



SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS
Fiscal Year 2011-12
HB 4325 (H-1) CR-1

Analysts:
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SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 4325 (H-1) As Amended	SENATE SB 183 (S-1) As Amended	CONFERENCE
<p>Sec. 6 Pupil Membership Definitions</p>	<p>(4) Calculates a district's pupil membership blend equal to 75% of pupils counted on September count day plus 25% of pupils counted on previous February count day.</p> <p>(4)(l)(ii)(A) Public school academy or alternative education focused on educating homeless pupils in a city with a population greater than \$750,000.</p> <p>(4)(m) Prohibits an individual who has graduated from high school or obtained a G.E.D. from being counted in membership.</p> <p>(4)(r) Allows districts to count a full FTE for kindergarten pupils as long as the instructional hours for kindergarten are at least half of the instructional hours for grades 1-12.</p>	<p>(4) No change</p> <p>(4)(l)(ii)(A) No change.</p> <p>(4)(m) Clarifies that an individual who has obtained a G.E.D. shall not be counted in membership "unless the individual is a student with a disability as defined in R 340.1702 of the Michigan Administrative Code."</p> <p>(4)(r) No Change.</p>	<p>(4) No change</p> <p>(4)(l)(ii)(A) No change.</p> <p>(4)(M) Concurs with Executive.</p> <p>(4)(r) Maintains current law for FY 2011-12 but requires that beginning in FY 2012-13, a kindergarten pupil must receive an equal number of instructional hours as pupils in grades 1-12 to be counted as a full FTE.</p>	<p>(4) Changes the pupil membership blend to 90% of pupils on the September count day plus 10% of pupils counted on previous February count day. Assumes a savings of \$15 million due to lower membership.</p> <p>(4)(l)(ii)(A) Changes population to greater than \$500,000.</p> <p>(4)(m) Concurs with Executive.</p> <p>(4)(r) Requires that districts provide a full instructional day in order to count a kindergarten pupil as a full FTE in order to receive a full foundation allowance. Assumes savings of \$175 million in Sec. 22b for FY 2011-12.</p>	<p>(4) Concurs with Senate.</p> <p>(4)(l)(ii)(A) Concurs with Senate.</p> <p>(4)(m) Concurs with Executive.</p> <p>(4)(r) Concurs with House.</p>

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 4325 (H-1) As Amended	SENATE SB 183 (S-1) As Amended	CONFERENCE
Sec. 6 Pupil Membership Definitions (continued)	<p>(4)(y) Provides for a district with fewer than 1,550 pupils and fewer than 4.5 pupils per square mile, that the pupil membership shall be calculated on a 3-year average blend rather than a 1-year membership blend.</p> <p>(4)(cc) Calculates the pupil membership for a student for their first year in a middle college program.</p> <p>(6)(L) Describes counting a non-resident pupil in a middle college.</p> <p>(7) Defines pupil membership count day as the fourth Wednesday after Labor Day.</p> <p>(19) Defines textbook</p>	<p>(4)(y) Deletes this subdivision, and assumes a savings of \$7,000,000 million under section 22a and 22b.</p> <p>(4)(cc) Deletes this subdivision, along with Section 64, which provides for middle colleges.</p> <p>(6)(L) Deletes this subdivision, along with Section 64, which provides for middle colleges.</p> <p>(7) Moves fall count day to the first Wednesday in October to consolidate with federal special education counts.</p> <p>(19) Adds electronic books or resources to the definition.</p>	<p>(4)(y) Maintains current law but limits total allocation to \$100.</p> <p>(4)(cc) Concurs with Executive.</p> <p>(6)(L) Concurs with Executive.</p> <p>(6)(p)(q)(r) Not Included.</p> <p>(7) Maintains current law.</p> <p>(19) Concurs with Executive.</p>	<p>(4)(y) Maintains current law.</p> <p>(4)(cc) Deletes only references to Section 64.</p> <p>(6)(L) Deletes only references to Section 64.</p> <p>(6)(p)(q)(r) Senate further adds definitions for non-resident pupils who do not need to have the district of residence approval to be counted in membership, related to vocational education programs in Hazel Park.</p> <p>(7) Concurs with Executive.</p> <p>(19) Concurs with Executive.</p>	<p>(4)(y) Concurs with Senate.</p> <p>(4)(cc) Concurs with Senate.</p> <p>(6)(L) Concurs with Senate.</p> <p>(6)(p)(q)(r) Concurs with House.</p> <p>(7) Concurs with Executive and Senate.</p> <p>(19) Concurs with Executive.</p>
Sec. 11 Total Appropriations	<p>School Aid Fund (SAF) FY 2010-11 SAF appropriation of \$10,937,260,500.</p>	<p>School Aid Fund (SAF) Revised Executive Recommendation for FY 2010-11 SAF is \$10,757,260,500.</p> <p>FY 2011-12 SAF Total \$10,107,684,900</p> <p>FY 2012-13 SAF Total \$10,144,888,300</p>	<p>School Aid Fund (SAF) HB 4445 concurs with Executive Revision and revises FY 2010-11 SAF to \$10,757,260,500.</p> <p>FY 2011-12 SAF Total \$10,111,241,700</p> <p>FY 2012-13 SAF Total \$10,143,345,100</p>	<p>School Aid Fund (SAF)</p> <p>FY 2011-12 SAF Total \$10,528,263,800</p> <p>Includes intent language for FY 2012-13 in Sec. 12.</p>	<p>School Aid Fund (SAF) Incorporates FY 2010-11 revisions included in HB 4445 as passed the House.</p> <p>FY 2011-12 SAF Total \$10,887,098,700</p> <p>Includes intent language for FY 2012-13 in Sec. 12.</p>

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 4325 (H-1) As Amended	SENATE SB 183 (S-1) As Amended	CONFERENCE
<p>Sec. 11 Total Appropriations (continued)</p>	<p>General Fund (GF/GP) FY 2010-11 appropriation of \$18,642,400.</p> <p>Federal American Recovery and Reinvestment Act (ARRA) Fund FY 2010-11 appropriation of \$184,256,600 from Title XIV, the State Fiscal Stabilization fund.</p> <p>Federal Education Jobs Funds FY 2010-11 appropriation of \$316,270,300</p> <p>Other Federal Funds FY 2010-11 estimated at \$1,677,806,400</p>	<p>General Fund (GF/GP) FY 2011-12 appropriation of \$412,542,400</p> <p>FY 2012-13 appropriation of \$345,242,400</p> <p>Federal American Recovery and Reinvestment Act (ARRA) Fund Includes no appropriation for FY 2011-12 because the fund source is no longer available.</p> <p>Federal Education Jobs Funds Includes no appropriation for FY 2011-12 because the fund source is no longer available.</p> <p>Other Federal Funds FY 2011-12 and FY 2012-13 estimated at \$1,653,331,800</p> <p>Revises proration language to apply it to community colleges and universities which are included in a single budget.</p>	<p>General Fund (GF/GP) FY 2011-12 appropriation of \$461,172,700</p> <p>FY 2012-13 appropriation of \$393,872,700</p> <p>Federal American Recovery and Reinvestment Act (ARRA) Fund Concurs with Executive.</p> <p>Federal Education Jobs Funds Concurs with Executive.</p> <p>Other Federal Funds Concurs with Executive.</p> <p>Concurs with Executive and moves language to Sec. 296.</p>	<p>General Fund (GF/GP) FY 2011-12 appropriation is \$218,642,400.</p> <p>Includes intent language for FY 2012-13 in Sec. 12.</p> <p>Federal American Recovery and Reinvestment Act (ARRA) Fund Concurs with Executive.</p> <p>Federal Education Jobs Funds Concurs with Executive.</p> <p>Other Federal Funds Concurs with Executive.</p> <p>Maintains 3 separate bills but concurs in applying proration to community colleges and universities.</p>	<p>General Fund (GF/GP) FY 2011-12 appropriation is \$118,642,400.</p> <p>Includes intent language for FY 2012-13 in Sec. 12.</p> <p>Federal American Recovery and Reinvestment Act (ARRA) Fund Concurs with Executive.</p> <p>Federal Education Jobs Funds Concurs with Executive.</p> <p>Other Federal Funds Concurs with Executive.</p> <p>Maintains 3 separate bills but concurs in applying proration to community colleges and universities.</p>
<p>Sec. 11d Per pupil Reduction</p>	<p>Reduces total state aid to districts by \$170 per pupil and allows districts to absorb the cut by reducing or eliminating any other funded program except Secs. 11g, 22a, 31d, 32d, 51a(12), 51c, 53a, and 152a. Estimated total reduction is \$268,590,300.</p> <p>Requires districts to report on efforts to consolidate services by February 1, 2011.</p>	<p>Repeals this section and rolls the current \$170 per pupil reduction into the foundation allowance in Section 20.</p>	<p>Concurs with Executive.</p>	<p>Concurs with Executive.</p>	<p>Concurs with Executive.</p>

