A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 3, 4, 6, 8b, 11, 11a, 11j, 11k, 11m, 11r, 11s, 15, 18, 18c, 20, 20d, 20f, 20m, 21g, 22a, 22b, 22d, 22g, 24, 24a, 24c, 25f, 25g, 26a, 26b, 26c, 31a, 31b, 31d, 31f, 32d, 32p, 35a, 39, 39a, 41, 51a, 51c, 51d, 53a, 54, 54b, 56, 61a, 61b, 61c, 62, 64b, 67, 74, 81, 94, 94a, 98, 99h, 99s, 99t, 102d, 104, 104c, 104d, 107, 147, 147a, 147c, 152a, 152b, 166b, 201, 201a, 203, 206, 207a, 207b, 207c, 209, 210b, 210e, 217, 223, 224, 225, 226, 229, 229a, 230, 236, 236a, 236b, 236c, 237b, 241, 244, 245, 251, 252, 254, 256, 263, 263a, 264, 265, 265a, 267, 268, 269, 270, 274, 274c, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, and 286a (MCL 388.1603, 388.1604, 388.1606, 388.1608b, 388.1611, 388.1611a,
Sec. 3. (1) "Achievement authority" means the education authority, the public body corporate and special authority initially created under section 5 of article III and section 28 of article VII of the state constitution of 1963 and the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, by an interlocal agreement effective August 11, 2011, between the school district of the city of Detroit and the board of regents of Eastern Michigan University, a state public university.

(2) "Achievement school" means a public school within the education achievement system operated, managed, authorized, established, or overseen by the achievement authority.

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

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

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

(4) "Community district" means a school district organized under part 5b of the revised school code.

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

(6) "Department", except in section 107, means the department of education.

(7) "District" means a local school district established under the revised school code or, except in sections 6(4), 6(6), 13, 20, 22a, 31a, 51a(14), 105, 105c, and 166b, a public school academy. Except in sections 6(4), 6(6), 6(8), 13, 20, 22a, 31a, 105, 105c, and 166b, district also includes the education achievement system. Except in section 20, district also includes a community district.

(8) "District of residence", except as otherwise provided in this subsection, means the district in which a pupil's custodial parent or parents or legal guardian resides. For a pupil described in section 24b, the pupil's district of residence is the district in which the pupil enrolls under that section. For a pupil described in section 6(4)(d), the pupil's district of residence shall be considered to be the district or intermediate district in which the pupil is counted in membership under that section. For a
pupil under court jurisdiction who is placed outside the district
in which the pupil's custodial parent or parents or legal guardian
resides, the pupil's district of residence shall be considered to
be the educating district or educating intermediate district.

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

Sec. 4. (1) "Education achievement system" means the
achievement authority and all achievement schools.

(1) "Elementary pupil" means a pupil in membership in
grades K to 8 in a district not maintaining classes above the
eighth grade or in grades K to 6 in a district maintaining classes
above the eighth grade. For the purposes of calculating universal
service fund (e-rate) discounts, "elementary pupil" includes
children enrolled in a preschool program operated by a district in
its facilities.

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

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

(4) "High school equivalency certificate" means a
certificate granted for the successful completion of a high school
equivalency test.

(5) "High school equivalency test" means the G.E.D. test
developed by the GED Testing Service, the Test Assessing Secondary
Completion (TASC) developed by CTS/McGraw-Hill, the HISET test
developed by the Education Testing Service (ETS), or another
comparable test approved by the department of talent and economic
development.

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

(7) "High school pupil" means a pupil in membership in
grades 7 to 12, except in a district not maintaining grades above
the eighth grade.

Sec. 6. (1) "Center program" means a program operated by a
district or by an intermediate district for special education
pupils from several districts in programs for pupils with autism
spectrum disorder, pupils with severe cognitive impairment, pupils
with moderate cognitive impairment, pupils with severe multiple
impairments, pupils with hearing impairment, pupils with visual
impairment, and pupils with physical impairment or other health
impairment. Programs for pupils with emotional impairment housed in
buildings that do not serve regular education pupils also qualify.
Unless otherwise approved by the department, a center program
either shall serve all constituent districts within an intermediate
district or shall serve several districts with less than 50% of the pupils residing in the operating district. In addition, special education center program pupils placed part-time in noncenter programs to comply with the least restrictive environment provisions of section 612 of part B of the individuals with disabilities education act, 20 USC 1412, may be considered center program pupils for pupil accounting purposes for the time scheduled in either a center program or a noncenter program.

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

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

(4) "Membership", except as otherwise provided in this article, means for a district, a public school academy, the education achievement system, or an intermediate district the sum of the product of .90 times the number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance on the pupil membership count day for the current school year, plus the product of .10 times the final audited count from the supplemental count day for the immediately preceding school year. A district's, public school academy's, or intermediate district's membership shall be adjusted as provided under section 25e for
pupils who enroll after the pupil membership count day in a strict
discipline academy operating under sections 1311b to 1311m of the
revised school code, MCL 380.1311b to 380.1311m. However, for a
district that is a community district in its first year of
operation, "membership" means the sum of the product of .90 times
the number of full-time equivalent pupils in grades K to 12 actually
enrolled and in regular daily attendance in the community district
on the pupil membership count day for the current school year, plus
the product of .10 times the final audited count from the
supplemental count day of pupils in grades K to 12 actually
enrolled and in regular daily attendance in a qualifying school
district as defined in section 5 of the revised school code, MCL
380.5, for the immediately preceding school year. All pupil counts
used in this subsection are as determined by the department and
calculated by adding the number of pupils registered for attendance
plus pupils received by transfer and minus pupils lost as defined
by rules promulgated by the superintendent, and as corrected by a
subsequent department audit. For the purposes of this section and
section 6a, for a school of excellence that is a cyber school, as
defined in section 551 of the revised school code, MCL 380.551, and
is in compliance with section 553a of the revised school code, MCL
380.553a, a pupil's participation in the cyber school's educational
program is considered regular daily attendance; for the education
achievement system, a pupil's participation in a virtual
educational program of the education achievement system or of an
achievement school is considered regular daily attendance; and for
a district a pupil's participation in a virtual course as defined
in section 21f is considered regular daily attendance. The amount of the foundation allowance for a pupil in membership is determined under section 20. In making the calculation of membership, all of the following, as applicable, apply to determining the membership of a district, a public school academy, the education achievement system, or an intermediate district:

(a) Except as otherwise provided in this subsection, and pursuant to subsection (6), a pupil shall be counted in membership in the pupil's educating district or districts. An EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, AN individual pupil shall not be counted for more than a total of 1.0 full-time equated membership.

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

(c) A special education pupil educated by the intermediate district shall be counted in membership in the intermediate district.

(d) A pupil placed by a court or state agency in an on-grounds program of a juvenile detention facility, a child caring
institution, or a mental health institution, or a pupil funded under section 53a, shall be counted in membership in the district or intermediate district approved by the department to operate the program.

(e) A pupil enrolled in the Michigan schools for the deaf and blind SCHOOLS FOR THE DEAF AND BLIND shall be counted in membership in the pupil's intermediate district of residence.

(f) A pupil enrolled in a career and technical education program supported by a millage levied over an area larger than a single district or in an area vocational-technical education program established pursuant to section 690 of the revised school code, MCL 380.690, shall be counted only in the pupil's district of residence.

(g) A pupil enrolled in a public school academy shall be counted in membership in the public school academy.

(h) A pupil enrolled in an achievement school shall be counted in membership in the education achievement system. FOR THE PURPOSES OF THIS SECTION AND SECTION 6A, FOR A SCHOOL OF EXCELLENCE THAT IS A CYBER SCHOOL, AS DEFINED IN SECTION 551 OF THE REVISED SCHOOL CODE, MCL 380.551, AND IS IN COMPLIANCE WITH SECTION 553A OF THE REVISED SCHOOL CODE, MCL 380.553A, A PUPIL'S PARTICIPATION IN THE CYBER SCHOOL'S EDUCATIONAL PROGRAM IS CONSIDERED REGULAR DAILY ATTENDANCE, AND FOR A DISTRICT OR PUBLIC SCHOOL ACADEMY, A PUPIL'S PARTICIPATION IN A VIRTUAL COURSE AS DEFINED IN SECTION 21F IS CONSIDERED REGULAR DAILY ATTENDANCE.

(i) For a new district or public school academy beginning its operation after December 31, 1994, or for the education achievement
system or an achievement school, membership for the first 2 full or
partial fiscal years of operation shall be determined as follows:

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

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

(j) If a district is the authorizing body for a public school
academy, then, in the first school year in which pupils are counted
in membership on the pupil membership count day in the public
school academy, the determination of the district's membership
shall exclude from the district's pupil count for the immediately
preceding supplemental count day any pupils who are counted in the
public school academy on that first pupil membership count day who
were also counted in the district on the immediately preceding
supplemental count day.

(k) In a district, a public school academy, the education
achievement system, or an intermediate district operating FOR an
extended school year program approved by the superintendent, a
pupil enrolled, but not scheduled to be in regular daily
attendance, on a pupil membership count day, shall be counted IN
MEMBERSHIP.

(l) To be counted in membership, a pupil shall meet the
minimum age requirement to be eligible to attend school under
section 1147 of the revised school code, MCL 380.1147, or shall be
enrolled under subsection (3) of that section, and shall be less
than 20 years of age on September 1 of the school year except as
follows:

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

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

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

(B) Had dropped out of school.

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

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

(m) An individual who has achieved a high school diploma shall not be counted in membership. An individual who has achieved a high school equivalency certificate 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. An individual participating in a job training program funded under former section 107a or a jobs program funded under former section 107b, administered by the department of talent and economic development, or participating in any successor of either of those 2 programs, shall not be counted in membership.

(n) If a pupil counted in membership in a public school academy or the education achievement system is also educated by a district or intermediate district as part of a cooperative education program, the pupil shall be counted in membership only in the public school academy or the education achievement system unless a written agreement signed by all parties designates the party or parties in which the pupil shall be counted in membership, and the instructional time scheduled for the pupil in the district
or intermediate district shall be included in the full-time equated membership determination under subdivision (q) and section 101. However, for pupils receiving instruction in both a public school academy or the education achievement system and in a district or intermediate district but not as a part of a cooperative education program, the following apply:

(i) If the public school academy or the education achievement system provides instruction for at least 1/2 of the class hours required under section 101, the public school academy or the education achievement system shall receive as its prorated share of the full-time equated membership for each of those pupils an amount equal to 1 times the product of the hours of instruction the public school academy or the education achievement system provides divided by the number of hours required under section 101 for full-time equivalency, and the remainder of the full-time membership for each of those pupils shall be allocated to the district or intermediate district providing the remainder of the hours of instruction.

(ii) If the public school academy or the education achievement system provides instruction for less than 1/2 of the class hours required under section 101, the district or intermediate district providing the remainder of the hours of instruction shall receive as its prorated share of the full-time equated membership for each of those pupils an amount equal to 1 times the product of the hours of instruction the district or intermediate district provides divided by the number of hours required under section 101 for full-time equivalency, and the remainder of the full-time membership for each of those pupils shall be allocated to the public school academy or the education achievement system.
academy. or the education achievement system.

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

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

(q) The number of class hours used to calculate full-time equated memberships shall be consistent with section 101. In determining full-time equated memberships for pupils who are enrolled in a postsecondary institution, a pupil shall not be considered to be less than a full-time equated pupil solely because of the effect of his or her postsecondary enrollment, including necessary travel time, on the number of class hours provided by the district to the pupil.

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

(s) For a district—OR a public school academy—of the
education achievement system—that has pupils enrolled in a grade
level that was not offered by the district—OR public school
academy—of the education achievement system—in the immediately
preceding school year, the number of pupils enrolled in that grade
level to be counted in membership is the average of the number of
those pupils enrolled and in regular daily attendance on the pupil
membership count day and the supplemental count day of the current
school year, as determined by the department. Membership shall be
calculated by adding the number of pupils registered for attendance
in that grade level on the pupil membership count day plus pupils
received by transfer and minus pupils lost as defined by rules
promulgated by the superintendent, and as corrected by subsequent
department audit, plus the final audited count from the
supplemental count day for the current school year, and dividing
that sum by 2.

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

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

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

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

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

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

(v) If a pupil was enrolled in a public school academy on the
pupil membership count day, if the public school academy's contract
with its authorizing body is revoked or the public school academy
otherwise ceases to operate, and if the pupil enrolls in a district
or the education achievement system within 45 days after the pupil
membership count day, the department shall adjust the district's or
the education achievement system's pupil count for the pupil
member ship count day to include the pupil in the count.

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

(x) If a district's membership for a particular fiscal year,
as otherwise calculated under this subsection, would be less than
1,550 pupils and the district has 4.5 or fewer pupils per square
mile, as determined by the department, and if the district does not
receive funding under section 22d(2), the district's membership
shall be considered to be the membership figure calculated under
this subdivision. If a district educates and counts in its
membership pupils in grades 9 to 12 who reside in a contiguous
district that does not operate grades 9 to 12 and if 1 or both of
the affected districts request the department to use the
determination allowed under this sentence, the department shall
include the square mileage of both districts in determining the
number of pupils per square mile for each of the districts for the
purposes of this subdivision. The membership figure calculated
under this subdivision is the greater of the following:

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

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

(y) Full-time equated memberships for special education pupils who are not enrolled in kindergarten but are enrolled in a classroom program under R 340.1754 of the Michigan administrative code shall be determined by dividing the number of class hours scheduled and provided per year by 450. Full-time equated memberships for special education pupils who are not enrolled in kindergarten but are receiving early childhood special education services under R 340.1755 or R 340.1862 of the Michigan administrative code shall be determined by dividing the number of hours of service scheduled and provided per year per-pupil by 180.

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

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

(bb) A district—or public school academy, or the
education achievement system—that educates a pupil who attends a
United States Olympic Education Center may count the pupil in
membership regardless of whether or not the pupil is a resident of
this state.

(cc) A pupil enrolled in a district other than the pupil's
district of residence pursuant to section 1148(2) of the revised
school code, MCL 380.1148, shall be counted in the educating
district or the education achievement system.

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

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

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

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

(ff) If a public school academy that is not in its first or second year of operation closes at the end of a school year and does not reopen for the next school year, the department shall adjust the membership count of the district or the education achievement system OTHER PUBLIC SCHOOL ACADEMY in which a former pupil of the CLOSED public school academy enrolls and is in regular daily attendance for the next school year to ensure that the
district or the education achievement system OTHER PUBLIC SCHOOL ACADEMY receives the same amount of membership aid for the pupil as if the pupil were counted in the district or the education achievement system OTHER PUBLIC SCHOOL ACADEMY on the supplemental count day of the preceding school year.

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

(hh) A pupil enrolled in a community district shall be counted in membership in the community district. For a community district in its first fiscal year of operations only, until the department is able to calculate the community district's membership, the department shall consider the community district's membership to be the same as the membership for the immediately preceding fiscal year for a district with the same boundaries as the community district that had membership for that fiscal year.

(II) A PUPIL ENROLLED IN A MIDDLE COLLEGE PROGRAM MAY BE COUNTED FOR MORE THAN A TOTAL OF 1.0 FULL-TIME EQUATED MEMBERSHIP IF THE PUPIL IS ENROLLED IN MORE THAN THE MINIMUM NUMBER OF INSTRUCTIONAL DAYS AND HOURS REQUIRED UNDER SECTION 101 AND THE PUPIL IS EXPECTED TO COMPLETE THE 5-YEAR PROGRAM WITH BOTH A HIGH SCHOOL DIPLOMA AND AT LEAST 60 TRANSFERABLE COLLEGE CREDITS OR IS
EXPECTED TO EARN AN ASSOCIATE'S DEGREE IN FEWER THAN 5 YEARS.

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

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

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

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

(c) A pupil enrolled in a public school academy or the education achievement system.

(d) A pupil enrolled in a district other than the pupil's district of residence under an intermediate district schools of choice pilot program as described in section 91a or former section 91 if the intermediate district and its constituent districts have been exempted from section 105.

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

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

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

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

(g) A pupil whose district of residence changed after the pupil membership count day and before the supplemental count day and who continues to be enrolled on the supplemental count day as a nonresident in the district in which he or she was enrolled as a resident on the pupil membership count day of the same school year.

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

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

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

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

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

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

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

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

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

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

(n) A pupil enrolled in a district other than the pupil's district of residence pursuant to section 1148(2) of the revised
school code, MCL 380.1148.

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

However, except for pupils enrolled in the youth challenge program at the site at which the youth challenge program operated for 2015-2016, if a district educates pupils who reside in another district and if the primary instructional site for those pupils is established by the educating district after 2009-2010 and is located within the boundaries of that other district, the educating district must have the approval of that other district to count those pupils in membership.

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

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

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

(i) Fourth Wednesday in July.

(ii) First Wednesday in October.

(iii) Second Wednesday in February.
(iv) Fourth Wednesday in April.

(8) "Pupils in grades K to 12 actually enrolled and in regular daily attendance" means pupils in grades K to 12 in attendance and receiving instruction in all classes for which they are enrolled on the pupil membership count day or the supplemental count day, as applicable. Except as otherwise provided in this subsection, a pupil who is absent from any of the classes in which the pupil is enrolled on the pupil membership count day or supplemental count day and who does not attend each of those classes during the 10 consecutive school days immediately following the pupil membership count day or supplemental count day, except for a pupil who has been excused by the district, shall not be counted as 1.0 full-time equated membership. A pupil who is excused from attendance on the pupil membership count day or supplemental count day and who fails to attend each of the classes in which the pupil is enrolled within 30 calendar days after the pupil membership count day or supplemental count day shall not be counted as 1.0 full-time equated membership. In addition, a pupil who was enrolled and in attendance in a district, an intermediate district, a OR public school academy, OR the education achievement system before the pupil membership count day or supplemental count day of a particular year but was expelled or suspended on the pupil membership count day or supplemental count day shall only be counted as 1.0 full-time equated membership if the pupil resumed attendance in the district, intermediate district, OR public school academy, OR education achievement system within 45 days after the pupil membership count day or supplemental count day of that
particular year. Pupils not counted as 1.0 full-time equated membership due to an absence from a class shall be counted as a prorated membership for the classes the pupil attended. For purposes of this subsection, "class" means a period of time in 1 day when pupils and a certificated teacher or legally qualified substitute teacher are together and instruction is taking place.

(9) "Rule" means a rule promulgated pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

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

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

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

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

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

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

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

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

(18) "Taxable value" means the taxable value of property as determined under section 27a of the general property tax act, 1893 PA 206, MCL 211.27a.

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

(20) "Total state aid" or "total state school aid" means the total combined amount of all funds due to a district, intermediate district, or other entity under all of the provisions of this article.

Sec. 8b. (1) The department shall assign a district code to each public school academy that is authorized under the revised
school code and is eligible to receive funding under this article within 30 days after a contract is submitted to the department by the authorizing body of a public school academy.

(2) If the department does not assign a district code to a public school academy within the 30-day period described in subsection (1), the district code the department shall use to make payments under this article to the newly authorized public school academy shall be a number that is equivalent to the sum of the last district code assigned to a public school academy located in the same county as the newly authorized public school academy plus 1. However, if there is not an existing public school academy located in the same county as the newly authorized public school academy, then the district code the department shall use to make payments under this article to the newly authorized public school academy shall be a 5-digit number that has the county code in which the public school academy is located as its first 2 digits, 9 as its third digit, 0 as its fourth digit, and 1 as its fifth digit. If the number of public school academies in a county grows to exceed 100, the third digit in this 5-digit number shall then be 7 for the public school academies in excess of 100.

(3) For each school of excellence that is a cyber school and is authorized under part 6e of the revised school code, MCL 380.551 to 380.561, by a school district, intermediate school district, community college other than a federal tribally controlled community college, or other authorizing body that is not empowered to authorize a school of excellence to operate statewide and is eligible to receive funding under this article, the ALL OF THE
FOLLOWING APPLY:

(A) THE department shall assign a district code that includes as the first 2 digits the county code in which the authorizing body is located.

(B) IF THE CYBER SCHOOL DOES NOT PROVIDE INSTRUCTION AT A SPECIFIC LOCATION, THE INTERMEDIATE DISTRICT THAT WOULD NORMALLY PROVIDE PROGRAMS AND SERVICES TO THE SCHOOL DISTRICT IN WHICH THE ADMINISTRATIVE OFFICE OF CYBER SCHOOL IS LOCATED SHALL PROVIDE PROGRAMS AND SERVICES TO THE CYBER SCHOOL. THE INTERMEDIATE SCHOOL DISTRICT REQUIRED TO PROVIDE PROGRAMS AND SERVICES TO A CYBER SCHOOL UNDER THIS SUBDIVISION REMAINS THE SAME FOR AS LONG AS THAT CYBER SCHOOL IS IN OPERATION.

Sec. 11. (1) For the fiscal year ending September 30, 2016, there is appropriated for the public schools of this state and certain other state purposes relating to education the sum of $11,905,439,300.00 from the state school aid fund and the sum of $55,100,000.00 from the general fund. For the fiscal year ending September 30, 2017, there is appropriated for the public schools of this state and certain other state purposes relating to education the sum of $12,052,309,300.00 from the state school aid fund, the sum of $218,900,000.00 from the general fund, an amount not to exceed $72,000,000.00 from the community district education trust fund created under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, and an amount not to exceed $100.00 from the water emergency reserve fund. FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2018, THERE IS APPROPRIATED FOR THE PUBLIC SCHOOLS OF THIS STATE AND CERTAIN OTHER STATE PURPOSES RELATING TO
EDUCATION THE SUM OF $12,295,507,100.00 FROM THE STATE SCHOOL AID FUND, THE SUM OF $215,000,000.00 FROM THE GENERAL FUND, AN AMOUNT NOT TO EXCEED $72,000,000.00 FROM THE COMMUNITY DISTRICT EDUCATION TRUST FUND CREATED UNDER SECTION 12 OF THE MICHIGAN TRUST FUND ACT, 2000 PA 489, MCL 12.262, AND AN AMOUNT NOT TO EXCEED $100.00 FROM THE WATER EMERGENCY RESERVE FUND. In addition, all other available federal funds are appropriated each fiscal year for the fiscal years ending September 30, 2016 and September 30, 2017 AND SEPTEMBER 30, 2018.

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

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

Sec. 11a. (1) The school aid stabilization fund is created as a separate account within the state school aid fund established by section 11 of article IX of the state constitution of 1963.

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

(a) Unexpended and unencumbered state school aid fund revenue for a fiscal year that remains in the state school aid fund as of the bookclosing for that fiscal year.
(b) Money statutorily dedicated to the school aid stabilization fund.

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

(3) Money available in the school aid stabilization fund may not be expended without a specific appropriation from the school aid stabilization fund. Money in the school aid stabilization fund shall be expended only for purposes for which state school aid fund money may be expended.

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

(5) Money in the school aid stabilization fund at the close of a fiscal year shall remain in the school aid stabilization fund and shall not lapse to the unreserved school aid fund balance or the general fund.

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

(7) For 2016-2017 AND FOR 2017-2018, in addition to the appropriations in section 11, there is appropriated from the school aid stabilization fund to the state school aid fund the amount necessary to fully fund the allocations under this article.

Sec. 11j. From the appropriation in section 11, there is allocated an amount not to exceed $10,500,000.00 for 2015-2016 and there is allocated an amount not to exceed $126,500,000.00 for 2016-2017, 2017-2018 for payments to the school loan bond redemption fund in the department of treasury on behalf of districts and intermediate districts. Notwithstanding section 296 or any other provision of this act, funds allocated under this section are not subject to proration and shall be paid in full.

Sec. 11k. For 2016-2017, 2017-2018, there is appropriated from the general fund to the school loan revolving fund an amount equal to the amount of school bond loans assigned to the Michigan finance authority, not to exceed the total amount of school bond loans held in reserve as long-term assets. As used in this section, "school loan revolving fund" means that fund created in section 16c of the shared credit rating act, 1985 PA 227, MCL 141.1066c.

