational facility away from
 25 home where the pupil and a teacher with a valid Michigan teaching
 26 certificate are in the same physical location and in part through
 27 internet-connected learning environments with some degree of pupil
 28 control over time, location, and pace of instruction.

29 (b) "Cyber school" means a full-time instructional program of



1 virtual courses for pupils that may or may not require attendance
2 at a physical school location.

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

9 **Sec. 98d. (1) From the state school aid fund money**
10 **appropriated under section 11, there is allocated for 2023-2024**
11 **only an amount not to exceed \$5,000,000.00 to Northern Michigan**
12 **University to support the MLC as described in this section.**
13 **Northern Michigan University shall not retain any portion of the**
14 **funding received under this section for administrative purposes and**
15 **shall provide funding to support the MLC. All of the following**
16 **apply to the MLC:**

17 (a) The MLC must expand literacy programming over the air,
18 online, and in communities that is aligned with this state's pre-K
19 to 12 educational standards.

20 (b) The MLC shall provide over-the-air broadcasts 24 hours
21 each day for 7 days each week of quality instructional content that
22 is aligned with this state's pre-K to 12 educational standards.
23 Over-the-air broadcasts as described in this subdivision must be
24 streamed live and must be archived for on-demand viewing on a
25 companion website, along with additional learning materials
26 relevant to lessons.

27 (c) The MLC must be managed and operated by DPTV, and DPTV
28 shall assume all risk, liability, and responsibility for the MLC in
29 accordance with regulations by the United States Federal



1 Communications Commission, PBS broadcast standards, and standard
2 nonprofit business standards. DPTV shall serve as the fiduciary
3 agent and service manager for the MLC. The MLC shall originate from
4 a central operations center that is responsible for providing the
5 infrastructure, content, and engagement of the MLC in partnership
6 with this state's educational leadership organizations.

7 (d) The MLC shall require that DPTV provide technology,
8 funding, staff training, and central management of the MLC to
9 station partners to insert additional channels into each station's
10 broadcast streams and to support staffing and engagement as
11 outlined in a memorandum of understanding among the stations.

12 (e) The MLC shall require that DPTV partner with at least 5
13 other Michigan public television stations, including, but not
14 limited to, WKAR, WGVU, WDCQ, WCMU, and WNMU, to deliver the over-
15 the-air MLC broadcasts described in this section and to support
16 engagement with local educators. Stations described in this
17 subdivision must be able to use the infrastructure provided by the
18 MLC to develop their own local content that best serves their
19 communities.

20 (f) The MLC shall not use the funds received from Northern
21 Michigan University under this section in support of the MLC for
22 any purposes fully funded by the governor's emergency education
23 relief fund grant.

24 (2) Not later than February 1, 2024, the MLC shall provide a
25 report to the house and senate appropriations subcommittees
26 responsible for school aid, the house and senate fiscal agencies,
27 and the state budget director detailing the MLC's compliance with
28 ensuring that conditions listed under subsection (1) were met.

29 (3) Notwithstanding section 17b, the department shall make



1 **payments under this section not later than December 1, 2023.**

2 **(4) As used in this section:**

3 **(a) "DPTV" means Detroit public television.**

4 **(b) "MLC" means the Michigan learning channel.**

5 Sec. 99h. (1) From the state school aid fund money
 6 appropriated in section 11, there is allocated an amount not to
 7 exceed ~~\$5,223,200.00~~ **\$5,323,200.00** for ~~2022-2023~~ **2023-2024** for
 8 competitive grants to districts and intermediate districts, ~~and~~
 9 ~~from the general fund money appropriated in section 11, there is~~
 10 ~~allocated \$600,000.00 for 2022-2023 for competitive grants to~~
 11 ~~nonpublic schools,~~ that provide pupils in grades pre-K to 12 with
 12 expanded opportunities to improve mathematics, science, and
 13 technology skills by participating in competitions hosted by a
 14 science and technology development program known as FIRST (for
 15 inspiration and recognition of science and technology) Robotics,
 16 including JR FIRST Lego League, FIRST Lego League, FIRST Tech
 17 challenge, and FIRST Robotics competition, or other competitive
 18 robotics programs or equipment vendors, including VEX, Square One,
 19 and those hosted by the Robotics Education and Competition (REC)
 20 Foundation. It is the intent of the legislature that, for ~~2023-~~
 21 ~~2024,~~ **2024-2025**, the allocation from the state school aid fund
 22 money appropriated in section 11 for purposes described in this
 23 section will be \$4,723,200.00. Programs funded under this section
 24 are intended to increase the number of pupils demonstrating
 25 proficiency in science and mathematics on the state assessments and
 26 to increase the number of pupils who are college- and career-ready
 27 upon high school graduation. Notwithstanding section 17b, the
 28 department shall make grant payments to districts, ~~nonpublic~~
 29 ~~schools,~~ and intermediate districts under this section on a



1 schedule determined by the department. The department shall set
 2 maximum grant awards for each different level of programming and
 3 competition in a manner that both maximizes the number of teams
 4 that will be able to receive funds and expands the geographical
 5 distribution of teams. **Districts and intermediate districts that**
 6 **receive funds under this section must provide relevant student**
 7 **participation information, as determined by the department, to**
 8 **program competition providers described in this section. For a**
 9 **district or intermediate district to count a program competition**
 10 **provider for purposes of payments under this section, the program**
 11 **competition providers must agree to aggregate data received by**
 12 **districts and intermediate districts and provide this information**
 13 **to the department in a form and manner prescribed by the**
 14 **department.**

15 (2) The department shall do all of the following for purposes
 16 of this section:

17 (a) Both of the following by not later than 60 days after the
 18 K to 12 appropriations bill for the current fiscal year is enacted
 19 into law or October 1 of the current fiscal year, whichever is
 20 later:

21 (i) Open applications for funding under this section to all
 22 districts ~~, nonpublic schools,~~ and intermediate districts.

23 (ii) Publish a list of approved programs and vendors for
 24 purposes of this section in a manner that is accessible to all
 25 applicants. To obtain approval under this subparagraph, a program
 26 or vendor must do both of the following:

27 (A) Submit to the department registration information,
 28 including any fees; pledge that it will post this information on
 29 its website; and, by not later than January 1, 2023, ~~and January 1~~



1 ~~each year thereafter, of the fiscal year in which funds are~~
 2 **allocated under this section**, submit this information to the
 3 department for publication on the department's website.

4 (B) Pledge that it will not require a payment of any team
 5 described in this section, including, but not limited to,
 6 registration fees, if the team does not receive a grant under this
 7 section.

8 (b) By not later than 30 days after applications are opened as
 9 described in subdivision (a), close applications under this
 10 section.

11 (c) By not later than 60 days after applications are closed as
 12 described in subdivision (b), make all determinations concerning
 13 funding under this section.

14 (d) By not later than July 1, ~~2023, of the fiscal year in~~
 15 **which funds are allocated under this section**, and by not later than
 16 July 1 each year thereafter, publish a document listing the
 17 requirements for becoming an approved program or vendor under
 18 subdivision (a).

19 (3) Except as otherwise provided under this subsection, if
 20 funding under this section is insufficient to fulfill all funding
 21 requests by qualified applicants under this section, the department
 22 shall prorate the total funding allocated under this section
 23 equally among all qualified applicants. However, for funding under
 24 this section toward grants under subsection (5)(b), in its
 25 proration under this subsection, the department shall ensure that
 26 each district is paid in an amount equal to the percentage the
 27 department would have paid the district in grant funding under
 28 subsection (5)(b), but for proration under this subsection, with no
 29 district receiving a grant under subsection (5)(b) in an amount



1 that is greater than the district's total accrued costs under
2 subsection (5) (b).

3 (4) A district ~~, nonpublic school,~~ or intermediate district
4 applying for a grant under this section must submit an application
5 in a form and manner prescribed by the department. To be eligible
6 for a grant, a district ~~, nonpublic school,~~ or intermediate
7 district must demonstrate in its application that the district ~~,
8 nonpublic school,~~ or intermediate district has established a
9 partnership for the purposes of the robotics program with at least
10 1 sponsor, business entity, higher education institution, or
11 technical school, shall submit a spending plan, and shall provide a
12 local in-kind or cash match from other private or local funds of at
13 least 25% of the cost of the robotics program award.

14 (5) The department shall distribute the grant funding under
15 this section for the following purposes:

16 (a) Grants to districts ~~, nonpublic schools,~~ or intermediate
17 districts to pay for stipends not to exceed \$1,500.00 per building
18 for coaching.

19 (b) Grants to districts ~~, nonpublic schools,~~ or intermediate
20 districts for event registrations, materials, travel costs, and
21 other expenses associated with the preparation for and attendance
22 at robotics events and competitions. **Expenses under this
23 subdivision are allowable for up to 10 teams per building.**

24 (c) Grants to districts ~~, nonpublic schools,~~ or intermediate
25 districts for awards to teams that advance to the next levels of
26 competition as determined by the department. The department shall
27 determine an equal amount per team for those teams that advance.

28 ~~(6) The funds allocated under this section for 2022-2023 are a
29 work project appropriation, and any unexpended funds for 2022-2023~~



1 ~~are carried forward into 2023-2024. The purpose of the work project~~
 2 ~~is to continue support of programs under this section. The~~
 3 ~~estimated completion date of the work project is September 30,~~
 4 ~~2024.~~

5 ~~(7) A nonpublic school that receives a grant under this~~
 6 ~~section may use the funds for either robotics or Science Olympiad~~
 7 ~~programs.~~

8 ~~(8) To be eligible to receive funds under this section, a~~
 9 ~~nonpublic school must be a nonpublic school registered with the~~
 10 ~~department and must meet all applicable state reporting~~
 11 ~~requirements for nonpublic schools.~~

12 (6) ~~(9)~~—For purposes of this section, an approved program or
 13 vendor under this section that provides a program under this
 14 section shall not work with the department to set prices or
 15 policies for the program.

16 (7) ~~(10)~~—As used in this section, "current fiscal year" means
 17 the fiscal year for which an allocation is made under this section.

18 Sec. 99s. (1) From state school aid fund money appropriated
 19 under section 11, there is allocated for ~~2022-2023~~**2023-2024 only**
 20 an amount not to exceed \$7,634,300.00 for Michigan science,
 21 technology, engineering, and mathematics (MiSTEM) programs. The
 22 MiSTEM network may receive funds from private sources. If the
 23 MiSTEM network receives funds from private sources, the MiSTEM
 24 network shall expend those funds in alignment with the statewide
 25 STEM strategy. Programs funded under this section are intended to
 26 increase the number of pupils demonstrating proficiency in science
 27 and mathematics on the state assessments, to increase the number of
 28 pupils who are college- and career-ready upon high school
 29 graduation, and to promote certificate and degree attainment in



1 STEM fields. Notwithstanding section 17b, the department shall make
 2 payments under this section on a schedule determined by the
 3 department.

4 (2) The MiSTEM council annually shall review and make
 5 recommendations to the governor, the legislature, and the
 6 department concerning changes to the statewide strategy adopted by
 7 the council for delivering STEM education-related opportunities to
 8 pupils. The MiSTEM council shall use funds received under this
 9 subsection to ensure that its members or their designees are
 10 trained in the Change the Equation STEMworks rating system program
 11 for the purpose of rating STEM programs.

12 (3) The MiSTEM council shall make specific funding
 13 recommendations for the funds allocated under subsection (4) by
 14 December 15 of each fiscal year. Each specific funding
 15 recommendation must be for a program approved by the MiSTEM
 16 council. All of the following apply:

17 (a) To be eligible for MiSTEM council approval as described in
 18 this subsection, a program must satisfy all of the following:

19 (i) Align with this state's academic standards.

20 (ii) Have STEMworks certification.

21 (iii) Provide project-based experiential learning, student
 22 programming, or educator professional learning experiences.

23 (iv) Focus predominantly on classroom-based STEM experiences or
 24 professional learning experiences.

25 (b) The MiSTEM council shall approve programs that represent
 26 all network regions and include a diverse array of options for
 27 students and educators and at least 1 program in each of the
 28 following areas:

29 (i) Robotics.



1 (ii) Computer science or coding.

2 (iii) Engineering or bioscience.

3 (c) The MiSTEM council is encouraged to work with the MiSTEM
4 network to develop locally and regionally developed programs and
5 professional learning experiences for the programs on the list of
6 approved programs.