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Sec. 11g Durant Bonding Payment	Appropriates \$39,000,000 in FY 2010-11 to districts for "Durant" bond payments.	Appropriates \$39,000,000 for FY 2011-12 and FY 2012-13.	Concurs with Executive.	Concurs with Executive.	Concurs with Executive for FY 2011-12.
Sec. 11j School Bond Loan Fund	Appropriates \$5,167,800 for debt service in FY 2010-11 for the school bond loan program.	Increases the appropriation to \$93,575,300 for FY 2011-12 and \$89,578,700 for FY 2012-13 to recognize the cost of required payments which were reduced due to refinancing in FY 2010-11.	Concurs with Executive.	Concurs with Executive.	Concurs with Executive for FY 2011-12.
Sec. 11m Cash-Flow Borrowing	Appropriates \$45,000,000 in FY 2010-11 to pay for costs associated with cash-flow borrowing related to the SAF.	Revised Executive Recommendation for FY 2010-11 is \$15,000,000 to recognize lower interest rates. Appropriates \$20,000,000 for FY 2011-12 and \$30,000,000 for FY 2012-13 to recognize anticipated interest rates.	HB 4445 concurs with Executive Revision and revises FY 2010-11 to \$15,000,000. Concurs with Executive.	Concurs with Executive	Incorporates FY 2010-11 revisions included in HB 4445 as passed the House. Concurs with Executive for FY 2011-12.
Sec. 12 FY 2012-13 Appropriations	N/A	N/A	N/A	NEW SECTION: Senate adds intent language that FY 2012-13 appropriations will be at the same level as in FY 2011-12 adjusted for changes in taxable values, special education costs, and pupil counts.	Concurs with Senate.
Sec. 18 Spending and Audit Requirements	Specifies allowable uses of funds and requires yearly financial and pupil audits. Also requires budget transparency information on district and intermediate district websites.	(2)(c)(iv) N/A (4) Revises so districts file the annual financial audit reports directly to the intermediate district and the Department of Education by November 15 rather than having it go to the intermediate districts first and being forwarded to the department.	(2)(c)(iv) N/A (4) Concurs with Executive.	(2)(iv) Adds new reporting requirement that health care bids required under the Public Employees Health Benefit Act be reported on district and ISD web sites. (4) Concurs with Executive.	(2)(iv) Concurs with Senate. (4) Concurs with Executive.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 4325 (H-1) As Amended	SENATE SB 183 (S-1) As Amended	CONFERENCE
Sec. 18 Spending and Audit Requirements (continued)		<p>Also revises so that the intermediate district enters the pupil audit reports for its constituent districts directly into the Michigan student data system rather than sending them to the department.</p> <p>Moves the date by which the department notifies the legislature of districts or intermediate districts that failed to turn in financial or pupil audits from December 15 to January 15.</p> <p>(5) Deletes the requirement that the department make the detailed financial data reported by districts online, including per pupil amounts spent on instruction and instructional support services, and that districts and intermediate districts provide a link to the department website on their websites.</p>	<p>Concurs with Executive.</p> <p>Concurs with Executive.</p> <p>(5) Concurs with Executive.</p>	<p>Concurs with Executive.</p> <p>Concurs with Executive.</p> <p>(5) Concurs with Executive.</p>	<p>Concurs with Executive.</p> <p>Concurs with Executive.</p> <p>(5) Concurs with Executive.</p>
Sec. 20 Foundation Allowance Calculation	<p>Basic foundation allowance for FY 2010-11 is \$8,489 and the minimum foundation is \$7,316.</p> <p>(8) Provides that for a hold harmless district whose hold harmless millage is fewer than 0.5 mills, it may elect not to levy those mills and the state will make up the revenue.</p>	<p>Reduces the Basic foundation allowance to \$8,019 and the minimum foundation to \$6,846, decreasing each as well as the foundation allowances of all districts by \$470 for both FYs 2011-12 and FY 2012-13.</p> <p>(8) Deletes this subsection.</p>	<p>Reduces foundation allowances by 3.5% of a district's foundation allowance in FY 2010-11 or the basic foundation, whichever is less, and then further reduces by \$170 to roll in Sec. 11d per pupil cuts. Basic equals \$8,022 and the minimum equals \$6,890.</p> <p>(8) Concurs with Executive.</p>	<p>Reduces the Basic foundation allowance to \$8,149 and the minimum foundation to \$6,976, decreasing each as well as the foundation allowances of all districts by \$340 for FY 2011-12.</p> <p>(8) Concurs with Executive.</p>	<p>Concurs with Executive for FY 2011-12.</p> <p>(8) Concurs with Executive.</p>

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 4325 (H-1) As Amended	SENATE SB 183 (S-1) As Amended	CONFERENCE
<p>Sec. 20 Foundation Allowance Calculation (continued)</p>	<p>(9) Provides that for a hold harmless district with fewer than 350 pupils, the district can elect not to levy its hold harmless mills and the state will make up the revenue it would have collected.</p> <p>(13) Calculates the index which shall be used to determine the annual growth in the lowest foundation allowance. In FY 2009-10 and FY 2010-11 the index was set at 1.00.</p> <p>(15) Intent language requiring a GF/GP amount sufficient to support pupil membership growth in excess of 101% of the previous year membership.</p> <p>(16) For a hold harmless district with fewer than 7 pupils in 1993-94, guarantees a base amount of combined state and local revenue including the additional costs of sending its pupils in grades 9 to 12 to other districts. (Bois Blanc)</p> <p>(17) Foundation allowance adjustment for a district that had a 7.75 school operating millage turned down in 1993, to recalculate their foundation allowance as if the millage had been approved. (Wayne-Westland)</p>	<p>(9) Deletes this subsection.</p> <p>(11) Sets the index at 0.93575 for FY 2011-12 and at 1.00 for FY 2012-13.</p> <p>(15) Deletes this subsection.</p> <p>(16) Deletes this subsection.</p> <p>(17) Deletes this subsection and assumes savings of \$6,000,000.</p>	<p>(9) Concurs with Executive.</p> <p>(11) Revises to 0.94177 for FY 2011-12 to recognize the 3.5% and \$170 per pupil reductions. Maintains index equal to 1.00 for FY 2012-13.</p> <p>(15) Concurs with Executive.</p> <p>(16) Concurs with Executive.</p> <p>(17) Concurs with Executive.</p>	<p>(9) Concurs with Executive.</p> <p>(11) Revises to 0.95353 for FY 2011-12 to recognize the \$340 per pupil reductions.</p> <p>(15) Maintains current law.</p> <p>(16) Maintains current law but limits total allocation to \$100.</p> <p>(17) Maintains current law but limits total allocation to \$100.</p>	<p>(9) Concurs with Executive.</p> <p>(11) Concurs with Executive for FY 2011-12.</p> <p>(15) Concurs with Executive and House.</p> <p>(16) Concurs with Executive and House.</p> <p>(17) (13) Funds at 50% of FY 2010-11 adjustment for FY 2011-12 and provides intent that FY 2011-12 is the last year of funding.</p>