Sec. 11m. From the appropriation in section 11, there is allocated for 2015-2016 an amount not to exceed $1,000,000.00 and there is allocated for 2016-2017 an amount not to exceed $3,000,000.00-$5,500,000.00 AND THERE IS AlLOCATED FOR 2017-2018 AN AMOUNT NOT TO EXCEED $6,500,000.00 for fiscal year cash-flow borrowing costs solely related to the state school aid fund
established by section 11 of article IX of the state constitution of 1963.

Sec. 11r. (1) From the appropriation in section 11, there is allocated for 2014-2015 an amount not to exceed $4,000,000.00 to be deposited into the distressed districts emergency grant fund created under this section for the purpose of funding grants under this section.

(2) The distressed districts emergency grant fund is created as a separate account within the state school aid fund. The state treasurer may receive money or other assets from any source for deposit into the distressed districts emergency grant fund. The state treasurer shall direct the investment of the distressed districts emergency grant fund and shall credit to the distressed districts emergency grant fund interest and earnings from the fund.

(3) Subject to subsection (4), a district is eligible to receive a grant from the distressed districts emergency grant fund if either of the following applies:

(a) The district has adopted a resolution authorizing the voluntary dissolution of the district approved by the state treasurer under section 12 of the revised school code, MCL 380.12, but the dissolution has not yet taken effect under that section.

(b) The district is a receiving district under section 12 of the revised school code, MCL 380.12, and the district enrolls pupils who were previously enrolled in a district that was dissolved under section 12 of the revised school code, MCL 380.12, in the immediately preceding school year.

(4) A district receiving funds under section 20g is not
eligible to receive funds under this section.

(5) The amount of a grant under this section shall be determined by the state treasurer after consultation with the superintendent of public instruction, but shall not exceed the estimated amount of remaining district costs in excess of available revenues, including, but not limited to, payroll, benefits, retirement system contributions, pupil transportation, food services, special education, building security, and other costs necessary to allow the district to operate schools directly and provide public education services until the end of the current school fiscal year. For a district that meets the eligibility criteria under subsection (3)(b), the amount of the grant shall be determined in the same manner as transition costs under section 20g.

(6) Before disbursing funds under this section, the state treasurer shall notify the house and senate appropriations subcommittees on school aid and the house and senate fiscal agencies. The notification shall include, but not be limited to, the district receiving funds under this section, the amount of the funds awarded under this section, an explanation of the district conditions that necessitate funding under this section, and the intended use of funds disbursed under this section.

(7) Except as otherwise provided in subsection (8), money in the distressed districts emergency grant fund at the close of a fiscal year shall remain in the distressed districts emergency grant fund and shall not lapse to the state school aid fund or to the general fund.
(8) For 2015-2016 only, an amount not to exceed $2,800,000.00

2016-2017 ONLY, THE REMAINING BALANCE IN THE WORK PROJECT THAT WAS
ESTABLISHED UNDER THIS SECTION FOR 2014-2015, ESTIMATED AT
$1,000,000.00, shall be lapsed from the distressed districts
emergency grant fund to the state school aid fund.

Sec. 11s. (1) From the general fund appropriation in section
11, there is allocated $10,142,500.00 for 2016-2017 AND THERE IS
ALLOCATED $8,730,000.00 FOR 2017-2018 for the purpose of providing
services and programs to children who reside within the boundaries
of a district with the majority of its territory located within the
boundaries of a city for which an executive proclamation of
emergency is issued in the current or immediately preceding fiscal
year 2 FISCAL YEARS under the emergency management act, 1976 PA
390, MCL 30.401 to 30.421. From the funding appropriated in section
11, there is allocated $100.00 from the water emergency reserve
fund FOR EACH FISCAL YEAR FOR 2016-2017 AND FOR 2017-2018 for the
purposes of this section.

(2) From the allocation in subsection (1), there is allocated
to a district with the majority of its territory located within the
boundaries of a city in which an executive proclamation of
emergency is issued in the current or immediately preceding fiscal
year 2 FISCAL YEARS and that has at least 5,000 pupils in
membership for the current 2016-2017 fiscal year OR HAS AT LEAST
4,000 PUPILS IN MEMBERSHIP FOR A FISCAL YEAR AFTER 2016-2017, an
amount not to exceed $1,292,500.00 FOR 2016-2017 AND AN AMOUNT NOT
TO EXCEED $2,625,000.00 FOR 2017-2018 for the purpose of employing
school nurses and school social workers. The district shall provide
a report to the department in a form, manner, and frequency approved by the department. The department shall provide a copy of that report to the governor, the house and senate school aid subcommittees, the house and senate fiscal agencies, and the state budget director within 5 days after receipt. The report shall provide at least the following information:

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

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

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

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

(3) From the allocation in subsection (1), there is allocated to an intermediate district that has a constituent district described in subsection (2) an amount not to exceed $1,195,000.00 FOR 2016-2017 AND AN AMOUNT NOT TO EXCEED $2,500,000.00 FOR 2017-2018 to augment staff for the purpose of providing additional early childhood services and for nutritional services to children described in subsection (1), regardless of location of school of attendance. The early childhood services to be provided under this subsection are state early intervention services as described in subsection (4) and early literacy services. BEGINNING WITH 2017-2018, THE EARLY CHILDHOOD SERVICES TO BE PROVIDED UNDER THIS SUBSECTION ARE STATE EARLY INTERVENTION
SERVICES THAT ARE SIMILAR TO THE SERVICES DESCRIBED IN THE EARLY ON MICHIGAN STATE PLAN, INCLUDING ENSURING THAT ALL CHILDREN DESCRIBED IN SUBSECTION (1) WHO ARE LESS THAN 4 YEARS OF AGE AS OF SEPTEMBER 1, 2016 ARE ASSESSED AND EVALUATED AT LEAST TWICE ANNUALLY. In addition, funds allocated under this subsection may also be expended to provide informational resources to parents, educators, and the community, and to coordinate services with other local agencies. The intermediate district shall provide a report to the department in a form, manner, and frequency approved by the department. The department shall provide a copy of that report to the governor, the house and senate school aid subcommittees, the house and senate fiscal agencies, and the state budget director within 5 days after receipt. The report shall provide at least the following information:

(a) How many personnel were hired using the funds appropriated in this subsection.

(b) A description of the services provided to children by those personnel.

(c) What types of additional nutritional services were provided.

(d) How many children received each type of service identified in subdivisions (b) and (c).

(e) What types of informational resources and coordination efforts were provided.

(f) Any other information the department considers necessary to ensure that the children described in subsection (1) received appropriate levels and types of services.
(4) From FOR 2016-2017 ONLY, FROM the allocation in subsection (1), there is allocated an amount not to exceed $6,155,000.00 to intermediate districts described in subsection (3) to provide state early intervention services for children described in subsection (1) who are less than 4 years of age as of September 1, 2016. The intermediate district shall use these funds to provide state early intervention services that are similar to the services described in the early on Michigan state plan, including ensuring that all children described in subsection (1) who are less than 4 years of age as of September 1, 2016 are assessed and evaluated at least twice annually.

(5) From the allocation in subsection (1), there is allocated an amount not to exceed $1,500,000.00 FOR 2016-2017 AND AN AMOUNT NOT TO EXCEED $3,000,000.00 FOR 2017-2018 to intermediate districts described in subsection (3) to enroll children described in subsection (1) in school-day great start readiness programs, regardless of household income eligibility requirements contained in section 39. The department shall administer this funding consistent with all other provisions of the great start readiness programs contained in section 32d and section 39.

(6) FOR 2017-2018 ONLY, FROM THE ALLOCATION IN SUBSECTION (1), THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED $605,000.00 FOR NUTRITIONAL SERVICES TO CHILDREN DESCRIBED IN SUBSECTION (1).

(7) In addition to other funding allocated and appropriated in this section, there is appropriated an amount not to exceed $15,000,000.00 EACH FISCAL YEAR for 2016-2017 AND FOR 2017-2018 for state restricted contingency funds. These contingency
funds are not available for expenditure until they have been
transferred to a section within this article under section 393(2)
of the management and budget act, 1984 PA 431, MCL 18.1393.

(8) NOTWITHSTANDING SECTION 17B, PAYMENTS UNDER THIS SECTION
SHALL BE PAID ON A SCHEDULE DETERMINED BY THE DEPARTMENT.

Sec. 15. (1) If a district or intermediate district fails to
receive its proper apportionment, the department, upon satisfactory
proof that the district or intermediate district was entitled
justly, shall apportion the deficiency in the next apportionment.

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

(2) If the result of an audit conducted by or for the department affects the current fiscal year membership, affected payments shall be adjusted in the current fiscal year. A deduction due to an adjustment made as a result of an audit conducted by or for the department, or as a result of information obtained by the department from the district, an intermediate district, the department of treasury, or the office of auditor general, shall be deducted from the district's apportionments when the adjustment is finalized. At the request of the district and upon the district presenting evidence satisfactory to the department of the hardship, the department may grant up to an additional 4–9 years for the adjustment and may advance payments to the district otherwise authorized under this article if the district would otherwise experience a significant hardship in satisfying its financial obligations. AT THE REQUEST OF A DISTRICT AND UPON THE DISTRICT PRESENTING EVIDENCE SATISFACTORY TO THE DEPARTMENT OF THE HARDSHIP, THE DEPARTMENT MAY WAIVE ALL OR A PORTION OF THE ADJUSTMENTS UNDER THIS SUBSECTION IF THE DEPARTMENT DETERMINES THAT ALL OF THE FOLLOWING APPLY:

(A) THE DISTRICT WOULD OTHERWISE EXPERIENCE A SIGNIFICANT HARDSHIP IN SATISFYING ITS FINANCIAL OBLIGATIONS.

(B) THE DISTRICT WOULD OTHERWISE EXPERIENCE A SIGNIFICANT HARDSHIP IN SATISFYING ITS RESPONSIBILITY TO PROVIDE INSTRUCTION TO ITS PUPILS.

(C) THE DISTRICT HAS TAKEN SUFFICIENT CORRECTIVE ACTION TO ENSURE THAT THE CIRCUMSTANCE OR CIRCUMSTANCES THAT NECESSITATED THE
ADJUSTMENT UNDER THIS SUBSECTION DO NOT RECUR.

(3) If, based on an audit by the department or the department's designee or because of new or updated information received by the department, the department determines that the amount paid to a district or intermediate district under this article for the current fiscal year or a prior fiscal year was incorrect, the department shall make the appropriate deduction or payment in the district's or intermediate district's allocation in the next apportionment after the adjustment is finalized. The deduction or payment shall be calculated according to the law in effect in the fiscal year in which the incorrect amount was paid. If the district does not receive an allocation for the fiscal year or if the allocation is not sufficient to pay the amount of any deduction, the amount of any deduction otherwise applicable shall be satisfied from the proceeds of a loan to the district under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to 141.942, or from the proceeds of millage levied or pledged under section 1211 of the revised school code, MCL 380.1211, as determined by the department.

(4) The department may conduct audits, or may direct audits by designee of the department, for the current fiscal year and the immediately preceding 3 fiscal years of all records related to a program for which a district or intermediate district has received funds under this article.

(5) Expenditures made by the department under this article that are caused by the write-off of prior year accruals may be funded by revenue from the write-off of prior year accruals.
(6) In addition to funds appropriated in section 11 for all programs and services, there is appropriated for 2016-2017-2017-2018 for obligations in excess of applicable appropriations an amount equal to the collection of overpayments, but not to exceed amounts available from overpayments.

Sec. 18. (1) Except as provided in another section of this article, each district or other entity shall apply the money received by the district or entity under this article to salaries and other compensation of teachers and other employees, tuition, transportation, lighting, heating, ventilation, water service, the purchase of textbooks, other supplies, and any other school operating expenditures defined in section 7. However, not more than 20% of the total amount received by a district under sections 22a and 22b or received by an intermediate district under section 81 may be transferred by the board to either the capital projects fund or to the debt retirement fund for debt service. The money shall not be applied or taken for a purpose other than as provided in this section. The department shall determine the reasonableness of expenditures and may withhold from a recipient of funds under this article the apportionment otherwise due upon a violation by the recipient.

(2) A district or intermediate district shall adopt an annual budget in a manner that complies with the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a. Within 15 days after a district board adopts its annual operating budget for the following school fiscal year, or after a district board adopts a subsequent revision to that budget, the district shall make all of
the following available through a link on its website homepage, or
may make the information available through a link on its
intermediate district's website homepage, in a form and manner
prescribed by the department:

(a) The annual operating budget and subsequent budget
revisions.

(b) Using data that have already been collected and submitted
to the department, a summary of district expenditures for the most
recent fiscal year for which they are available, expressed in the
following 2 pie charts:

(i) A chart of personnel expenditures, broken into the
following subcategories:

(A) Salaries and wages.
(B) Employee benefit costs, including, but not limited to,
medical, dental, vision, life, disability, and long-term care
benefits.
(C) Retirement benefit costs.
(D) All other personnel costs.

(ii) A chart of all district expenditures, broken into the
following subcategories:

(A) Instruction.
(B) Support services.
(C) Business and administration.
(D) Operations and maintenance.
(c) Links to all of the following:

(i) The current collective bargaining agreement for each
bargaining unit.
(ii) Each health care benefits plan, including, but not limited to, medical, dental, vision, disability, long-term care, or any other type of benefits that would constitute health care services, offered to any bargaining unit or employee in the district.

(iii) The audit report of the audit conducted under subsection (4) for the most recent fiscal year for which it is available.

(iv) The bids required under section 5 of the public employees health benefits act, 2007 PA 106, MCL 124.75.

(v) The district’s written policy governing procurement of supplies, materials, and equipment.

(vi) The district’s written policy establishing specific categories of reimbursable expenses, as described in section 1254(2) of the revised school code, MCL 380.1254.

(vii) Either the district’s accounts payable check register for the most recent school fiscal year or a statement of the total amount of expenses incurred by board members or employees of the district that were reimbursed by the district for the most recent school fiscal year.

(d) The total salary and a description and cost of each fringe benefit included in the compensation package for the superintendent of the district and for each employee of the district whose salary exceeds $100,000.00.

(e) The annual amount spent on dues paid to associations.

(f) The annual amount spent on lobbying or lobbying services.

As used in this subdivision, "lobbying" means that term as defined in section 5 of 1978 PA 472, MCL 4.415.
(g) Any deficit elimination plan or enhanced deficit elimination plan the district was required to submit under the revised school code.

(h) Identification of all credit cards maintained by the district as district credit cards, the identity of all individuals authorized to use each of those credit cards, the credit limit on each credit card, and the dollar limit, if any, for each individual's authorized use of the credit card.

(i) Costs incurred for each instance of out-of-state travel by the school administrator of the district that is fully or partially paid for by the district and the details of each of those instances of out-of-state travel, including at least identification of each individual on the trip, destination, and purpose.

(3) For the information required under subsection (2)(a), (2)(b)(i), and (2)(c), an intermediate district shall provide the same information in the same manner as required for a district under subsection (2).

(4) For the purposes of determining the reasonableness of expenditures, whether a district or intermediate district has received the proper amount of funds under this article, and whether a violation of this article has occurred, all of the following apply:

(a) The department shall require that each district and intermediate district have an audit of the district's or intermediate district's financial and pupil accounting records conducted at least annually, and at such other times as determined by the department, at the expense of the district or intermediate
district, as applicable. The audits must be performed by a
certified public accountant or by the intermediate district
superintendent, as may be required by the department, or in the
case of a district of the first class by a certified public
accountant, the intermediate superintendent, or the auditor general
of the city. A district or intermediate district shall retain these
records for the current fiscal year and from at least the 3
immediately preceding fiscal years.

(b) If a district operates in a single building with fewer
than 700 full-time equated pupils, if the district has stable
membership, and if the error rate of the immediately preceding 2
pupil accounting field audits of the district is less than 2%, the
district may have a pupil accounting field audit conducted
biennially but must continue to have desk audits for each pupil
count. The auditor must document compliance with the audit cycle in
the pupil auditing manual. As used in this subdivision, "stable
membership" means that the district's membership for the current
fiscal year varies from the district's membership for the
immediately preceding fiscal year by less than 5%.

(c) A district's or intermediate district's annual financial
audit shall include an analysis of the financial and pupil
accounting data used as the basis for distribution of state school
aid.

(d) The pupil and financial accounting records and reports,
audits, and management letters are subject to requirements
established in the auditing and accounting manuals approved and
published by the department.
(e) All of the following shall be done not later than November 1 each year for reporting the prior fiscal year data:

(i) A district shall file the annual financial audit reports with the intermediate district and the department.

(ii) The intermediate district shall file the annual financial audit reports for the intermediate district with the department.

(iii) The intermediate district shall enter the pupil membership audit reports for its constituent districts and for the intermediate district, for the pupil membership count day and supplemental count day, in the Michigan student data system.

(f) The annual financial audit reports and pupil accounting procedures reports shall be available to the public in compliance with the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(g) Not later than January 31 of each year, the department shall notify the state budget director and the legislative appropriations subcommittees responsible for review of the school aid budget of districts and intermediate districts that have not filed an annual financial audit and pupil accounting procedures report required under this section for the school year ending in the immediately preceding fiscal year.

(5) By November 1 each fiscal year, each district and intermediate district shall submit to the center, in a manner prescribed by the center, annual comprehensive financial data consistent with the district's or intermediate district's audited financial statements and consistent with accounting manuals and charts of accounts approved and published by the department. For an
intermediate district, the report shall also contain the website address where the department can access the report required under section 620 of the revised school code, MCL 380.620. The department shall ensure that the prescribed Michigan public school accounting manual chart of accounts includes standard conventions to distinguish expenditures by allowable fund function and object. The functions shall include at minimum categories for instruction, pupil support, instructional staff support, general administration, school administration, business administration, transportation, facilities operation and maintenance, facilities acquisition, and debt service; and shall include object classifications of salary, benefits, including categories for active employee health expenditures, purchased services, supplies, capital outlay, and other. Districts shall report the required level of detail consistent with the manual as part of the comprehensive annual financial report.

(6) By September 30 of each year, each district and intermediate district shall file with the department the special education actual cost report, known as "SE-4096", on a form and in the manner prescribed by the department.

(7) By October 7 of each year, each district and intermediate district shall file with the center the transportation expenditure report, known as "SE-4094", on a form and in the manner prescribed by the center.

(8) The department shall review its pupil accounting and pupil auditing manuals at least annually and shall periodically update those manuals to reflect changes in this article.
(9) If a district that is a public school academy purchases property using money received under this article, the public school academy shall retain ownership of the property unless the public school academy sells the property at fair market value.

(10) If a district or intermediate district does not comply with subsections (4), (5), (6), and (7), or if the department determines that the financial data required under subsection (5) are not consistent with audited financial statements, the department shall withhold all state school aid due to the district or intermediate district under this article, beginning with the next payment due to the district or intermediate district, until the district or intermediate district complies with subsections (4), (5), (6), and (7). If the district or intermediate district does not comply with subsections (4), (5), (6), and (7) by the end of the fiscal year, the district or intermediate district forfeits the amount withheld.

(11) If a district or intermediate district does not comply with subsection (2), the department may withhold up to 10% of the total state school aid due to the district or intermediate district under this article, beginning with the next payment due to the district or intermediate district, until the district or intermediate district complies with subsection (2). If the district or intermediate district does not comply with subsection (2) by the end of the fiscal year, the district or intermediate district forfeits the amount withheld.

(12) Not later than by November 1, 2016, of each year, if a district or intermediate district offers virtual learning under
section 21f, the district or intermediate district shall submit to
the department a report that details the per-pupil costs of
operating the virtual learning by vendor type. The report shall
include at least all of the following information concerning the
operation of virtual learning for the **IMMEDIATELY PRECEDING** school
fiscal year: **ending June 30, 2016**:

(a) The name of the district operating the virtual learning
and of each district that enrolled students in the virtual
learning.

(b) The total number of students enrolled in the virtual
learning and the total number of membership pupils enrolled in the
virtual learning.

(c) For each pupil who is enrolled in a district other than
the district offering virtual learning, the name of that district.

(d) The district in which the pupil was enrolled before
enrolling in the district offering virtual learning.

(e) The number of participating students who had previously
dropped out of school.

(f) The number of participating students who had previously
been expelled from school.

(g) The total cost to enroll a student in the program. This
cost shall be reported on a per-pupil, per-course, per-semester or
trimester basis by vendor type. The total shall include costs
broken down by cost for content development, content licensing,
training, virtual instruction and instructional support, personnel,
hardware and software, payment to each virtual learning provider,
and other costs associated with operating virtual learning.
(h) The name of each virtual education provider contracted by
the district and the state in which each virtual education provider
is headquartered.

(13) Not later than by March 31, 2017, of each year, the
department shall submit to the house and senate appropriations
subcommittees on state school aid, the state budget director, and
the house and senate fiscal agencies a report summarizing the per-
pupil costs by vendor type of virtual courses available under
section 21f.

(14) As used in subsections (12) and (13), "vendor type" means
the following:

(a) Virtual courses provided by the Michigan Virtual
University.

(b) Virtual courses provided by a school of excellence that is
a cyber school, as defined in section 551 of the revised school
code, MCL 380.551.

(c) Virtual courses provided by third party vendors not
affiliated with a Michigan public school.

(d) Virtual courses created and offered by a district or
intermediate district.

(15) An allocation to a district or another entity under this
article is contingent upon the district's or entity's compliance
with this section.

Sec. 18c. Any contract, mortgage, loan, or other instrument of
indebtedness entered into by a public school academy, the
achievement authority, or an achievement school receiving funds
under this article and a third party does not constitute an
obligation, either general, special, or moral, of this state or of an authorizing body. The full faith and credit or the taxing power of this state or any agency of this state, or the full faith and credit of an authorizing body, shall not be pledged for the payment of any contract, mortgage, loan, or other instrument of indebtedness entered into by a public school academy, the achievement authority, or an achievement school.

Sec. 20. (1) For 2016-2017, 2017-2018, both of the following apply:

(a) The basic foundation allowance is $8,229.00.
(b) The minimum foundation allowance is $7,511.00.

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

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

(a) Except as otherwise provided in this subdivision, SUBSECTION, for a district that had a foundation allowance for the immediately preceding state fiscal year that was at least equal to the minimum foundation allowance for the immediately preceding state fiscal year, but less than the basic foundation allowance for the immediately preceding state fiscal year, the district shall receive a foundation allowance in an amount equal to the sum of the district's foundation allowance for the immediately preceding state fiscal year plus the difference between twice the dollar amount of
the adjustment from the immediately preceding state fiscal year to
the current state fiscal year made in the basic foundation
allowance and [(the difference between the basic foundation
allowance for the current state fiscal year and basic foundation
allowance for the immediately preceding state fiscal year minus
$20.00) $17.00] times (the difference between the district's
foundation allowance for the immediately preceding state fiscal
year and the minimum foundation allowance for the immediately
preceding state fiscal year) divided by the difference between the
basic foundation allowance for the current state fiscal year and
the minimum foundation allowance for the immediately preceding
state fiscal year.] However, the foundation allowance for a
district that had less than the basic foundation allowance for the
immediately preceding state fiscal year shall not exceed the basic
foundation allowance for the current state fiscal year. FOR 2017-
2018, FOR A DISTRICT THAT HAD A FOUNDATION ALLOWANCE FOR THE
IMMEDIATELY PRECEDING STATE FISCAL YEAR THAT WAS AT LEAST EQUAL TO
THE MINIMUM FOUNDATION ALLOWANCE FOR THE IMMEDIATELY PRECEDING
STATE FISCAL YEAR BUT LESS THAN THE BASIC FOUNDATION ALLOWANCE FOR
THE IMMEDIATELY PRECEDING FISCAL YEAR, THE DISTRICT SHALL RECEIVE A
FOUNDATION ALLOWANCE IN AN AMOUNT EQUAL TO THE DISTRICT'S
FOUNDATION ALLOWANCE FOR 2016-2017 PLUS $100.00.
(b) Except as otherwise provided in this subsection, for a
district that in the immediately preceding state fiscal year had a
foundation allowance in an amount equal to the amount of the basic
foundation allowance for the immediately preceding state fiscal
year, the district shall receive a foundation allowance for 2016-
in an amount equal to the basic foundation allowance for 2016-2017-2018.