7 (d) If the MiSTEM council is unable to make specific funding
8 recommendations by December 15 of a fiscal year, the department
9 shall award and distribute the funds allocated under subsection (4)
10 on a competitive grant basis that at least follows the statewide
11 STEM strategy plan and rating system recommended by the MiSTEM
12 council. Each grant must provide STEM education-related
13 opportunities for pupils.

14 (e) The MiSTEM council shall work with the department of labor
15 and economic opportunity to implement the statewide STEM strategy
16 adopted by the MiSTEM council.

17 (4) From the state school aid fund money allocated under
18 subsection (1), there is allocated for ~~2022-2023~~**2023-2024** an
19 amount not to exceed \$3,050,000.00 for the purpose of funding
20 programs under this section for ~~2022-2023~~**2023-2024** as recommended
21 by the MiSTEM council.

22 (5) From the state school aid fund money allocated under
23 subsection (1), there is allocated an amount not to exceed
24 \$3,834,300.00 for ~~2022-2023~~**2023-2024** to support the activities and
25 programs of the MiSTEM network regions. From the money allocated
26 under this subsection, the department shall award the fiscal agent
27 for each MiSTEM network region \$200,000.00 for the base operations
28 of each region. The department shall distribute the remaining funds
29 to each fiscal agent in an equal amount per pupil, based on the



1 number of K to 12 pupils enrolled in districts within each region
2 in the immediately preceding fiscal year.

3 (6) A MiSTEM network region shall do all of the following:

4 (a) Collaborate with the career and educational advisory
5 council that is located in the MiSTEM region to develop a regional
6 strategic plan for STEM education that creates a robust regional
7 STEM culture, that empowers STEM teachers, that integrates business
8 and education into the STEM network, and that ensures high-quality
9 STEM experiences for pupils. At a minimum, a regional STEM
10 strategic plan should do all of the following:

11 (i) Identify regional employer need for STEM.

12 (ii) Identify processes for regional employers and educators to
13 create guided pathways for STEM careers that include internships or
14 externships, apprenticeships, and other experiential engagements
15 for pupils.

16 (iii) Identify educator professional learning opportunities,
17 including internships or externships and apprenticeships, that
18 integrate this state's science standards into high-quality STEM
19 experiences that engage pupils.

20 (b) Facilitate regional STEM events such as educator and
21 employer networking and STEM career fairs to raise STEM awareness.

22 (c) Contribute to the MiSTEM website and engage in other
23 MiSTEM network functions to further the mission of STEM in this
24 state in coordination with the MiSTEM council and the department of
25 labor and economic opportunity.

26 (d) Facilitate application and implementation of state and
27 federal funds under this subsection and any other grants or funds
28 for the MiSTEM network region.

29 (e) Work with districts to provide STEM programming and



1 professional learning.

2 (f) Coordinate recurring discussions and work with the career
3 and educational advisory council to ensure that feedback and best
4 practices are being shared, including funding, program,
5 professional learning opportunities, and regional strategic plans.

6 (7) From the state school aid fund money allocated under
7 subsection (1), the department shall distribute for ~~2022-2023-2023-~~
8 **2024** an amount not to exceed \$750,000.00, in a form and manner
9 determined by the department, to those network regions able to
10 further the statewide STEM strategy recommended by the MiSTEM
11 council.

12 (8) In order to receive state or federal funds under
13 subsection (5) or (7), or to receive funds from private sources as
14 authorized under subsection (1), a grant recipient must allow
15 access for the department or the department's designee to audit all
16 records related to the program for which it receives those funds.
17 The grant recipient shall reimburse the state for all disallowances
18 found in the audit.

19 (9) In order to receive state funds under subsection (5) or
20 (7), a grant recipient must provide at least a 10% local match from
21 local public or private resources for the funds received under this
22 subsection.

23 (10) Not later than July 1 of each fiscal year for which
24 funding is allocated under this section, a MiSTEM network region
25 that receives funds under subsection (5) shall report to the
26 executive director of the MiSTEM network in a form and manner
27 prescribed by the executive director on performance measures
28 developed by the MiSTEM network regions and approved by the
29 executive director. The performance measures must be designed to



1 ensure that the activities of the MiSTEM network are improving
2 student academic outcomes.

3 (11) Not more than 5% of a MiSTEM network region grant under
4 subsection (5) or (7) may be retained by a fiscal agent for serving
5 as the fiscal agent of a MiSTEM network region.

6 (12) As used in this section:

7 (a) "Career and educational advisory council" means an
8 advisory council to the local workforce development boards located
9 in a prosperity region consisting of educational, employer, labor,
10 and parent representatives.

11 (b) "DED" means the United States Department of Education.

12 (c) "DED-OESE" means the DED Office of Elementary and
13 Secondary Education.

14 (d) "MiSTEM Council" means the Michigan Science, Technology,
15 Engineering, and Mathematics Education Advisory Council created as
16 an advisory body within the department of labor and economic
17 opportunity by Executive Reorganization Order No. 2019-3, MCL
18 125.1998.

19 (e) "STEM" means science, technology, engineering, and
20 mathematics delivered in an integrated fashion using cross-
21 disciplinary learning experiences that can include language arts,
22 performing and fine arts, and career and technical education.

23 Sec. 99t. (1) From the general fund appropriation under
24 section 11, there is allocated an amount not to exceed
25 ~~\$3,000,000.00~~ **\$100.00** for ~~2022-2023~~ **2023-2024** only to purchase
26 statewide access to an online algebra tool that meets all of the
27 following:

28 (a) Provides students statewide with complete access to videos
29 aligned with state standards including study guides and workbooks



1 that are aligned with the videos.

2 (b) Provides students statewide with access to a personalized
3 online algebra learning tool including adaptive diagnostics.

4 (c) Provides students statewide with dynamic algebra practice
5 assessments that emulate the state assessment with immediate
6 feedback and help solving problems.

7 (d) Provides students statewide with online access to algebra
8 help 24 hours a day and 7 days a week from study experts, teachers,
9 and peers on a moderated social networking platform.

10 (e) Provides an online algebra professional development
11 network for teachers.

12 (f) Is already provided under a statewide contract in at least
13 1 other state that has a population of at least 18,000,000 but not
14 more than 19,000,000 according to the most recent decennial census
15 and is offered in that state in partnership with a public
16 university.

17 (2) The department shall purchase the online algebra tool that
18 was chosen under this section in 2016-2017.

19 (3) A grantee receiving funding under this section shall
20 comply with the requirements of section 19b.

21 ~~Sec. 99x. (1) From the federal funding appropriated under~~
22 ~~section 11, there is allocated for 2022-2023 only an amount not to~~
23 ~~exceed \$20,000,000.00 from the federal funding awarded to this~~
24 ~~state from the coronavirus state fiscal recovery fund under the~~
25 ~~American rescue plan act of 2021, title IX, subtitle M of Public~~
26 ~~Law 117-2, for, subject to subsection (2), Teach for America to~~
27 ~~lead and support teacher recruitment, training, development, and~~
28 ~~retention efforts for high-performing educators in at-risk schools~~
29 ~~in this state, which includes, but is not limited to, the operation~~



1 ~~of educator fellowship programs in at least 3 regions in this~~
 2 ~~state, including rural regions; the provision of support to~~
 3 ~~educator-led innovation in this state; and investment in a broad~~
 4 ~~educator workforce campaign to recruit and retain high-performing~~
 5 ~~educators and educator candidates in this state.~~

6 ~~(2) Teach for America must have recruited or invested in the~~
 7 ~~retention and development of 100 teachers in this state in~~
 8 ~~fulfilling the purposes under subsection (1) since December 15,~~
 9 ~~2021 to be eligible for the first \$10,000,000.00 of the funding~~
 10 ~~allocated under this section. Teach for America must have recruited~~
 11 ~~or invested in the retention and development of a total of 450~~
 12 ~~teachers in this state in fulfilling the purposes under subsection~~
 13 ~~(1) since December 15, 2021 to be eligible for the remaining~~
 14 ~~\$10,000,000.00 of the funding allocated under this section.~~

15 ~~(3) Teach for America shall engage with an external evaluator~~
 16 ~~and produce semi-annual reports to the legislature that provide~~
 17 ~~information concerning the recruitment, development, and retention~~
 18 ~~of high-performing educators that can be scaled or shared with~~
 19 ~~other similar programs.~~

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

23 ~~(5) The department shall not make payments under this section~~
 24 ~~on a reimbursement basis.~~

25 ~~(6) The funds allocated under this section for 2022-2023 are a~~
 26 ~~work project appropriation, and any unexpended funds for 2022-2023~~
 27 ~~are carried forward into 2023-2024. The purpose of the work project~~
 28 ~~is to continue to provide support to Teach for America as~~
 29 ~~prescribed in this section. The estimated completion date of the~~



1 ~~work project is December 31, 2026.~~

2 ~~(7) The federal funding allocated under this section is~~
 3 ~~intended to respond to the COVID-19 public health emergency and its~~
 4 ~~negative impacts.~~ **From the general fund money appropriated under**
 5 **section 11, there is allocated for 2023-2024 only an amount not to**
 6 **exceed \$100.00 to support Teach for America's efforts to recruit,**
 7 **develop, and retain teachers in Michigan. Teach For America shall**
 8 **invest in at least 100 educators in 2023-2024, host a summer**
 9 **development program for teachers in this state, and operate teacher**
 10 **and school leadership fellowship programs, with the goal of**
 11 **retaining highly effective teachers in Title 1 schools based in**
 12 **this state.**

13 Sec. 99cc. (1) From the state school aid fund money
 14 appropriated in section 11, there is allocated for ~~2022-2023~~ **2023-**
 15 **2024** only an amount not to exceed \$253,000.00 for competitive
 16 grants to eligible districts and eligible intermediate districts to
 17 provide pupils in grades 9 to 12 with expanded opportunities
 18 through programs for work-based learning that are hosted in
 19 partnership with NAF. It is the intent of the legislature that the
 20 programs described in this subsection increase the number of pupils
 21 who are college- and career-ready after high school graduation.

22 (2) To receive grant funding under this section, a district or
 23 intermediate district must apply for the grant in a form and manner
 24 prescribed by the department.

25 (3) A district or intermediate district that meets all of the
 26 following is an eligible district or eligible intermediate district
 27 under this section:

28 (a) It has an established partnership with NAF.

29 (b) As part of its partnership described in subdivision (a),



1 it implements an advisory board that includes at least 1 business
2 entity.

3 (c) As part of its partnership described in subdivision (a),
4 it implements an advisory board that includes an institution of
5 higher education or a technical school.

6 (d) In its application described in subsection (2), it submits
7 a spending plan for its intended spending of funding under this
8 section.

9 (4) The department shall prioritize awarding grant funding
10 under this section to eligible districts and eligible intermediate
11 districts that demonstrate partnership with local businesses that
12 target disciplines that have been identified as critical shortage
13 disciplines by the superintendent of public instruction under
14 section 61 of the public school employees retirement act of 1979,
15 1980 PA 300, MCL 38.1361.

16 (5) The department shall award grant funding under this
17 section as follows:

18 (a) In an amount not to exceed \$12,000.00 to each eligible
19 district or eligible intermediate district to be used for purposes
20 of planning in carrying out the programs described in subsection
21 (1).

22 (b) An amount not to exceed \$3,500.00 to each eligible
23 district or eligible intermediate district to be used toward
24 expenses related to the partnership described in subsection (3)(a).

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

28 **Sec. 99ff. From the general fund money appropriated under**
29 **section 11, there is allocated an amount not to exceed \$100.00 for**



1 2023-2024 only for Junior Achievement to create curricula,
2 educational programs, and professional development for each
3 district, intermediate district, and the Michigan School for the
4 Deaf to support the implementation of the personal finance high
5 school graduation credit requirements under section 1278a of the
6 revised school code, MCL 380.1278a.

7 Sec. 99gg. (1) From the state school aid fund money
8 appropriated in section 11, there is allocated an amount not to
9 exceed \$6,000,000.00 for 2023-2024 only to districts to develop and
10 implement teacher professional learning programs for computer
11 science and computational thinking courses and content.