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 4325 (H-1) As Amended	SENATE SB 183 (S-1) As Amended	CONFERENCE
<p>Sec. 20 Foundation Allowance Calculation (continued)</p>	<p>(18) Foundation allowance adjustment for a district in which an industrial facilities exemption certificate abated property taxes to add \$250 to the foundation allowance as otherwise calculated. (Gibraltar)</p> <p>(19) Foundation allowance adjustments for districts that received a small class size grant in 2001-2002.</p> <p>(20) Defines allowable uses for an early intervening program receiving funds resulting from an adjustment under (19).</p> <p>(21) Foundation allowance adjustment for a district that levied 1.9 mills in 1993 to finance an operating deficit to recalculate its foundation allowance as if those mills were included in operating mills to calculate its 1994-95 foundation allowance. (Garden City)</p> <p>(22) Foundation allowance adjustment for a district that levied 2.23 mills in 1993 to finance an operating deficit to recalculate its foundation allowance as if those mills were included in operating mills to calculate its 1994-95 foundation allowance. (Huron)</p>	<p>(18) Deletes this subsection and assumes savings of \$940,000.</p> <p>(19) Deletes this subsection and assumes savings of \$19,700,000.</p> <p>(20) Deletes this subsection.</p> <p>(21) Deletes this subsection and assumes savings of \$700,000.</p> <p>(22) Deletes this subsection and assumes savings of \$500,000.</p>	<p>(18) Concurs with Executive.</p> <p>(19) Concurs with Executive.</p> <p>(20) Concurs with Executive.</p> <p>(21) Concurs with Executive.</p> <p>(22) Concurs with Executive.</p>	<p>(18) Maintains current law but limits total allocation to \$100.</p> <p>(19) Maintains current law but limits total allocation to \$100.</p> <p>(20) Concurs with Executive.</p> <p>(21) Maintains current law but limits total allocation to \$100.</p> <p>(22) Maintains current law but limits total allocation to \$100.</p>	<p>(18) (14) Funds at 50% of FY 2010-11 adjustment for FY 2011-12 and provides intent that FY 2011-12 is the last year of funding.</p> <p>(19) (15) Funds at 68.5% of FY 2010-11 adjustment for FY 2011-12 and provides intent that FY 2011-12 is the last year of funding. Total funding equals \$13,500,000.</p> <p>(20) Concurs with Executive.</p> <p>(21) (16) Funds at 50% of FY 2010-11 adjustment for FY 2011-12 and provides intent that FY 2011-12 is the last year of funding.</p> <p>(22) (17) Funds at 50% of FY 2010-11 adjustment for FY 2011-12 and provides intent that FY 2011-12 is the last year of funding.</p>

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 4325 (H-1) As Amended	SENATE SB 183 (S-1) As Amended	CONFERENCE
Sec. 22a Proposal A Obligation Payment (The Constitutionally required part of the foundation)	FY 2010-11 appropriation of \$5,764,000,000.	Revised Executive Recommendation for FY 2010-11 is \$5,737,000,000 to update for current estimates. FY 2011-12 appropriation is reduced to \$5,682,500,000 to reflect future cost estimates based on pupil estimates and taxable value estimates. FY 2012-13 appropriation is \$5,590,500,000.	HB 4445 concurs with Executive Revision and revises FY 2010-11 to \$5,737,000,000. FY 2011-12 appropriation is reduced to \$5,682,000,000. FY 2012-13 appropriation is \$5,602,000,000.	FY 2011-12 appropriation is reduced to \$5,673,500,000.	Incorporates FY 2010-11 revisions included in HB 4445 as passed the House. FY 2011-12 appropriation reduced to \$5,691,000,000.
Sec. 22b Discretionary Payment (The discretionary portion of the foundation allowance.)	FY 2010-11 appropriation of \$3,757,756,600.	Revised Executive Recommendation for FY 2010-11 is \$3,558,424,700 to update for current estimates. FY 2011-12 appropriation reduced to \$3,009,713,000 to reflect cost estimates based on \$470 per pupil reductions. FY 2012-13 appropriation of \$3,019,713,000. (12) NEW - Would allocate \$300,000,000 out of the existing appropriation to districts whose employees pay at least the same percentage for health care benefits as state employees.	HB 4445 concurs with Executive Revision and revises FY 2010-11 to \$3,558,424,700. FY 2011-12 appropriation reduced to \$3,061,000,000 for estimates based on 3.5% and \$170 per pupil reductions. FY 2012-13 appropriation of \$3,057,000,000. (12) Revises and includes language under new Section 22f.	FY 2011-12 appropriation reduced to \$3,036,213,200 for estimates based on \$340 per pupil reductions. (12) Revises and includes under Section 22f.	Incorporates FY 2010-11 revisions included in HB 4445 as passed the House. FY 2011-12 appropriation reduced to \$3,032,300,000. (12) Revises and includes under Section 22f.
Sec. 22d Supplemental funding to Small, Isolated Districts	Appropriates \$2,025,000 for FY 2010-11, with \$750,000 to certain small, geographically isolated districts and \$1,275,000 to districts that have 5.0 or fewer pupils per square mile and a total square mileage greater than 200.	Repeals this section.	Concurs with Executive.	Appropriates \$4,050,000 in FY 2011-12, with \$1,500,000 to small, geographically isolated districts and \$2,550,000 to districts that have 5.0 or fewer pupils per square mile and a total square mileage greater than 200.	Maintains current funding of \$2,025,000.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 4325 (H-1) As Amended	SENATE SB 183 (S-1) As Amended	CONFERENCE
Sec. 22e Replacing Lost Revenue due to Michigan Business Tax (MBT) revisions for Out-of-Formula Districts	(1) Appropriates \$1,300,000 in FY 2010-11 to replace local revenue in out-of-formula districts lost due to MBT changes.	Repeals this section.	Concurs with Executive.	Appropriates \$700,000 in FY 2011-12 to replace local revenue lost due to MBT changes in out-of-formula districts with fewer than 500 pupils.	Concurs with Senate but provides intent that FY 2011-12 is the last year of funding.
Sec. 22f Best Practices Incentives			<p>NEW SECTION: (1) Creates an incentive grant beginning in FY 2012-13 to be paid on a per pupil basis to districts and intermediate districts that implement best practices including, at a minimum, two identified practices:</p> <p>(a) The first is that a district or intermediate district shall pay no more 80% of a state determined amount for employee health care. Amount grows by Detroit CPI each year.</p> <p>(b) and (c) The second is developing a services consolidation plan in agreement with the department if the district has not already, and if it has then it must continue to implement that plan and annually report on progress.</p>	<p>NEW SECTION: Appropriates \$200,000,000 in FY 2011-12 for grants to districts and ISDs for best practices, retirement reform, tenure appeals, testing reforms, remedial education at community colleges or universities, or other items to be determined by the Legislature before the budget process concludes. Best practices can include service-sharing, consolidation of administration, performance-based compensation, health care cost containment and premium sharing, and fiscal transparency.</p>	<p>NEW SECTION: Appropriates \$154,000,000 from the FY 2010-11 SAF balance carried forward for one time for FY 2011-12 in an amount equal to \$100 per pupil for districts that do 4 out of 5 best financial practices by June 1, 2012:</p> <p>(a) District pays no more than 90% of health benefits for employees.</p> <p>(b) District is policy holder for employee health insurance policies. A district that does not directly employ its staff is considered in compliance on this issue.</p> <p>(c) District develops or continues service consolidation plan under former section 11d.</p> <p>(d) District obtains a competitive bid for at least 1 noninstructional service valued at more than \$50,000.</p> <p>(e) District provides to parents a report card or dashboard including financial and performance data specified in the bill.</p> <p>If a district is found to have intentionally submitted false information to qualify, it would forfeit an amount equal to their allocation from their state aid payment in FY 2012-13.</p>