(c) Except as otherwise provided in this subsection, for a district that had a foundation allowance for the immediately preceding state fiscal year that was greater than the basic foundation allowance for the immediately preceding state fiscal year, the district's foundation allowance is an amount equal to the sum of the district's foundation allowance for the immediately preceding state fiscal year plus the lesser of the increase in the basic foundation allowance for the current state fiscal year, as compared to the immediately preceding state fiscal year, or the product of the district's foundation allowance for the immediately preceding state fiscal year times the percentage increase in the United States consumer price index in the calendar year ending in the immediately preceding fiscal year as reported by the May revenue estimating conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b. For 2017-2018, for a district that had a foundation allowance for the immediately preceding state fiscal year that was greater than the basic foundation allowance for the immediately preceding state fiscal year, the district shall receive a foundation allowance in an amount equal to the district's foundation allowance for 2016-2017 plus $100.00.

(d) For a district that has a foundation allowance that is not a whole dollar amount, the district's foundation allowance shall be rounded up to the nearest whole dollar.

(4) Except as otherwise provided in this subsection, beginning
in 2014-2015, the state portion of a district's foundation allowance is an amount equal to the district's foundation allowance or the basic foundation allowance for the current state fiscal year, whichever is less, minus the local portion of the district's foundation allowance. For a district described in subsection (3)(c), beginning in 2014-2015, the state portion of the district's foundation allowance is an amount equal to $6,962.00 plus the difference between the district's foundation allowance for the current state fiscal year and the district's foundation allowance for 1998-99, minus the local portion of the district's foundation allowance. For a district that has a millage reduction required under section 31 of article IX of the state constitution of 1963, the state portion of the district's foundation allowance shall be calculated as if that reduction did not occur. For a receiving district, if school operating taxes continue to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, the taxable value per membership pupil of property in the receiving district used for the purposes of this subsection does not include the taxable value of property within the geographic area of the dissolved district. For a community district, if school operating taxes continue to be levied by a qualifying school district under section 12b of the revised school code, MCL 380.12b, with the same geographic area as the community district, the taxable value per membership pupil of property in the community district to be used for the purposes of this subsection does not
include the taxable value of property within the geographic area of
the community district.

(5) The allocation calculated under this section for a pupil
shall be based on the foundation allowance of the pupil's district
of residence. For a pupil enrolled pursuant to section 105 or 105c
in a district other than the pupil's district of residence, the
allocation calculated under this section shall be based on the
lesser of the foundation allowance of the pupil's district of
residence or the foundation allowance of the educating district.
For a pupil in membership in a K-5, K-6, or K-8 district who is
enrolled in another district in a grade not offered by the pupil's
district of residence, the allocation calculated under this section
shall be based on the foundation allowance of the educating
district if the educating district's foundation allowance is
greater than the foundation allowance of the pupil's district of
residence. The calculation under this subsection shall take into
account a district's per-pupil allocation under section 20m.

(6) Except as otherwise provided in this subsection, for
pupils in membership, other than special education pupils, in a
public school academy, the allocation calculated under this section
is an amount per membership pupil other than special education
pupils in the public school academy equal to the foundation
allowance of the district in which the public school academy is
located or the state maximum public school academy allocation,
whichever is less. For EXCEPT AS OTHERWISE PROVIDED IN THIS
SUBSECTION, FOR pupils in membership, other than special education
pupils, in a public school academy that is a cyber school and is
authorized by a school district, the allocation calculated under
this section is an amount per membership pupil other than special
education pupils in the public school academy equal to the
foundation allowance of the district that authorized the public
school academy or the state maximum public school academy
allocation, whichever is less. However, a public school academy
that had an allocation under this subsection before 2009-2010 that
was equal to the sum of the local school operating revenue per
membership pupil other than special education pupils for the
district in which the public school academy is located and the
state portion of that district's foundation allowance shall not
have that allocation reduced as a result of the 2010 amendment to
this subsection. Notwithstanding section 101, for a public school
academy that begins operations after the pupil membership count
day, the amount per membership pupil calculated under this
subsection shall be adjusted by multiplying that amount per
membership pupil by the number of hours of pupil instruction
provided by the public school academy after it begins operations,
as determined by the department, divided by the minimum number of
hours of pupil instruction required under section 101(3). The
result of this calculation shall not exceed the amount per
membership pupil otherwise calculated under this subsection.

(7) Except as otherwise provided in this subsection, for
pupils attending an achievement school and in membership in the
education achievement system, other than special education pupils,
the allocation calculated under this section is an amount per
membership pupil other than special education pupils equal to the
foundation allowance of the district in which the achievement school is located, not to exceed the basic foundation allowance. Notwithstanding section 101, for an achievement school that begins operation after the pupil membership count day, the amount per membership pupil calculated under this subsection shall be adjusted by multiplying that amount per membership pupil by the number of hours of pupil instruction provided by the achievement school after it begins operations, as determined by the department, divided by the minimum number of hours of pupil instruction required under section 101(3). The result of this calculation shall not exceed the amount per membership pupil otherwise calculated under this subsection. For the purposes of this subsection, if a public school is transferred from a district to the state school reform/redesign district or the achievement authority under section 1280e of the revised school code, MCL 380.1280e, that public school is considered to be an achievement school within the education achievement system and not a school that is part of a district, and a pupil attending that public school is considered to be in membership in the education achievement system and not in membership in the district that operated the school before the transfer.

(7) Except as otherwise provided in this subsection, for pupils in membership, other than special education pupils, in a community district, the allocation calculated under this section is an amount per membership pupil other than special education pupils in the community district equal to the foundation allowance of the qualifying school district, as described in section 12b of the
revised school code, MCL 380.12b, that is located within the same geographic area as the community district.

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

(9) Each fraction used in making calculations under this section shall be rounded to the fourth decimal place and the dollar amount of an increase in the basic foundation allowance shall be rounded to the nearest whole dollar.

(10) State payments related to payment of the foundation allowance for a special education pupil are not calculated under this section but are instead calculated under section 51a.

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

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

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

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

(12) Payments to districts, AND public school academies, or the education achievement system shall not be made under this section. Rather, the calculations under this section shall be used to determine the amount of state payments under section 22b.

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

(15) As used in this section:

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

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

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

(d) "Current state fiscal year" means the state fiscal year for which a particular calculation is made.

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

(f) "Immediately preceding state fiscal year" means the state fiscal year immediately preceding the current state fiscal year.

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

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

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

(j) "Maximum public school academy allocation", except as
otherwise provided in this subdivision, means the maximum per-pupil
allocation as calculated by adding the highest per-pupil allocation
among all public school academies for the immediately preceding
state fiscal year plus the difference between twice the amount of
the difference between the basic foundation allowance for the
current state fiscal year and the basic foundation allowance for
the immediately preceding state fiscal year and [(the amount of the
difference between the basic foundation allowance for the current
state fiscal year and the basic foundation allowance for the
immediately preceding state fiscal year minus $20.00) $17.00] times
(the difference between the highest per-pupil allocation among all
public school academies for the immediately preceding state fiscal
year and the minimum foundation allowance for the immediately
preceding state fiscal year) divided by the difference between the
basic foundation allowance for the current state fiscal year and
the minimum foundation allowance for the immediately preceding
state fiscal year.] For the purposes of this subdivision, for 2016-
2017-2018, the maximum public school academy allocation is $7,511.00-$7,611.00.

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

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

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

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

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

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

(q) "Tax increment financing acts" means 1975 PA 197, MCL 125.1651 to 125.1681, the tax increment finance authority act, 1980
PA 450, MCL 125.1801 to 125.1830, the local development financing act, 1986 PA 281, MCL 125.2151 to 125.2174, the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672, or the corridor improvement authority act, 2005 PA 280, MCL 125.2871 to 125.2899.

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

Sec. 20d. In making the final determination required under former section 20a of a district's combined state and local revenue per membership pupil in 1993-94 and in making calculations under section 20 for 2016-2017, a subsequent fiscal year, the department and the department of treasury shall comply with all of the following:

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

(b) If a district had an adjustment made to its 1993-94 total
state school aid that excluded payments made under former section
146 and under section 147 on behalf of the district's employees who
provided direct services for intermediate district center programs
operated by the district under article 5, SECTIONS 51 TO 56, if
nonresident pupils attending the center programs were included in
the district's membership for purposes of calculating the combined
state and local revenue per membership pupil for 1993-94, and if
there is a signed agreement by all constituent districts of the
intermediate district that an adjustment under this subdivision
shall be made, the foundation allowances for 1995-96 and 1996-97 of
all districts that had pupils attending the intermediate district
center program operated by the district that had the adjustment
shall be calculated as if their combined state and local revenue
per membership pupil for 1993-94 included resident pupils attending
the center program and excluded nonresident pupils attending the
center program.

Sec. 20f. (1) From the funds appropriated in section 11, there
is allocated an amount not to exceed $18,000,000.00 for 2016-2017
2017-2018 for payments to eligible districts under this section.

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

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

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

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

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

(4) The funding under this subsection is from the allocation under subsection (1). A district is eligible for funding under this subsection for 2016-2017 if the sum of the following is less than $25.00:

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

(b) The decrease in the district's best practices per-pupil funding under FORMER section 22f from 2014-2015 to 2015-2016.
(c) The decrease in the district's pupil performance per-pupil funding under FORMER section 22j from 2014-2015 to 2015-2016.

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

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

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

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

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

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

(6) If the allocation under subsection (1) is insufficient to fully fund payments under subsections (3) and (5) as otherwise calculated under this section, the department shall prorate payments under this section on an equal per-pupil basis.
to districts that in the 2015-2016 fiscal year had a foundation allowance greater than $8,169.00 shall be calculated under this section.

(2) The per-pupil allocation to each district under this section shall be the difference between the dollar amount of the adjustment from the immediately preceding 2015-2016 state fiscal year to the current state fiscal year in the basic foundation allowance minus the dollar amount of the adjustment from the immediately preceding 2015-2016 fiscal year to the current state fiscal year in a qualifying district's foundation allowance.

(3) If a district's local revenue per pupil does not exceed the sum of its foundation allowance under section 20 plus the per-pupil allocation under subsection (2), the total payment to the district calculated under this section shall be the product of the per-pupil allocation under subsection (2) multiplied by the district's membership excluding special education pupils. If a district's local revenue per pupil exceeds the foundation allowance under section 20 but does not exceed the sum of the foundation allowance under section 20 plus the per-pupil allocation under subsection (2), the total payment to the district calculated under this section shall be the product of the difference between the sum of the foundation allowance under section 20 plus the per-pupil allocation under subsection (2) minus the local revenue per pupil multiplied by the district's membership excluding special education pupils. If a district's local revenue per pupil exceeds the sum of the foundation allowance under section 20 plus the per-pupil allocation under subsection (2), there is no payment calculated.
under this section for the district.

(4) Payments to districts shall not be made under this section. Rather, the calculations under this section shall be made and used to determine the amount of state payments under section 22b.

Sec. 21g. (1) From the general fund appropriation in section 11, there is allocated an amount not to exceed $500,000.00 for 2016-2017 $100.00 FOR 2017-2018 for a grant to a public-private partnership, led by the Michigan Center of Innovation in Education, a Michigan-based nonprofit organization that is exempt from federal taxes under section 501(c)(3) of the internal revenue code, 26 USC 501(c)(3), in partnership with the Michigan Association of Intermediate School Administrators, and in coordination with the department and the center, to develop and pilot a competency-based transcript and marketplace TO EXPAND COMPETENCY-BASED EDUCATION PROGRAMS to provide enhanced choice to pupils and parents for the completion of the requirements for KINDERGARTEN THROUGH a high school diploma under the Michigan merit standard under sections 1278a and 1278b of the revised school code, MCL 380.1278a and 380.1278b.

(2) The partnership under subsection (1) shall do all of the following:

    (a) Establish an articulation framework for Michigan academic, technical, and global competencies of prekindergarten through high school diploma requirements, including providing for career and technical and dual enrollment opportunities.

    (b) Establish assessment criteria for measuring these
competencies and awarding universally recognized credentials, micro-credentials, credits, and micro-credits for demonstrated competencies independent of state-administered assessments.

[(c) Identify a means of accrediting education service providers as competency based credentialing organizations to facilitate any-time, any-pace, any-way, any-place learning such that credentials, micro-credentials, credits, and micro-credits can be earned inside and outside traditional classroom settings.

(d) Develop and pilot a pupil-owned transcript that satisfies postsecondary institution requirements for admission and allows pupils to accumulate credentials, micro-credentials, credits, and micro-credits required for high school graduation, postsecondary matriculation, and early career success.

(e) Establish and pilot a marketplace of accredited education service providers to provide enhanced choice for pupils and parents when selecting credentials, micro-credentials, credits, and micro-credits needed to satisfy Michigan high school diploma requirements, including career and technical and dual enrollment opportunities.

(3) Accredited education service providers shall include, but are not limited to, the following:

(a) Districts and public career and technical programs.

(b) Preschool, after-school, and other qualifying programs.

(c) Museums, historical societies, science centers, and other community education organizations.

(d) Business and civic organizations and other institutions providing internship and apprenticeship opportunities.
(e) Community colleges, trade schools, and universities offering dual enrollment opportunities.

(4) The transcript and marketplace shall do all of the following:

(a) Use Michigan specific academic standards when defining academic competencies.
(b) Use industry standards for the competency assessment.
(c) Use industry standards for articulating and transcripting of credentials, micro-credentials, credits, and micro-credits.
(d) Offer its services at no cost to pupils or parents.

(5) Not more than 50% of the funds awarded to a grantee under this section shall be initially distributed to the grantee. To receive the remaining distribution of funds, the grantee shall provide to the department a progress report on the development and piloting of the competency-based transcript and marketplace described in this section, and the department shall only release the remaining funds if, upon review of this progress report, the department determines that sufficient progress has been made by the grantee.

(A) Work with the Center to transform the transcript system funded under this section as it was in effect for 2016-2017 into a talent transcript that properly represents career-ready competencies.

(B) Work with Workforce Intelligence Network and Talent 2025 to facilitate the expansion of the Mi Bright Future Marketplace to additional prosperity regions.

(C) Work with the Michigan Elementary and Middle School
PRINCIPALS ASSOCIATION AND THE DEPARTMENT TO IMPLEMENT A TOP 10 EARLY LITERACY CHALLENGE AND DATA DASHBOARD.

(D) WORK WITH THE DEPARTMENT AND A CONSORTIUM OF DISTRICTS AND INTERMEDIATE DISTRICTS TO DEMONSTRATE THE POTENTIAL OF A STUDENT PROGRESS ASSESSMENT PROGRAM TO FACILITATE A STATEWIDE SHIFT TO COMPETENCY-BASED EDUCATION.

(3) Upon completion of the pilot described in this section, NOT LATER THAN MARCH 31, 2018, the grantee shall provide a report to the house and senate appropriations subcommittees on school aid detailing the project's expenditures, pupils served, successes and challenges, and feasibility for expanding the project statewide.

Sec. 22a. (1) From the appropriation in section 11, there is allocated an amount not to exceed $5,260,000,000.00 for 2015-2016 and an amount not to exceed $5,205,000,000.00 $5,199,000,000.00 for 2016-2017 AND THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED $5,178,000,000.00 FOR 2017-2018 for payments to districts and qualifying public school academies to guarantee each district and qualifying public school academy an amount equal to its 1994-95 total state and local per pupil revenue for school operating purposes under section 11 of article IX of the state constitution of 1963. Pursuant to section 11 of article IX of the state constitution of 1963, this guarantee does not apply to a district in a year in which the district levies a millage rate for school district operating purposes less than it levied in 1994. However, subsection (2) applies to calculating the payments under this section. Funds allocated under this section that are not expended
in the state fiscal year for which they were allocated, as
determined by the department, may be used to supplement the
allocations under sections 22b and 51c in order to fully fund those
calculated allocations for the same fiscal year.

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

(a) Except as otherwise provided in this subsection, the state
portion of a district's 1994-95 foundation allowance is an amount
equal to the district's 1994-95 foundation allowance or $6,500.00,
whichever is less, minus the difference between the sum of the
product of the taxable value per membership pupil of all property
in the district that is nonexempt property times the district's
certified mills and, for a district with certified mills exceeding
12, the product of the taxable value per membership pupil of
property in the district that is commercial personal property times
the certified mills minus 12 mills and the quotient of the ad
valorem property tax revenue of the district captured under tax
increment financing acts divided by the district's membership. For
a district that has a millage reduction required under section 31
of article IX of the state constitution of 1963, the state portion
of the district's foundation allowance shall be calculated as if
that reduction did not occur. For a receiving district, if school
operating taxes are to be levied on behalf of a dissolved district
that has been attached in whole or in part to the receiving
district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, taxable value per membership pupil of all property in the receiving district that is nonexempt property and taxable value per membership pupil of property in the receiving district that is commercial personal property do not include property within the geographic area of the dissolved district; ad valorem property tax revenue of the receiving district captured under tax increment financing acts does not include ad valorem property tax revenue captured within the geographic boundaries of the dissolved district under tax increment financing acts; and certified mills do not include the certified mills of the dissolved district. FOR A COMMUNITY DISTRICT, THE ALLOCATION AS OTHERWISE CALCULATED UNDER THIS SECTION SHALL BE REDUCED BY AN AMOUNT EQUAL TO THE AMOUNT OF LOCAL SCHOOL OPERATING TAX REVENUE THAT WOULD OTHERWISE BE DUE TO THE COMMUNITY DISTRICT IF NOT FOR THE OPERATION OF SECTION 386 OF THE REVISED SCHOOL CODE, MCL 380.386, AND THE AMOUNT OF THIS REDUCTION SHALL BE OFFSET BY THE INCREASE IN FUNDING UNDER SECTION 22B(2) IN ORDER TO OFFSET THE ABSENCE OF LOCAL SCHOOL OPERATING REVENUE IN A COMMUNITY DISTRICT IN THE FUNDING OF THE STATE PORTION OF THE FOUNDATION ALLOWANCE UNDER SECTION 22B.

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

(3) Beginning in 2003-2004, for pupils in membership in a qualifying public school academy, there is allocated under this section to the authorizing body that is the fiscal agent for the qualifying public school academy for forwarding to the qualifying public school academy an amount equal to the 1994-95 per pupil payment to the qualifying public school academy under section 20.

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

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

(6) Payments under this section are subject to section
25f-25G.

(7) As used in this section:
(a) "1994-95 foundation allowance" means a district's 1994-95
foundation allowance calculated and certified by the department of
treasury or the superintendent under former section 20a as enacted
in 1993 PA 336 and as amended by 1994 PA 283.
(b) "Certified mills" means the lesser of 18 mills or the
number of mills of school operating taxes levied by the district in
1993-94.

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

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

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

(f) "Hold harmless millage" means, for a district with a 1994-
95 foundation allowance greater than $6,500.00, the number of mills
by which the exemption from the levy of school operating taxes on a
homestead, qualified agricultural property, qualified forest
property, supportive housing property, industrial personal
property, commercial personal property, and property occupied by a
public school academy could be reduced as provided in section 1211
of the revised school code, MCL 380.1211, and the number of mills
of school operating taxes that could be levied on all property as provided in section 1211(2) of the revised school code, MCL 380.1211, as certified by the department of treasury for the 1994 tax year. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, school operating taxes do not include school operating taxes levied within the geographic area of the dissolved district.

(g) "Homestead", "qualified agricultural property", "qualified forest property", "supportive housing property", "industrial personal property", and "commercial personal property" mean those terms as defined in section 1211 of the revised school code, MCL 380.1211.

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

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

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

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

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

(m) "Tax increment financing acts" means 1975 PA 197, MCL 125.1651 to 125.1681, the tax increment finance authority act, 1980 PA 450, MCL 125.1801 to 125.1830, the local development financing act, 1986 PA 281, MCL 125.2151 to 125.2174, the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672, or the corridor improvement authority act, 2005 PA 280, MCL 125.2871 to 125.2899.

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

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

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

Sec. 22b. (1) For discretionary nonmandated payments to districts under this section, there is allocated from the appropriation in section 11 an amount not to exceed $3,692,000,000.00 for 2015-2016, and there is allocated for 2016-2017 an amount not to exceed $3,828,000,000.00—$3,844,000,000.00 from the state school aid fund and general fund appropriations in section 11 and an amount not to exceed $72,000,000.00 from the community district education trust fund appropriation in section 11, AND THERE IS ALLOCATED FOR 2017-2018 AN AMOUNT NOT TO EXCEED $3,953,000,000.00 FROM THE STATE SCHOOL AID FUND AND GENERAL FUND APPROPRIATIONS IN SECTION 11 AND AN AMOUNT NOT TO EXCEED
$72,000,000.00 FROM THE COMMUNITY DISTRICT EDUCATION TRUST FUND APPROPRIATION IN SECTION 11. Except for money allocated from the community district trust fund, money allocated under this section that is not expended in the state fiscal year for which it was allocated, as determined by the department, may be used to supplement the allocations under sections 22a and 51c in order to fully fund those calculated allocations for the same fiscal year.

(2) Subject to subsection (3) and section 296, the allocation to a district under this section shall be an amount equal to the sum of the amounts calculated under sections 20, 20m, 51a(2), 51a(3), and 51a(11), minus the sum of the allocations to the district under sections 22a and 51c. FOR A COMMUNITY DISTRICT, THE ALLOCATION AS OTHERWISE CALCULATED UNDER THIS SECTION SHALL BE INCREASED BY AN AMOUNT EQUAL TO THE AMOUNT OF LOCAL SCHOOL OPERATING TAX REVENUE THAT WOULD OTHERWISE BE DUE TO THE COMMUNITY DISTRICT IF NOT FOR THE OPERATION OF SECTION 386 OF THE REVISED SCHOOL CODE, MCL 380.386, AND THIS INCREASE SHALL BE PAID FROM THE COMMUNITY DISTRICT EDUCATION TRUST FUND ALLOCATION IN SUBSECTION (1) IN ORDER TO OFFSET THE ABSENCE OF LOCAL SCHOOL OPERATING REVENUE IN A COMMUNITY DISTRICT IN THE FUNDING OF THE STATE PORTION OF THE FOUNDATION ALLOWANCE UNDER SECTION 20(4).

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

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

(b) Comply with sections 1278a and 1278b of the revised school code, MCL 380.1278a and 380.1278b.
(c) Furnish data and other information required by state and federal law to the center and the department in the form and manner specified by the center or the department, as applicable.

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

(e) Comply with section 21f.

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

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

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

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

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

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

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

(11) If a lawsuit challenging payments made to districts
related to costs reimbursed by federal title XIX Medicaid funds is
filed against this state, then, for the purpose of addressing
potential liability under such a lawsuit, the state budget director
may place funds allocated under this section in escrow or allocate
money from the funds otherwise allocated under this section, up to
a maximum of 50% of the amount allocated in subsection (1). If
funds are placed in escrow under this subsection, those funds are a
work project appropriation and the funds are carried forward into
the following fiscal year. The purpose of the work project is to
provide for any payments that may be awarded to districts as a
result of the litigation. The work project shall be completed upon
resolution of the litigation. In addition, this state reserves the
right to terminate future federal title XIX Medicaid reimbursement
payments to districts if the amount or allocation of reimbursed
funds is challenged in the lawsuit. As used in this subsection,
"title XIX" means title XIX of the social security act, 42 USC 1396
to 1396v.
Sec. 22d. (1) From the appropriation in section 11, an amount not to exceed $5,000,000.00 is allocated for 2016-2017-2017-2018 for supplemental payments to rural districts under this section.

(2) From the allocation under subsection (1), there is allocated for 2016-2017-2017-2018 an amount not to exceed $957,300.00 for payments under this subsection to districts that meet all of the following:

(a) Operates grades K to 12.

(b) Has fewer than 250 pupils in membership.