12 (2) Funding received under subsection (1) may be used only for
13 the following purposes:

14 (a) High-quality professional learning for K to 12 computer
15 science content. The costs associated with professional learning as
16 described in this subdivision include, but are not limited to,
17 travel to workshops. As used in this subdivision, "high-quality
18 profession learning" means learning that is sustained, intensive,
19 collaborative, job embedded, data driven, and classroom focused.

20 (b) Supports for K to 12 computer science professional
21 learning, including, but not limited to, mentoring and coaching.

22 (c) Creation of resources to support implementation of
23 professional learning described in subdivisions (a) and (b).

24 (d) Professional learning offerings that identify strategies
25 to include underrepresented groups.

26 (e) Participation in the Strategic CSforALL Resource and
27 Implementation Planning Tool (SCRIPT) process with a trained
28 facilitator of this state.

29 (3) To be eligible to receive funding under this section, a



1 district must apply for funding in a form and manner prescribed by
2 the department. The application must, at a minimum, address how the
3 district will do all of the following:

4 (a) Reach new and existing teachers with little to no computer
5 science background.

6 (b) Use research- or evidence-based practices for high-quality
7 professional learning.

8 (c) Focus the professional learning on the mastery of all
9 areas of computer science standards as approved by the state board
10 of education in 2019.

11 (d) Reach and support marginalized racial and ethnic groups
12 underrepresented in computer science.

13 (e) Provide teachers with concrete experience with hands-on,
14 inquiry-based practices.

15 (f) Accommodate the particular teacher and student needs in
16 each district and school.

17 (g) Ensure that participating districts shall begin offering
18 the courses or content within the same or next school year after
19 the teacher receives the professional learning.

20 (h) Commit to completing the SCRIPT process.

21 (4) The funds allocated under this section for 2023-2024 are a
22 work project appropriation, and any unexpended funds for 2023-2024
23 are carried forward into 2024-2025. The purpose of the work project
24 is to continue to support computer science implementation. The
25 estimated completion date of the work project is September 30,
26 2025.

27 (5) A district that receives funding under this section shall
28 submit a report to the department by June 30 of the fiscal year in
29 which funds under this section are received. The report must



1 include all of the following:

2 (a) The number of teachers prepared.

3 (b) Students reached, including the number and percentage of
4 students reached disaggregated by gender, race, ethnicity, and
5 socioeconomic status.

6 (c) The number and percentage of students with passing AP exam
7 scores for high school AP courses, by gender, race, and ethnicity,
8 once that data is available.

9 (d) The number of teachers that started implementing computer
10 science compared to the number of prepared teachers that attended
11 professional learning.

12 (e) The number of elementary students who are provided
13 integrated computer science opportunities.

14 (f) Progress in building a systematic K to 12 computer science
15 plan using the SCRIPT rubric.

16 (g) Any agreements to provide preassessments and
17 postassessments of teacher readiness for teaching computational
18 thinking and computer science and any data related to those
19 assessments.

20 (6) The department shall make the report submitted under
21 subsection (5) publicly available.

22 Sec. 99hh. (1) From the state school aid fund money
23 appropriated in section 11, there is allocated an amount not to
24 exceed \$3,000,000.00 for 2023-2024 only for a district to partner
25 with a nonprofit entity to support student success coach AmeriCorps
26 service members to provide academic interventions in mathematics
27 and English language arts and social-emotional support to K to 12
28 students enrolled in a community district.

29 (2) A district that receives funding under this section must



1 use the funds to deploy student success coach AmeriCorps service
2 members to, at a minimum, 8 schools within the district. Student
3 success coaches described in this subsection shall do all of the
4 following:

5 (a) Provide small-group intervention support in mathematics
6 and English language arts to at-risk students for 10 months. For
7 purposes of this subdivision, students must be selected based on
8 academic diagnostic data and be placed on a focus list for year-
9 round support.

10 (b) Provide whole school, whole child support to partner
11 schools in the district.

12 (c) Provide social-emotional support to a subset of focus-list
13 students for 10 months. For purposes of this subdivision, students
14 must be selected based on district behavior and climate or culture
15 data and placed on a focus list for year-round support.

16 (d) Provide individualized attendance supports to improve
17 daily attendance rates for 10 months. For purposes of this
18 subdivision, students must be selected based on district attendance
19 data and placed on a focus list for year-round support.

20 (3) A district receiving funding under this section must
21 provide the following for student success coaches:

22 (a) Evidence-based training in TRAILS, Mental Health First
23 Aid, Magnetic Reading, LETRS, and other relevant training necessary
24 to implement academic, social, and attendance strategies.

25 (b) Ongoing career development training and coaching,
26 including support with applying to teacher preparation programs,
27 school social work preparation programs, and guidance counseling
28 preparation programs.

29 (4) By not later than January 1 of each fiscal year, the



1 center shall prepare a summary report of information provided by
 2 each recipient district under this section that includes measurable
 3 outcomes based on the objectives described in this section and a
 4 summary of compiled data from each recipient district in order to
 5 evaluate the effectiveness of the project. The center shall submit
 6 the report to the house and senate appropriations subcommittees on
 7 school aid and to the house and senate fiscal agencies.

8 Sec. 99ii. From the general fund money appropriated in section
 9 11, there is allocated for 2023-2024 only an amount not to exceed
 10 \$100.00 to a nonprofit 501(c)(3) corporation that was founded prior
 11 to 1997, that began operating in this state after 2009, that
 12 provides low-income schools with year-round support services and
 13 conducts professional development workshops for schools and youth
 14 organizations, and that is located in a city with a population
 15 greater than 600,000 to expand current programming.

16 Sec. 101. (1) To be eligible to receive state aid under this
 17 article, not later than the fifth Wednesday after the pupil
 18 membership count day and not later than the fifth Wednesday after
 19 the supplemental count day, each district superintendent shall
 20 submit and certify to the center and the intermediate
 21 superintendent, in the form and manner prescribed by the center,
 22 the number of pupils enrolled and in regular daily attendance,
 23 including identification of tuition-paying pupils, in the district
 24 as of the pupil membership count day and as of the supplemental
 25 count day, as applicable, for the current school year. In addition,
 26 a district maintaining school during the entire year shall submit
 27 and certify to the center and the intermediate superintendent, in
 28 the form and manner prescribed by the center, the number of pupils
 29 enrolled and in regular daily attendance in the district for the



1 current school year pursuant to rules promulgated by the
 2 superintendent. Not later than the sixth Wednesday after the pupil
 3 membership count day and not later than the sixth Wednesday after
 4 the supplemental count day, the district shall resolve any pupil
 5 membership conflicts with another district, correct any data
 6 issues, and recertify the data in a form and manner prescribed by
 7 the center and file the certified data with the intermediate
 8 superintendent. If a district fails to submit and certify the
 9 attendance data, as required under this subsection, the center
 10 shall notify the department and the department shall withhold state
 11 aid due to be distributed under this article from the defaulting
 12 district immediately, beginning with the next payment after the
 13 failure and continuing with each payment until the district
 14 complies with this subsection. If a district does not comply with
 15 this subsection by the end of the fiscal year, the district
 16 forfeits the amount withheld. A person who willfully falsifies a
 17 figure or statement in the certified and sworn copy of enrollment
 18 is subject to penalty as prescribed by section 161.

19 (2) To be eligible to receive state aid under this article,
 20 not later than the twenty-fourth Wednesday after the pupil
 21 membership count day and not later than the twenty-fourth Wednesday
 22 after the supplemental count day, an intermediate district shall
 23 submit to the center, in a form and manner prescribed by the
 24 center, the audited enrollment and attendance data as described in
 25 subsection (1) for the pupils of its constituent districts and of
 26 the intermediate district. If an intermediate district fails to
 27 submit the audited data as required under this subsection, the
 28 department shall withhold state aid due to be distributed under
 29 this article from the defaulting intermediate district immediately,



1 beginning with the next payment after the failure and continuing
2 with each payment until the intermediate district complies with
3 this subsection. If an intermediate district does not comply with
4 this subsection by the end of the fiscal year, the intermediate
5 district forfeits the amount withheld.

6 (3) Except as otherwise provided in subsections (11) and (12)
7 all of the following apply to the provision of pupil instruction:

8 (a) Except as otherwise provided in this section, each
9 district shall provide at least 1,098 hours and 180 days of pupil
10 instruction. If a collective bargaining agreement that provides a
11 complete school calendar was in effect for employees of a district
12 as of June 24, 2014, and if that school calendar is not in
13 compliance with this subdivision, then this subdivision does not
14 apply to that district until after the expiration of that
15 collective bargaining agreement. A district may apply for a waiver
16 under subsection (9) from the requirements of this subdivision.

17 (b) Except as otherwise provided in this article, a district
18 failing to comply with the required minimum hours and days of pupil
19 instruction under this subsection forfeits from its total state aid
20 allocation an amount determined by applying a ratio of the number
21 of hours or days the district was in noncompliance in relation to
22 the required minimum number of hours and days under this
23 subsection. Not later than the first business day in August, the
24 board of each district shall either certify to the department that
25 the district was in full compliance with this section regarding the
26 number of hours and days of pupil instruction in the previous
27 school year, or report to the department, in a form and manner
28 prescribed by the center, each instance of noncompliance. If the
29 district did not provide at least the required minimum number of



1 hours and days of pupil instruction under this subsection, the
2 department shall make the deduction of state aid in the following
3 fiscal year from the first payment of state school aid. A district
4 is not subject to forfeiture of funds under this subsection for a
5 fiscal year in which a forfeiture was already imposed under
6 subsection (6).

7 (c) Hours or days lost because of strikes or teachers'
8 conferences are not counted as hours or days of pupil instruction.

9 (d) Except as otherwise provided in subdivisions (e) and (f),
10 if a district does not have at least 75% of the district's
11 membership in attendance on any day of pupil instruction, the
12 department shall pay the district state aid in that proportion of
13 $1/180$ that the actual percent of attendance bears to 75%.

14 (e) If a district adds 1 or more days of pupil instruction to
15 the end of its instructional calendar for a school year to comply
16 with subdivision (a) because the district otherwise would fail to
17 provide the required minimum number of days of pupil instruction
18 even after the operation of subsection (4) due to conditions not
19 within the control of school authorities, then subdivision (d) does
20 not apply for any day of pupil instruction that is added to the end
21 of the instructional calendar. Instead, for any of those days, if
22 the district does not have at least 60% of the district's
23 membership in attendance on that day, the department shall pay the
24 district state aid in that proportion of $1/180$ that the actual
25 percentage of attendance bears to 60%. For any day of pupil
26 instruction added to the instructional calendar as described in
27 this subdivision, the district shall report to the department the
28 percentage of the district's membership that is in attendance, in
29 the form and manner prescribed by the department.



1 (f) At the request of a district that operates a department-
 2 approved alternative education program and that does not provide
 3 instruction for pupils in all of grades K to 12, the superintendent
 4 shall grant a waiver from the requirements of subdivision (d). The
 5 waiver must provide that an eligible district is subject to the
 6 proration provisions of subdivision (d) only if the district does
 7 not have at least 50% of the district's membership in attendance on
 8 any day of pupil instruction. In order to be eligible for this
 9 waiver, a district must maintain records to substantiate its
 10 compliance with the following requirements:

11 (i) The district offers the minimum hours of pupil instruction
 12 as required under this section.

13 (ii) For each enrolled pupil, the district uses appropriate
 14 academic assessments to develop an individual education plan that
 15 leads to a high school diploma.

16 (iii) The district tests each pupil to determine academic
 17 progress at regular intervals and records the results of those
 18 tests in that pupil's individual education plan.

19 (g) All of the following apply to a waiver granted under
 20 subdivision (f):

21 (i) If the waiver is for a blended model of delivery, a waiver
 22 that is granted for the 2011-2012 fiscal year or a subsequent
 23 fiscal year remains in effect unless it is revoked by the
 24 superintendent.

25 (ii) If the waiver is for a 100% online model of delivery and
 26 the educational program for which the waiver is granted makes
 27 educational services available to pupils for a minimum of at least
 28 1,098 hours during a school year and ensures that each pupil
 29 participates in the educational program for at least 1,098 hours



1 during a school year, a waiver that is granted for the 2011-2012
 2 fiscal year or a subsequent fiscal year remains in effect unless it
 3 is revoked by the superintendent.

4 (iii) A waiver that is not a waiver described in subparagraph
 5 (i) or (ii) is valid for 3 fiscal years, unless it is revoked by the
 6 superintendent, and must be renewed at the end of the 3-year period
 7 to remain in effect.