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 4325 (H-1) As Amended	SENATE SB 183 (S-1) As Amended	CONFERENCE
Sec. 24 Court-Placed Pupils	Appropriates \$8,000,000 in FY 2010-11 to reimburse districts for added costs of educating court-placed pupils in a local juvenile detention facility institution.	Continues the appropriation of \$8,000,000 for FY 2011-12 and FY 2012-13.	Concurs with Executive.	Reduces the appropriation by \$500,000 to \$7,500,000 in FY 2011-12.	Concurs with Executive and House for FY 2011-12.
Sec. 24a Educating Pupils in DHS Juvenile Justice Service Facilities	Appropriates \$1,440,000 in FY 2010-11 for payments to intermediate districts for pupils who are placed in juvenile justice facilities.	Reduces appropriation to \$1,197,500 for FY 2011-12 and FY 2012-13 to recognize further DHS facility closures and fewer pupils.	Concurs with Executive.	Concurs with Executive.	Concurs with Executive for FY 2011-12.
Sec. 24c Youth Challenge Program	Appropriates \$742,300 in FY 2010-11 for the Youth Challenge Program. Payment goes through Battle Creek Public Schools to the Department of Military and Veterans' Affairs for the program.	Reduces the appropriation to \$644,800 for FY 2011-12 and FY 2012-13 to recognize the actual appropriation in the FY 2010-11 Department of Military and Veterans' Affairs budget.	Concurs with Executive.	Retains current year appropriation level of \$742,300 in FY 2011-12.	Concurs with Senate for FY 2011-12.
Sec. 26a Renaissance Zone Reimbursement	Appropriates \$26,300,000 from the SAF for FY 2010-11 to reimburse districts for lost local revenue due to renaissance zones.	Maintains the appropriation of \$26,300,000 for FY 2011-12 and FY 2012-13.	Concurs with Executive.	Reduces the appropriation by 50% to \$13,150,000 in FY 2011-12.	Concurs with Executive and House for FY 2011-12.
Sec. 26b PILT Reimbursement	Appropriates \$3,400,000 for FY 2010-11 to reimburse districts, intermediate districts, and community colleges for payment in lieu of taxes (PILT) obligations per PA 513 of 2004.	Reduces the appropriation to \$2,890,000 for FY 2011-12 and FY 2012-13 to recognize reduced property values.	Concurs with Executive.	Repeals this section.	Concurs with Executive and House for FY 2011-12.
Sec. 29 Declining Enrollment Grants	Appropriates \$20,000,000 for FY 2010-11 for declining enrollment grants to local districts (excluding charter schools) with two consecutive years of declining enrollment.	Repeals this section.	Concurs with Executive.	Concurs with Executive.	Concurs with Executive.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 4325 (H-1) As Amended	SENATE SB 183 (S-1) As Amended	CONFERENCE
<p>Sec. 31a At-Risk Funding/ Adolescent Health Centers/ Hearing and Vision Screenings</p>	<p>Appropriates \$317,695,500 in FY 2010-11.</p> <p>At-Risk funding equals \$308,988,200.</p> <p>(6) Allocates \$3,557,300 for Child and Adolescent Health Centers.</p> <p>(7) Allocates \$5,150,000 from total for hearing and vision screenings.</p> <p>(16) Makes an exception for Dearborn, because otherwise districts with a combined state/local revenue per pupil over \$8,489 are prohibited from receiving funds. Exception made because at least 25% and at least 4,500 pupils in the district qualify for a free or reduced price meal plan.</p> <p>(17) Also makes an exception to allow Baldwin to qualify because at least 75% of its pupils qualify for a free or reduced meal plan.</p>	<p>Continues the \$317,695,500 appropriation into FY 2011-12 and FY 2012-13.</p> <p>At-Risk funding is maintained at \$308,988,200.</p> <p>(6) Continues the \$3,557,300 appropriation for health centers.</p> <p>(7) Continues the \$5,150,000 appropriation for hearing and vision screenings.</p> <p>(16) Repeals this subsection.</p> <p>(17) Repeals this subsection.</p>	<p>Concurs with Executive.</p> <p>Concurs with Executive.</p> <p>(6) Concurs with Executive.</p> <p>(7) Concurs with Executive.</p> <p>(16) Maintains current law.</p> <p>(17) Maintains current law.</p> <p>NEW SUBSECTION (20) Would add to the list of allowable uses for at-risk funding to allow a district to provide an anti-bullying or crisis intervention program.</p>	<p>Reduces total appropriation by \$5,000,000 to \$312,695,500 in FY 2011-12.</p> <p>At-Risk funding reduced by \$5,000,000 to \$303,988,200.</p> <p>(6) Concurs with Executive.</p> <p>(7) Concurs with Executive.</p> <p>(16) Concurs with Executive.</p> <p>(17) Concurs with Executive.</p>	<p>Concurs with the Executive and House for FY 2011-12.</p> <p>Concurs with Executive and House.</p> <p>(6) Concurs with Executive.</p> <p>(7) Concurs with Executive.</p> <p>(16) Concurs with Executive and Senate.</p> <p>(17) Concurs with Executive and Senate.</p> <p>(20) (17) Concurs with House.</p>
<p>Sec. 31d School Lunch Program</p>	<p>Appropriates \$22,495,100 SAF for FY 2010-11 for the State share of school lunch programs as required by <i>Durant</i> settlement. Includes \$402,506,000 Federal.</p>	<p>Maintains the SAF appropriation of \$22,495,100 for FY 2011-12 and FY 2012-13, and maintains the Federal grant at \$402,506,000 for both years.</p>	<p>Concurs with Executive.</p>	<p>Concurs with Executive.</p>	<p>Concurs with Executive for FY 2011-12.</p>

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 4325 (H-1) As Amended	SENATE SB 183 (S-1) As Amended	CONFERENCE
Sec. 31f School Breakfast	Appropriates \$9,625,000 for FY 2010-11 to reimburse districts for the cost of providing breakfasts.	Maintains the appropriation of \$9,625,000 for FY 2011-12 and FY 2012-13.	Concurs with Executive.	Concurs with Executive.	Concurs with Executive for FY 2011-12.
Sec. 32b Great Start Collaborative Grants	Appropriates \$6,000,000 for FY 2010-11 for grants to intermediate districts for great start collaboratives or other community purposes identified by the Early Childhood Investment Corporation (ECIC). Grants awarded to eligible intermediate districts in amounts determined by the ECIC.	<p>Maintains the appropriation of \$6,000,000 for FY 2011-12 and FY 2012-13.</p> <p>(4) Eliminates required MDE report due by December 1 of each year to legislature which includes a detailed report of the grants awarded under this section and an analysis of each grant recipient's success in addressing the development of a comprehensive system of early childhood services.</p>	<p>Concurs with appropriation for FY 2011-12.</p> <p>(4) Maintains current reporting requirement.</p> <p>NEW SUBSECTION (6) Establishes intent to move funding in FY 2012-13 to early childhood block grant program administered by intermediate districts in conjunction with local great start collaboratives. Requires department to work with intermediate districts, districts, great start collaboratives, and ECIC to revise application processes, funding formulas, program criteria, and data reporting requirements and report recommendations to legislature by January 1, 2012.</p>	<p>Reduces the appropriation by \$100,000 to \$5,900,000 and adds language prohibiting ECIC from using any of the funding for direct administration.</p> <p>(4) Concurs with Executive.</p> <p>Not Included</p>	<p>Concurs with Senate.</p> <p>(4) Concurs with House.</p> <p>(6) Concurs with House.</p>