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

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

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

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

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approval by the superintendent of public instruction, the amounts
specified for each eligible district under the spending plan are
allocated under subsection (2) and shall be paid to the eligible
districts in the same manner as payments under section 22b.

(4) Subject to subsection (6), from the allocation in
subsection (1), there is allocated for 2016-2017-2017-2018 an
amount not to exceed $4,042,700.00 for payments under this
subsection to districts that have 7.3 or fewer pupils per square
mile as determined by the department.

(5) The funds allocated under subsection (4) shall be
allocated on an equal per-pupil basis.

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

Sec. 22g. (1) From the funds appropriated in section 11, there
is allocated for 2016-2017 only an amount not to exceed $500,000.00
AND FOR 2017-2018 AN AMOUNT NOT TO EXCEED $1,000,000.00 for
competitive assistance grants to districts and intermediate
districts.

(2) Funds received under this section may be used for
reimbursement of transition costs associated with the dissolution,
consolidation, or annexation of districts or intermediate
districts. Grant funding shall be available for dissolutions,
consolidations, or annexations that occur on or after June 1, 2016.
Districts may spend funds allocated under this section over 3
fiscal years.

(3) In addition to the amount allocated under subsection (1),
from the funds appropriated in section 11, there is allocated for
2016-2017 **ONLY** an amount not to exceed $2,500,000.00 for grants to districts or intermediate districts that received a grant under this section as it was in effect for 2015-2016 for reimbursement of remaining transition costs associated with a dissolution, consolidation, or annexation that was approved during 2015-2016 by the school electors of the applicable district or intermediate district.

(4) NOTWITHSTANDING SECTION 17B, PAYMENTS UNDER THIS SECTION SHALL BE MADE ON A SCHEDULE DETERMINED BY THE DEPARTMENT.

SEC. 22M. (1) FROM THE APPROPRIATIONS IN SECTION 11, THERE IS ALLOCATED FOR 2017-2018 AN AMOUNT NOT TO EXCEED $1,200,000.00 FOR SUPPORTING THE INTEGRATION OF LOCAL DATA SYSTEMS INTO THE MICHIGAN DATA HUB NETWORK BASED ON COMMON STANDARDS AND APPLICATIONS THAT ARE IN COMPLIANCE WITH SECTION 19(7).

(2) AN ENTITY THAT IS THE FISCAL AGENT FOR NO MORE THAN 5 CONSORTIA OF INTERMEDIATE DISTRICTS THAT PREVIOUSLY RECEIVED FUNDING FROM THE TECHNOLOGY READINESS INFRASTRUCTURE GRANT UNDER FORMER SECTION 22I FOR THE PURPOSE OF ESTABLISHING REGIONAL DATA HUBS THAT ARE PART OF THE MICHIGAN DATA HUB NETWORK IS ELIGIBLE FOR FUNDING UNDER THIS SECTION.

(3) THE CENTER SHALL WORK WITH AN ADVISORY COMMITTEE COMPOSED OF REPRESENTATIVES FROM INTERMEDIATE DISTRICTS WITHIN EACH OF THE DATA HUB REGIONS TO COORDINATE THE ACTIVITIES OF THE MICHIGAN DATA HUB NETWORK.

(4) THE CENTER, IN COLLABORATION WITH THE MICHIGAN DATA HUB NETWORK, SHALL DETERMINE THE AMOUNT OF FUNDS DISTRIBUTED UNDER THIS SECTION TO EACH REGIONAL DATA HUB WITHIN THE NETWORK, BASED UPON
DOCUMENTED NEED PROVIDED TO THE CENTER IN A FORM AND MANNER DETERMINED BY THE CENTER.

(5) NOTWITHSTANDING SECTION 17B, PAYMENTS UNDER THIS SECTION SHALL BE MADE ON A SCHEDULE DETERMINED BY THE CENTER.

(6) TO RECEIVE FUNDING UNDER THIS SECTION, A REGIONAL DATA HUB MUST HAVE A GOVERNANCE MODEL THAT ENSURES LOCAL CONTROL OF DATA, DATA SECURITY, AND STUDENT PRIVACY ISSUES. THE INTEGRATION OF DATA WITHIN EACH OF THE REGIONAL DATA HUBS SHALL PROVIDE FOR THE ACTIONABLE USE OF DATA BY DISTRICTS AND INTERMEDIATE DISTRICTS THROUGH COMMON REPORTS AND DASHBOARDS AND FOR EFFICIENTLY PROVIDING INFORMATION TO MEET STATE AND FEDERAL REPORTING PURPOSES.

(7) PARTICIPATION BY A DATA HUB REGION OR AN INTERMEDIATE DISTRICT IN THE MICHIGAN DATA HUB NETWORK UNDER THIS SECTION IS VOLUNTARY AND IS NOT REQUIRED.

Sec. 24. (1) From the appropriation in section 11, there is allocated for 2016-2017-2017-2018 an amount not to exceed $8,000,000.00 for payments to the educating district or intermediate district for educating pupils assigned by a court or the department of health and human services to reside in or to attend a juvenile detention facility or child caring institution licensed by the department of health and human services and approved by the department to provide an on-grounds education program. The amount of the payment under this section to a district or intermediate district shall be calculated as prescribed under subsection (2).

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

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

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

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

(4) Special education pupils funded under section 53a shall
not be funded under this section.

Sec. 24a. From the appropriation in section 11, there is
allocated an amount not to exceed $1,301,000.00 for 2015-2016 and
there is allocated an amount not to exceed $1,328,100.00 for 2016-
2017 $1,339,000.00 FOR 2017-2018 for payments to intermediate
districts for pupils who are placed in juvenile justice service
facilities operated by the department of health and human services.
Each intermediate district shall receive an amount equal to the
state share of those costs that are clearly and directly
attributable to the educational programs for pupils placed in
facilities described in this section that are located within the
intermediate district's boundaries. The intermediate districts
receiving payments under this section shall cooperate with the
department of health and human services to ensure that all funding
allocated under this section is utilized by the intermediate
district and department of health and human services for
educational programs for pupils described in this section. Pupils
described in this section are not eligible to be funded under
section 24. However, a program responsibility or other fiscal
responsibility associated with these pupils shall not be
transferred from the department of health and human services to a district or intermediate district unless the district or intermediate district consents to the transfer.

Sec. 24c. From the appropriation in section 11, there is allocated an amount not to exceed $1,632,400.00 for 2016-2017

$1,528,400.00 FOR 2017-2018 for payments to districts for pupils who are enrolled in a nationally administered community-based education and youth mentoring program, known as the youth challenge program, that is administered by the department of military and veterans affairs. Both of the following apply to a district receiving payments under this section:

(a) The district shall contract with the department of military and veterans affairs to ensure that all funding allocated under this section is utilized by the district and the department of military and veterans affairs for the youth challenge program.

(b) The district may retain for its administrative expenses an amount not to exceed 3% of the amount of the payment the district receives under this section.

Sec. 25f. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $750,000.00 for 2016-2017 2017-2018 for payments to strict discipline academies established under sections 1311b to 1311m of the revised school code, MCL 380.1311b to 380.1311m, as provided under this section.

(2) In order to receive funding under this section, a strict discipline academy shall first comply with section 25e and use the pupil transfer process under that section for changes in enrollment
as prescribed under that section.

(3) The total amount allocated to a strict discipline academy under this section is an amount equal to the lesser of the strict discipline academy's added cost or the department's approved per-pupil allocation for the strict discipline academy. However, the sum of the amounts received by a strict discipline academy under this section and under section 24 shall not exceed the product of the strict discipline academy's per-pupil allocation calculated under section 20 multiplied by the strict discipline academy's full-time equated membership. The department shall allocate funds to strict discipline academies under this section on a monthly basis. For the purposes of this subsection:

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

(b) "Department's approved per-pupil allocation" for a strict discipline academy shall be determined by dividing the total amount allocated under this subsection for a fiscal year by the full-time
equated membership total for all pupils approved by the department
to be funded under this subsection for that fiscal year for the
strict discipline academy.

(4) Special education pupils funded under section 53a shall
not be funded under this section.

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

(6) Payments to districts under this section shall be made
according to the payment schedule under section 17b.

Sec. 25g. (1) From the state school aid fund money
appropriated in section 11, there is allocated an amount not to
exceed $750,000.00 for 2016-2017 2017-2018 for the purposes of this
section. If the operation of the special membership counting
provisions under section 6(4)(dd) and the other membership counting
provisions under section 6(4) result in a pupil being counted as
more than 1.0 FTE in a fiscal year, then the payment made for the
pupil under sections 22a and 22b shall not be based on more than
1.0 FTE for that pupil, and that portion of the FTE that exceeds
1.0 shall be paid under this section in an amount equal to that
portion multiplied by the educating district's foundation allowance
or per-pupil payment calculated under section 20.

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

(3) If the funds allocated under this section are insufficient
to fully fund the adjustments under subsection (1), payments under
this section shall be prorated on an equal per-pupil basis.
(4) Payments to districts under this section shall be made according to the payment schedule under section 17b.

Sec. 26a. From the funds appropriated in section 11, there is allocated an amount not to exceed $20,000,000.00 for 2015-2016 and there is allocated an amount not to exceed $20,000,000.00 $18,000,000.00 EACH FISCAL YEAR for 2016-2017 AND FOR 2017-2018 to reimburse districts and intermediate districts pursuant to section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in 2015 and 2016 AND 2017 as applicable. The allocations shall be made not later than 60 days after the department of treasury certifies to the department and to the state budget director that the department of treasury has received all necessary information to properly determine the amounts due to each eligible recipient.

Sec. 26b. (1) From the appropriation in section 11, there is allocated for 2016-2017-2017-2018 an amount not to exceed $4,405,100.00 for payments to districts, intermediate districts, and community college districts for the portion of the payment in lieu of taxes obligation that is attributable to districts, intermediate districts, and community college districts pursuant to section 2154 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2154.

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

Sec. 26c. (1) From the appropriation in section 11, there is
allocated an amount not to exceed $278,000.00 for 2015-2016 and
there is allocated an amount not to exceed $1,000,000.00 for 2016-
$1,500,000.00 FOR 2017-2018 to the promise zone fund created
in subsection (3).

(2) Funds allocated to the promise zone fund under this
section shall be used solely for payments to eligible districts and
intermediate districts that have a promise zone development plan
approved by the department of treasury under section 7 of the

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

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

(b) Money in the promise zone fund at the close of a fiscal
year shall remain in the promise zone fund and shall not lapse to
the general fund.

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

(5) NOTWITHSTANDING SECTION 17B, PAYMENTS UNDER THIS SECTION
SHALL BE PAID ON A SCHEDULE DETERMINED BY THE DEPARTMENT.

Sec. 31a. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2016-2017-2017-2018 an amount not to exceed $389,695,500.00 $518,807,300.00 for payments to eligible districts —AND eligible public school academies, and the education achievement system for the purposes of ensuring that pupils are proficient in reading—ENGLISH LANGUAGE ARTS by the end of grade 3, and—that pupils are proficient in mathematics by the end of grade 8, that pupils are attending school regularly, that high school graduates are career and college ready, and for the purposes under subsections (7) and (8) and (9).

(2) For a district or public school academy, or the education achievement system, to be eligible to receive funding under this section, other than funding under subsection (7) or (8), the sum of the district's or public school academy's or the education achievement system's combined state and local revenue per membership pupil in the current state fiscal year, as calculated under section 20, must be less than or equal to the basic foundation allowance under section 20 for the current state fiscal year.

(2) FOR A DISTRICT THAT HAS COMBINED STATE AND LOCAL REVENUE PER MEMBERSHIP PUPIL UNDER SECTIONS 20 AND 20M THAT IS GREATER THAN THE BASIC FOUNDATION ALLOWANCE UNDER SECTION 20 FOR THE CURRENT FISCAL YEAR, THE ALLOCATION UNDER THIS SECTION SHALL BE AN AMOUNT EQUAL TO 50% OF THE ALLOCATION FOR WHICH IT WOULD OTHERWISE BE ELIGIBLE UNDER THIS SECTION BEFORE ANY PRORATION UNDER SUBSECTION (13).
(3) For a district or public school academy that operates grades K to 3, or the education achievement system, to be eligible to receive funding under this section, other than funding under subsection (7) or (8), (8) OR (9), the district or public school academy, or the education achievement system, must implement, for at least grades K to 3, K TO 8 OR, IF THE DISTRICT OR PUBLIC SCHOOL ACADEMY DOES NOT OPERATE ALL OF GRADES K TO 8, FOR ALL OF THE GRADES IT OPERATES, a multi-tiered system of supports that is an evidence-based model that uses data-driven problem solving to integrate academic and behavioral instruction and that uses intervention delivered to all pupils in varying intensities based on pupil needs. This multi-tiered system of supports must provide at least all of the following essential elements:

(a) Implements effective instruction for all learners.
(b) Intervenes early.
(c) Provides a multi-tiered model of instruction and intervention that provides the following:
   (i) A core curriculum and classroom interventions available to all pupils that meet the needs of most pupils.
   (ii) Targeted group interventions.
   (iii) Intense individual interventions.
(d) Monitors pupil progress to inform instruction.
(e) Uses data to make instructional decisions.
(f) Uses assessments including universal screening, diagnostics, and progress monitoring.
(g) Engages families and the community.
(h) Implements evidence-based, scientifically validated,
instruction and intervention.

(i) Implements instruction and intervention practices with fidelity.

(j) Uses a collaborative problem-solving model.

(4) Except as otherwise provided in this subsection, an eligible district or eligible public school academy or the education achievement system shall receive under this section for each membership pupil in the district or public school academy or the education achievement system who met the income eligibility criteria for free breakfast, lunch, or milk, as determined under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769, and WHO IS DETERMINED TO BE ECONOMICALLY DISADVANTAGED, as reported to the department in the form and manner prescribed by the department not later than the fifth Wednesday after the pupil membership count day of the immediately preceding fiscal year, and adjusted not later than December 31 of the immediately preceding fiscal year, an amount per pupil equal to 11.5% of the sum of the district's STATEWIDE WEIGHTED AVERAGE foundation allowance, or the public school academy's or the education achievement system's per pupil amount calculated under section 20 plus the amount of the district's per pupil allocation under section 20m, not to exceed the basic foundation allowance under section 20 for the current state fiscal year, or of the public school academy's or the education achievement system's per membership pupil amount calculated under section 20 for the current state fiscal year. However, a public school academy that began operations as a public school academy, an achievement school that began
began operations as an achievement school, or a community district that first enrolls pupils, after the pupil membership count day of the immediately preceding school year shall receive under this section for each membership pupil in the public school academy, in the education achievement system, or in the community district who met the income eligibility criteria for free breakfast, lunch, or milk, as determined under the Richard B. Russell national school lunch act and WHO IS DETERMINED TO BE ECONOMICALLY DISADVANTAGED, as reported to the department CENTER IN THE FORM AND MANNER PRESCRIBED BY THE CENTER not later than the fifth Wednesday after the pupil membership count day of the current fiscal year, and adjusted not later than December 31 of the current fiscal year, an amount per pupil equal to 11.5% of the public school academy's, the education achievement system's, or the community district's per membership pupil amount calculated under section 20 for the current state fiscal year - STATEWIDE WEIGHTED AVERAGE FOUNDATION ALLOWANCE. 

(5) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, A DISTRICT OR PUBLIC SCHOOL ACADEMY RECEIVING FUNDS UNDER THIS SECTION SHALL USE THOSE FUNDS FOR PROGRAMS AND ACTIVITIES DESIGNED TO ACHIEVE ALL OF THE FOLLOWING:

(A) THE CHRONIC ABSENTEEISM RATE FOR ECONOMICALLY DISADVANTAGED PUPILS AND ENGLISH LANGUAGE LEARNERS ENROLLED IN THE DISTRICT OR PUBLIC SCHOOL ACADEMY IS NOT MORE THAN THE CHRONIC ABSENTEEISM RATE FOR PUPILS ENROLLED IN THE DISTRICT OR PUBLIC SCHOOL ACADEMY WHO ARE NOT IN EITHER OF THESE CATEGORIES, AS DEFINED AND CALCULATED BY THE CENTER.

(B) THE PROPORTION OF ECONOMICALLY DISADVANTAGED PUPILS AND
ENGLISH LANGUAGE LEARNERS WHO ARE IN THE BOTTOM 30% IN PERFORMANCE ON THE GRADE 3 ENGLISH LANGUAGE ARTS STATE ASSESSMENT AMONG PUPILS ENROLLED IN THE DISTRICT OR PUBLIC SCHOOL ACADEMY DOES NOT EXCEED THE PROPORTION OF PUPILS WHO ARE NOT IN EITHER OF THESE CATEGORIES WHO ARE IN THE BOTTOM 30% IN PERFORMANCE ON THE GRADE 3 ENGLISH LANGUAGE ARTS STATE ASSESSMENT AMONG PUPILS ENROLLED IN THE DISTRICT OR PUBLIC SCHOOL ACADEMY, AS CALCULATED AND REPORTED BY THE DEPARTMENT IN THE TOP 30-BOTTOM 30 ANALYSIS REPORT UNDER SUBSECTION (10).

(C) THE PROPORTION OF ECONOMICALLY DISADVANTAGED PUPILS AND ENGLISH LANGUAGE LEARNERS WHO ARE IN THE BOTTOM 30% IN PERFORMANCE ON THE GRADE 8 MATHEMATICS STATE ASSESSMENT AMONG PUPILS ENROLLED IN THE DISTRICT OR PUBLIC SCHOOL ACADEMY DOES NOT EXCEED THE PROPORTION OF PUPILS WHO ARE NOT IN EITHER OF THESE CATEGORIES WHO ARE IN THE BOTTOM 30% IN PERFORMANCE ON THE GRADE 8 MATHEMATICS STATE ASSESSMENT AMONG PUPILS ENROLLED IN THE DISTRICT OR PUBLIC SCHOOL ACADEMY, AS CALCULATED AND REPORTED BY THE DEPARTMENT IN THE TOP 30-BOTTOM 30 ANALYSIS REPORT UNDER SUBSECTION (10).

(D) AT LEAST 65% OF PUPILS IN GRADES 9 TO 12 HAVE ENROLLED IN CAREER AND TECHNICAL EDUCATION PROGRAMMING, ADVANCED PLACEMENT OR INTERNATIONAL BACCALAUREATE COURSES, OR DUAL ENROLLMENT OR CONCURRENT ENROLLMENT COURSES DESCRIBED IN SECTION 64B AND AT LEAST 80% OF THOSE PUPILS HAVE SUCCESSFULLY COMPLETED THE COURSES.

(6) Except as otherwise provided in this section, a district or public school academy, or the education achievement system, receiving funding under this section shall use that money only to provide instructional programs and direct noninstructional...
services, including, but not limited to, medical, mental health, or counseling services, for at-risk pupils; for school health clinics; and for the purposes of subsection (6), (7), (8), or (11). AND

ONLY IN A WAY THAT IS CONSISTENT WITH SUBSECTION (5). In addition, a district that is a school district of the first class or a district or public school academy in which at least 50% of the pupils in membership met the income eligibility criteria for free breakfast, lunch, or milk WERE DETERMINED TO BE ECONOMICALLY DISADVANTAGED in the immediately preceding state fiscal year, as determined and reported as described in subsection (4), or the education achievement system if it meets this requirement, (3), may use not more than 20% of the funds it receives under this section for school security. A district, the OR public school academy, or the education achievement system shall not use any of that money for administrative costs. The instruction or direct noninstructional services provided under this section may be conducted before or after regular school hours or by adding extra school days to the school year.

(7) A district or public school academy that receives funds under this section and that operates a school breakfast program under section 1272a of the revised school code, MCL 380.1272a, or the education achievement system if it operates a school breakfast program, shall use from the funds received under this section an amount, not to exceed $10.00 per pupil for whom the district or public school academy or the education achievement system receives funds under this section, necessary to pay for costs associated with the operation of the school breakfast
(8) From the funds allocated under subsection (1), there is allocated for 2016-2017-2017-2018 an amount not to exceed $5,557,300.00 to support child and adolescent health centers. These grants shall be awarded for 5 consecutive years beginning with 2003-2004 in a form and manner approved jointly by the department and the department of health and human services. Each grant recipient shall remain in compliance with the terms of the grant award or shall forfeit the grant award for the duration of the 5-year period after the noncompliance. To continue to receive funding for a child and adolescent health center under this section a grant recipient shall ensure that the child and adolescent health center has an advisory committee and that at least one-third of the members of the advisory committee are parents or legal guardians of school-aged children. A child and adolescent health center program shall recognize the role of a child's parents or legal guardian in the physical and emotional well-being of the child. Funding under this subsection shall be used to support child and adolescent health center services provided to children up to age 21. If any funds allocated under this subsection are not used for the purposes of this subsection for the fiscal year in which they are allocated, those unused funds shall be used that fiscal year to avoid or minimize any proration that would otherwise be required under subsection (12)-(13) for that fiscal year.

(9) From the funds allocated under subsection (1), there is allocated for 2016-2017-2017-2018 an amount not to exceed $5,150,000.00 for the state portion of the hearing and vision program.
screenings as described in section 9301 of the public health code, 1978 PA 368, MCL 333.9301. A local public health department shall pay at least 50% of the total cost of the screenings. The frequency of the screenings shall be as required under R 325.13091 to R 325.13096 and R 325.3271 to R 325.3276 of the Michigan administrative code. Funds shall be awarded in a form and manner approved jointly by the department and the department of health and human services. Notwithstanding section 17b, payments to eligible entities under this subsection shall be paid on a schedule determined by the department.

(10) THE DEPARTMENT SHALL CALCULATE AND PUBLISH A TOP 30-BOTTOM 30 ANALYSIS REPORT ANNUALLY TO DETERMINE EACH DISTRICT'S PERFORMANCE IN THE METRICS DESCRIBED IN SUBSECTION (5)(B) AND (C).

IN ADDITION, THE DEPARTMENT SHALL PUBLISH EACH DISTRICT'S PERFORMANCE FOR EACH OF THE METRICS DESCRIBED IN SUBSECTION (5) NO LATER THAN DECEMBER 30 OF EACH YEAR OR 1 MONTH AFTER FULLY AUDITED STATE ASSESSMENT DATA IS RECEIVED BY THE DEPARTMENT, WHICHEVER IS LATER.

(11) - Each district or public school academy receiving funds under this section and the education achievement system shall submit to the department by July 15 of each fiscal year a report, not to exceed 10 pages, on the usage by the district or public school academy or the education achievement system of funds under this section, which report shall include IN THE FORM AND MANNER PRESCRIBED BY THE DEPARTMENT, THAT INCLUDES a brief description of each program conducted or services performed by the district or public school academy or the education achievement system using
funds under this section, the amount of funds under this section allocated to each of those programs or services, the total number of at-risk pupils served by each of those programs or services, and the data necessary for the department and the department of health and human services to verify matching funds for the temporary assistance for needy families program. IN PRESCRIBING THE FORM AND MANNER OF THE REPORT, THE DEPARTMENT SHALL ENSURE THAT DISTRICTS ARE ALLOWED TO EXPEND FUNDS RECEIVED UNDER THIS SECTION ON ANY ACTIVITIES THAT ARE PERMISSIBLE UNDER THIS SECTION. FROM THESE REPORTS, THE DEPARTMENT SHALL PUBLISH A SUMMARY OF PROGRAMS CONDUCTED OR SERVICES PERFORMED IN DISTRICTS AND PUBLIC SCHOOL ACADEMIES THAT DEMONSTRATE SIGNIFICANT IMPROVEMENTS ON THE METRICS DESCRIBED IN SUBSECTION (5), AS DETERMINED BY THE DEPARTMENT. If a district or public school academy or the education achievement system does not comply with this subsection, the department shall withhold an amount equal to the August payment due under this section until the district or public school academy or the education achievement system complies with this subsection. If the district or public school academy or the education achievement system does not comply with this subsection by the end of the state fiscal year, the withheld funds shall be forfeited to the school aid fund.

(12) (10) In order to receive funds under this section, a district or public school academy or the education achievement system shall allow access for the department or the department's designee to audit all records related to the program for which it receives those funds. The district or public school academy or the
education achievement system shall reimburse the state for all disallowances found in the audit.