8 (h) The superintendent shall promulgate rules for the
 9 implementation of this subsection.

10 (4) **All of the following apply to the counting of days and**
 11 **hours of pupil instruction under this section:**

12 (a) Except as otherwise provided in this subsection, the first
 13 6 days or the equivalent number of hours for which pupil
 14 instruction is not provided because of conditions not within the
 15 control of school authorities, such as severe storms, fires,
 16 epidemics, utility power unavailability, water or sewer failure, or
 17 health conditions as defined by the city, county, or state health
 18 authorities, are counted as hours and days of pupil instruction.

19 (b) With the approval of the superintendent of public
 20 instruction, the department shall count as hours and days of pupil
 21 instruction for a fiscal year not more than 3 additional days or
 22 the equivalent number of additional hours for which pupil
 23 instruction is not provided in a district due to unusual and
 24 extenuating occurrences resulting from conditions not within the
 25 control of school authorities such as those conditions described in
 26 this subsection. ~~Subsequent such hours or days are not counted as~~
 27 ~~hours or days of pupil instruction.~~

28 (c) **A district that counts hours or days of professional**
 29 **development for teachers as hours or days of pupil instruction, as**



1 provided under subsection (10), is eligible to have additional
2 hours or days counted as hours and days of pupil instruction under
3 subdivision (b) to the same extent as a district that does not
4 count hours or days of professional development for teachers as
5 hours or days of pupil instruction.

6 (d) In deciding whether or not to approve the counting of
7 additional hours or days of pupil instruction under subdivision (b)
8 for a district, the superintendent of public instruction shall not
9 take into account whether or not the district counts hours or days
10 of professional development for teachers as hours or days of pupil
11 instruction, as provided under subsection (10).

12 (e) Subsequent hours or days beyond those described in
13 subdivisions (a) and (b) are not counted as hours or days of pupil
14 instruction.

15 (5) A district does not forfeit part of its state aid
16 appropriation because it adopts or has in existence an alternative
17 scheduling program for pupils in kindergarten if the program
18 provides at least the number of hours required under subsection (3)
19 for a full-time equated membership for a pupil in kindergarten as
20 provided under section 6(4).

21 (6) In addition to any other penalty or forfeiture under this
22 section, if at any time the department determines that 1 or more of
23 the following have occurred in a district, the district forfeits in
24 the current fiscal year beginning in the next payment to be
25 calculated by the department a proportion of the funds due to the
26 district under this article that is equal to the proportion below
27 the required minimum number of hours and days of pupil instruction
28 under subsection (3), as specified in the following:

29 (a) The district fails to operate its schools for at least the



1 required minimum number of hours and days of pupil instruction
2 under subsection (3) in a school year, including hours and days
3 counted under subsection (4).

4 (b) The board of the district takes formal action not to
5 operate its schools for at least the required minimum number of
6 hours and days of pupil instruction under subsection (3) in a
7 school year, including hours and days counted under subsection (4).

8 (7) In providing the minimum number of hours and days of pupil
9 instruction required under subsection (3), a district shall use the
10 following guidelines, and a district shall maintain records to
11 substantiate its compliance with the following guidelines:

12 (a) Except as otherwise provided in this subsection, a pupil
13 must be scheduled for at least the required minimum number of hours
14 of instruction, excluding study halls, or at least the sum of 90
15 hours plus the required minimum number of hours of instruction,
16 including up to 2 study halls.

17 (b) The time a pupil is assigned to any tutorial activity in a
18 block schedule may be considered instructional time, unless that
19 time is determined in an audit to be a study hall period.

20 (c) Except as otherwise provided in this subdivision, a pupil
21 in grades 9 to 12 for whom a reduced schedule is determined to be
22 in the individual pupil's best educational interest must be
23 scheduled for a number of hours equal to at least 80% of the
24 required minimum number of hours of pupil instruction to be
25 considered a full-time equivalent pupil. A pupil in grades 9 to 12
26 who is scheduled in a 4-block schedule may receive a reduced
27 schedule under this subsection if the pupil is scheduled for a
28 number of hours equal to at least 75% of the required minimum
29 number of hours of pupil instruction to be considered a full-time



1 equivalent pupil.

2 (d) If a pupil in grades 9 to 12 who is enrolled in a
3 cooperative education program or a special education pupil cannot
4 receive the required minimum number of hours of pupil instruction
5 solely because of travel time between instructional sites during
6 the school day, that travel time, up to a maximum of 3 hours per
7 school week, is considered to be pupil instruction time for the
8 purpose of determining whether the pupil is receiving the required
9 minimum number of hours of pupil instruction. However, if a
10 district demonstrates to the satisfaction of the department that
11 the travel time limitation under this subdivision would create
12 undue costs or hardship to the district, the department may
13 consider more travel time to be pupil instruction time for this
14 purpose.

15 (e) In grades 7 through 12, instructional time that is part of
16 a Junior Reserve Officer Training Corps (JROTC) program is
17 considered to be pupil instruction time regardless of whether the
18 instructor is a certificated teacher if all of the following are
19 met:

20 (i) The instructor has met all of the requirements established
21 by the United States Department of Defense and the applicable
22 branch of the armed services for serving as an instructor in the
23 Junior Reserve Officer Training Corps program.

24 (ii) The board of the district or intermediate district
25 employing or assigning the instructor complies with the
26 requirements of sections 1230 and 1230a of the revised school code,
27 MCL 380.1230 and 380.1230a, with respect to the instructor to the
28 same extent as if employing the instructor as a regular classroom
29 teacher.



1 (8) Except as otherwise provided in subsections (11) and (12),
2 the department shall apply the guidelines under subsection (7) in
3 calculating the full-time equivalency of pupils.

4 (9) Upon application by the district for a particular fiscal
5 year, the superintendent shall waive for a district the minimum
6 number of hours and days of pupil instruction requirement of
7 subsection (3) for a department-approved alternative education
8 program or another innovative program approved by the department,
9 including a 4-day school week. If a district applies for and
10 receives a waiver under this subsection and complies with the terms
11 of the waiver, the district is not subject to forfeiture under this
12 section for the specific program covered by the waiver. If the
13 district does not comply with the terms of the waiver, the amount
14 of the forfeiture is calculated based upon a comparison of the
15 number of hours and days of pupil instruction actually provided to
16 the minimum number of hours and days of pupil instruction required
17 under subsection (3). A district shall report pupils enrolled in a
18 department-approved alternative education program under this
19 subsection to the center in a form and manner determined by the
20 center. All of the following apply to a waiver granted under this
21 subsection:

22 (a) If the waiver is for a blended model of delivery, a waiver
23 that is granted for the 2011-2012 fiscal year or a subsequent
24 fiscal year remains in effect unless it is revoked by the
25 superintendent.

26 (b) If the waiver is for a 100% online model of delivery and
27 the educational program for which the waiver is granted makes
28 educational services available to pupils for a minimum of at least
29 1,098 hours during a school year and ensures that each pupil is on



1 track for course completion at proficiency level, a waiver that is
2 granted for the 2011-2012 fiscal year or a subsequent fiscal year
3 remains in effect unless it is revoked by the superintendent.

4 (c) A waiver that is not a waiver described in subdivision (a)
5 or (b) is valid for 3 fiscal years, unless it is revoked by the
6 superintendent, and must be renewed at the end of the 3-year period
7 to remain in effect.

8 (10) A district may count up to 38 hours of professional
9 development for teachers as hours of pupil instruction. All of the
10 following apply to the counting of professional development as
11 pupil instruction under this subsection:

12 (a) If the professional development exceeds 5 hours in a
13 single day, that day may be counted as a day of pupil instruction.

14 (b) At least 8 hours of the professional development counted
15 as hours of pupil instruction under this subsection must be
16 recommended by a districtwide professional development advisory
17 committee appointed by the district board. The advisory committee
18 must be composed of teachers employed by the district who represent
19 a variety of grades and subject matter specializations, including
20 special education; nonteaching staff; parents; and administrators.
21 The majority membership of the committee must be composed of
22 teaching staff.

23 (c) Professional development provided online is allowable and
24 encouraged, as long as the instruction has been approved by the
25 district. The department shall issue a list of approved online
26 professional development providers that must include the Michigan
27 Virtual School.

28 (d) Professional development may only be counted as hours of
29 pupil instruction under this subsection for the pupils of those



1 teachers scheduled to participate in the professional development.

2 (e) The professional development must meet all of the
3 following to be counted as pupil instruction under this subsection:

4 (i) Be aligned to the school or district improvement plan for
5 the school or district in which the professional development is
6 being provided.

7 (ii) Be linked to 1 or more criteria in the evaluation tool
8 developed or adopted by the district or intermediate district under
9 section 1249 of the revised school code, MCL 380.1249.

10 (iii) Has been approved by the department as counting for state
11 continuing education clock hours. The number of hours of
12 professional development counted as hours of pupil instruction
13 under this subsection may not exceed the number of state continuing
14 education clock hours for which the professional development was
15 approved.

16 (iv) Not more than a combined total of 10 hours of the
17 professional development takes place before the first scheduled day
18 of school for the school year ending in the fiscal year and after
19 the last scheduled day of school for that school year.

20 (v) Not more than 10 hours of the professional development
21 takes place in a single month.

22 (vi) At least 75% of teachers scheduled to participate in the
23 professional development are in attendance.

24 (11) Subsections (3) and (8) do not apply to a school of
25 excellence that is a cyber school, as that term is defined in
26 section 551 of the revised school code, MCL 380.551, and is in
27 compliance with section 553a of the revised school code, MCL
28 380.553a. Beginning July 1, 2021, this subsection is subject to
29 section 8c. It is the intent of the legislature that the



1 immediately preceding sentence apply retroactively and is effective
2 July 1, 2021.

3 (12) Subsections (3) and (8) do not apply to eligible pupils
4 enrolled in a dropout recovery program that meets the requirements
5 of section 23a. As used in this subsection, "eligible pupil" means
6 that term as defined in section 23a.

7 (13) At least every 2 years the superintendent shall review
8 the waiver standards set forth in the pupil accounting and auditing
9 manuals to ensure that the waiver standards and waiver process
10 continue to be appropriate and responsive to changing trends in
11 online learning. The superintendent shall solicit and consider
12 input from stakeholders as part of this review.

13 Sec. 104. (1) In order to receive state aid under this
14 article, a district shall comply with sections 1249, 1278a, 1278b,
15 1279g, and 1280b of the revised school code, MCL 380.1249,
16 380.1278a, 380.1278b, 380.1279g, and 380.1280b, and 1970 PA 38, MCL
17 388.1081 to 388.1086. Subject to subsection (2), from the state
18 school aid fund money appropriated in section 11, there is
19 allocated for ~~2022-2023~~**2023-2024** an amount not to exceed
20 \$37,509,400.00 for payments on behalf of districts for costs
21 associated with complying with those provisions of law. In
22 addition, from the federal funds appropriated in section 11, there
23 is allocated for ~~2022-2023~~**2023-2024** an amount estimated at
24 \$6,250,000.00 funded from DED-OESE, title VI, state assessment
25 funds, and from DED-OSERS, part B of the individuals with
26 disabilities education act, 20 USC 1411 to 1419, plus any carryover
27 federal funds from previous year appropriations, for the purposes
28 of complying with the every student succeeds act, Public Law 114-
29 95.



1 (2) The results of each test administered as part of the
2 Michigan student test of educational progress (M-STEP), including
3 tests administered to high school students, must include an item
4 analysis that lists all items that are counted for individual pupil
5 scores and the percentage of pupils choosing each possible
6 response. The department shall work with the center to identify the
7 number of students enrolled at the time assessments are given by
8 each district. In calculating the percentage of pupils assessed for
9 a district's scorecard, the department shall use only the number of
10 pupils enrolled in the district at the time the district
11 administers the assessments and shall exclude pupils who enroll in
12 the district after the district administers the assessments.

13 (3) The department shall distribute federal funds allocated
14 under this section in accordance with federal law and with
15 flexibility provisions outlined in Public Law 107-116, and in the
16 education flexibility partnership act of 1999, Public Law 106-25.

17 (4) The department may recommend, but may not require,
18 districts to allow pupils to use an external keyboard with tablet
19 devices for online M-STEP testing, including, but not limited to,
20 open-ended test items such as constructed response or equation
21 builder items.