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 4325 (H-1) As Amended	SENATE SB 183 (S-1) As Amended	CONFERENCE
<p>Sec. 32d Great Start Readiness Program (GSRP)</p>	<p>Appropriates \$89,400,000 SAF for FY 2010-11 to operate the district Great Start Readiness Program (GSRP) and \$300,000 GF/GP to continue a longitudinal study of the GSRP, and \$8,875,000 GF/GP for competitive GSRP grants to non-district programs.</p> <p>(1)(b) Allows funds to be used for preschool and parenting programs under former section 32b (PIE program); caps funding spent by each district for the former PIE program to the amount spent in the prior fiscal year.</p> <p>(2) Requires in order to be eligible for funds that districts comply with this section and section 39 and that competitive grant recipients comply with this section and section 32l.</p>	<p>Continues the \$89,400,000 SAF appropriation into FY 2011-12 and FY 2012-13, along with \$300,000 GF/GP for the study and \$8,875,000 GF/GP for the programs operated by entities other than school districts.</p> <p>(1)(b) Removes this allowable use of GSRP funds.</p> <p>(2) Maintains current law.</p>	<p>Appropriates a total of \$98,275,000 SAF to intermediate districts or consortia of intermediate districts for preschool programs and \$300,000 GF/GP for the longitudinal study for FY 2011-12.</p> <p>(1)(b) Maintains this allowable use.</p> <p>(2) Revises this subsection to allocate funds to intermediate districts or consortia to act as fiduciaries for the programs. Requires that in FY 2011-12 the intermediate districts and consortia distribute funds to districts and to competitive programs based on the current funding formula for districts in Sec. 39 and the grant award distribution for competitive programs in Sec. 32l as directed by the department. Requires districts and competitive grant recipients to comply with existing program requirements. (Revises all references throughout section to intermediate districts accordingly.)</p>	<p>Increases the appropriation by \$6,000,000 to \$95,400,000 and continues \$300,000 longitudinal study, and the \$8,875,000 GF/GP for competitive grants to entities other than schools.</p> <p>(1)(b) Concurs with Executive.</p> <p>(2) Maintains current law.</p>	<p>Concurs with Senate on increase of \$6,000,000 for an appropriation totaling \$104,275,000 for grants and \$300,000 GF/GP for annual longitudinal study but concurs with House to make ISDs fiduciaries of all grants.</p> <p>(1)(b) Concurs with House.</p> <p>(2) Concurs with House.</p>