(11) Subject to subsections (6), (7), and (8), a district may use up to 100% of the funds it receives under this section to implement schoolwide reform in schools with 40% or more of their pupils identified as at-risk pupils by providing instructional or noninstructional services consistent with the school improvement plan.

(13) If necessary, and before any proration required under section 296, the department shall prorate payments under this section by reducing the amount of the per pupil payment under this section by a dollar amount calculated by determining the amount by which the amount necessary to fully fund the requirements of this section exceeds the maximum amount allocated under this section and then dividing that amount by the total statewide number of pupils who met the income eligibility criteria for free breakfast, lunch, or milk in the immediately preceding fiscal year, as described in subsection (4). ALLOCATION AS OTHERWISE CALCULATED UNDER THIS SECTION BY AN EQUAL PERCENTAGE PER DISTRICT.

(14) If a district is formed by consolidation after June 1, 1995, and if 1 or more of the original districts were not eligible before the consolidation for an additional allowance under this section, the amount of the additional allowance under this section for the consolidated district shall be based on the number of pupils described in subsection (1) enrolled in the consolidated district who reside in the territory of an original district that was eligible before the consolidation for an additional allowance.
under this section. In addition, if IF a district is dissolved pursuant to section 12 of the revised school code, MCL 380.12, the intermediate district to which the dissolved school district was constituent shall determine the estimated number of pupils that meet the income eligibility criteria for free breakfast, lunch, or milk, as described under subsection (4), ARE ECONOMICALLY DISADVANTAGED AND THAT ARE enrolled in each of the other districts within the intermediate district and provide that estimate to the department for the purposes of distributing funds under this section within 60 days after the school district is declared dissolved.

(14) As used in this section, "at-risk pupil" means a pupil for whom the district has documentation that the pupil meets any of the following criteria:

(a) Is a victim of child abuse or neglect.
(b) Is a pregnant teenager or teenage parent.
(c) Has a family history of school failure, incarceration, or substance abuse.
(d) For pupils for whom the results of the state summative assessment have been received, is a pupil who did not achieve proficiency on the English language arts, mathematics, science, or social studies content area assessment.
(e) Is a pupil who is at risk of not meeting the district's core academic curricular objectives in English language arts or mathematics, as demonstrated on local assessments.
(f) The pupil is enrolled in a priority or priority-successor school, as defined in the elementary and secondary education act of
2001 flexibility waiver approved by the United States Department of Education.

(g) In the absence of state or local assessment data, the pupil meets at least 2 of the following criteria, as documented in a form and manner approved by the department:

(i) The pupil is eligible for free or reduced price breakfast, lunch, or milk.

(ii) The pupil is absent more than 10% of enrolled days or 10 school days during the school year.

(iii) The pupil is homeless.

(iv) The pupil is a migrant.

(v) The pupil is an English language learner.

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

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

(15) Beginning in 2018-2019, if a district, public school academy, or the education achievement system does not demonstrate to the satisfaction of the department that at least 50% of at-risk pupils are proficient in English language arts by the end of grade 3 as measured by the state assessment for the immediately preceding school year and demonstrate to the satisfaction of the department improvement over each of the 3 immediately preceding school years in the percentage of at-risk pupils that are career- and college-ready as determined by proficiency on the English language arts, mathematics, and science content area assessments on the grade 11
summative assessment under section 1279g(2)(a) of the revised school code, MCL 380.1279g, the district, public school academy, or education achievement system shall ensure all of the following:

(a) The district, public school academy, or the education achievement system shall determine the proportion of total at-risk pupils that represents the number of pupils in grade 3 that are not proficient in English language arts by the end of grade 3, and the district, public school academy, or the education achievement system shall expend that same proportion multiplied by 1/2 of its total at-risk funds under this section on tutoring and other methods of improving grade 3 English language arts proficiency.

(b) The district, public school academy, or the education achievement system shall determine the proportion of total at-risk pupils that represent the number of pupils in grade 11 that are not career- and college-ready as measured by the student’s score on the English language arts, mathematics, and science content area assessments on the grade 11 summative assessment under section 1279g(2)(a) of the revised school code, MCL 380.1279g, and the district, public school academy, or the education achievement system shall expend that same proportion multiplied by 1/2 of its total at-risk funds under this section on tutoring and other activities to improve scores on the college entrance examination portion of the Michigan merit examination.

(16) As used in subsection (15), "total at-risk pupils" means the sum of the number of pupils in grade 3 that are not proficient in English language arts by the end of third grade as measured on the state assessment and the number of pupils in grade 11 that are
not career- and college-ready as measured by the student's score on
the English language arts, mathematics, and science content area
assessments on the grade 11 summative assessment under section
1279g(2)(a) of the revised school code, MCL 380.1279g.

(15) BEGINNING IN 2018-2019, IF A DISTRICT OR PUBLIC SCHOOL
ACADEMY HAS NOT ACHIEVED ALL OF THE METRICS IN SUBSECTION (5) OR
MADE SATISFACTORY PROGRESS AS DETERMINED BY THE SUPERINTENDENT, THE
SUPERINTENDENT SHALL ASSIGN A TEAM OF PERSONS WITH EXPERTISE IN
COMPREHENSIVE SCHOOL AND DISTRICT REFORM TO PARTNER WITH THE
DISTRICT OR PUBLIC SCHOOL ACADEMY, THE INTERMEDIATE DISTRICT IN
WHICH IT IS LOCATED, COMMUNITY ORGANIZATIONS, LOCAL EMPLOYERS,
EDUCATION ORGANIZATIONS, AND POSTSECONDARY INSTITUTIONS AS
DETERMINED BY THE SUPERINTENDENT TO CONDUCT AN EVALUATION THAT
INCLUDES AT LEAST ALL OF THE FOLLOWING:

(A) REVIEWING THE DISTRICT'S OR PUBLIC SCHOOL ACADEMY'S
IMPLEMENTATION AND UTILIZATION OF ITS MULTI-TIERED SYSTEM OF
SUPPORTS AND ENSURING THAT THE SYSTEM IS BEING USED TO
APPROPRIATELY INFORM INSTRUCTION OF AT-RISK PUPILS AND MAKE
RECOMMENDATIONS FOR CHANGES.

(B) CONDUCTING AN ACADEMIC PERFORMANCE AUDIT THAT INCLUDES
RECOMMENDATIONS FOR CHANGES IF NECESSARY FOR AT LEAST ALL OF THE
FOLLOWING:

(i) DISTRICT AND SCHOOL BUILDING LEADERSHIP AND EDUCATOR
CAPACITY TO SUBSTANTIALLY IMPROVE STUDENT OUTCOMES.

(ii) CLASSROOM, INSTRUCTIONAL, AND OPERATIONAL PRACTICES AND
CURRICULUM AND ALIGNMENT WITH RESEARCH-BASED INSTRUCTIONAL
PRACTICES AND STATE CURRICULUM STANDARDS.
(C) REVIEWING THE DISTRICT’S USE OF FINANCIAL RESOURCES WITH RECOMMENDATIONS TO MORE EFFECTIVELY USE THOSE RESOURCES TO IMPROVE ACADEMIC ACHIEVEMENT FOR AT-RISK PUPILS.

(D) ASSURANCE THAT EVALUATION COSTS WILL BE PAID FROM THE FUNDS RECEIVED UNDER THIS SECTION ONLY AFTER AN AGREEMENT SPECIFYING THE ROLES AND RESPONSIBILITIES OF THE PARTNERS AND ESTABLISHING 18-MONTH BENCHMARKS HAS BEEN SIGNED BY THE PARTNERS AND APPROVED BY THE STATE SUPERINTENDENT.

(16) A district or public school academy that receives funds under this section or the education achievement system may use funds received under this section to provide an anti-bullying or crisis intervention program.

(17) The department shall collaborate with the department of health and human services to prioritize assigning Pathways to Potential Success coaches to elementary schools that have a high percentage of pupils in grades K to 3 who are not reading at grade level PROFICIENT IN ENGLISH LANGUAGE ARTS, BASED UPON STATE ASSESSMENTS FOR PUPILS IN THOSE GRADES.

(18) IT IS THE INTENT OF THE LEGISLATURE THAT BEGINNING IN 2018-2019, A PORTION OF THE FUNDS ALLOCATED UNDER THIS SECTION SHALL BE USED TO REIMBURSE DISTRICTS THAT PROVIDE TRANSPORTATION OR TRANSPORTATION VOUCHERS OR PASSES TO PUPILS ENROLLED IN A DISTRICT OTHER THAN THEIR RESIDENT DISTRICT OR A PUBLIC SCHOOL ACADEMY.

(19) AS USED IN THIS SECTION:

(A) "AT-RISK PUPIL" MEANS A PUPIL WHO IS ECONOMICALLY DISADVANTAGED OR AN ENGLISH LANGUAGE LEARNER FOR WHOM THE DISTRICT HAS DOCUMENTATION THAT THE PUPIL MEETS ANY OF THE FOLLOWING
CRITERIA:

(i) THE PUPIL DID NOT ACHIEVE PROFICIENCY ON THE ENGLISH LANGUAGE ARTS STATE ASSESSMENT FOR GRADE 3 OR IS AT RISK OF NOT ACHIEVING PROFICIENCY, AS DETERMINED BY THE DISTRICT OR PUBLIC SCHOOL ACADEMY USING DATA PROVIDED AS PART OF THE MULTI-TIERED SYSTEM OF SUPPORTS DESCRIBED IN SUBSECTION (2).

(ii) THE PUPIL DID NOT ACHIEVE PROFICIENCY ON THE MATHEMATICS STATE ASSESSMENT FOR GRADE 8 OR IS AT RISK OF NOT ACHIEVING PROFICIENCY, AS DETERMINED BY THE DISTRICT OR PUBLIC SCHOOL ACADEMY USING DATA PROVIDED AS PART OF THE MULTI-TIERED SYSTEM OF SUPPORTS DESCRIBED IN SUBSECTION (2).

(iii) THE PUPIL IS CHRONICALLY ABSENT AS DEFINED BY AND REPORTED TO THE CENTER.

(B) "ECONOMICALLY DISADVANTAGED" MEANS A PUPIL WHO HAS BEEN DETERMINED ELIGIBLE FOR FREE OR REDUCED-PRICE MEALS AS DETERMINED UNDER THE RICHARD B. RUSSELL NATIONAL SCHOOL LUNCH ACT, 42 USC 1751 TO 1769; WHO IS IN A HOUSEHOLD RECEIVING SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM OR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES ASSISTANCE; OR WHO IS HOMELESS, MIGRANT, OR IN FOSTER CARE, AS REPORTED TO THE CENTER.

(C) "ENGLISH LANGUAGE LEARNER" MEANS LIMITED ENGLISH PROFICIENT PUPILS WHO SPEAK A LANGUAGE OTHER THAN ENGLISH AS THEIR PRIMARY LANGUAGE AND HAVE DIFFICULTY SPEAKING, READING, WRITING, OR UNDERSTANDING ENGLISH AS REPORTED TO THE CENTER.

(D) "STATEWIDE WEIGHTED AVERAGE FOUNDATION ALLOWANCE" MEANS THE NUMBER THAT IS CALCULATED BY ADDING TOGETHER THE RESULT OF EACH DISTRICT'S OR PUBLIC SCHOOL ACADEMY'S FOUNDATION ALLOWANCE OR PER
PUPIL PAYMENT CALCULATED UNDER SECTION 20 MULTIPLIED BY THE NUMBER
OF PUPILS IN MEMBERSHIP IN THAT DISTRICT OR PUBLIC SCHOOL ACADEMY,
AND THEN DIVIDING THAT TOTAL BY THE STATEWIDE NUMBER OF PUPILS IN
MEMBERSHIP. FOR THE PURPOSES OF THIS CALCULATION, A DISTRICT'S
FOUNDATION ALLOWANCE SHALL NOT EXCEED THE BASIC FOUNDATION
ALLOWANCE UNDER SECTION 20 FOR THE CURRENT STATE FISCAL YEAR.

Sec. 31b. (1) From the appropriations in section 11, there is
allocated an amount not to exceed $1,500,000.00 for 2016-2017-2017-
2018 for grants to at-risk districts for implementing a year-round
BALANCED CALENDAR instructional program for at least 1 of its
schools.

(2) The department shall select districts for grants under
this section from among applicant districts that meet both of the
following:

(a) The district meets 1 or both of the following:

(i) Is eligible in 2016-2017-2017-2018 for the community
eligibility option for free and reduced price lunch under 42 USC
1759a.

(ii) At least 50% of the pupils in membership in the district
met the income eligibility criteria for free breakfast, lunch, or
milk in the immediately preceding state fiscal year, as determined
under the Richard B. Russell national school lunch act, 42 USC 1751
to 1769i.

(b) The board of the district has adopted a resolution stating
that the district will implement for the first time a year-round
BALANCED CALENDAR instructional calendar PROGRAM that will begin in
2017-2018-2018-2019 for at least 1 school operated by the district
and committing to providing the year-round BALANCED CALENDAR instructional calendar PROGRAM in each of those schools for at least 3 school years.

(3) A district seeking a grant under this section shall apply to the department in the form and manner prescribed by the department not later than December 1, 2016–2017. The department shall select districts for grants and make notification not later than February 1, 2017–2018.

(4) The department shall award grants under this section on a competitive basis, but shall give priority based solely on consideration of the following criteria:

(a) Giving priority to districts that, as of June 30, 2016, in THE IMMEDIATELY PRECEDING FISCAL YEAR, had lower general fund balances as a percentage of revenues.

(b) Giving priority to districts that operate at least 1 school that has been identified by the department as either a priority school or a focus school.

(c) Ensuring that grant funding includes both rural and urban districts.

(5) The amount of a grant under this section to any 1 district shall not exceed $750,000.00.

(6) A grant payment under this section to a district shall be used for necessary modifications to instructional facilities and other nonrecurring costs of preparing for the operation of a year-round BALANCED CALENDAR instructional program as approved by the department.

(7) A district receiving a grant under this section is not
required to provide more than the minimum number of days and hours of pupil instruction prescribed under section 101, but shall spread at least those minimum amounts of pupil instruction over the entire year in each of its schools in which a \textit{year-round BALANCED CALENDAR} instructional calendar is implemented. The district shall commit to providing the \textit{year-round BALANCED CALENDAR} instructional calendar in each of those schools for at least 3 school years.

(8) For a district receiving a grant under this section, excessive heat is considered to be a condition not within the control of school authorities for the purpose of days or hours being counted as days or hours of pupil instruction under section 101(4).

(9) Notwithstanding section 17b, grant payments to districts under this section shall be paid on a schedule determined by the department.

Sec. 31d. (1) From the appropriations in section 11, there is allocated an amount not to exceed $22,495,100.00 for 2016-2017, 2017-2018 for the purpose of making payments to districts and other eligible entities under this section.

(2) The amounts allocated from state sources under this section shall be used to pay the amount necessary to reimburse districts for 6.0127% of the necessary costs of the state mandated portion of the school lunch programs provided by those districts. The amount due to each district under this section shall be computed by the department using the methods of calculation adopted by the Michigan supreme court in the consolidated cases known as \textit{Durant v State of Michigan, Michigan supreme court docket no.}
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1. The payments made under this section include all state
2. payments made to districts so that each district receives at least
3. 6.0127% of the necessary costs of operating the state mandated
4. portion of the school lunch program in a fiscal year.
5. (4) The payments made under this section to districts and
6. other eligible entities that are not required under section 1272a
7. of the revised school code, MCL 380.1272a, to provide a school
8. lunch program shall be in an amount not to exceed $10.00 per
9. eligible pupil plus 5 cents for each free lunch and 2 cents for
10. each reduced price lunch provided, as determined by the department.
11. (5) From the federal funds appropriated in section 11, there
12. is allocated for 2016-2017-2017-2018 all available federal funding, estimated at $510,000,000.00-$520,000,000.00 for the national
13. school lunch program and all available federal funding, estimated
14. at $3,200,000.00 for the emergency food assistance program.
15. (6) Notwithstanding section 17b, payments to eligible entities
16. other than districts under this section shall be paid on a schedule
17. determined by the department.
18. (7) In purchasing food for a school lunch program funded under
19. this section, preference shall be given to food that is grown or
20. produced by Michigan businesses if it is competitively priced and
21. of comparable quality.

Sec. 31f. (1) From the appropriations in section 11, there is
25. allocated an amount not to exceed $2,500,000.00 for 2015-2016 and
26. there is allocated an amount not to exceed $2,500,000.00 for 2016-
27. $4,500,000.00 EACH FISCAL YEAR FOR 2016-2017 AND FOR 2017-2018
for the purpose of making payments to districts to reimburse for
the cost of providing breakfast.

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

(a) The district participates in the federal school breakfast
program and meets all standards as prescribed by 7 CFR parts 220
and 245.

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

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

(4) Notwithstanding section 17b, payments under this section
may be made pursuant to an agreement with the department.

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

Sec. 32d. (1) From the funds appropriated in section 11, there
is allocated to eligible intermediate districts and consortia of
intermediate districts for great start readiness programs an amount
not to exceed $243,600,000.00 for 2016-2017-2017-2018. Funds allocated under this section for great start readiness programs shall be used to provide part-day, school-day, or GSRP/head start GSRP/HEAD START blended comprehensive free compensatory classroom programs designed to improve the readiness and subsequent achievement of educationally disadvantaged children who meet the participant eligibility and prioritization guidelines as defined by the department. For a child to be eligible to participate in a program under this section, the child shall be at least 4, but less than 5, years of age as of September 1 of the school year in which the program is offered and shall meet those eligibility and prioritization guidelines.

(2) Funds allocated under subsection (1) shall be allocated to intermediate districts or consortia of intermediate districts based on the formula in section 39. An intermediate district or consortium of intermediate districts receiving funding under this section shall act as the fiduciary for the great start readiness programs. In order to be eligible to receive funds allocated under this subsection from an intermediate district or consortium of intermediate districts, a district, a consortium of districts, or a public or private for-profit or nonprofit legal entity or agency shall comply with this section and section 39.

(3) In addition to the allocation under subsection (1), from the general fund money appropriated under section 11, there is allocated an amount not to exceed $300,000.00 for 2016-2017-2017-2018 for a competitive grant to continue a longitudinal evaluation of children who have participated in great start readiness
programs. AN ENTITY THAT HAS AN APPROVED GREAT START READINESS PROGRAM CURRICULUM IS NOT ELIGIBLE FOR A GRANT UNDER THIS SUBSECTION.

(4) To be eligible for funding under this section, a program shall prepare children for success in school through comprehensive part-day, school-day, or GSRP/head start blended programs that contain all of the following program components, as determined by the department:

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

(b) An age-appropriate educational curriculum that is in compliance with the early childhood standards of quality for prekindergarten children adopted by the state board, INCLUDING, BUT NOT LIMITED TO, THE CONNECT4LEARNING CURRICULUM.

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

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

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

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

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

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

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

(j) Participation in this state's great start to quality process with a rating of at least 3 stars.

(5) An application for funding under this section shall provide for the following, in a form and manner determined by the department:

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

(b) Except as otherwise provided in this subdivision, ensure that **at least 90% ALL** of the children participating in an eligible great start readiness program for whom the intermediate district is receiving funds under this section are children who live with families with a household income that is equal to or less than 250% of the federal poverty level. If the intermediate district determines that all eligible children are being served and that
there are no children on the waiting list under section 39(1)(d) who live with families with a household income that is equal to or less than 250% of the federal poverty level, the intermediate district may then enroll children who live with families with a household income that is equal to or less than 300% of the federal poverty level. The enrollment process shall consider income and risk factors, such that children determined with higher need are enrolled before children with lesser need. For purposes of this subdivision, all age-eligible children served in foster care or who are experiencing homelessness or who have individualized education plans recommending placement in an inclusive preschool setting shall be considered to live with families with household income equal to or less than 250% of the federal poverty level regardless of actual family income and shall be prioritized for enrollment within the lowest quintile.

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

(i) Teachers possessing proper training. A lead teacher must have a valid teaching certificate with an early childhood (ZA or ZS) endorsement or a bachelor's or higher degree in child development or early childhood education with specialization in preschool teaching. However, if an applicant demonstrates to the department that it is unable to fully comply with this subparagraph after making reasonable efforts to comply, teachers who have significant but incomplete training in early childhood education or child development may be used if the applicant provides to the department, and the department approves, a plan for each teacher to
come into compliance with the standards in this subparagraph. A
teacher's compliance plan must be completed within 2 years of the
date of employment. Progress toward completion of the compliance
plan shall consist of at least 2 courses per calendar year.

(ii) Paraprofessionals possessing proper training in early
childhood education, including an associate's degree in early
childhood education or child development or the equivalent, or a
child development associate (CDA) credential. However, if an
applicant demonstrates to the department that it is unable to fully
comply with this subparagraph after making reasonable efforts to
comply, the applicant may use paraprofessionals who have completed
at least 1 course that earns college credit in early childhood
education or child development if the applicant provides to the
department, and the department approves, a plan for each
paraprofessional to come into compliance with the standards in this
subparagraph. A paraprofessional's compliance plan must be
completed within 2 years of the date of employment. Progress toward
completion of the compliance plan shall consist of at least 2
courses or 60 clock hours of training per calendar year.

(d) Include a program budget that contains only those costs
that are not reimbursed or reimbursable by federal funding, that
are clearly and directly attributable to the great start readiness
program, and that would not be incurred if the program were not
being offered. Eligible costs include transportation costs. The
program budget shall indicate the extent to which these funds will
supplement other federal, state, local, or private funds. Funds
received under this section shall not be used to supplant any
federal funds received by the applicant to serve children eligible for a federally funded preschool program that has the capacity to serve those children.

(6) For a grant recipient that enrolls pupils in a school-day program funded under this section, each child enrolled in the school-day program shall be counted as described in section 39 for purposes of determining the amount of the grant award.

(7) For a grant recipient that enrolls pupils in a GSRP/head start-GSRP/HEAD START blended program, the grant recipient shall ensure that all head start-HEAD START and GSRP policies and regulations are applied to the blended slots, with adherence to the highest standard from either program, to the extent allowable under federal law.

(8) An intermediate district or consortium of intermediate districts receiving a grant under this section shall designate an early childhood coordinator, and may provide services directly or may contract with 1 or more districts or public or private for-profit or nonprofit providers that meet all requirements of subsections (4) and (5).

(9) An intermediate district or consortium of intermediate districts may retain for administrative services provided by the intermediate district or consortium of intermediate districts an amount not to exceed 4% of the grant amount. Expenses incurred by subrecipients engaged by the intermediate district or consortium of intermediate districts for directly running portions of the program shall be considered program costs or a contracted program fee for service.
(10) An intermediate district or consortium of intermediate districts may expend not more than 2% of the total grant amount for outreach, recruiting, and public awareness of the program.

(11) Each grant recipient shall enroll children identified under subsection (5)(b) according to how far the child's household income is below 250% of the federal poverty level by ranking each applicant child's household income from lowest to highest and dividing the applicant children into quintiles based on how far the child's household income is below 250% of the federal poverty level, and then enrolling children in the quintile with the lowest household income before enrolling children in the quintile with the next lowest household income. Until slots are completely filled. If the grant recipient determines that all eligible children are being served and that there are no children on the waiting list under section 39(1)(d) who live with families with a household income that is equal to or less than 250% of the federal poverty level, the grant recipient may then enroll children who live with families with a household income that is equal to or less than 300% of the federal poverty level. The enrollment process shall consider income and risk factors, such that children determined with higher need are enrolled before children with lesser need. For purposes of this subdivision, all age-eligible children served in foster care or who are experiencing homelessness or who have individualized education plans recommending placement in an inclusive preschool setting shall be considered to live with families with household income equal to or less than 250% of the federal poverty level regardless of actual family income and shall be prioritized for enrollment.
(12) An intermediate district or consortium of intermediate districts receiving a grant under this section shall allow parents of eligible children who are residents of the intermediate district or within the consortium to choose a program operated by or contracted with another intermediate district or consortium of intermediate districts and shall enter into a written agreement regarding payment, in a manner prescribed by the department.