22 (5) Notwithstanding section 17b, the department shall make
23 payments on behalf of districts, intermediate districts, and other
24 eligible entities under this section on a schedule determined by
25 the department.

26 (6) From the allocation in subsection (1), there is allocated
27 an amount not to exceed \$500,000.00 for ~~2022-2023~~**2023-2024** for the
28 operation of an online reporting tool to provide student-level
29 assessment data in a secure environment to educators, parents, and



1 pupils immediately after assessments are scored. The department and
 2 the center shall ensure that any data collected by the online
 3 reporting tool do not provide individually identifiable student
 4 data to the federal government.

5 (7) As used in this section:

6 (a) "DED" means the United States Department of Education.

7 (b) "DED-OESE" means the DED Office of Elementary and
 8 Secondary Education.

9 (c) "DED-OSERS" means the DED Office of Special Education and
 10 Rehabilitative Services.

11 Sec. 107. (1) From the appropriation in section 11, there is
 12 allocated an amount not to exceed \$30,000,000.00 for ~~2022-2023~~
 13 **2023-2024** for adult education programs authorized under this
 14 section. Except as otherwise provided under subsections (14) and
 15 (15), funds allocated under this section are restricted for adult
 16 education programs as authorized under this section only. A
 17 recipient of funds under this section shall not use those funds for
 18 any other purpose.

19 (2) To be eligible for funding under this section, an eligible
 20 adult education provider shall employ certificated teachers and
 21 qualified administrative staff and shall offer continuing education
 22 opportunities for teachers to allow them to maintain certification.

23 (3) To be eligible to be a participant funded under this
 24 section, an individual must be enrolled in an adult basic education
 25 program, an adult secondary education program, an adult English as
 26 a second language program, a high school equivalency test
 27 preparation program, or a high school completion program, that
 28 meets the requirements of this section, and for which instruction
 29 is provided, and the individual must be at least 18 years of age by



1 July 1 of the program year and the individual's graduating class
2 must have graduated.

3 (4) By April 1 of each fiscal year for which funding is
4 allocated under this section, the intermediate districts within a
5 prosperity region or subregion shall determine which intermediate
6 district will serve as the prosperity region's or subregion's
7 fiscal agent for the next fiscal year and shall notify the
8 department in a form and manner determined by the department. The
9 department shall approve or disapprove of the prosperity region's
10 or subregion's selected fiscal agent. From the funds allocated
11 under subsection (1), an amount as determined under this subsection
12 is allocated to each intermediate district serving as a fiscal
13 agent for adult education programs in each of the prosperity
14 regions or subregions identified by the department. An intermediate
15 district shall not use more than 5% of the funds allocated under
16 this subsection for administration costs for serving as the fiscal
17 agent. The allocation provided to each intermediate district
18 serving as a fiscal agent must be calculated as follows:

19 (a) Sixty percent of this portion of the funding must be
20 distributed based upon the proportion of the state population of
21 individuals between the ages of 18 and 24 that are not high school
22 graduates that resides in each of the prosperity regions or
23 subregions located within the intermediate district, as reported by
24 the most recent 5-year estimates from the American Community Survey
25 (ACS) from the United States Census Bureau.

26 (b) Thirty-five percent of this portion of the funding must be
27 distributed based upon the proportion of the state population of
28 individuals age 25 or older who are not high school graduates that
29 resides in each of the prosperity regions or subregions located



1 within the intermediate district, as reported by the most recent 5-
2 year estimates from the ACS from the United States Census Bureau.

3 (c) Five percent of this portion of the funding must be
4 distributed based upon the proportion of the state population of
5 individuals age 18 or older who lack basic English language
6 proficiency that resides in each of the prosperity regions or
7 subregions located within the intermediate district, as reported by
8 the most recent 5-year estimates from the ACS from the United
9 States Census Bureau.

10 (5) To be an eligible fiscal agent, an intermediate district
11 must agree to do the following in a form and manner determined by
12 the department:

13 (a) Distribute funds to adult education programs in a
14 prosperity region or subregion as described in this section.

15 (b) Collaborate with the career and educational advisory
16 council, which is an advisory council of the workforce development
17 boards located in the prosperity region or subregion, or its
18 successor, to develop a regional strategy that aligns adult
19 education programs and services into an efficient and effective
20 delivery system for adult education learners, with special
21 consideration for providing contextualized learning and career
22 pathways and addressing barriers to education and employment.

23 (c) Collaborate with the career and educational advisory
24 council, which is an advisory council of the workforce development
25 boards located in the prosperity region or subregion, or its
26 successor, to create a local process and criteria that will
27 identify eligible adult education providers to receive funds
28 allocated under this section based on location, demand for
29 services, past performance, quality indicators as identified by the



1 department, and cost to provide instructional services. The fiscal
2 agent shall determine all local processes, criteria, and provider
3 determinations. However, the local processes, criteria, and
4 provider services must be approved by the department before funds
5 may be distributed to the fiscal agent.

6 (d) Provide oversight to its adult education providers
7 throughout the program year to ensure compliance with the
8 requirements of this section.

9 (e) Report adult education program and participant data and
10 information as prescribed by the department.

11 (6) An adult basic education program, an adult secondary
12 education program, or an adult English as a second language program
13 operated on a year-round or school year basis may be funded under
14 this section, subject to all of the following:

15 (a) The program enrolls adults who are determined by a
16 department-approved assessment, in a form and manner prescribed by
17 the department, to be below twelfth grade level in reading or
18 mathematics, or both, or to lack basic English proficiency.

19 (b) The program tests individuals for eligibility under
20 subdivision (a) before enrollment and upon completion of the
21 program in compliance with the state-approved assessment policy.

22 (c) A participant in an adult basic education program is
23 eligible for reimbursement until 1 of the following occurs:

24 (i) The participant's reading and mathematics proficiency are
25 assessed at or above the ninth grade level.

26 (ii) The participant fails to show progress on 2 successive
27 assessments after having completed at least 450 hours of
28 instruction.

29 (d) A participant in an adult secondary education program is



1 eligible for reimbursement until 1 of the following occurs:

2 (i) The participant's reading and mathematics proficiency are
3 assessed above the twelfth grade level.

4 (ii) The participant fails to show progress on 2 successive
5 assessments after having at least 450 hours of instruction.

6 (e) A funding recipient enrolling a participant in an English
7 as a second language program is eligible for funding according to
8 subsection (9) until the participant meets 1 of the following:

9 (i) The participant is assessed as having attained basic
10 English proficiency as determined by a department-approved
11 assessment.

12 (ii) The participant fails to show progress on 2 successive
13 department-approved assessments after having completed at least 450
14 hours of instruction. The department shall provide information to a
15 funding recipient regarding appropriate assessment instruments for
16 this program.

17 (7) A high school equivalency test preparation program
18 operated on a year-round or school year basis may be funded under
19 this section, subject to all of the following:

20 (a) The program enrolls adults who do not have a high school
21 diploma or a high school equivalency certificate.

22 (b) The program administers a pre-test approved by the
23 department before enrolling an individual to determine the
24 individual's literacy levels, administers a high school equivalency
25 practice test to determine the individual's potential for success
26 on the high school equivalency test, and administers a post-test
27 upon completion of the program in compliance with the state-
28 approved assessment policy.

29 (c) A funding recipient receives funding according to



1 subsection (9) for a participant, and a participant may be enrolled
2 in the program until 1 of the following occurs:

3 (i) The participant achieves a high school equivalency
4 certificate.

5 (ii) The participant fails to show progress on 2 successive
6 department-approved assessments used to determine readiness to take
7 a high school equivalency test after having completed at least 450
8 hours of instruction.

9 (8) A high school completion program operated on a year-round
10 or school year basis may be funded under this section, subject to
11 all of the following:

12 (a) The program enrolls adults who do not have a high school
13 diploma.

14 (b) The program tests participants described in subdivision
15 (a) before enrollment and upon completion of the program in
16 compliance with the state-approved assessment policy.

17 (c) A funding recipient receives funding according to
18 subsection (9) for a participant in a course offered under this
19 subsection until 1 of the following occurs:

20 (i) The participant passes the course and earns a high school
21 diploma.

22 (ii) The participant fails to earn credit in 2 successive
23 semesters or terms in which the participant is enrolled after
24 having completed at least 900 hours of instruction.

25 (9) The department shall make payments to a funding recipient
26 under this section in accordance with all of the following:

27 (a) Statewide allocation criteria, including 3-year average
28 enrollments, census data, and local needs.

29 (b) Participant completion of the adult basic education



1 objectives by achieving an educational gain as determined by the
 2 national reporting system levels; for achieving basic English
 3 proficiency, as determined by the department; for achieving a high
 4 school equivalency certificate or passage of 1 or more individual
 5 high school equivalency tests; for attainment of a high school
 6 diploma or passage of a course required for a participant to attain
 7 a high school diploma; for enrollment in a postsecondary
 8 institution, or for entry into or retention of employment, as
 9 applicable.

10 (c) Participant completion of core indicators as identified in
 11 the **workforce** innovation and opportunity act.

12 (d) Allowable expenditures.

13 (10) An individual who is not eligible to be a participant
 14 funded under this section may receive adult education services upon
 15 the payment of tuition. In addition, an individual who is not
 16 eligible to be served in a program under this section due to the
 17 program limitations specified in subsection (6), (7), or (8) may
 18 continue to receive adult education services in that program upon
 19 the payment of tuition. The local or intermediate district
 20 conducting the program shall determine the tuition amount.

21 (11) An individual who is an inmate in a state correctional
 22 facility is not counted as a participant under this section.

23 (12) A funding recipient shall not commingle money received
 24 under this section or from another source for adult education
 25 purposes with any other funds and shall establish a separate ledger
 26 account for funds received under this section. This subsection does
 27 not prohibit a district from using general funds of the district to
 28 support an adult education or community education program.

29 (13) A funding recipient receiving funds under this section



1 may establish a sliding scale of tuition rates based upon a
2 participant's family income. A funding recipient may charge a
3 participant tuition to receive adult education services under this
4 section from that sliding scale of tuition rates on a uniform
5 basis. The amount of tuition charged per participant must not
6 exceed the actual operating cost per participant minus any funds
7 received under this section per participant. A funding recipient
8 may not charge a participant tuition under this section if the
9 participant's income is at or below 200% of the federal poverty
10 guidelines published by the United States Department of Health and
11 Human Services.

12 (14) In order to receive funds under this section, a funding
13 recipient shall furnish to the department, in a form and manner
14 determined by the department, all information needed to administer
15 this program and meet federal reporting requirements; shall allow
16 the department or the department's designee to review all records
17 related to the program for which it receives funds; and shall
18 reimburse the state for all disallowances found in the review, as
19 determined by the department. In addition, a funding recipient
20 shall agree to pay to a career and technical education program
21 under section 61a the amount of funding received under this section
22 in the proportion of career and technical education coursework used
23 to satisfy adult basic education programming, as billed to the
24 funding recipient by programs operating under section 61a. In
25 addition to the funding allocated under subsection (1), there is
26 allocated for ~~2022-2023~~**2023-2024** an amount not to exceed
27 \$500,000.00 to reimburse funding recipients for administrative and
28 instructional expenses associated with commingling programming
29 under this section and section 61a. The department shall make



1 payments under this subsection to each funding recipient in the
 2 same proportion as funding calculated and allocated under
 3 subsection (4).

4 (15) From the amount appropriated in subsection (1), an amount
 5 not to exceed \$4,000,000.00 is allocated for ~~2022-2023~~**2023-2024**
 6 for grants to adult education or state-approved career technical
 7 center programs that connect adult education participants with
 8 employers as provided under this subsection. The department shall
 9 determine the amount of the grant to each program under this
 10 subsection, not to exceed \$350,000.00. To be eligible for funding
 11 under this subsection, a program must provide a collaboration
 12 linking adult education programs within the county, the area career
 13 technical center, and local employers. To receive funding under
 14 this subsection, an eligible program must satisfy all of the
 15 following:

16 (a) Connect adult education participants directly with
 17 employers by linking adult education, career and technical skills,
 18 and workforce development.