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 4325 (H-1) As Amended	SENATE SB 183 (S-1) As Amended	CONFERENCE
Sec. 32d Great Start Readiness Program (GSRP) (continued)	(5) An application shall provide the following: (a) compliance with all components in (4), (b) ensure more than 75% of children are less than or equal to 300% of poverty, (c) ensure teachers and paraprofessionals are qualified pursuant to this subsection, and (d) program budget.	(5)(c)(i) Expands the allowable early childhood endorsements to include the ZS (early childhood with special education) endorsement, in addition to the ZA (general education early childhood) endorsement. (5)(c)(i)(a) Requires teachers to complete compliance plans within 2 years rather 4 years from the date of employment. (5)(c)(i)(B) Removes language allowing teachers in a subcontracted program with 90 credit hours and at least 4 years' teaching experience in a qualified preschool program to meet the requirements to participate in the program. (6) and (10) Revises the definitions of a full-day program and a school-day program, such that a school-day program would be one that operates for the same length of day as the district's first grade, for a minimum of 4 days a week, 30 weeks a year. A full-day program would only be those that provide supplementary child care so that the program totals at least 10 hours per day. Only a full-day program would still be given priority in the allocation of funds (Section 39(8)).	(5)(c)(i) Concurr with Executive. (5)(c)(i)(B) Concurr with Executive. (6) and (10) Maintains current law.	(5)(c)(i) Concurr with Executive. (5)(c)(i)(B) Concurr with Executive. (6) and (10) Concurr with Executive except the definition of "full-day program" is moved to Sec. 39(8).	(5)(c)(i) Concurr with Executive. (5)(c)(i)(B) Concurr with Executive. (6) and (10) Concurr with Senate.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 4325 (H-1) As Amended	SENATE SB 183 (S-1) As Amended	CONFERENCE
Sec. 32d Great Start Readiness Program (GSRP) (continued)			NEW SUBSECTION (12) Establishes intent to move funding in FY 2012-13 to early childhood block grant program administered by intermediate districts in conjunction with local great start collaboratives. Requires department to work with intermediate districts, districts, great start collaboratives, and ECIC to revise application processes, funding formulas, program criteria, and data reporting requirements and report recommendations to legislature by January 1, 2012.		(12) Concurs with House.
Sec. 32j Intermediate District (ISD) Parent Involvement Grants	Appropriates \$5,000,000 in FY 2010-11 in SAF to intermediate districts for competitive grants to provide programs to parents of children age 5 or younger to encourage early mathematics and reading literacy, improve school readiness, reduce the need for special education services, and foster stable families.	Maintains the appropriation of \$5,000,000 for FY 2011-12 and FY 2012-13. (5)(c) Eliminates the required Department report due by December 1 of each year to the state budget director, and the fiscal agencies a report summarizing the data collected by each intermediate district on the number of children in families under 300% of the federal poverty level receiving services under this section and the total number of children receiving services under this section.	Concurs with Executive appropriation for FY 2011-12. (5)(c) Concurs with Executive. NEW SUBSECTION (7) Establishes intent to move funding in FY 2012-13 to early childhood block grant program administered by intermediate districts in conjunction with local great start collaboratives. Requires department to work with intermediate districts, districts, great start collaboratives, and ECIC to revise application processes, funding formulas, program criteria, and data reporting requirements and report recommendations to legislature by Jan. 1, 2012.	Concurs with Executive appropriation for FY 2011-12. (5)(c) Concurs with Executive.	Concurs with Executive for FY 2011-12. (5)(c) Concurs with Executive. (7) Concurs with House.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 4325 (H-1) As Amended	SENATE SB 183 (S-1) As Amended	CONFERENCE
Sec. 39a Federal Funds	(1) Appropriates \$761,973,600 for FY 2010-11 in Federal No Child Left Behind (NCLB) funds. (2) Appropriates \$32,359,700 in other Federal funds for education.	(1) Maintains Federal grants at the same levels, totaling \$761,973,600 for NCLB funds, and (2) \$32,359,700 in other Federal funds for education for FY 2011-12 and FY 2012-13.	Concurs with Executive.	Concurs with Executive.	Concurs with Executive for FY 2011-12.
Sec. 40 Great Start Readiness needs assessment methods	Requires the department to review biennially alternative methods to determine the number of children construed to be in need of school readiness programs and requires a report of its findings and recommendations to the Senate and House appropriations subcommittees.	Eliminates the reporting requirement.	Concurs with Executive.	Concurs with Executive.	Concurs with Executive.
Sec. 41 Bilingual Education	Appropriates \$2,800,000 in SAF for FY 2010-11 for districts to provide bilingual education programs.	Repeals this section.	Concurs with Executive.	Concurs with Executive.	Concurs with Executive.
Sec. 51a (1) Total Special Education Funding	(1) Appropriates \$1,057,883,000 SAF and \$385,700,000 Federal funding for FY 2010-11.	(1) Revised Executive Recommendation for FY 2010-11 is \$947,683,000 to update for current estimates. Appropriates \$975,069,100 SAF for FY 2011-12 and \$1,029,469,100 for FY 2012-13. Reduces federal funding to \$363,400,000 for FY 2011-12 and FY 2012-13.	(1) HB 4445 concurs with Executive Revision and revises FY 2010-11 to \$947,683,000. Appropriates \$976,469,100 SAF for FY 2011-12 and \$1,027,769,100 for FY 2012-13. Concurs with Executive.	(1) FY 2010-11 not included. Appropriates \$991,782,900 SAF for FY 2011-12. Concurs with Executive.	(1) Incorporates FY 2010-11 revisions included in HB 4445 as passed the House. Appropriates \$977,469,100 SAF for FY 2011-12. Concurs with Executive for FY 2011-12.
(2) Special Ed - ISD Foundations and Costs	(2) Allocates \$248,200,000 for FY 2010-11.	(2) Allocates \$236,300,000 for FY 2010-11, \$245,700,000 for FY 2011-12 and \$258,700,000 for FY 2012-13.	(2) Allocates \$236,300,000 for FY 2010-11, \$245,500,000 for FY 2011-12 and \$258,600,000 for FY 2012-13.	(2) Allocates \$245,700,000 for FY 2011-12.	(2) Concurs with House for FY 2010-11 and FY 2011-12.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 4325 (H-1) As Amended	SENATE SB 183 (S-1) As Amended	CONFERENCE
(3) Special Ed - ISD Hold Harmless Payments (6) Special Ed - Administrative Rule Changes (8) Special Ed - ISD Center Program FICA and retirement costs reimbursements. (12) Special Ed - ISD Foundations for Non Sec. 52 (15) Special Ed - for certain PSA pupils	(3) Allocates \$1,400,000 for FY 2010-11. (6) Allocates \$2,200,000 for FY 2010-11. (8) Allocates \$15,313,900 for FY 2010-11. (12) Allocates \$6,600,000 for FY 2010-11. (15) Directs the provision of and payment for special education for PSA pupils who are not residents in the intermediate district in which the PSA is located.	(3) Eliminates ISD hold harmless payments. (6) Maintains allocation at \$2,200,000 for both FY 2011-12 and FY 2012-13. (8) Eliminates ISD FICA and retirement reimbursements. (12) Allocates \$5,000,000 for FY 2010-11, \$6,800,000 for FY 2011-12 and FY 2012-13. (15) Deletes this subsection.	(3) Concurs with Executive. (6) Concurs with Executive. (8) Concurs with Executive. (12) Concurs with Executive. (15) Maintains current law.	(3) Allocates \$1,400,000 for FY 2011-12. (6) Concurs with Executive. (8) Allocates \$15,313,900 for FY 2011-12. (12) Concurs with Executive. (15) Maintains current law.	(3) Allocates \$1,000,000 for FY 2011-12. (6) Concurs with Executive for FY 2011-12. (8) Concurs with Executive and House for FY 2011-12. (12) Concurs with Executive for FY 2010-11 and FY 2011- 12. (15) Concurs with House and Senate.
Sec. 51c Special Ed - <i>Durant</i> Payment	Allocates \$732,100,000 from the appropriation in Sec. 51a(1) for FY 2010-11 to provide funding for costs associated with <i>Durant</i> settlement that guarantees districts 28.6138% of total approved costs of special education services and 70.4164% of total approved costs of special education transportation.	Revised Executive Recommendation for FY 2010-11 is \$635,400,000 to update for current estimates. Decreases the FY 2011-12 appropriation to \$668,300,000 to reflect future cost estimates. Appropriates \$709,700,000 for FY 2012-13 to reflect future cost estimates.	HB 4445 concurs with Executive Revision and revises FY 2010-11 to \$635,400,000. Decreases the FY 2011-12 appropriation to \$669,900,000 to reflect future cost estimates. Appropriates \$708,100,000 for FY 2012-13 to reflect future cost estimates.	Concurs with Executive.	Incorporates FY 2010-11 revisions included in HB 4445 as passed the House. Concurs with House for FY 2011-12.
Sec. 51d Federal Special Education Funds	Appropriates \$74,000,000 in Federal special education grants for FY 2010-11.	Reduces the Federal appropriation to \$74,000,000 for FYs 2011-12 and 2012-13.	Concurs with Executive.	Concurs with Executive.	Concurs with Executive for FY 2011-12.
Sec. 53a Special Ed - Court Placed pupils	Allocates \$13,500,000 from the appropriation in Sec. 51a(1) for FY 2010-11.	Maintains the \$13,500,000 appropriation for FY 2011-12 and FY 2012-13.	Concurs with Executive.	Concurs with Executive.	Concurs with Executive for FY 2011-12.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 4325 (H-1) As Amended	SENATE SB 183 (S-1) As Amended	CONFERENCE
Sec. 54 Special Ed - Schools for the Deaf and Blind	Allocates \$1,688,000 from the appropriation in Sec. 51a(1) for FY 2010-11.	Maintains the \$1,688,000 appropriation for FY 2011-12 and FY 2012-13.	Concurs with Executive.	Concurs with Executive.	Concurs with Executive for FY 2011-12.
Sec. 56 Special Education - Millage Equalization	Allocates \$36,881,100 from Sec. 51a(1) for FY 2010-11 for millage equalization to provide funding to intermediate districts to guarantee a minimal amount per special education mill levied, on a per-pupil basis. Per pupil equalization is \$181,700.	Maintains the \$36,881,100 appropriation for FY 2011-12 and FY 2012-13. FY 2011-12 equalization is \$174,700, and FY 2012-13 equalization is \$173,000.	Concurs with Executive.	Concurs with Executive.	Concurs with Executive for FY 2011-12.
Sec. 61a Vocational Education	Appropriates \$26,611,300 for FY 2010-11 to support vocational education programs.	Maintains the \$26,611,300 appropriation for FY 2011-12 and FY 2012-13.	Concurs with Executive.	Concurs with Executive.	Concurs with Executive for FY 2011-12.
Sec. 62 Vocational Education Millage Equalization	Appropriates \$9,000,000 for FY 2010-11 to provide funding to intermediate districts that levy vocational education mills to guarantee a minimal amount received per mill levied, on a per-pupil basis. FY 2010-11 per-pupil equalization amount is \$194,700.	Maintains the \$9,000,000 appropriation for FY 2011-12 and FY 2012-13. FY 2011-12 per-pupil equalization amount is \$190,400 and FY 2012-13 amount is \$188,300.	Concurs with Executive.	Concurs with Executive.	Concurs with Executive for FY 2011-12.
Sec. 64 Health/Science Middle College Program	Appropriates \$2,000,000 in FY 2010-11 for grants to intermediate districts or Detroit Public Schools that are in consortium with a community college or state university and a business to create and implement a middle college focused on health sciences or other career choices.	Repeals this section.	Concurs with Executive.	Concurs with Executive.	Concurs with Executive.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 4325 (H-1) As Amended	SENATE SB 183 (S-1) As Amended	CONFERENCE
Sec. 65 Precollege Engineering and Science Grants	Appropriates \$905,100 for FY 2010-11 for grants to districts or intermediate districts for precollege programs in engineering and the sciences. Grand Rapids and Detroit receive \$340,050 each and 3 intermediate districts (Huron, Tuscola, and Bay-Arenac) receive grants of \$75,000.	Repeals this section.	Concurs with Executive.	Concurs with Executive.	Concurs with Executive.
Sec. 74 Bus Driver Safety and School Bus Inspections	Appropriates \$2,058,800 for FY 2010-11. (2) \$1,625,000 is to reimburse intermediate districts and universities for providing bus driver safety instruction. (4) \$433,800 to reimburse Michigan State Police for doing random audits of local school district bus inspections. (Supplemental request would increase this by \$500,000.)	Revised Executive Recommendation for FY 2010-11 is \$2,558,800 to pay for bus inspections as required under current statute. FY 2011-12 and FY 2012-13 total appropriation of \$3,154,600. (2) of which \$1,625,000 continues the appropriation for bus driver safety, and (4) Increases funding to \$1,529,600 to reflect current law, which requires the Michigan State Police to conduct all safety inspections, rather than simply doing random audits of school district safety inspections.	HB 4445 concurs with Executive Revision and revises FY 2010-11 to \$2,558,800. Concurs with Executive. Concurs with Executive. Concurs with Executive.	Concurs with Executive. Concurs with Executive. Concurs with Executive.	Incorporates FY 2010-11 revisions included in HB 4445 as passed the House. Concurs with Executive for FY 2011-12. Concurs with Executive. Concurs with Executive.
Sec. 81 Intermediate School Districts (ISD) General Operations Funding	Appropriates \$65,376,800 for FY 2010-11 for basic operational funding of intermediate districts.	Reduces funding by 5% to \$62,108,000 for FY 2011-12 and FY 2012-13.	Concurs with Executive.	Concurs with Executive.	Concurs with Executive for FY 2011-12.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 4325 (H-1) As Amended	SENATE SB 183 (S-1) As Amended	CONFERENCE
Sec. 81 Intermediate School Districts (ISD) General Operations Funding (cont.)		(6) Eliminates language which would protect from future reductions the portion of an intermediate district's allocation under section 81 equal to the amount transferred into section 81 for each intermediate district in 1994-95 from former section 146 and section 147 related to FICA and retirement.	(6) Concurs with Executive.	(6) Concurs with Executive.	(6) Concurs with Executive.
Sec. 92 Agriculture Education Program	Appropriates \$300,000 for a new program at Saginaw Valley State University for the purpose of establishing an agriculture education program.	Repeals this section.	Concurs with Executive.	Concurs with Executive.	Concurs with Executive.
Sec. 93 State Aid to Libraries for Michigan Electronic Library Catalog (MeLCat)	Appropriates \$1,500,000 to the Library of Michigan for state aid to libraries to help support the (MeLCat) in public schools and libraries.	Repeals this section.	Concurs with Executive.	Increases funding to \$3,607,300 for FY 2011-12 to restore cuts to State Aid to Libraries in the Department of Education budget.	Decreases funding to \$1,304,300 for FY 2011-12.
Sec. 94a Center for Educational Performance and Information (CEPI)	Appropriates \$5,421,100 GF/GP in FY 2010-11 to support the operations of the CEPI and for the comprehensive data management and student tracking system. Appropriates \$8,440,000 SAF in FY 2010-11 to support districts in linking teachers to student achievement data. Appropriates \$10,067,800 in FY 2010-11 from Federal funds for Federal reporting requirements and to postsecondary institutions to comply with Michigan's statewide longitudinal data system.	Appropriates \$5,501,700, an increase of \$80,600 for economic increases at CEPI, for both FY 2011-12 and FY 2012-13. Shifts the \$8,440,000 in SAF, to section 152a, which reimburses districts for data collection and reporting costs. Appropriates \$2,893,200 in Federal funds for both FY 2011-12 and FY 2012-13. Eliminates \$7,174,600 in potential Federal Race to the Top funds, which were not received by the State.	Concurs with Executive. Concurs with Executive. Concurs with Executive.	Concurs with Executive. Concurs with Executive. Concurs with Executive.	Concurs with Executive for FY 2011-12. Concurs with Executive for FY 2011-12. Concurs with Executive for FY 2011-12.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 4325 (H-1) As Amended	SENATE SB 183 (S-1) As Amended	CONFERENCE
Sec. 98 Michigan Virtual University (MVU)	Appropriates \$1,687,500 GF/GP to MVU in FY 2010-11 for operations of the Virtual High School and appropriates \$2,700,000 in Federal funds.	Maintains the appropriation of \$1,687,500 GF/GP and \$2,700,000 Federal for FY 2011-12 and FY 2012-13. (8) Eliminates required MVU report to appropriations subcommittees, fiscal agencies, and state budget director, including a list of Michigan schools served by MVU, a list of available online courses offered to Michigan schools, the total number of online course enrollments and completions, overall course completion rate, a summary of federal grant expenditures and unmet educational needs.	Concurs with Executive. (8) Retains the report.	Reduces appropriation by \$250,000 to \$1,437,500 for FY 2011-12. (8) Concurs with Executive.	Concurs with Executive and House for FY 2011-12. (8) Concurs with House.
Sec. 99 Math and Science Centers	Appropriates for FY 2010-11 \$2,515,000 SAF and \$110,000 GF/GP and \$5,249,300 in Federal funds for the funding of 33 math and science centers.	Maintains the appropriations for FY 2011-12 and FY 2012-13. (11) Adds a reporting requirement that by July 1, each center receiving funds shall report to the Department performance measures including the statistical change in pre- and post-assessment scores for students enrolled in math and science activities at the center and the statistical change in pre- and post-assessment scores for teachers enrolled in professional development provided by the center.	Concurs with Executive. (11) Concurs with Executive.	Reduces appropriation by \$100,000 to \$2,525,000 for FY 2011-12. (11) Concurs with Executive.	Concurs with Executive and House for FY 2011-12. (11) Concurs with Executive.
Sec. 99i Pontiac Crisis Intervention Grant	Appropriates \$300,000 in FY 2010-11 to expand the crisis intervention program at Pontiac.	Repeals this section.	Concurs with Executive.	Concurs with Executive.	Concurs with Executive.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 4325 (H-1) As Amended	SENATE SB 183 (S-1) As Amended	CONFERENCE
Sec. 104 Assessment Funding	<p>Appropriates \$40,194,400 for FY 2010-11 from the SAF for reimbursement of costs associated with state student assessment requirements. Also appropriates \$3,250,000 in Federal assessment funding for the purposes of complying with Federal NCLB Act.</p> <p>Requires that in order to receive state aid a district must administer assessments in compliance with the following sections of the School Code: 1278a, 1278b, 1279, 1279g, and 1280b.</p>	<p>Appropriates \$35,194,400 SAF and \$8,250,000 Federal funds for FY 2011-12. Shifts \$5,000,000 Federal funds from the Department of Education, used for the one-time rewrite of the secure assessment site, back to the assessment program in School Aid, allowing for an equal reduction in SAF.</p> <p>Reduces SAF to \$26,694,400 in FY 2012-13 to recognize the elimination of two-year funding related to the implementation of assessment changes required by 2009 education reforms.</p> <p>Maintains Federal funding of \$8,250,000 for FY 2012-13.</p>	<p>Concurs with Executive.</p> <p>Concurs with Executive.</p> <p>Concurs with Executive.</p>	<p>Concurs with Executive but prohibits any State testing in Grade 9.</p> <p>Concurs with Executive.</p> <p>Concurs with Executive.</p>	<p>Concurs with Executive and House for FY 2011-12.</p> <p>Concurs with Executive.</p> <p>Concurs with Executive.</p>
Sec. 107 Adult Education	<p>Appropriates \$22,000,000 in SAF for Adult Education programs for FY 2010-11.</p>	<p>Appropriates \$22,000,000 for FY 2011-12 and FY 2012-13.</p> <p>(6) Eliminates a \$200,000 grant for expanding an innovative community college program that focuses on educating adults, which currently goes to Grand Rapids Community College.</p>	<p>Concurs with Executive.</p> <p>(6) Retains \$200,000 grant for community college program.</p>	<p>Concurs with Executive.</p> <p>(6) Concurs with Executive.</p>	<p>Concurs with Executive for FY 2011-12.</p> <p>(6) Concurs with Executive and Senate.</p>
Sec. 109 Instructional services for students hospitalized or confined to home	<p>(1) Requires districts to provide instructional services for students hospitalized or confined at home for more than 5 days.</p> <p>(3) Annually by October 15 requires the department to provide a written explanation of a district's responsibilities to each district and to persons upon request.</p>	<p>(3) Requires only that the department post an explanation of a district's responsibilities online.</p>	<p>(3) Maintains an annual notification to each district, but would allow the Department to provide it electronically.</p>	<p>(3) Concurs with Executive.</p>	<p>(3) Concurs with House.</p>