(13) An intermediate district or consortium of intermediate districts receiving a grant under this section shall conduct a local process to contract with interested and eligible public and private for-profit and nonprofit community-based providers that meet all requirements of subsection (4) for at least 30% of its total slot allocation. For the purposes of this 30% allocation, an intermediate district or consortium of intermediate districts may count children served by a head start grantee or delegate in a blended head start and great start readiness school-day program. Children served in a program funded only through head start shall not be counted toward this 30% allocation. The intermediate district or consortium shall report to the department, in a manner prescribed by the department, a detailed list of community-based providers by provider type, including private for-profit, private nonprofit, community college or university, head start grantee or delegate, and district or intermediate district, and the number and proportion of its total slot allocation allocated to each provider as subrecipient. If the intermediate district or consortium is not
able to contract for at least 30% of its total slot allocation, the grant recipient shall notify the department and, if the department verifies that the intermediate district or consortium attempted to contract for at least 30% of its total slot allocation and was not able to do so, then the intermediate district or consortium may retain and use all of its allocated slots as provided under this section. To be able to use this exemption, the intermediate district or consortium shall demonstrate to the department that the intermediate district or consortium increased the percentage of its total slot allocation for which it contracts with a community-based provider and the intermediate district or consortium shall submit evidence satisfactory to the department, and the department must be able to verify this evidence, demonstrating that the intermediate district or consortium took measures to contract for at least 30% of its total slot allocation as required under this subsection, including, but not limited to, at least all of the following measures:

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

(b) The intermediate district or consortium provided to each nonparticipating licensed child care center located in the service area of the intermediate district or consortium information regarding great start readiness program requirements and a description of the application and selection process for community-
(c) The intermediate district or consortium provided to the public and to participating families a list of community-based great start readiness program subrecipients with a great start to quality rating of at least 3 stars.

(14) If an intermediate district or consortium of intermediate districts receiving a grant under this section fails to submit satisfactory evidence to demonstrate its effort to contract for at least 30% of its total slot allocation, as required under subsection (1), the department shall reduce the slots allocated to the intermediate district or consortium by a percentage equal to the difference between the percentage of an intermediate district's or consortium's total slot allocation awarded to community-based providers and 30% of its total slot allocation.

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

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

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

(c) Ensure that all intermediate district, district, community college or university, head start grantee or delegate, private for-profit, and private nonprofit providers are subject to a single great start to quality rating system. The rating system shall ensure that regulators process all prospective providers at the same pace on a first-come, first-served basis and shall not allow 1 type of provider to receive a great start to quality rating ahead of any other type of provider.

(d) Not later than December 1 of each year, compile the results of the information reported by each intermediate district or consortium under subsection (10) and report to the legislature a list by intermediate district or consortium with the number and percentage of each intermediate district's or consortium's total slot-allocation allocated to community-based providers by provider type, including private for-profit, private nonprofit, community college or university, head start grantee or delegate, and district or intermediate district.

(16) A recipient of funds under this section shall report to the department in a form and manner prescribed by the department the number of children participating in the program who meet the income eligibility criteria under subsection (5)(b) and the total number of children participating in the program. For children participating in the program who meet the income eligibility criteria specified under subsection (5)(b), a recipient shall also report whether or not a parent is available to provide care based on employment status. For the purposes of this subsection,
"employment status" shall be defined by the department of health and human services in a manner consistent with maximizing the amount of spending that may be claimed for temporary assistance for needy families maintenance of effort purposes.

(17) As used in this section:

(a) "GSRP/head start "GSRP/HEAD START blended program" means a part-day program funded under this section and a head start program, which are combined for a school-day program.

(b) "Part-day program" means a program that operates at least 4 days per week, 30 weeks per year, for at least 3 hours of teacher-child contact time per day but for fewer hours of teacher-child contact time per day than a school-day program.

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

(18) An intermediate district or consortium of intermediate districts receiving funds under this section shall establish AND CHARGE TUITION ACCORDING TO a sliding scale of tuition rates based upon household income for children participating in an eligible great start readiness program who live with families with a household income that is more than 250% of the federal poverty level to be used by all of its providers, as approved by the department. A grant recipient shall charge tuition according to that sliding scale of tuition rates on a uniform basis for any child who does not meet the income eligibility requirements under
(19) From the amount appropriated in subsection (1), there is allocated an amount not to exceed $10,000,000.00 for reimbursement of transportation costs for children attending great start readiness programs funded under this section. To receive reimbursement under this subsection, not later than November 1, 2016, a program funded under this section that provides transportation shall submit to the intermediate district that is the fiscal agent for the program a projected transportation budget. The amount of the reimbursement for transportation under this subsection shall be no more than the projected transportation budget or $150.00–$300.00 multiplied by the number of CHILDREN funded for the program under this section. If the amount allocated under this subsection is insufficient to fully reimburse the transportation costs for all programs that provide transportation and submit the required information, the reimbursement shall be prorated in an equal amount per slot CHILD funded. Payments shall be made to the intermediate district that is the fiscal agent for each program, and the intermediate district shall then reimburse the program provider for transportation costs as prescribed under this subsection.

Sec. 32p. (1) From the school aid fund appropriation in section 11, there is allocated an amount not to exceed $13,400,000.00 to intermediate districts for 2016–2017 2017–2018 for the purpose of providing early childhood funding to intermediate school districts to support the activities under subsection (2) and subsection (4), and to provide early childhood
programs for children from birth through age 8. The funding provided to each intermediate district under this section shall be determined by the distribution formula established by the department's office of great start to provide equitable funding statewide. In order to receive funding under this section, each intermediate district shall provide an application to the office of great start not later than September 15 of the immediately preceding fiscal year indicating the activities planned to be provided.

(2) Each intermediate district or consortium of intermediate districts that receives funding under this section shall convene a local great start collaborative and a parent coalition. The goal of each great start collaborative and parent coalition shall be to ensure the coordination and expansion of local early childhood infrastructure and programs that allow every child in the community to achieve the following outcomes:

(a) Children born healthy.

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

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

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

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

(a) Physical health.

(b) Social-emotional health.

(c) Family supports and basic needs.

(d) Parent education.

(e) Early education, including the child's vocabulary development of skills linked to success in foundational literacy, and care.

(4) From the funds allocated in subsection (1), at least $2,500,000.00 shall be used for the purpose of providing home visits to at-risk children and their families. The home visits shall be conducted as part of a locally coordinated, family-centered, evidence-based, data-driven home visit strategic plan that is approved by the department. The goals of the home visits funded under this subsection shall be to improve school readiness using evidence-based methods, including vocabulary development, a focus on developmentally appropriate outcomes for early literacy, to reduce the number of pupils retained in grade level, and to reduce the number of pupils requiring special education services. The department shall coordinate the goals of the home visit strategic plans approved under this subsection with other state agency home visit programs in a way that strengthens Michigan's home visiting infrastructure and maximizes federal funds available for the purposes of at-risk family home visits. The coordination among departments and agencies is intended to avoid duplication of state services and spending, and should emphasize efficient service delivery of home visiting programs.
(5) Not later than December 1 of each year, each intermediate district shall provide a report to the department detailing the activities actually provided during the immediately preceding school year and the families and children actually served. At a minimum, the report shall include an evaluation of the services provided with additional funding under subsection (4) for home visits, using the goals identified in subsection (4) as the basis for the evaluation, including the degree to which school readiness was improved, any change in the number of pupils retained at grade level, and any change in the number of pupils receiving special education services. The department shall compile and summarize these reports and submit its summary to the house and senate appropriations subcommittees on school aid and to the house and senate fiscal agencies not later than February 15 of each year.

(6) An intermediate district or consortium of intermediate districts that receives funding under this section may carry over any unexpended funds received under this section into the next fiscal year and may expend those unused funds through June 30 of the next fiscal year. A recipient of a grant shall return any unexpended grant funds to the department in the manner prescribed by the department not later than September 30 of the next fiscal year after the fiscal year in which the funds are received.

Sec. 35a. (1) From the appropriations in section 11, there is allocated for 2015-2016 for the purposes of this section an amount not to exceed $19,000,000.00 from the state school aid fund appropriation and an amount not to exceed $1,500,000.00 from the general fund appropriation. From the appropriations in section 11,
there is allocated for 2016-2017 for the purposes of this section
2017-2018 an amount not to exceed $22,900,000.00 from the state
school aid fund and an amount not to exceed $1,000,000.00 from the
general fund. $25,400,000.00 for programs to ensure pupils are
reading at grade level by the end of grade 3.

(2) From the allocations under subsection (1), there is
allocated an amount not to exceed $950,000.00 each fiscal year for
2015-2016 and for 2016-2017 for professional development purposes
under this subsection. The 2016-2017 allocation represents the
second of 2 years of funding for the purposes of this subsection.
All of the following apply to funding under this subsection:

(a) The department shall award grants to districts that receive funds under this section may use funds to
support professional development for educators in a department-approved research-based training program related to current state
literacy standards for pupils in grades K to 3. The professional
development shall also include training in the use of screening and
diagnostic tools, progress monitoring, and intervention methods
used to address barriers to learning and delays in learning that
are diagnosed through the use of these tools. The department shall
determine the amount of the grant awards.

(b) In addition to other methods of professional development
delivery, the department shall collaborate with the Michigan
Virtual University to provide this training online to all educators
of pupils in grades K to 3.

(c) The funds allocated under this subsection for 2015-2016
are a work-project appropriation, and any unexpended funds for
2015-2016 are carried forward into 2016-2017. The purpose of the work project is to continue to implement the professional development training described in this subsection. The estimated completion date of the work project is September 30, 2017.

(d) The funds allocated under this subsection for 2016-2017 are a work project appropriation, and any unexpended funds for 2016-2017 are carried forward into 2017-2018. The purpose of the work project is to continue to implement the professional development training described in this subsection. The estimated completion date of the work project is September 30, 2018.

(3) From the allocations under subsection (1), there is allocated an amount not to exceed $1,450,000.00 each fiscal year for 2015-2016 and for 2016-2017 for grants under this subsection. The 2016-2017 allocation represents the second of 2 years of funding. All of the following apply to grants under this subsection:

(a) The department shall award grants to districts that receive funds under this section may use the funds to administer department-approved screening and diagnostic tools to monitor the development of early literacy and early reading skills of pupils in grades K to 3 and to support research-based professional development for educators in administering screening and diagnostic tools and in data interpretation of the results obtained through the use of those tools for the purpose of implementing a multi-tiered system of support to improve reading proficiency among pupils in grades K to 3. The department shall award grants to eligible districts in an amount determined by the
(b) A department-approved screening and diagnostic tool administered by a district using funding under this section must include all of the following components: phonemic awareness, phonics, fluency, and comprehension. Further, all of the following sub-skills must be assessed within each of these components:

(A) (i) Phonemic awareness - segmentation, blending, and sound manipulation (deletion and substitution).
(B) (ii) Phonics - decoding (reading) and encoding (spelling).
(C) (iii) Fluency - reading rate, accuracy, and expression.
(D) (iv) Comprehension - making meaning of text.

(c) In addition to other methods of professional development delivery, the department shall collaborate with the Michigan Virtual University to provide this training online to all educators of pupils in grades K to 3.

(d) The funds allocated under this subsection for 2015-2016 are a work project appropriation, and any unexpended funds for 2015-2016 are carried forward into 2016-2017. The purpose of the work project is to continue to implement the professional development training described in this subsection. The estimated completion date of the work project is September 30, 2017.

(e) The funds allocated under this subsection for 2016-2017 are a work project appropriation, and any unexpended funds for 2016-2017 are carried forward into 2017-2018. The purpose of the work project is to continue to implement the professional development training described in this subsection. The estimated completion date of the work project is September 30, 2018.
(4) From the allocations under subsection (1), there is
allocated an amount not to exceed $3,000,000.00 each fiscal year
for 2015-2016 and for 2016-2017. A DISTRICT THAT RECEIVES FUNDS
UNDER THIS SECTION MAY USE THE FUNDS for the purpose of providing
early literacy coaches at intermediate districts to assist teachers
in developing and implementing instructional strategies for pupils
in grades K to 3 so that pupils are reading at grade level by the
end of grade 3. All of the following apply to funding under this
subsection:

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

(A) Current state literacy standards for pupils in grades K to 3.

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

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

(b) From the allocation under this subsection, the department
shall award grants to intermediate districts for the support of
early literacy coaches. An intermediate district must provide matching funds for at least 50% of the cost of the literacy coach. The department shall provide this funding in the following manner:

(i) Each intermediate district shall be awarded grant funding to support the cost of 1 early literacy coach in an equal amount per early literacy coach, not to exceed $37,500.00.

(ii) After distribution of the grant funding under subparagraph (i), the department shall distribute the remainder of grant funding for additional early literacy coaches in an amount not to exceed $37,500.00 per early literacy coach. The number of funded early literacy coaches for each intermediate district shall be based on the percentage of the total statewide number of pupils in grades K to 3 who meet the income eligibility standards for the federal free and reduced-price lunch programs who are enrolled in districts in the intermediate district. For each additional early literacy coach funded under this subparagraph, the department shall not make an award to an intermediate district under this subparagraph in an amount that is less than the amount necessary to pay 1/2 of the total cost of that additional early literacy coach.

(c) The funds allocated under this subsection for 2015-2016 are a work project appropriation, and any unexpended funds for 2015-2016 are carried forward into 2016-2017. The purpose of the work project is to continue to provide early literacy coaches as described in this subsection. The estimated completion date of the work project is September 30, 2017.

(d) The funds allocated under this subsection for 2016-2017 are a work project appropriation, and any unexpended funds for
2016-2017 are carried forward into 2017-2018. The purpose of the work project is to continue to implement the professional development training described in this subsection. The estimated completion date of the work project is September 30, 2018.

(5) From the allocations under subsection (1), there is allocated an amount not to exceed $13,600,000.00 for 2015-2016 and an amount not to exceed $17,500,000.00 for 2016-2017 to districts that—A DISTRICT THAT RECEIVES FUNDING UNDER THIS SECTION MAY USE THE FUNDS TO provide additional instructional time to those pupils in grades K to 3 who have been identified by using department-approved screening and diagnostic tools as needing additional supports and interventions in order to be reading at grade level by the end of grade 3. Additional instructional time may be provided before, during, and after regular school hours or as part of a year-round balanced school calendar. All of the following apply to funding under this subsection:

(6) (a) In order to be eligible to receive funding UNDER THIS SECTION, a district shall demonstrate to the satisfaction of the department that the district has done all of the following:

(A) (i) Implemented a multi-tiered system of support instructional delivery model that is an evidence-based model that uses data-driven problem solving to integrate academic and behavioral instruction and that uses intervention delivered to all pupils in varying intensities based on pupil needs. The multi-tiered system of supports must provide at least all of the following essential elements:

(i) (A) Implements effective instruction for all learners.
(ii) (B) Intervenes early.

(iii) (C) Provides a multi-tiered model of instruction and intervention that provides the following: a core curriculum and classroom interventions available to all pupils that meet the needs of most pupils; targeted group interventions; and intense individual interventions.

(iv) (D) Monitors pupil progress to inform instruction.

(v) (E) Uses data to make instructional decisions.

(vi) (F) Uses assessments including universal screening, diagnostics, and progress monitoring.

(vii) (G) Engages families and the community.

(viii) (H) Implements evidence-based, scientifically validated, instruction and intervention.

(ix) (I) Implements instruction and intervention practices with fidelity.

(x) (J) Uses a collaborative problem-solving model.

(B) (ii) Used department-approved research-based diagnostic tools to identify individual pupils in need of additional instructional time.

(C) (iii) Used a reading instruction method that focuses on the 5 fundamental building blocks of reading: phonics, phonemic awareness, fluency, vocabulary, and comprehension and content knowledge.

(D) (iv) Provided teachers of pupils in grades K to 3 with research-based professional development in diagnostic data interpretation.

(7) (b) Funding allocated under this subsection SECTION shall
be distributed to eligible districts by multiplying the number of full-time-equivalent pupils in grade 1 in the district by $165.00-$245.00.

(8) (c) If the funds allocated under this subsection are insufficient to fully fund the payments under this subsection, payments under this subsection shall be prorated on an equal per-pupil basis based on grade 1 pupils.

(6) From the general fund money allocated in subsection (1), the department shall allocate the amount of $1,000,000.00 each fiscal year for 2015-2016 and for 2016-2017 to the Michigan Education Corps. All of the following apply to funding under this subsection:

(a) By August 1 of the applicable fiscal year, the Michigan Education Corps shall provide a report concerning its use of the funding to the senate and house appropriations subcommittees on state school aid, the senate and house fiscal agencies, and the senate and house caucus policy offices on outcomes and performance measures of the Michigan Education Corps, including, but not limited to, the degree to which the Michigan Education Corps's replication of the Michigan Reading Corps program is demonstrating sufficient efficacy and impact. The report must include data pertaining to at least all of the following:

(i) The current impact of the Michigan Reading Corps on this state in terms of numbers of children and programs receiving support. This portion of the report shall specify the number of children tutored, including dosage and completion, and the demographics of those children.
Whether the assessments and interventions are implemented with fidelity. This portion of the report shall include details on the total number of assessments and interventions completed and the range, median, mean, and standard deviation for all assessments.

Whether the literacy improvement of children participating in the Michigan Reading Corps is consistent with expectations. This portion of the report shall detail at least all of the following:

(A) Growth rate by grade level, in comparison to targeted growth rate.

(B) Average linear growth rates.

(C) Exit rates.

(D) Percentage of children who exit who also meet or exceed spring benchmarks.

The impact of the Michigan Reading Corps on organizations and stakeholders, including, but not limited to, school administrators, internal coaches, and AmeriCorps members.

If the department determines that the Michigan Education Corps has misused the funds allocated under this subsection, the Michigan Education Corps shall reimburse this state for the amount of state funding misused.

From the general fund money allocated under subsection (1), there is allocated to the department an amount not to exceed $500,000.00 for 2015-2016 for the adoption of a certification test to ensure that all newly certificated elementary teachers have the skills to deliver evidence-based literacy instruction.
section 32d shall submit an application, in a form and manner prescribed by the department, by a date specified by the department in the immediately preceding state fiscal year. The application shall include a comprehensive needs assessment using aggregated data from the applicant’s entire service area and a community collaboration plan that is endorsed by the local great start collaborative and is part of the community’s great start strategic plan that includes, but is not limited to, great start readiness program and head start providers, and shall identify all of the following:

(a) The estimated total number of children in the community who meet the criteria of section 32d, and how that calculation was made. AS PROVIDED TO THE APPLICANT BY THE DEPARTMENT UTILIZING THE MOST RECENT POPULATION DATA AVAILABLE FROM THE AMERICAN COMMUNITY SURVEY CONDUCTED BY THE UNITED STATES CENSUS BUREAU FOR 2017-2018 CALCULATIONS. BEGINNING IN 2018-2019, THE DEPARTMENT SHALL ENSURE THAT IT PROVIDES UPDATED AMERICAN COMMUNITY SURVEY POPULATION DATA AT LEAST ONCE EVERY 3 YEARS.

(b) The estimated number of children in the community who meet the criteria of section 32d and are being served by other early childhood development programs operating in the community, and how that calculation was made. EXCLUSIVELY BY HEAD START PROGRAMS OPERATING IN THE COMMUNITY.

(c) The number of slots CHILDREN WHOM the applicant will be able to fill with children HAS THE CAPACITY TO SERVE who meet the criteria of section 32d including a verification of physical facility and staff resources capacity.
(d) The estimated number of slots that will remain unfilled and children who meet the criteria of section 32d who will remain unserved after the applicant and community early childhood programs have met their funded enrollments. The applicant shall maintain a waiting list of identified unserved eligible children who would be served when openings are available.

(2) After notification of funding allocations, an applicant receiving funds under section 32d shall also submit an implementation plan for approval, in a form and manner prescribed by the department, by a date specified by the department, that details how the applicant complies with the program components established by the department pursuant to section 32d.

(3) The number of prekindergarten children construed to be in need of special readiness assistance under section 32d shall be calculated for each applicant in the following manner: 1/2 of the percentage of the applicant's pupils in grades 1 to 5 in all districts served by the applicant who are eligible for free lunch, as determined using the district's pupil membership count as of the pupil membership count day in the school year prior to the fiscal year for which the calculation is made, under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769i, shall be multiplied by the average kindergarten enrollment of the districts served by the applicant on the pupil membership count day of the 2 immediately preceding fiscal years. Each child construed to be in need constitutes 1 slot.

(4) The initial allocation for each fiscal year to each eligible applicant under section 32d shall be determined by
multiplying the number of slots determined by the formula under subsection (3) or the number of slots the applicant indicates it will be able to fill under subsection (1)(c), whichever is less, by $3,625.00 and shall be distributed among applicants in decreasing order of concentration of eligible children as determined by the formula under subsection (3). If the number of slots an applicant indicates it will be able to fill under subsection (1)(c) includes children able to be served in a school-day program, then the number of slots for a school-day program shall be doubled for the purposes of making this calculation. A district may contract with a head start agency to serve children enrolled in head start with a school-day program by blending head start funds with a part-day great start readiness program allocation. All head start and great start readiness program policies and regulations apply to the blended program.

The lesser of the following:

(A) The sum of the number of children served in a school-day program in the preceding school year multiplied by $7,250.00 and the number of children served in a GSRP/Head Start blended program or a part-day program in the preceding school year multiplied by $3,625.00.

(B) The sum of the number of children the applicant has the capacity to serve in 2017-2018 in a school-day program multiplied by $7,250.00 and the number of children served in a GSRP/Head Start blended program or a part-day program the applicant has the capacity to serve in 2017-2018 multiplied by $3,625.00.

(5) If funds allocated for eligible applicants under section 32d remain after the initial allocation under subsection (4), the
allocation under this subsection shall be distributed to each eligible applicant under section 32d in decreasing order of concentration of eligible children as determined by the formula under subsection (3). The allocation shall be determined by multiplying the number of slots in each district within the applicant's service area filled in the immediately preceding fiscal year or the number of slots the applicant indicates it will be able to fill under subsection (1)(c), whichever is less, minus the number of slots for which the applicant received funding in subsection (4) by $3,625.00.

(4) (6) If funds allocated for eligible applicants under section 32d remain after the allocations under subsections (4) and (5), remaining funds shall be distributed to each eligible applicant under section 32d in decreasing order of concentration of eligible children as determined by the formula under subsection (3). If the number of slots the applicant indicates it will be able to fill under subsection (1)(c) exceeds the number of slots for which funds have been received under subsections (4) and (5), the allocation under this subsection shall be determined by multiplying the number of slots the applicant indicates it will be able to fill under subsection (1)(c) less the number of slots for which funds have been received under subsections (4) and (5) by $3,625.00 until the funds allocated for eligible applicants in section 32d are distributed. SUBSECTION (3), THE DEPARTMENT SHALL DISTRIBUTE THE REMAINING FUNDS TO EACH INTERMEDIATE DISTRICT OR CONSORTIUM OF INTERMEDIATE DISTRICTS THAT SERVES LESS THAN THE STATE PERCENTAGE BENCHMARK DETERMINED UNDER SUBSECTION (5). THESE REMAINING FUNDS
SHALL BE DISTRIBUTED TO EACH ELIGIBLE APPLICANT BASED UPON EACH
APPLICANT'S PROPORTIONATE SHARE OF THE REMAINING UNSERVED CHILDREN
NECESSARY TO MEET THE STATEWIDE PERCENTAGE BENCHMARK IN
INTERMEDIATE DISTRICTS OR CONSORTIA OF INTERMEDIATE DISTRICTS
SERVING LESS THAN THE STATE PERCENTAGE BENCHMARK. WHEN ALL
APPLICANTS HAVE BEEN GIVEN THE OPPORTUNITY TO REACH THE STATEWIDE
PERCENTAGE BENCHMARK, THE STATEWIDE PERCENTAGE BENCHMARK MAY BE
RESET, AS DETERMINED BY THE DEPARTMENT, UNTIL GREATER EQUITY OF
OPPORTUNITY TO SERVE ELIGIBLE CHILDREN ACROSS ALL INTERMEDIATE
SCHOOL DISTRICTS HAS BEEN ACHIEVED.