19 (b) Require adult education staff to work with Michigan Works!
 20 agency to identify a cohort of participants who are most prepared
 21 to successfully enter the workforce. Except as otherwise provided
 22 under this subdivision, participants identified under this
 23 subsection must be dually enrolled in adult education programming
 24 and in at least 1 state-approved technical course at the area
 25 career and technical center. A program that links participants
 26 identified under this subsection with adult education programming
 27 and commercial driver license courses does not need to enroll the
 28 participants in at least 1 state-approved technical course at the
 29 area career and technical center to be considered an eligible



1 program under this subsection.

2 (c) Employ an individual staffed as an adult education
3 navigator who will serve as a caseworker for each participant
4 identified under subdivision (b). The navigator shall work with
5 adult education staff and potential employers to design an
6 educational program best suited to the personal and employment
7 needs of the participant and shall work with human service agencies
8 or other entities to address any barrier in the way of participant
9 access.

10 (16) Each program funded under subsection (15) will receive
11 funding for 3 years. After 3 years of operations and funding, a
12 program must reapply for funding.

13 (17) Not later than December 1 of each year, a program funded
14 under subsection (15) shall provide a report to the senate and
15 house appropriations subcommittees on school aid, to the senate and
16 house fiscal agencies, and to the state budget director identifying
17 the number of participants, graduation rates, and a measure of
18 transition to employment.

19 (18) Except as otherwise provided in this subsection,
20 participants under subsection (15) must be concurrently enrolled
21 and actively working toward obtaining a high school diploma or a
22 high school equivalency certificate. Concurrent enrollment is not
23 required under this subsection for a participant that was enrolled
24 in adult education during the same program year and obtained a high
25 school diploma or a high school equivalency certificate prior to
26 enrollment in an eligible career and technical skills program under
27 subsection (15). Up to 15% of adult education participants served
28 under subsection (15) may already have a high school diploma or a
29 high school equivalency certificate at the time of enrollment in an



1 eligible career and technical skills program under subsection (15)
 2 and receive remediation services. It is intended that the cap
 3 described in the immediately preceding sentence is continually
 4 lowered on an annual basis until it eventually is 0%.

5 (19) The department shall approve at least ~~3~~2 high school
 6 equivalency tests and determine whether a high school equivalency
 7 certificate meets the requisite standards for high school
 8 equivalency in this state.

9 (20) As used in this section:

10 (a) "Career and educational advisory council" means an
 11 advisory council to the local workforce development boards located
 12 in a prosperity region consisting of educational, employer, labor,
 13 and parent representatives.

14 (b) "Career pathway" means a combination of rigorous and high-
 15 quality education, training, and other services that comply with
 16 all of the following:

17 (i) Aligns with the skill needs of industries in the economy of
 18 this state or in the regional economy involved.

19 (ii) Prepares an individual to be successful in any of a full
 20 range of secondary or postsecondary education options, including
 21 apprenticeships registered under the act of August 16, 1937,
 22 commonly referred to as the national apprenticeship act, 29 USC 50
 23 et seq.

24 (iii) Includes counseling to support an individual in achieving
 25 the individual's education and career goals.

26 (iv) Includes, as appropriate, education offered concurrently
 27 with and in the same context as workforce preparation activities
 28 and training for a specific occupation or occupational cluster.

29 (v) Organizes education, training, and other services to meet



1 the particular needs of an individual in a manner that accelerates
 2 the educational and career advancement of the individual to the
 3 extent practicable.

4 (vi) Enables an individual to attain a secondary school diploma
 5 or its recognized equivalent, and at least 1 recognized
 6 postsecondary credential.

7 (vii) Helps an individual enter or advance within a specific
 8 occupation or occupational cluster.

9 (c) "Department" means the department of labor and economic
 10 opportunity.

11 (d) "Eligible adult education provider" means a district,
 12 intermediate district, a consortium of districts, a consortium of
 13 intermediate districts, or a consortium of districts and
 14 intermediate districts that is identified as part of the local
 15 process described in subsection (5) (c) and approved by the
 16 department.

17 **Sec. 107a. (1) From the state school aid fund money**
 18 **appropriated in section 11, there is allocated for 2023-2024 only**
 19 **an amount not to exceed \$15,000,000.00 to the department of labor**
 20 **and economic opportunity to create adult education innovation**
 21 **programs. Programs funded under this section are intended to**
 22 **improve enrollment in and completion of adult basic education**
 23 **programs, including, but not limited to, synchronous and**
 24 **asynchronous program delivery methods, wraparound support,**
 25 **alignment between high school completion with postsecondary**
 26 **education, co-locating adult education with Michigan Works! or**
 27 **community colleges, and high-quality professional development.**

28 (2) The department of labor and economic opportunity must
 29 award competitive funds under this section to eligible adult



1 education providers, community colleges, and organizations with
2 experience serving adult learners for the purposes described in
3 subsection (1).

4 (3) Adult education providers must apply for funding in a form
5 and manner determined by the department of labor and economic
6 opportunity. Adult education providers that are not a district,
7 intermediate district, or community college must identify in their
8 application a partnership with a district, intermediate district,
9 or community college to serve as a fiscal agent for funds received
10 under this section.

11 (4) In a form and manner determined by the department of labor
12 and economic opportunity, for pilot programs funded under this
13 section, each adult education provider must perform a program
14 evaluation, facilitation of communities of practice, and
15 identification of best practices to scale pilot programs statewide.
16 Adult education providers may use up to 5% of the funds received
17 for these purposes.

18 (5) By not later than September 30 of each fiscal year funds
19 allocated under subsection (1) are spent by adult education
20 providers, the department of labor and economic opportunity must
21 provide a report to the chairs of the house and senate
22 appropriations subcommittees on school aid, to the house and senate
23 fiscal agencies, and to the state budget director indicating how
24 funds received under this section are being spent, and detailing
25 the amounts spent, the services being provided with the funding,
26 adult learners being reached with the funding, outcomes metrics,
27 and recommendations for how programs could be scaled statewide.

28 (6) The funds allocated under this section for 2023-2024 are a
29 work project appropriation, and any unexpended funds for 2023-2024



1 are carried forward into 2024-2025. The purpose of the work project
2 is to improve enrollment in and completion of adult basic education
3 programs. The estimated completion date of the work project is
4 September 30, 2026.

5 Sec. 121. (1) The valuation of a whole or fractional district
6 shall be the total taxable value of the property contained in the
7 whole or fractional district as last determined by the state tax
8 commission and placed on the ad valorem tax roll. For purposes of
9 computations made under this act, except as provided in section 26,
10 the taxable value of a district or intermediate district shall
11 include the value of property used to calculate the tax imposed on
12 lessees or users of tax-exempt property under 1953 PA 189, MCL
13 211.181 to 211.182, and the value of property used to calculate the
14 state payment in lieu of taxes on state purchased property under
15 section 2153 of the natural resources and environmental protection
16 act, 1994 PA 451, MCL 324.2153. Adjustments to this taxable value
17 shall be made for all of the following:

- 18 (a) State tax tribunal decisions.
- 19 (b) Court decisions.
- 20 (c) Local board of review adjustments made after the state tax
21 commission determination.
- 22 (d) Lands deeded to the state for jurisdictions without
23 delinquent tax revolving funds or for jurisdictions that have
24 required repayment to the delinquent tax revolving funds.
- 25 (e) The requirements of this act.

26 (2) ~~Adjustments under subsection (1) shall not be made for~~
27 ~~more than the 6 state fiscal years immediately preceding the state~~
28 ~~fiscal year in which the adjustment is made, except that an An~~
29 adjustment pursuant to a state tax tribunal decision or court



1 decision shall be made for the tax years involved in the decision
2 and any subsequent years affected by the decision.

3 Sec. 147. (1) The allocation for ~~2022-2023~~**2023-2024** for the
4 public school employees' retirement system pursuant to the public
5 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301
6 to 38.1437, is made using the individual projected benefit entry
7 age normal cost method of valuation and risk assumptions adopted by
8 the public school employees retirement board and the department of
9 technology, management, and budget.

10 (2) The annual level percentage of payroll contribution rates
11 for the ~~2022-2023~~**2023-2024** fiscal year, as determined by the
12 retirement system, are estimated as follows:

13 (a) For public school employees who first worked for a public
14 school reporting unit before July 1, 2010 and who are enrolled in
15 the health premium subsidy, the annual level percentage of payroll
16 contribution rate is estimated at ~~44.88%~~**48.23%** with ~~28.23%~~**31.34%**
17 paid directly by the employer.

18 (b) For public school employees who first worked for a public
19 school reporting unit on or after July 1, 2010 and who are enrolled
20 in the health premium subsidy, the annual level percentage of
21 payroll contribution rate is estimated at ~~41.96%~~**44.37%** with ~~25.31%~~
22 **27.48%** paid directly by the employer.

23 (c) For public school employees who first worked for a public
24 school reporting unit on or after July 1, 2010 and who participate
25 in the personal healthcare fund, the annual level percentage of
26 payroll contribution rate is estimated at ~~41.10%~~**43.12%** with ~~24.45%~~
27 **26.23%** paid directly by the employer.

28 (d) For public school employees who first worked for a public
29 school reporting unit on or after September 4, 2012, who elect



1 defined contribution, and who participate in the personal
 2 healthcare fund, the annual level percentage of payroll
 3 contribution rate is estimated at ~~37.61%~~**37.85%** with 20.96% paid
 4 directly by the employer.

5 (e) For public school employees who first worked for a public
 6 school reporting unit before July 1, 2010, who elect defined
 7 contribution, and who are enrolled in the health premium subsidy,
 8 the annual level percentage of payroll contribution rate is
 9 estimated at ~~38.47%~~**39.10%** with ~~21.82%~~**22.21%** paid directly by the
 10 employer.

11 (f) For public school employees who first worked for a public
 12 school reporting unit before July 1, 2010, who elect defined
 13 contribution, and who participate in the personal healthcare fund,
 14 the annual level percentage of payroll contribution rate is
 15 estimated at ~~37.61%~~**37.85%** with 20.96% paid directly by the
 16 employer.

17 (g) For public school employees who first worked for a public
 18 school reporting unit before July 1, 2010 and who participate in
 19 the personal healthcare fund, the annual level percentage of
 20 payroll contribution rate is estimated at ~~44.02%~~**46.98%** with ~~27.37%~~
 21 **30.09%** paid directly by the employer.

22 (h) For public school employees who first worked for a public
 23 school reporting unit after January 31, 2018 and who elect to
 24 become members of the MPSERS plan, the annual level percentage of
 25 payroll contribution rate is estimated at ~~43.81%~~**44.05%** with 27.16%
 26 paid directly by the employer.

27 (3) In addition to the employer payments described in
 28 subsection (2), the employer shall pay the applicable contributions
 29 to the Tier 2 plan, as determined by the public school employees



1 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

2 (4) The contribution rates in subsection (2) reflect an
3 amortization period of ~~16-15~~ years for ~~2022-2023-2023-2024~~. The
4 public school employees' retirement system board shall notify each
5 district and intermediate district by February 28 of each fiscal
6 year of the estimated contribution rate for the next fiscal year.

7 Sec. 147a. (1) From the state school aid fund money
8 appropriated in section 11, there is allocated for ~~2021-2022-2023-~~
9 **2024** an amount not to exceed \$100,000,000.00 ~~and for 2022-2023 an~~
10 ~~amount not to exceed \$100,000,000.00~~ for payments to participating
11 districts. A participating district that receives money under this
12 subsection shall use that money solely for the purpose of
13 offsetting a portion of the retirement contributions owed by the
14 district for the fiscal year in which it is received. The amount
15 allocated to each participating district under this subsection is
16 based on each participating district's percentage of the total
17 statewide payroll for all participating districts for the
18 immediately preceding fiscal year. As used in this subsection,
19 "participating district" means a district that is a reporting unit
20 of the Michigan public school employees' retirement system under
21 the public school employees retirement act of 1979, 1980 PA 300,
22 MCL 38.1301 to 38.1437, and that reports employees to the Michigan
23 public school employees' retirement system for the applicable
24 fiscal year.