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 4325 (H-1) As Amended	SENATE SB 183 (S-1) As Amended	CONFERENCE
Sec. 147 Retirement Contribution Rate	<p>Estimated FY 2010-11 rate at 19.41%, with an amortization period of 27 years. Revised for retirement reform in 2010:</p> <p>Employees Pre July 2010:</p> <p style="text-align: center;"><u>FY 11</u></p> Pension: 12.16% Health: 8.50% Total: 20.66% <p>Employees Post July 2010:</p> <p style="text-align: center;"><u>FY 11</u></p> Pension: 10.66% Health: 8.50% Total: 19.16%	<p>Rate increases as follows, and the amortization period is 26 years.</p> <p>Employees Pre July 2010:</p> <p style="text-align: center;"><u>FY 12</u> <u>FY 13</u></p> Pension: 15.96% 18.62% Health: 8.50% 8.75% Total: 24.46% 27.37% <p>Employees Post July 2010:</p> <p style="text-align: center;"><u>FY 12</u> <u>FY 13</u></p> Pension: 14.73% 17.39% Health: 8.50% 8.75% Total: 23.23% 26.14%	Concurs with Executive.	Concurs with Executive.	Concurs with Executive.
Sec. 147a MPSERS Cost Offset					Appropriates \$155,000,000 from the FY 2010-11 SAF balance carried forward for one time for FY 2011-12 to offset a portion of MPSERS cost increases for districts based on their proportion of MPSERS payroll.
Sec. 147b MPSERS Retirement Obligation Reform Reserve Fund					Appropriates \$133,000,000 from the FY 2010-11 SAF balance carried forward for one time for FY 2011-12 to deposit into a subaccount created in the SAF called the MPSERS retirement obligation reform reserve fund. Provides intent that the legislature will convene a workgroup on retirement reforms.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 4325 (H-1) As Amended	SENATE SB 183 (S-1) As Amended	CONFERENCE
Sec. 152a Adair Data collection and reporting costs	Appropriates \$25,624,500 for FY 2010-11 to reimburse districts for data collection and reporting costs as required in <i>Adair v. State of Michigan</i> .	Appropriates \$34,064,500 for FY 2011-12 and FY 2012-13 to recognize the shift of \$8,440,000 from the Sec. 94a CEPI funding to support districts in linking individual teachers to student achievement data as required under 2009 education reforms.	Concurs with Executive.	Concurs with Executive.	Concurs with Executive.
Sec. 158b Report on Federal Impact Aid	Requires each district that receives federal impact aid annually to report CEPI the amount of that aid the district received.	Repeals this section.	Concurs with Executive.	Concurs with Executive.	Concurs with Executive.
Sec. 166c Basic Materials Hotline/Claims Process	Requires districts to develop and implement a policy addressing adequate supplies. Requires the department to develop and make available a model policy. Establishes a protocol for teachers who do not have access to adequate supplies.	Repeals this section.	Concurs with Executive.	Concurs with Executive.	Concurs with Executive.
Sec. 166f NEW Cap on District Insurance Costs	N/A	N/A	N/A	Encourages districts and intermediate districts that offer medical benefit plans to review the costs of those plans and consider additional employee cost sharing.	Not included.
Technical Adjustments	N/A	Includes date changes. Removes all Sec. 20j references.	Concurs with Executive.	Concurs with Executive.	Concurs with Executive.
Enacting Section 1 State Spending and Payments to Locals	N/A				Revised FY 2010-11 to incorporate HB 4445 State spending from state sources is \$10,775,902,900 and payments to locals are \$10,673,832,600