(5) FOR THE PURPOSES OF SUBSECTION (4), THE DEPARTMENT SHALL
CALCULATE A PERCENTAGE OF CHILDREN SERVED BY EACH INTERMEDIATE
DISTRICT OR CONSORTIUM OF INTERMEDIATE DISTRICTS BY DIVIDING THE
NUMBER OF CHILDREN SERVED IN THE IMMEDIATELY PRECEDING YEAR BY THAT
INTERMEDIATE DISTRICT OR CONSORTIUM BY THE TOTAL NUMBER OF CHILDREN
WITHIN THE INTERMEDIATE DISTRICT OR CONSORTIUM OF INTERMEDIATE
DISTRICTS WHO MEET THE CRITERIA OF SECTION 32D AS DETERMINED BY THE
DEPARTMENT UTILIZING THE MOST RECENT POPULATION DATA AVAILABLE FROM
THE AMERICAN COMMUNITY SURVEY CONDUCTED BY THE UNITED STATES CENSUS
BUREAU FOR THE 2017-2018 PROGRAM YEAR. THE DEPARTMENT SHALL COMPARE
THE RESULTING PERCENTAGE OF ELIGIBLE CHILDREN SERVED TO A STATEWIDE
PERCENTAGE BENCHMARK TO DETERMINE IF THE INTERMEDIATE DISTRICT OR
CONSORTIUM IS ELIGIBLE FOR ADDITIONAL FUNDS UNDER SUBSECTION (4).
FOR 2017-2018, THE STATEWIDE PERCENTAGE BENCHMARK IS 60%.

(6) (7)–If, taking into account the total amount to be
allocated to the applicant as calculated under this section, an
applicant determines that it is able to include additional eligible
children in the great start readiness program without additional funds under section 32d, the applicant may include additional eligible children but shall not receive additional funding under section 32d for those children.

(7) THE DEPARTMENT SHALL REVIEW THE PROGRAM COMPONENTS UNDER SECTION 32D AND UNDER THIS SECTION AT LEAST BIENNIALY. THE DEPARTMENT ALSO SHALL CONVENE A COMMITTEE OF INTERNAL AND EXTERNAL STAKEHOLDERS AT LEAST ONCE EVERY 5 YEARS TO ENSURE THAT THE FUNDING STRUCTURE UNDER THIS SECTION REFLECTS CURRENT SYSTEM NEEDS UNDER SECTION 32D.

(8) AS USED IN THIS SECTION, "SCHOOL-DAY PROGRAM", "GSRP/HEAD START BLENDED PROGRAM", AND "PART-DAY PROGRAM" MEAN THOSE TERMS AS DEFINED IN SECTION 32D.

Sec. 39a. (1) From the federal funds appropriated in section 11, there is allocated EACH FISCAL YEAR for 2016-2017 AND FOR 2017-2018 to districts, intermediate districts, and other eligible entities all available federal funding, estimated at $821,939,900.00-$744,039,900.00 FOR 2016-2017 AND $731,600,000.00 FOR 2017-2018 for the federal programs under the no child left behind act of 2001, Public Law 107-110, or the every student succeeds act, Public Law 114-95. These funds are allocated as follows:

(a) An amount estimated at $2,000,000.00-$1,200,000.00 EACH FISCAL YEAR to provide students with drug- and violence-prevention programs and to implement strategies to improve school safety, funded from DED-OESE, drug-free schools and communities funds.

(b) An amount estimated at $111,111,900.00 FOR 2016-2017 AND
$100,000,000.00 FOR 2017-2018 for the purpose of preparing, training, and recruiting high-quality teachers and class size reduction, funded from DED-OESE, improving teacher quality funds.

(c) An amount estimated at $12,200,000.00 FOR 2016-2017 AND $11,000,000.00 FOR 2017-2018 for programs to teach English to limited English proficient (LEP) children, funded from DED-OESE, language acquisition state grant funds.

(d) An amount estimated at $250,000.00 FOR 2016-2017 ONLY for the Michigan charter school subgrant program, funded from DED-OESE, charter school funds.

(e) An amount estimated at $3,000,000.00 FOR 2016-2017 AND $2,800,000.00 FOR 2017-2018 for rural and low income schools, funded from DED-OESE, rural and low income school funds.

(f) An amount estimated at $555,000,000.00–$535,000,000.00 EACH FISCAL YEAR to provide supplemental programs to enable educationally disadvantaged children to meet challenging academic standards, funded from DED-OESE, title I, disadvantaged children funds. IT IS THE INTENT OF THE LEGISLATURE THAT BEGINNING IN 2018-2019, A PORTION OF THE FUNDS ALLOCATED UNDER THIS SUBDIVISION SHALL BE USED TO REIMBURSE DISTRICTS THAT PROVIDE TRANSPORTATION OR TRANSPORTATION VOUCHERS OR PASSES TO PUPILS ENROLLED IN A DISTRICT OTHER THAN THEIR RESIDENT DISTRICT OR A PUBLIC SCHOOL ACADEMY.

(g) An amount estimated at $8,878,000.00 FOR 2016-2017 AND $9,200,000.00 FOR 2017-2018 for the purpose of identifying and serving migrant children, funded from DED-OESE, title I, migrant education funds.

(h) An amount estimated at $39,000,000.00 EACH FISCAL YEAR for
the purpose of providing high-quality extended learning
opportunities, after school and during the summer, for children in
low-performing schools, funded from DED-OESE, twenty-first century
community learning center funds.

(i) An amount estimated at $24,600,000.00 - $18,000,000.00 EACH
FISCAL YEAR to help support local school improvement efforts,
funded from DED-OESE, title I, local school improvement grants.

(j) An amount estimated at $55,900,000.00 - $15,400,000.00 EACH
FISCAL YEAR to improve the academic achievement of students, funded
from DED-OESE, title IV, student support and academic enrichment
grants.

(2) From the federal funds appropriated in section 11, there
is allocated for 2016-2017 AND FOR 2017-2018 to districts,
intermediate districts, and other eligible entities all available
federal funding, estimated at $30,800,000.00 FOR 2016-2017 AND
$30,000,000.00 FOR 2017-2018 for the following programs that are
funded by federal grants:

(a) An amount estimated at $200,000.00 FOR 2016-2017 AND
$100,000.00 FOR 2017-2018 for acquired immunodeficiency syndrome
education grants, funded from HHS – Centers for Disease Control and
Prevention, AIDS funding.

(b) An amount estimated at $2,600,000.00 FOR 2016-2017 AND
$1,900,000.00 FOR 2017-2018 to provide services to homeless
children and youth, funded from DED-OVAE, homeless children and
youth funds.

(c) An amount estimated at $4,000,000.00 EACH FISCAL YEAR to
provide mental health, substance abuse, or violence prevention
services to students, funded from HHS-SAMHSA.

(d) An amount estimated at $24,000,000.00 EACH FISCAL YEAR for providing career and technical education services to pupils, funded from DED-OVAE, basic grants to states.

(3) All federal funds allocated under this section shall be distributed in accordance with federal law and with flexibility provisions outlined in Public Law 107-116, and in the education flexibility partnership act of 1999, Public Law 106-25.

Notwithstanding section 17b, payments of federal funds to districts, intermediate districts, and other eligible entities under this section shall be paid on a schedule determined by the department.

(4) For the purposes of applying for federal grants appropriated under this article, the department shall allow an intermediate district to submit a consortium application on behalf of 2 or more districts with the agreement of those districts as appropriate according to federal rules and guidelines.

(5) For the purposes of funding federal title I grants under this article, in addition to any other federal grants for which a strict discipline academy is eligible, the department shall allocate to strict discipline academies out of title I, part A funds equal to what a strict discipline academy would have received if included and calculated under title I, part D, or what it would receive under the formula allocation under title I, part A, whichever is greater.

(6) As used in this section:

(a) "DED" means the United States Department of Education.
(b) "DED-OESE" means the DED Office of Elementary and Secondary Education.

(c) "DED-OVAE" means the DED Office of Vocational and Adult Education.

(d) "HHS" means the United States Department of Health and Human Services.

(e) "HHS-SAMHSA" means the HHS Substance Abuse and Mental Health Services Administration.

Sec. 41. From the appropriation in section 11, there is allocated an amount not to exceed $1,200,000.00 for 2016-2017 to applicant districts and intermediate districts offering programs of instruction for pupils of limited English-speaking ability under section 1153 of the revised school code, MCL 380.1153. Reimbursement shall be on a per-pupil basis and shall be based on the number of pupils of limited English-speaking ability in membership on the pupil membership count day. Funds allocated under this section shall be used solely for instruction in speaking, reading, writing, or comprehension of English. A pupil shall not be counted under this section or instructed in a program under this section for more than 3 years.

Sec. 51a. (1) From the appropriation in section 11, there is allocated an amount not to exceed $945,246,100.00 for 2015-2016 and an amount not to exceed $973,046,100.00 for 2016-2017 AND THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED $963,146,100.00 FOR 2017-2018 from state sources and all available federal funding under sections 611 to 619 of part B of the individuals with disabilities education act, 20 USC 1411 to 1419, estimated at
$370,000,000.00 each fiscal year for 2015-2016 and for 2016-2017 AND FOR 2017-2018, plus any carryover federal funds from previous year appropriations. The allocations under this subsection are for the purpose of reimbursing districts and intermediate districts for special education programs, services, and special education personnel as prescribed in article 3 of the revised school code, MCL 380.1701 to 380.1766; net tuition payments made by intermediate districts to the Michigan schools for the deaf and blind; and special education programs and services for pupils who are eligible for special education programs and services according to statute or rule. For meeting the costs of special education programs and services not reimbursed under this article, a district or intermediate district may use money in general funds or special education funds, not otherwise restricted, or contributions from districts to intermediate districts, tuition payments, gifts and contributions from individuals or other entities, or federal funds that may be available for this purpose, as determined by the intermediate district plan prepared pursuant to article 3 of the revised school code, MCL 380.1701 to 380.1766. Notwithstanding section 17b, payments of federal funds to districts, intermediate districts, and other eligible entities under this section shall be paid on a schedule determined by the department.

(2) From the funds allocated under subsection (1), there is allocated the amount necessary, estimated at $263,500,000.00 for 2015-2016 and estimated at $271,600,000.00-$261,400,000.00 for 2016-2017 AND ESTIMATED AT $266,000,000.00 FOR 2017-2018, for
payments toward reimbursing districts and intermediate districts
for 28.6138% of total approved costs of special education,
excluding costs reimbursed under section 53a, and 70.4165% of total
approved costs of special education transportation. Allocations
under this subsection shall be made as follows:

(a) The initial amount allocated to a district under this
subsection toward fulfilling the specified percentages shall be
calculated by multiplying the district's special education pupil
membership, excluding pupils described in subsection (11), times
the foundation allowance under section 20 of the pupil's district
of residence plus the amount of the district's per-pupil allocation
under section 20m, not to exceed the basic foundation allowance
under section 20 for the current fiscal year, or, for a special
education pupil in membership in a district that is a public school
academy, times an amount equal to the amount per membership pupil
calculated under section 20(6) or, UNTIL THE END OF THE 2016-2017
FISCAL YEAR, for a pupil described in this subsection who is
counted in membership in the education achievement system, times an
amount equal to the amount per membership pupil under section
20(7). For an intermediate district, the amount allocated under
this subdivision toward fulfilling the specified percentages shall
be an amount per special education membership pupil, excluding
pupils described in subsection (11), and shall be calculated in the
same manner as for a district, using the foundation allowance under
section 20 of the pupil's district of residence, not to exceed the
basic foundation allowance under section 20 for the current fiscal
year, and that district's per-pupil allocation under section 20m.
(b) After the allocations under subdivision (a), districts and intermediate districts for which the payments calculated under subdivision (a) do not fulfill the specified percentages shall be paid the amount necessary to achieve the specified percentages for the district or intermediate district.

(3) From the funds allocated under subsection (1), there is allocated for 2015-2016 an amount not to exceed $1,000,000.00 and there is allocated EACH FISCAL YEAR for 2016-2017 AND FOR 2017-2018 an amount not to exceed $1,100,000.00-$1,000,000.00 to make payments to districts and intermediate districts under this subsection. If the amount allocated to a district or intermediate district for a fiscal year under subsection (2)(b) is less than the sum of the amounts allocated to the district or intermediate district for 1996-97 under sections 52 and 58, there is allocated to the district or intermediate district for the fiscal year an amount equal to that difference, adjusted by applying the same proration factor that was used in the distribution of funds under section 52 in 1996-97 as adjusted to the district's or intermediate district's necessary costs of special education used in calculations for the fiscal year. This adjustment is to reflect reductions in special education program operations or services between 1996-97 and subsequent fiscal years. Adjustments for reductions in special education program operations or services shall be made in a manner determined by the department and shall include adjustments for program or service shifts.

(4) If the department determines that the sum of the amounts allocated for a fiscal year to a district or intermediate district
under subsection (2)(a) and (b) is not sufficient to fulfill the specified percentages in subsection (2), then the shortfall shall be paid to the district or intermediate district during the fiscal year beginning on the October 1 following the determination and payments under subsection (3) shall be adjusted as necessary. If the department determines that the sum of the amounts allocated for a fiscal year to a district or intermediate district under subsection (2)(a) and (b) exceeds the sum of the amount necessary to fulfill the specified percentages in subsection (2), then the department shall deduct the amount of the excess from the district's or intermediate district's payments under this article for the fiscal year beginning on the October 1 following the determination and payments under subsection (3) shall be adjusted as necessary. However, if the amount allocated under subsection (2)(a) in itself exceeds the amount necessary to fulfill the specified percentages in subsection (2), there shall be no deduction under this subsection.

(5) State funds shall be allocated on a total approved cost basis. Federal funds shall be allocated under applicable federal requirements, except that an amount not to exceed $3,500,000.00 may be allocated by the department each fiscal year for 2015-2016 and for 2016-2017 AND FOR 2017-2018 to districts, intermediate districts, or other eligible entities on a competitive grant basis for programs, equipment, and services that the department determines to be designed to benefit or improve special education on a statewide scale.

(6) From the amount allocated in subsection (1), there is
allocated an amount not to exceed $2,200,000.00 each fiscal year for 2015-2016 and for 2016-2017 AND FOR 2017-2018 to reimburse 100% of the net increase in necessary costs incurred by a district or intermediate district in implementing the revisions in the administrative rules for special education that became effective on July 1, 1987. As used in this subsection, "net increase in necessary costs" means the necessary additional costs incurred solely because of new or revised requirements in the administrative rules minus cost savings permitted in implementing the revised rules. Net increase in necessary costs shall be determined in a manner specified by the department.

(7) For purposes of sections 51a to 58, all of the following apply:

(a) "Total approved costs of special education" shall be determined in a manner specified by the department and may include indirect costs, but shall not exceed 115% of approved direct costs for section 52 and section 53a programs. The total approved costs include salary and other compensation for all approved special education personnel for the program, including payments for social security and Medicare and public school employee retirement system contributions. The total approved costs do not include salaries or other compensation paid to administrative personnel who are not special education personnel as defined in section 6 of the revised school code, MCL 380.6. Costs reimbursed by federal funds, other than those federal funds included in the allocation made under this article, are not included. Special education approved personnel not utilized full time in the evaluation of students or in the delivery
of special education programs, ancillary, and other related
services shall be reimbursed under this section only for that
portion of time actually spent providing these programs and
services, with the exception of special education programs and
services provided to youth placed in child caring institutions or
juvenile detention programs approved by the department to provide
an on-grounds education program.

(b) Beginning with the 2004-2005 fiscal year, a district or
intermediate district that employed special education support
services staff to provide special education support services in
2003-2004 or in a subsequent fiscal year and that in a fiscal year
after 2003-2004 receives the same type of support services from
another district or intermediate district shall report the cost of
those support services for special education reimbursement purposes
under this article. This subdivision does not prohibit the transfer
of special education classroom teachers and special education
classroom aides if the pupils counted in membership associated with
those special education classroom teachers and special education
classroom aides are transferred and counted in membership in the
other district or intermediate district in conjunction with the
transfer of those teachers and aides.

(c) If the department determines before bookclosing for a
fiscal year that the amounts allocated for that fiscal year under
subsections (2), (3), (6), and (11) and sections 53a, 54, and 56
will exceed expenditures for that fiscal year under subsections
(2), (3), (6), and (11) and sections 53a, 54, and 56, then for a
district or intermediate district whose reimbursement for that
fiscal year would otherwise be affected by subdivision (b), subdivision (b) does not apply to the calculation of the reimbursement for that district or intermediate district and reimbursement for that district or intermediate district shall be calculated in the same manner as it was for 2003-2004. If the amount of the excess allocations under subsections (2), (3), (6), and (11) and sections 53a, 54, and 56 is not sufficient to fully fund the calculation of reimbursement to those districts and intermediate districts under this subdivision, then the calculations and resulting reimbursement under this subdivision shall be prorated on an equal percentage basis. Beginning in 2015-2016, the amount of reimbursement under this subdivision for a fiscal year shall not exceed $2,000,000.00 for any district or intermediate district.

(d) Reimbursement for ancillary and other related services, as defined by R 340.1701c of the Michigan Administrative Code, shall not be provided when those services are covered by and available through private group health insurance carriers or federal reimbursed program sources unless the department and district or intermediate district agree otherwise and that agreement is approved by the state budget director. Expenses, other than the incidental expense of filing, shall not be borne by the parent. In addition, the filing of claims shall not delay the education of a pupil. A district or intermediate district shall be responsible for payment of a deductible amount and for an advance payment required until the time a claim is paid.

(e) Beginning with calculations for 2004-2005, if an
intermediate district purchases a special education pupil transportation service from a constituent district that was previously purchased from a private entity; if the purchase from the constituent district is at a lower cost, adjusted for changes in fuel costs; and if the cost shift from the intermediate district to the constituent does not result in any net change in the revenue the constituent district receives from payments under sections 22b and 51c, then upon application by the intermediate district, the department shall direct the intermediate district to continue to report the cost associated with the specific identified special education pupil transportation service and shall adjust the costs reported by the constituent district to remove the cost associated with that specific service.

(8) A pupil who is enrolled in a full-time special education program conducted or administered by an intermediate district or a pupil who is enrolled in the Michigan schools for the deaf and blind SCHOOLS FOR THE DEAF AND BLIND shall not be included in the membership count of a district, but shall be counted in membership in the intermediate district of residence.

(9) Special education personnel transferred from 1 district to another to implement the revised school code shall be entitled to the rights, benefits, and tenure to which the person would otherwise be entitled had that person been employed by the receiving district originally.

(10) If a district or intermediate district uses money received under this section for a purpose other than the purpose or purposes for which the money is allocated, the department may
require the district or intermediate district to refund the amount
of money received. Money that is refunded shall be deposited in the
state treasury to the credit of the state school aid fund.

(11) From the funds allocated in subsection (1), there is
allocated the amount necessary, estimated at $3,800,000.00 for
2015-2016 and estimated at $3,700,000.00 for 2016-2017,
$3,600,000.00 EACH FISCAL YEAR FOR 2016-2017 AND FOR 2017-2018, to
pay the foundation allowances for pupils described in this
subsection. The allocation to a district under this subsection
shall be calculated by multiplying the number of pupils described
in this subsection who are counted in membership in the district
times the sum of the foundation allowance under section 20 of the
pupil's district of residence plus the amount of the district's
per-pupil allocation under section 20m, not to exceed the basic
foundation allowance under section 20 for the current fiscal year,
or, for a pupil described in this subsection who is counted in
membership in a district that is a public school academy, times an
amount equal to the amount per membership pupil under section 20(6)
or, UNTIL THE END OF THE 2016-2017 FISCAL YEAR, for a pupil
described in this subsection who is counted in membership in the
education achievement system, times an amount equal to the amount
per membership pupil under section 20(7). The allocation to an
intermediate district under this subsection shall be calculated in
the same manner as for a district, using the foundation allowance
under section 20 of the pupil's district of residence, not to
exceed the basic foundation allowance under section 20 for the
current fiscal year, and that district's per-pupil allocation under
section 20m. This subsection applies to all of the following pupils:

(a) Pupils described in section 53a.

(b) Pupils counted in membership in an intermediate district who are not special education pupils and are served by the intermediate district in a juvenile detention or child caring facility.

(c) Pupils with an emotional impairment counted in membership by an intermediate district and provided educational services by the department of health and human services.

(12) If it is determined that funds allocated under subsection (2) or (11) or under section 51c will not be expended, funds up to the amount necessary and available may be used to supplement the allocations under subsection (2) or (11) or under section 51c in order to fully fund those allocations. After payments under subsections (2) and (11) and section 51c, the remaining expenditures from the allocation in subsection (1) shall be made in the following order:

(a) 100% of the reimbursement required under section 53a.

(b) 100% of the reimbursement required under subsection (6).

(c) 100% of the payment required under section 54.

(d) 100% of the payment required under subsection (3).

(e) 100% of the payments under section 56.

(13) The allocations under subsections (2), (3), and (11) shall be allocations to intermediate districts only and shall not be allocations to districts, but instead shall be calculations used only to determine the state payments under section 22b.
(14) If a public school academy enrolls pursuant to this section a pupil who resides outside of the intermediate district in which the public school academy is located and who is eligible for special education programs and services according to statute or rule, or who is a child with disabilities, as defined under the Individuals with Disabilities Education Act, Public Law 108-446, the provision of special education programs and services and the payment of the added costs of special education programs and services for the pupil are the responsibility of the district and intermediate district in which the pupil resides unless the enrolling district or intermediate district has a written agreement with the district or intermediate district in which the pupil resides or the public school academy for the purpose of providing the pupil with a free appropriate public education and the written agreement includes at least an agreement on the responsibility for the payment of the added costs of special education programs and services for the pupil.

(15) Beginning in 2016-2017, a district, public school academy, or intermediate district that fails to comply with subsection (14) or with the requirements of federal regulations regarding the treatment of public school academies and public school academy pupils for the purposes of special education, 34 CFR 300.209, forfeits from its total state aid an amount equal to 10% of its total state aid.

(16) For the purposes of this section, the department or the center shall only require a district or intermediate district to report information that is not already available from the financial
information database maintained by the center.

Sec. 51c. As required by the court in the consolidated cases known as Durant v State of Michigan, Michigan supreme court docket no. 104458-104492, 456 MICH 175 (1997) from the allocation under section 51a(1), there is allocated each fiscal year for 2015-2016 AND FOR 2016-2017 AND FOR 2017-2018 the amount necessary, estimated at $624,800,000.00 for 2015-2016 and estimated at $644,500,000.00 $626,900,000.00 for 2016-2017 AND $640,400,000.00 FOR 2017-2018, for payments to reimburse districts for 28.6138% of total approved costs of special education excluding costs reimbursed under section 53a, and 70.4165% of total approved costs of special education transportation. Funds allocated under this section that are not expended in the state fiscal year for which they were allocated, as determined by the department, may be used to supplement the allocations under sections 22a and 22b in order to fully fund those calculated allocations for the same fiscal year.

Sec. 51d. (1) From the federal funds appropriated in section 11, there is allocated EACH FISCAL YEAR for 2016-2017 AND FOR 2017-2018, all available federal funding, estimated at $71,000,000.00, $61,000,000.00 EACH FISCAL YEAR, for special education programs and services that are funded by federal grants. All federal funds allocated under this section shall be distributed in accordance with federal law. Notwithstanding section 17b, payments of federal funds to districts, intermediate districts, and other eligible entities under this section shall be paid on a schedule determined by the department.