25 (2) In addition to the allocation under subsection (1), from
26 the state school aid fund money appropriated under section 11,
27 there is allocated an amount not to exceed ~~\$197,000,000.00~~
28 **\$357,700,000.00** for ~~2021-2022 and an amount not to exceed~~
29 ~~\$191,700,000.00 for 2022-2023-2023-2024~~ for payments to



1 participating districts and intermediate districts and from the
 2 general fund money appropriated under section 11, there is
 3 allocated an amount not to exceed ~~\$60,000.00~~ **\$100,000.00** for ~~2021-~~
 4 ~~2022 and an amount not to exceed \$50,000.00 for 2022-2023~~ **2023-2024**
 5 for payments to participating district libraries. The amount
 6 allocated to each participating entity under this subsection is
 7 based on each participating entity's reported quarterly payroll for
 8 members that became tier 1 prior to February 1, 2018 for the
 9 current fiscal year. A participating entity that receives money
 10 under this subsection shall use that money solely for the purpose
 11 of offsetting a portion of the normal cost contribution rate. As
 12 used in this subsection:

13 (a) "District library" means a district library established
 14 under the district library establishment act, 1989 PA 24, MCL
 15 397.171 to 397.196.

16 (b) "Participating entity" means a district, intermediate
 17 district, or district library that is a reporting unit of the
 18 Michigan public school employees' retirement system under the
 19 public school employees retirement act of 1979, 1980 PA 300, MCL
 20 38.1301 to 38.1437, and that reports employees to the Michigan
 21 public school employees' retirement system for the applicable
 22 fiscal year.

23 (3) **In addition to the allocations under subsections (1) and**
 24 **(2), from the state school aid fund money appropriated in section**
 25 **11, there is allocated for 2023-2024 only an amount not to exceed**
 26 **\$23,878,000.00 for payments to participating intermediate districts**
 27 **and participating district libraries. The payments described in**
 28 **this subsection must be made over a 2-year period. A participating**
 29 **intermediate district or participating district library shall use**



1 that money solely for the purpose of offsetting a portion of the
2 retirement contributions owed by the participating intermediate
3 district or participating district library for the fiscal year in
4 which it is received. The amount allocated to each participating
5 intermediate district or participating district library under this
6 subsection is calculated as follows for each fiscal year:

7 (a) For each participating intermediate district,
8 \$11,912,000.00 multiplied by each participating intermediate
9 district's percentage of the total statewide payroll for all
10 participating intermediate districts.

11 (b) For each participating district library, \$27,000.00
12 multiplied by each participating district library's percentage of
13 the total statewide payroll for all participating district
14 libraries.

15 (4) The funds allocated under subsection (3) for 2023-2024 are
16 a work project appropriation, and any unexpended funds for 2023-
17 2024 are carried forward into 2024-2025. The purpose of the work
18 project is to continue payments to participating intermediate
19 districts and participating district libraries. The estimated
20 completion date of the work project is September 30, 2025.

21 (5) As used in subsections (3) and (4):

22 (a) "Participating district library" means a district library
23 that is a reporting unit of the Michigan public school employees'
24 retirement system under the public school employees retirement act
25 of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports
26 employees to the Michigan public school employees' retirement
27 system for the applicable fiscal year.

28 (b) "Participating intermediate district" means an
29 intermediate district that is a reporting unit of the Michigan



1 public school employees' retirement system under the public school
 2 employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to
 3 38.1437, and that reports employees to the Michigan public school
 4 employees' retirement system for the applicable fiscal year.

5 Sec. 147b. (1) The MPSEERS retirement obligation reform reserve
 6 fund is created as a separate account within the state school aid
 7 fund.

8 (2) The state treasurer may receive money or other assets from
 9 any source for deposit into the MPSEERS retirement obligation reform
 10 reserve fund. The state treasurer shall direct the investment of
 11 the MPSEERS retirement obligation reform reserve fund. The state
 12 treasurer shall credit to the MPSEERS retirement obligation reform
 13 reserve fund interest and earnings from the MPSEERS retirement
 14 obligation reform reserve fund.

15 (3) Money available in the MPSEERS retirement obligation reform
 16 reserve fund must not be expended without a specific appropriation.

17 (4) Money in the MPSEERS retirement obligation reform reserve
 18 fund at the close of the fiscal year remains in the MPSEERS
 19 retirement obligation reform reserve fund and does not lapse to the
 20 state school aid fund or to the general fund. The department of
 21 treasury is the administrator of the MPSEERS retirement obligation
 22 reform reserve fund for auditing purposes.

23 (5) For 2022-2023, ~~\$425,000,000.00~~ **\$925,000,000.00** from the
 24 state school aid fund is deposited into the MPSEERS retirement
 25 obligation reform reserve fund. It is the intent of the legislature
 26 that **\$425,000,000.00 of the** funds deposited under this subsection
 27 are used to offset costs associated with accelerating the reduction
 28 of the payroll growth assumption for reporting units that are not
 29 university reporting units until that rate is zero by October 1,



1 2026.

2 Sec. 147c. (1) From the state school aid fund money
 3 appropriated in section 11, there is allocated for ~~2022-2023-2023-~~
 4 ~~2024~~ an amount not to exceed ~~\$1,478,000,000.00,~~ **\$1,647,200,000.00**
 5 and from the MPSERS retirement obligation reform reserve fund money
 6 appropriated in section 11, there is allocated for ~~2022-2023-2023-~~
 7 ~~2024~~ only an amount needed, estimated at ~~\$140,400,000.00,~~
 8 **\$202,000,000.00**, for payments to districts and intermediate
 9 districts that are participating entities of the Michigan public
 10 school employees' retirement system. In addition, from the general
 11 fund money appropriated in section 11, there is allocated for ~~2022-~~
 12 ~~2023-2023-2024~~ an amount not to exceed \$500,000.00 for payments to
 13 district libraries that are participating entities of the Michigan
 14 public school employees' retirement system. It is the intent of the
 15 legislature that money allocated from the MPSERS retirement
 16 obligation reform reserve fund under this subsection for ~~2022-2023~~
 17 ~~2023-2024~~ represents the amount necessary to reduce the payroll
 18 growth assumption to ~~1.75%.~~ **0.75%**. All of the following apply to
 19 funding under this subsection:

20 (a) Except as otherwise provided in this subdivision, for
 21 ~~2022-2023,~~ ~~2023-2024~~, the amounts allocated under this subsection
 22 are estimated to provide an average MPSERS rate cap per pupil
 23 amount of ~~\$1,042.00~~ **\$1,157.00** and are estimated to provide a rate
 24 cap per pupil for districts ranging between ~~\$5.00~~ **\$4.00** and
 25 ~~\$3,700.00~~. ~~For 2022-2023, if the retirement system determines the~~
 26 ~~average MPSERS rate cap per pupil amount and rate cap per pupil for~~
 27 ~~districts estimated in the immediately preceding sentence need to~~
 28 ~~be adjusted, the estimated average MPSERS rate cap per pupil amount~~
 29 ~~and estimated rate cap per pupil for districts under this~~



1 ~~subdivision are the estimations determined by the retirement~~
 2 ~~system. If the retirement system makes a determination as described~~
 3 ~~in the immediately preceding sentence, it shall issue its~~
 4 ~~estimations publicly and describe the need for the adjustment~~
 5 ~~described in the immediately preceding sentence. \$5,020.00.~~

6 (b) Payments made under this subsection are equal to the
 7 difference between the unfunded actuarial accrued liability
 8 contribution rate as calculated under section 41 of the public
 9 school employees retirement act of 1979, 1980 PA 300, MCL 38.1341,
 10 as calculated without taking into account the maximum employer rate
 11 of 20.96% included in section 41 of the public school employees
 12 retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum
 13 employer rate of 20.96% included in section 41 of the public school
 14 employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

15 (c) The amount allocated to each participating entity under
 16 this subsection is based on each participating entity's proportion
 17 of the total covered payroll for the immediately preceding fiscal
 18 year for the same type of participating entities. A participating
 19 entity that receives funds under this subsection shall use the
 20 funds solely for the purpose of retirement contributions as
 21 specified in subdivision (d).

22 (d) Each participating entity receiving funds under this
 23 subsection shall forward an amount equal to the amount allocated
 24 under subdivision (c) to the retirement system in a form, manner,
 25 and time frame determined by the retirement system.

26 (e) Funds allocated under this subsection should be considered
 27 when comparing a district's growth in total state aid funding from
 28 1 fiscal year to the next.

29 (f) Not later than December 20 of each fiscal year for which



1 funding is allocated under this subsection, the department shall
 2 publish and post on its website an estimated MPSERS rate cap per
 3 pupil for each district.

4 (g) The office of retirement services shall first apply funds
 5 allocated under this subsection to pension contributions and, if
 6 any funds remain after that payment, shall apply those remaining
 7 funds to other postemployment benefit contributions.

8 ~~(2) In addition to the funds allocated under subsection (1),~~
 9 ~~from the state school aid fund money appropriated in section 11,~~
 10 ~~there is allocated for 2022-2023 only \$1,000,000,000.00 for~~
 11 ~~payments to participating entities of the Michigan public school~~
 12 ~~employees' retirement system. The amount allocated to each~~
 13 ~~participating entity under this subsection must be based on each~~
 14 ~~participating entity's proportion of the total covered payroll for~~
 15 ~~the immediately preceding fiscal year. A participating entity that~~
 16 ~~receives funds under this subsection shall use the funds solely for~~
 17 ~~purposes of this subsection. Each participating entity receiving~~
 18 ~~funds under this subsection shall forward an amount equal to the~~
 19 ~~amount allocated under this subsection to the retirement system in~~
 20 ~~a form, manner, and time frame determined by the retirement system.~~
 21 ~~The retirement system shall recognize funds received under this~~
 22 ~~subsection as additional assets being contributed to the system and~~
 23 ~~shall not categorize them as unfunded actuarial liability~~
 24 ~~contributions or normal cost contributions.~~ **In addition to the funds**
 25 **allocated under subsection (1), from the state school aid fund**
 26 **money appropriated in section 11, there is allocated for 2023-2024**
 27 **only \$97,000,000.00 for payments to districts and intermediate**
 28 **districts that are participating entities of the Michigan public**
 29 **school employees' retirement system. The amount allocated to each**



1 participating entity under this subsection must be based on each
2 participating entity's proportion of the total covered payroll for
3 the immediately preceding fiscal year.

4 (3) As used in this section:

5 (a) "Community college" means a community college created
6 under the community college act of 1966, 1966 PA 331, MCL 389.1 to
7 389.195.

8 (b) "District library" means a district library established
9 under the district library establishment act, 1989 PA 24, MCL
10 397.171 to 397.196.

11 (c) "MPERS rate cap per pupil" means an amount equal to the
12 quotient of the district's payment under this section divided by
13 the district's pupils in membership.

14 (d) "Participating entity" means:

15 (i) As used in subsection (1) only, a district, intermediate
16 district, or district library that is a reporting unit of the
17 Michigan public school employees' retirement system under the
18 public school employees retirement act of 1979, 1980 PA 300, MCL
19 38.1301 to 38.1437, and that reports employees to the Michigan
20 public school employees' retirement system for the applicable
21 fiscal year.

22 (ii) As used in subsection (2) only, a district, intermediate
23 district, community college, or district library that is a
24 reporting unit of the Michigan public school employees' retirement
25 system under the public school employees retirement act of 1979,
26 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to
27 the Michigan public school employees' retirement system for the
28 applicable fiscal year.

29 (e) "Retirement system" means the Michigan public school



1 employees' retirement system under the public school employees
2 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

3 Sec. 147e. (1) From the state school aid fund money
4 appropriated in section 11, there is allocated for ~~2021-2022-2023-~~
5 **2024** an amount not to exceed ~~\$50,000,000.00~~ and there is allocated
6 ~~for 2022-2023 an amount not to exceed \$54,000,000.00~~ **\$82,400,000.00**
7 for payments to participating entities.

8 (2) The payment to each participating entity under this
9 section is the sum of the amounts under this subsection as follows:

10 (a) An amount equal to the contributions made by a
11 participating entity for the additional contribution made to a
12 qualified participant's Tier 2 account in an amount equal to the
13 contribution made by the qualified participant not to exceed 3% of
14 the qualified participant's compensation as provided for under
15 section 131(6) of the public school employees retirement act of
16 1979, 1980 PA 300, MCL 38.1431.

17 (b) Beginning October 1, 2017, an amount equal to the
18 contributions made by a participating entity for a qualified
19 participant who is only a Tier 2 qualified participant under
20 section 81d of the public school employees retirement act of 1979,
21 1980 PA 300, MCL 38.1381d, not to exceed 4%, and, beginning
22 February 1, 2018, not to exceed 1%, of the qualified participant's
23 compensation.