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 4325 (H-1) As Amended	SENATE SB 183 (S-1) As Amended	CONFERENCE
Enacting Section 1 (continued)		FY 2011-12 state spending from state sources is \$10,520,227,300 and payments to locals are \$10,364,473,300.	FY 2011-12 state spending from state sources is \$10,522,414,300 and payments to locals are \$10,366,600,300.	FY 2011-12 state spending from state sources is \$10,746,906,200 and payments to locals are \$10,591,203,100.	FY 2011-12 state spending from state sources is \$11,005,741,100 and payments to locals are \$10,716,987,100.
Enacting Section 2 Repeals Sections as of October 1, 2011.	N/A	Repeals the following: Sec. 11: Total appropriations Sec. 11d: Per Pupil Reductions Sec. 11p: Federal Education Jobs Funds Sec. 20j: Hold Harmless foundation calculations Sec. 20k: Hold Harmless millage calculations Sec. 22d: Rural, Isolated Grants Sec. 22e: Michigan Business Tax hold harmless grants Sec. 29: Declining Enrollment Sec. 32c: Child abuse and neglect prevention Sec. 41: Bilingual grants Sec. 64: Middle College grants Sec. 65: Precollege Engineering grants Sec. 92: Agricultural Education Program	Repeals the following: Sec. 11d: Per Pupil Reductions Sec. 11p: Federal Education Jobs Funds Sec. 20j: Hold Harmless foundation calculations Sec. 20k: Hold Harmless millage calculations Sec. 22d: Rural, Isolated Grants Sec. 22e: Michigan Business Tax hold harmless grants Sec. 29: Declining Enrollment Sec. 32c: Child abuse and neglect prevention Sec. 41: Bilingual grants Sec. 64: Middle College grants Sec. 65: Precollege Engineering grants Sec. 92: Agricultural Education Program	Repeals the following: Sec. 11d: Per Pupil Reductions Sec. 11p: Federal Education Jobs Funds Sec. 20j: Hold Harmless foundation calculations Sec. 20k: Hold Harmless millage calculations Sec. 26b: PILT Reimbursement Sec. 29: Declining Enrollment Sec. 32c: Child abuse and neglect prevention Sec. 41: Bilingual grants Sec. 64: Middle College grants Sec. 65: Precollege Engineering grants Sec. 92: Agricultural Education Program	Repeals the following: Sec. 11d: Per Pupil Reductions Sec. 11p: Federal Education Jobs Funds Sec. 20j: Hold Harmless foundation calculations Sec. 20k: Hold Harmless millage calculations Sec. 29: Declining Enrollment Sec. 32c: Child abuse and neglect prevention Sec. 41: Bilingual grants Sec. 64: Middle College grants Sec. 65: Precollege Engineering grants Sec. 92: Agricultural Education Program

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 4325 (H-1) As Amended	SENATE SB 183 (S-1) As Amended	CONFERENCE
Enacting Section 2 Repeals Sections (continued)		Sec. 93: State Aid to Libraries Sec. 99i: Pontiac Crisis Intervention program Sec. 99p: Cultural Access Grants Sec. 158b: Report on Federal Impact Aid Sec. 166c: Basic Instructional Supplies Hotline Sec. 171: Statutory references prior to 1979 Sec. 172: School Aid Act of 1979 effective date	Sec. 93: State Aid to Libraries Sec. 99i: Pontiac Crisis Intervention program Sec. 99p: Cultural Access Grants Sec. 158b: Report on Federal Impact Aid Sec. 166c: Basic Instructional Supplies Hotline	Sec. 99i: Pontiac Crisis Intervention program Sec. 99p: Cultural Access Grants Sec. 158b: Report on Federal Impact Aid Sec. 166c: Basic Instructional Supplies Hotline Sec. 171: Statutory references prior to 1979 Sec. 172: School Aid Act of 1979 effective date	Sec. 99i: Pontiac Crisis Intervention program Sec. 99p: Cultural Access Grants Sec. 158b: Report on Federal Impact Aid Sec. 166c: Basic Instructional Supplies Hotline
Enacting Section 3 Effective Date					Provides immediate effect for Sections 11, 11m, 22a, 22b, 51a, 51c, and 74 to incorporate HB 4445 FY 2010-11 estimates. Otherwise the bill would take effect Oct. 1, 2011.