24 (c) An amount equal to the increase in employer normal cost
25 contributions under section 41b(2) of the public school employees
26 retirement act of 1979, 1980 PA 300, MCL 38.1341b, for a member
27 that was hired after February 1, 2018 and chose to participate in
28 Tier 1, compared to the employer normal cost contribution for a
29 member under section 41b(1) of the public school employees



1 retirement act of 1979, 1980 PA 300, MCL 38.1341b.

2 (3) As used in this section:

3 (a) "Member" means that term as defined under the public
4 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301
5 to 38.1437.

6 (b) "Participating entity" means a district, intermediate
7 district, or community college that is a reporting unit of the
8 Michigan public school employees' retirement system under the
9 public school employees retirement act of 1979, 1980 PA 300, MCL
10 38.1301 to 38.1437, and that reports employees to the Michigan
11 public school employees' retirement system for the applicable
12 fiscal year.

13 (c) "Qualified participant" means that term as defined under
14 section 124 of the public school employees retirement act of 1979,
15 1980 PA 300, MCL 38.1424.

16 Sec. 152a. (1) As required by the court in the consolidated
17 cases known as *Adair v State of Michigan*, 486 Mich 468 (2010), from
18 the state school aid fund money appropriated in section 11, there
19 is allocated for ~~2022-2023-2023-2024~~ an amount not to exceed
20 ~~\$38,000,500.00~~ **\$42,300,500.00** to be used solely for the purpose of
21 paying necessary costs related to the state-mandated collection,
22 maintenance, and reporting of data to this state. **From this**
23 **allocation, \$1,300,000.00 is allocated for the purpose of**
24 **supporting the Michigan data hub network and the collection,**
25 **aggregation, and reporting of data collected by the state, and**
26 **\$3,000,000.00 is allocated for costs associated with collecting**
27 **data necessary to provide reporting to tribal governments on the**
28 **status of students affiliated with their particular tribe and data**
29 **necessary to determine student participation in federal programs**



1 funded under 20 USC 7401 to 7546 and participation in federal
2 programs funded under the Johnson-O'Malley Supplemental Indian
3 Education Program Modernization Act, Public Law 115-404.

4 (2) From the allocation in subsection (1), the department
5 shall **make payments of the \$1,300,000.00 allocated for supporting**
6 **the Michigan data hub network in the same manner as under section**
7 **22m(2) and shall** make **the remaining** payments to districts and
8 intermediate districts in an equal amount per pupil based on the
9 total number of pupils in membership in each district and
10 intermediate district. The department shall not make any adjustment
11 to these payments after the final installment payment under section
12 17b is made.

13 Sec. 163. (1) Except as otherwise provided in the revised
14 school code, the board of a district or intermediate district shall
15 not permit any of the following:

16 (a) An individual who is not appropriately placed under a
17 valid certificate, valid substitute permit, authorization, or
18 approval issued under rules promulgated by the department to teach
19 in an elementary or secondary school.

20 (b) An individual who does not satisfy the requirements of
21 section 1233 of the revised school code, MCL 380.1233, and rules
22 promulgated by the department to provide school counselor services
23 to pupils in an elementary or secondary school.

24 (c) An individual who does not satisfy the requirements of
25 section 1246 of the revised school code, MCL 380.1246, ~~or who is~~
26 ~~not~~ **and rules promulgated by the department to be employed as a**
27 **superintendent, principal, or assistant principal, or as an**
28 **individual whose primary responsibility is to administer**
29 **instructional programs in an elementary or secondary school or in a**



1 **district or intermediate district, unless the individual is** working
 2 under a valid substitute permit issued under rules promulgated by
 3 the department. ~~, to be employed as a superintendent, principal, or~~
 4 ~~assistant principal, or as an individual whose primary~~
 5 ~~responsibility is to administer instructional programs in an~~
 6 ~~elementary or secondary school or in a district or intermediate~~
 7 ~~district.~~

8 (2) Except as otherwise provided in the revised school code,
 9 this subsection, or subsection (4) or (7), a district or
 10 intermediate district employing an individual in violation of this
 11 section before July 1, 2021 must have deducted an amount equal to
 12 the amount paid to the individual for the period of employment that
 13 is in violation of this section. Except as otherwise provided under
 14 subsection (4) or (7), a district or intermediate district
 15 employing an individual in violation of this section on or after
 16 July 1, 2021 must have deducted an amount equal to 50% of the
 17 amount paid to the individual for the period of employment that is
 18 in violation of this section. Except as otherwise provided under
 19 subsection (4), beginning July 1, 2021, if a district or
 20 intermediate district is notified by the department that it is
 21 employing an individual in violation of this section and it
 22 continues to employ the individual in violation of this section 10
 23 business days after receiving the notification, both of the
 24 following apply:

25 (a) The district or intermediate district must have deducted
 26 an amount equal to 50% of the amount paid to the individual for the
 27 period of employment that is in violation of this section that
 28 occurs before the expiration of the 10-day period described in this
 29 subsection.



1 (b) The district or intermediate district must have deducted
2 an amount equal to 100% of the amount paid to the individual for
3 the period of employment that is in violation of this section that
4 occurs after the 10-day period described in this subsection.

5 (3) For purposes of subsection (2), if a district or
6 intermediate district on behalf of an individual or an individual
7 successfully completes the credential application process through
8 the department, including the submission of an appropriate
9 application, required fees, and all required supporting
10 documentation, the individual's employment with the district or
11 intermediate district after this completion is not considered a
12 period of employment that is in violation of this section.

13 (4) A deduction under subsection (2) for employment in
14 violation of this section that occurs on or after July 1, 2021, may
15 be less than the amount required under that subsection if the
16 superintendent of public instruction finds that the district or
17 intermediate district was hindered in its ability to obtain a
18 substitute credential to enable the district or intermediate
19 district to employ the individual in compliance with this section
20 due to unusual and extenuating circumstances resulting from
21 conditions not within the control of school authorities, including,
22 but not limited to, a natural disaster, death or serious illness of
23 the individual or another employee, an emergency school closure,
24 fraud or other intentional wrongdoing of the individual or another
25 employee, or an emergency health condition as defined by city,
26 county, or state health authorities.

27 (5) For employment of an individual in violation of this
28 section that occurs on or after July 1, 2021, upon request by a
29 district or intermediate district, the department shall credit the



1 amount of an adjustment in payments under section 15 that is based
 2 on the employment of the individual that gave rise to the deduction
 3 under subsection (2) or (4) against the amount of the deduction
 4 under subsection (2) or (4). The amount of the credit under this
 5 subsection must not be in an amount that is greater than the
 6 deduction assessed under subsection (2) or (4).

7 (6) If a school official is notified by the department that he
 8 or she is employing an individual in violation of this section and
 9 knowingly continues to employ that individual, the school official
 10 is guilty of a misdemeanor punishable by a fine of \$1,500.00 for
 11 each ~~incidence.~~ **incident**. This penalty is in addition to all other
 12 financial penalties otherwise specified in this article.

13 (7) There must be no deduction under subsection (2) for a
 14 period of employment in violation of this section that occurs
 15 between July 1, 2020 and June 30, 2021.

16 **Sec. 164i. (1) No money appropriated under this act must be**
 17 **used for any of the following:**

18 (a) **The restriction of or interference with actions related to**
 19 **diversity, equity, and inclusion.**

20 (b) **The restriction or impeding of a marginalized community's**
 21 **access to government resources, programs, or facilities.**

22 (c) **The diminishment of, interference with, or restriction of**
 23 **an individual's ability to exercise the right to reproductive**
 24 **freedom.**

25 (2) **From the funds appropriated in this act, districts,**
 26 **intermediate districts, and public institutions of higher education**
 27 **shall report to the department any action or policy that attempts**
 28 **to restrict or interfere with the duties of local health officers.**

29 (3) **As used in this section, "local health officer" means that**



1 term as defined in section 1105 of the public health code, 1978 PA
2 368, MCL 333.1105.

3 Sec. 164j. (1) In order for a public school academy to receive
4 funding under section 22b, all of the following conditions must be
5 met:

6 (a) It must conduct an annual audit and post an annual
7 financial statement online.

8 (b) Its education management organization, if applicable, must
9 comply with all of the requirements under the freedom of
10 information act, 1976 PA 442, MCL 15.231 to 15.246, as if it is a
11 district that is not a public school academy.

12 (c) It must hold monthly meetings for its board of directors
13 that meet all requirements that apply to school board meetings for
14 a district that is not a public school academy under the open
15 meetings act, 1976 PA 267, MCL 15.261 to 15.275.

16 (2) As used in this section, "education management
17 organization" means, as applicable, that term as defined in section
18 503c, 523c, or 553c of the revised school code, MCL 380.503c,
19 380.523c, and 380.553c.

20 Enacting section 1. In accordance with section 30 of article
21 IX of the state constitution of 1963, total state spending on
22 school aid under article I of the state school aid act of 1979,
23 1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2022 PA 144,
24 2022 PA 212, 2023 PA 3, and by this amendatory act, from state
25 sources for fiscal year 2022-2023 is estimated at
26 \$18,074,715,900.00 and state appropriations for school aid to be
27 paid to local units of government for fiscal year 2022-2023 are
28 estimated at \$16,479,068,400.00. In accordance with section 30 of
29 article IX of the state constitution of 1963, total state spending



1 on school aid under article I of the state school aid act of 1979,
 2 1979 PA 94, MCL 388.1601 to 388.1772, as amended by this amendatory
 3 act, from state sources for fiscal year 2023-2024 is estimated at
 4 \$19,181,884,300.00 and state appropriations for school aid to be
 5 paid to local units of government for fiscal year 2023-2024 are
 6 estimated at \$17,544,563,800.00.

7 Enacting section 2. Sections 11w, 11y, 20f, 23f, 27b, 27f,
 8 30c, 31c, 31m, 31o, 31p, 31q, 31bb, 31cc, 31dd, 31ee, 32u, 35f,
 9 35g, 35h, 55, 61i, 67a, 67c, 67d, 67e, 95b, 97b, 97c, 97d, 97e,
 10 97f, 98a, 98b, 98c, 99i, 99j, 99u, 99aa, 99dd, 99ee, 104f, 104h,
 11 152b, 164g, 164h, 166, 166a of the state school aid act of 1979,
 12 1979 PA 94, MCL 388.1611w, 388.1611y, 388.1620f, 388.1623f,
 13 388.1627b, 388.1627f, 388.1630c, 388.1631c, 388.1631m, 388.1631o,
 14 388.1631p, 388.1631q, 388.1631bb, 388.1631cc, 388.1631dd,
 15 388.1631ee, 388.1632u, 388.1635f, 388.1635g, 388.1635h, 388.1655,
 16 388.1661i, 388.1667a, 388.1667c, 388.1667d, 388.1667e, 388.1695b,
 17 388.1697b, 388.1697c, 388.1697d, 388.1697e, 388.1697f, 388.1698a,
 18 388.1698b, 388.1698c, 388.1699i, 388.1699j, 388.1699u, 388.1699aa,
 19 388.1699dd, 388.1699ee, 388.1704f, 388.1704h, 388.1752b, 388.1764g,
 20 388.1764h, 388.1766, and 388.1766a, are repealed effective October
 21 1, 2023.

22 Enacting section 3. (1) Sections 11m, 11w, 11x, 22a, 22b, 26c,
 23 27b, 27d, 31d, 31o, 31p, 32d, 39a, 51a, 51c, 51e, 56, 62, 104i,
 24 121, 147b of the state school aid act of 1979, 1979 PA 94, MCL
 25 388.1611m, 388.1611w, 388.1611x, 388.1622a, 388.1622b, 388.1626c,
 26 388.1627b, 388.1627d, 388.1631d, 388.1631o, 388.1631p, 388.1632d,
 27 388.1639a, 388.1651a, 388.1651c, 388.1651e, 388.1656, 388.1662,
 28 388.1704i, 388.1721, and 388.1747b as amended and sections 11v,
 29 12a, 23g, 27g, 30d, 30e, 31k of the state school aid act of 1979,



1 1979 PA 94, as added by this amendatory act, if granted immediate
2 effect pursuant to section 27 of article IV of the state
3 constitution of 1963, take effect on enactment of this amendatory
4 act.

5 (2) Except as otherwise provided for those sections listed in
6 subsection (1), the remaining sections of this amendatory act take
7 effect October 1, 2023.