(2) From the federal funds allocated under subsection (1), the
following amounts are allocated EACH FISCAL YEAR for 2016-2017 AND FOR 2017-2018:

(a) An amount estimated at $14,000,000.00 EACH FISCAL YEAR for handicapped infants and toddlers, funded from DED-OSERS,

(b) An amount estimated at $12,000,000.00 EACH FISCAL YEAR for preschool grants (Public Law 94-142), funded from DED-OSERS,

(c) An amount estimated at $45,000,000.00 EACH FISCAL YEAR for special education programs funded by DED-OSERS,

(3) As used in this section, "DED-OSERS" means the United States Department of Education Office of Special Education and Rehabilitative Services.

Sec. 53a. (1) For districts, reimbursement for pupils described in subsection (2) shall be 100% of the total approved costs of operating special education programs and services approved by the department and included in the intermediate district plan adopted pursuant to article 3 of the revised school code, MCL 380.1701 to 380.1766, minus the district's foundation allowance calculated under section 20 and minus the district's per-pupil allocation under section 20m. For intermediate districts, reimbursement for pupils described in subsection (2) shall be calculated in the same manner as for a district, using the foundation allowance under section 20 of the pupil's district of residence, not to exceed the basic foundation allowance under section 20 for the current fiscal year, and that district's per-
pupil allocation under section 20m.

(2) Reimbursement under subsection (1) is for the following special education pupils:

(a) Pupils assigned to a district or intermediate district through the community placement program of the courts or a state agency, if the pupil was a resident of another intermediate district at the time the pupil came under the jurisdiction of the court or a state agency.

(b) Pupils who are residents of institutions operated by the department of health and human services.

(c) Pupils who are former residents of department of community health institutions for the developmentally disabled who are placed in community settings other than the pupil's home.

(d) Pupils enrolled in a department-approved on-grounds educational program longer than 180 days, but not longer than 233 days, at a residential child care institution, if the child care institution offered in 1991-92 an on-grounds educational program longer than 180 days but not longer than 233 days.

(e) Pupils placed in a district by a parent for the purpose of seeking a suitable home, if the parent does not reside in the same intermediate district as the district in which the pupil is placed.

(3) Only those costs that are clearly and directly attributable to educational programs for pupils described in subsection (2), and that would not have been incurred if the pupils were not being educated in a district or intermediate district, are reimbursable under this section.

(4) The costs of transportation shall be funded under this
section and shall not be reimbursed under section 58.

(5) Not more than $10,500,000.00 of the allocation for 2016-2017-2018 in section 51a(1) shall be allocated under this section.

Sec. 54. Each intermediate district shall receive an amount per-pupil for each pupil in attendance at the Michigan schools for the deaf and blind. The amount shall be proportionate to the total instructional cost at each school. Not more than $1,688,000.00 of the allocation for 2016-2017-2018 in section 51a(1) shall be allocated under this section.

Sec. 54b. (1) From the general fund appropriation in section 11, there is allocated an amount not to exceed $1,125,000.00 for 2016-2017 to begin $1,600,000.00 FOR 2017-2018 TO CONTINUE THE implementation of the recommendations of the special education reform task force published in January 2016.

(2) From the allocation in subsection (1), there is allocated for 2016-2017 an amount not to exceed $625,000.00 EXCEPT AS PROVIDED IN SUBSECTION (3), THE DEPARTMENT SHALL USE FUNDS ALLOCATED UNDER THIS SECTION for the purpose of piloting statewide implementation of the Michigan Integrated Behavior and Learning Support Initiative (MiBLSI), a nationally recognized program that includes positive behavioral intervention and supports and provides a statewide structure to support local initiatives for an integrated behavior and reading program. With the assistance of the intermediate districts involved in MiBLSI, the department shall identify at least A NUMBER OF intermediate districts to participate in the pilot THAT IS SUFFICIENT to ensure that MiBLSI
can be implemented statewide with fidelity and sustainability. In addition, the department shall identify an intermediate district to act as a fiscal agent for these funds.

(3) From the allocation in subsection (1), there is allocated for 2016–2017 an amount not to exceed $500,000.00 IN ADDITION TO THE PURPOSE UNDER SUBSECTION (2), THE DEPARTMENT SHALL USE FUNDS ALLOCATED UNDER THIS SECTION for the purpose of providing training to intermediate districts and districts related to the safe implementation of emergency restraints and seclusion. The department shall develop and implement a training program that is based on the state board’s adopted standards and on any other legislation enacted by the legislature regarding the emergency use of seclusion and restraint.

Sec. 56. (1) For the purposes of this section:

(a) "Membership" means for a particular fiscal year the total membership for the immediately preceding fiscal year of the intermediate district and the districts constituent to the intermediate district.

(b) "Millage levied" means the millage levied for special education pursuant to part 30 of the revised school code, MCL 380.1711 to 380.1743, including a levy for debt service obligations.

(c) "Taxable value" means the total taxable value of the districts constituent to an intermediate district, except that if a district has elected not to come under part 30 of the revised school code, MCL 380.1711 to 380.1743, membership and taxable value of the district shall not be included in the membership and taxable
value of the intermediate district.

(2) From the allocation under section 51a(1), there is allocated an amount not to exceed $37,758,100.00 each fiscal year for 2015-2016 and for 2016-2017 AND FOR 2017-2018 to reimburse intermediate districts levying millages for special education pursuant to part 30 of the revised school code, MCL 380.1711 to 380.1743. The purpose, use, and expenditure of the reimbursement shall be limited as if the funds were generated by these millages and governed by the intermediate district plan adopted pursuant to article 3 of the revised school code, MCL 380.1701 to 380.1766. As a condition of receiving funds under this section, an intermediate district distributing any portion of special education millage funds to its constituent districts shall submit for departmental approval and implement a distribution plan.

(3) Reimbursement for those millages levied in 2014-2015 shall be made in 2015-2016 at an amount per 2014-2015 membership pupil computed by subtracting from $175,300.00 the 2014-2015 taxable value behind each membership pupil and multiplying the resulting difference by the 2014-2015 millage levied.

(4) Reimbursement for those millages levied in 2015-2016 shall be made in 2016-2017 at an amount per 2015-2016 membership pupil computed by subtracting from $179,600.00 $180,900.00 the 2015-2016 taxable value behind each membership pupil and multiplying the resulting difference by the 2015-2016 millage levied.

(4) REIMBURSEMENT FOR THOSE MILLAGES LEVIED IN 2016-2017 SHALL BE MADE IN 2017-2018 AT AN AMOUNT PER 2016-2017 MEMBERSHIP PUPIL
COMPUTED BY SUBTRACTING FROM $182,600.00 THE 2016-2017 TAXABLE
VALUE BEHIND EACH MEMBERSHIP PUPIL AND MULTIPLYING THE RESULTING
DIFFERENCE BY THE 2016-2017 MILLAGE LEVIED, AND THEN SUBTRACTING
FROM THAT AMOUNT THE 2016-2017 LOCAL COMMUNITY STABILIZATION SHARE
REVENUE FOR SPECIAL EDUCATION PURPOSES BEHIND EACH MEMBERSHIP PUPIL
FOR REIMBURSEMENT OF PERSONAL PROPERTY EXEMPTION LOSS UNDER THE
LOCAL COMMUNITY STABILIZATION AUTHORITY ACT, 2014 PA 86, MCL
123.1341 TO 123.1362.

(5) The amount paid to a single intermediate district under
this section shall not exceed 62.9% of the total amount allocated
under subsection (2).

(6) The amount paid to a single intermediate district under
this section shall not be less than 75% of the amount allocated to
the intermediate district under this section for the immediately
preceding fiscal year.

Sec. 61a. (1) From the appropriation in section 11, there is
allocated an amount not to exceed $36,611,300.00 for 2016-2017
2017-2018 to reimburse on an added cost basis districts, except for
a district that served as the fiscal agent for a vocational
education consortium in the 1993-94 school year and that has a
foundation allowance as calculated under section 20 greater than
the minimum foundation allowance under that section, and secondary
area vocational-technical education centers for secondary-level
career and technical education programs according to rules approved
by the superintendent. Applications for participation in the
programs shall be submitted in the form prescribed by the
department. The department shall determine the added cost for each
career and technical education program area. The allocation of added cost funds shall be prioritized based on the capital and program expenditures needed to operate the career and technical education programs provided; the number of pupils enrolled; the advancement of pupils through the instructional program; the existence of an articulation agreement with at least 1 postsecondary institution that provides pupils with opportunities to earn postsecondary credit during the pupil's participation in the career and technical education program and transfers those credits to the postsecondary institution upon completion of the career and technical education program; and the program rank in student placement, job openings, and wages, and shall not exceed 75% of the added cost of any program. Notwithstanding any rule or department determination to the contrary, when determining a district's allocation or the formula for making allocations under this section, the department shall include the participation of pupils in grade 9 in all of those determinations and in all portions of the formula. With the approval of the department, the board of a district maintaining a secondary career and technical education program may offer the program for the period from the close of the school year until September 1. The program shall use existing facilities and shall be operated as prescribed by rules promulgated by the superintendent.

(2) Except for a district that served as the fiscal agent for a vocational education consortium in the 1993-94 school year, districts and intermediate districts shall be reimbursed for local career and technical education administration, shared time career
and technical education administration, and career education planning district career and technical education administration. The definition of what constitutes administration and reimbursement shall be pursuant to guidelines adopted by the superintendent. Not more than $800,000.00 of the allocation in subsection (1) shall be distributed under this subsection.

(3) A career and technical education program funded under this section may provide an opportunity for participants who are eligible to be funded under section 107 to enroll in the career and technical education program funded under this section if the participation does not occur during regular school hours.

(4) In addition to the money allocated under subsection (1), from the general fund money appropriated in section 11, there is allocated for 2016-2017 an amount not to exceed $79,000.00 to an eligible Michigan-approved 501(c)(3) organization for the purposes of teaching or training restaurant management and culinary arts for career and professional development. The department shall oversee funds distributed to an eligible grantee under this section. As used in this subsection, "eligible Michigan-approved 501(c)(3) organization" means an organization that is exempt from taxation under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, that provides the ProStart curriculum and training to state-approved career and technical education programs with classification of instructional programs (CIP) codes in the 12.05xx category, and that administers national certification for the purpose of restaurant management and culinary arts for career and professional development.
(4) In addition to the funds allocated under subsection (1), from the funds appropriated in section 11, there is allocated an amount not to exceed $1,000,000.00 for competitive grants to intermediate districts to hire career and technical education counselors. All of the following apply to this funding:

(A) An intermediate district seeking a grant under this subsection shall apply to the department in a form and manner specified by the department.

(B) The department shall award grants under this subsection on a competitive basis to no more than 3 intermediate districts but shall give priority to the intermediate district that has the greatest number of pupils enrolled in its constituent districts and shall ensure that grants are equitably distributed to the various geographic areas of this state and to urban and rural areas.

(C) To be eligible for funding under this subsection, an intermediate district shall do all of the following:

(i) Catalog all available K-12 and other workforce development programs and services, including job search, job training, pre-employment certifications, career awareness programs, career and technical education programs, and other related programs and services offered by districts or intermediate districts, postsecondary institutions, and other private or public service organizations.

(ii) Develop an outreach program that educates students about career and technical education options and connects students to the services cataloged under subparagraph (i).

(iii) Track student placement and report on student placement
TO THE HOUSE AND SENATE APPROPRIATIONS SUBCOMMITTEES ON SCHOOL AID
NO LATER THAN JUNE 30, 2018 IN THE FORM AND MANNER PRESCRIBED BY
THE DEPARTMENT.

Sec. 61b. (1) From the appropriation in section 11, there is
allocated an amount not to exceed $1,000,000.00 for 2015-2016 and
there is allocated an amount not to exceed $9,000,000.00
$8,000,000.00 for 2016-2017 AND AN AMOUNT NOT TO EXCEED $0.00 FOR
2017-2018 for CTE early/middle college and CTE dual enrollment
programs authorized under this section AND FOR PLANNING GRANTS FOR
THE DEVELOPMENT OR EXPANSION OF CTE EARLY/MIDDLE COLLEGE PROGRAMS.
The purpose of these programs is to increase the number of Michigan
residents with high-quality degrees or credentials, and to increase
the number of students who are college and career ready upon high
school graduation.

(2) From the funds allocated under subsection (1), an amount
as determined under this subsection shall be allocated to each
intermediate district serving as a fiscal agent for state-approved
CTE early/middle college and CTE dual enrollment programs in each
of the prosperity regions and subregions identified by the
department. An intermediate district shall not use more than 5% of
the funds allocated under this subsection for administrative costs
for serving as the fiscal agent.

(3) To be an eligible fiscal agent, an intermediate district
must agree to do all of the following in a form and manner
determined by the department:

(a) Distribute funds to eligible CTE early/middle college and
CTE dual enrollment programs in a prosperity region or subregion as
described in this section.

(b) Collaborate with the talent district career council that is located in the prosperity region or subregion to develop a regional strategic plan under subsection (4) that aligns CTE programs and services into an efficient and effective delivery system for high school students.

(c) Implement a regional process to rank career clusters in the prosperity region or subregion as described under subsection (4). Regional processes shall be approved by the department before the ranking of career clusters.

(d) Report CTE early/middle college and CTE dual enrollment program and student data and information as prescribed by the department.

(4) A regional strategic plan must be approved by the talent district career council before submission to the department. A regional strategic plan shall include, but not be limited to, the following:

(a) An identification of regional employer need based on a ranking of all career clusters in the prosperity region or subregion ranked by 10-year job openings projections and median wage for each standard occupational code in each career cluster as obtained from the United States Bureau of Labor Statistics. Standard occupational codes within high-ranking clusters also may be further ranked by median wage. The rankings shall be reviewed by the talent district career council located in the prosperity region or subregion and modified if necessary to accurately reflect employer demand for talent in the prosperity region or subregion. A
talent district career council shall document that it has conducted this review and certify that it is accurate. These career cluster rankings shall be determined and updated once every 4 years.

(b) An identification of educational entities in the prosperity region or subregion that will provide eligible CTE early/middle college and CTE dual enrollment programs including districts, intermediate districts, postsecondary institutions, and noncredit occupational training programs leading to an industry-recognized credential.

(c) A strategy to inform parents and students of CTE early/middle college and CTE dual enrollment programs in the prosperity region or subregion.

(d) Any other requirements as defined by the department.

(5) An eligible CTE program is a program that meets all of the following:

(a) Has been identified in the highest 5 career cluster rankings in any of the 10 regional strategic plans jointly approved by the Michigan talent investment agency in the department of talent and economic development and the department.

(b) Has a coherent sequence of courses that will allow a student to earn a high school diploma and achieve at least 1 of the following in a specific career cluster:

(i) An associate degree.

(ii) An industry-recognized technical certification approved by the Michigan talent investment agency in the department of talent and economic development.

(iii) Up to 60 transferable college credits.
(iv) Participation in a registered apprenticeship.

(c) Is aligned with the Michigan merit curriculum.

(d) Has an articulation agreement with at least 1

postsecondary institution that provides students with opportunities
to receive postsecondary credits during the student's participation
in the CTE early/middle college or CTE dual enrollment program and
transfers those credits to the postsecondary institution upon
completion of the CTE early/middle college or CTE dual enrollment
program.

(e) Provides instruction that is supervised, directed, or

coordinated by an appropriately certificated CTE teacher or, for

concurrent enrollment courses, a postsecondary faculty member.

(f) Provides for highly integrated student support services

that include at least the following:

(i) Teachers as academic advisors.

(ii) Supervised course selection.

(iii) Monitoring of student progress and completion.

(iv) Career planning services provided by a local one-stop

service center as described in the Michigan works one-stop service
center system act, 2006 PA 491, MCL 408.111 to 408.135, or by a

high school counselor or advisor.

(g) Has courses that are taught on a college campus, are

college courses offered at the high school and taught by college

faculty, or are courses taught in combination with online

instruction.

(6) Funds to eligible CTE early/middle college and CTE dual

enrollment programs shall be distributed as follows:
(a) The department shall determine statewide average CTE costs per pupil for each CIP code program by dividing total prior year calculating statewide average costs for each CIP code program by prior year pupils for each CIP code program for the 3 most recent fiscal years.

(b) Distribution to each eligible CTE early/middle college or CTE dual enrollment program shall be the product of 50% of CTE costs per pupil times the current year pupil enrollment of each eligible CTE early/middle college or CTE dual enrollment program.

(7) In order to receive funds under this section, a CTE early/middle college or CTE dual enrollment program shall furnish to the intermediate district that is the fiscal agent identified in subsection (1), in a form and manner determined by the department, all information needed to administer this program and meet federal reporting requirements; shall allow the department or the department's designee to review all records related to the program for which it receives funds; and shall reimburse the state for all disallowances found in the review, as determined by the department.

(8) There is allocated from the funds under subsection (1) an amount not to exceed $500,000.00 each fiscal year for 2015-2016 and for 2016-2017 for 2017-2018 for grants to intermediate districts or consortia of intermediate districts for the purpose of planning for new or expanded early middle college programs. Applications for grants shall be submitted in a form and manner determined by the department. The amount of a grant under this subsection shall not exceed $50,000.00. To be eligible for a grant under this subsection, an intermediate district or consortia of intermediate
districts must provide matching funds equal to the grant received under this subsection. Notwithstanding section 17b, payments under this subsection may be made as determined by the department.

(9) Funds distributed under this section may be used to fund program expenditures that would otherwise be paid from foundation allowances. A program receiving funding under section 61a may receive funding under this section for allowable costs that exceed the reimbursement the program received under section 61a. The combined payments received by a program under section 61a and this section shall not exceed the total allowable costs of the program. A program provider shall not use more than 5% of the funds allocated under this section to the program for administrative costs.

(10) If the allocation under subsection (1) is insufficient to fully fund payments as otherwise calculated under this section, the department shall prorate payments under this section on an equal percentage basis.

(11) If pupils enrolled in a career cluster in an eligible CTE early/middle college or CTE dual enrollment program qualify to be reimbursed under this section, those pupils continue to qualify for reimbursement until graduation, even if the career cluster is no longer identified as being in the highest 5 career cluster rankings.

(12) It is the intent of the legislature to provide funds in 2017-2018 to reimburse districts with early/middle college programs for the added costs of providing both a high school diploma and an associate's degree, industry-recognized certification, up to 60
transferable college credits, or participation in a registered
apprenticeship in less than 5 years.

(12) (13)—As used in this section:
(a) "Allowable costs" means those costs directly attributable
to the program as jointly determined by the Michigan talent
investment agency and the department.
(b) "CIP" means classification of instructional programs.
(c) "CTE" means career and technical education programs.
(d) "CTE dual enrollment program" means a 4-year high school
program of postsecondary courses offered by eligible postsecondary
educational institutions that leads to an industry-recognized
certification or degree.
(e) "Early/middle college program" means a 5-year high school
program.
(f) "Eligible postsecondary educational institution" means
that term as defined in section 3 of the career and technical
preparation act, 2000 PA 258, MCL 388.1903.
(g) "Talent district career council" means an advisory council
to the local workforce development boards located in a prosperity
region consisting of educational, employer, labor, and parent
representatives.

Sec. 61c. (1) From the general fund appropriation in section
11, there is allocated for 2016-2017 2017-2018 an amount not to
exceed $3,000,000.00 to career education planning districts
$10,000,000.00 FOR PAYMENTS TO DISTRICTS AND INTERMEDIATE DISTRICTS
OR CONSORTIA OF DISTRICTS AND INTERMEDIATE DISTRICTS for the CTE
skilled trades initiative—EQUIPMENT AND INNOVATION COMPETITIVE
GRANT PROGRAM FUNDED under this section.

(2) To be eligible to receive funding under this section, each CEPD—AN APPLICANT shall apply in a form determined by the department. Funding to each CEPD shall be equal to the quotient of the allocation under subsection (1) and the sum of the number of career education planning districts applying for funding under this section. THE AMOUNT OF A GRANT AWARDED UNDER THIS SECTION SHALL BE AT LEAST $250,000.00 BUT SHALL NOT EXCEED $1,000,000.00 AND SHALL BE USED FOR THE PURCHASE OR LEASE FROM PRIVATE INDUSTRY PARTNERS OF EQUIPMENT AND FOR RELATED CAPACITY BUILDING ACTIVITIES. A GRANT APPLICATION FOR A GRANT UNDER THIS SECTION SHALL INCLUDE AT LEAST ALL OF THE FOLLOWING INFORMATION:

(A) A DESCRIPTION OF HOW THE PROPOSED CAPITAL INFRASTRUCTURE INITIATIVE WILL PROVIDE INCREASED CAREER OPPORTUNITIES FOR STUDENTS AND ADULT LEARNERS IN HIGH-WAGE, HIGH-SKILL, AND HIGH-DEMAND OCCUPATIONS.

(B) DEMONSTRATED EVIDENCE OF EMPLOYER DEMAND FOR THE INITIATIVE AND RELATED CTE TRAINING INCLUDING DOCUMENTATION OF INDUSTRY INVOLVEMENT IN THE INITIATIVE THAT WILL ALLOW FOR WORK-BASED LEARNING OPPORTUNITIES, APPRENTICESHIPS, TEACHER EXTERNSHIPS, OR A COMBINATION OF THESE.

(C) A BUDGET FOR THE INITIATIVE, INCLUDING DEMONSTRATED COMMITMENT OF LOCAL OR REGIONAL PARTNERS TO SUSTAIN THE INITIATIVE BEYOND THE INITIAL GRANT FUNDING.

(D) A DESCRIPTION OF HOW THE PROPOSED INITIATIVE ALIGNS WITH OTHER CTE AND COMMUNITY COLLEGE PROGRAMS AND HOW THE EQUIPMENT WILL
BE UTILIZED BY INITIATIVE PARTNERS.

(E) OTHER INFORMATION AS REQUESTED BY THE DEPARTMENT AND THE
DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT.

(3) The funding allocated to each CEPD shall be used to update
equipment in current CTE programs that are supporting and driving
economic development in their individual communities, or for new
and emerging certified CTE programs to allow CEPD administrators to
provide programming in communities that will enhance economic
development. The funding for equipment should be used to support
and enhance community areas that have sustained job growth, and act
as a commitment to build a more qualified and skilled workforce.

(4) The allocation of funds at the local level shall be
determined by CEPD administrators using data from the state,
region, and local sources to make well-informed decisions on
program equipment improvements. Grants awarded by CEPD
administrators for capital infrastructure shall be used to ensure
that CTE programs can deliver educational programs in high-wage,
high-skill, and high-demand occupations. Each CEPD shall continue
to ensure that program advisory boards make recommendations on
needed improvements for equipment that support job growth and job
skill development and retention for both the present and the
future.

(3) THE DEPARTMENT SHALL EVALUATE GRANT APPLICATIONS UNDER
THIS SECTION IN COLLABORATION WITH THE DEPARTMENT OF TALENT AND
ECONOMIC DEVELOPMENT. A MEMBER OF THE GOVERNOR'S TALENT INVESTMENT
BOARD MAY SERVE IN AN ADVISORY CAPACITY IN THE EVALUATION PROCESS
AS DETERMINED BY THE DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT.
THE DEPARTMENT SHALL GIVE PRIORITY TO GRANT APPLICATIONS FOR THE
LEASE OF EQUIPMENT FROM PRIVATE INDUSTRY PARTNERS TO ENCOURAGE THE
USE OF THE MOST ADVANCED EQUIPMENT.

(4) Not later than September 15 of each fiscal year, each CEED GRANT RECIPIENT receiving funding under this section shall annually report to the department, the DEPARTMENT OF
TALENT AND ECONOMIC DEVELOPMENT, the senate and house appropriations subcommittees on state school aid, and the senate and house fiscal agencies, and the legislature on equipment purchased under this section IN THE
IMMEDIATELY PRECEDING SCHOOL YEAR. In addition, the report shall identify growth data on program involvement, retention, and development of student AND ADULT LEARNER skills.

(5) In addition to the funds allocated FROM THE ALLOCATION under subsection (1), from the funds appropriated under section 11, there is allocated for 2016-2017 2017-2018 an amount not to exceed $200,000.00 $1,000,000.00 to a district with fewer than 1,200 pupils in membership to support a DISTRICTS FOR A COMPETITIVE GRANT TO mechatronics programs that operated in 2015-2016 2016-2017 for updating mechatronics program equipment. To be eligible to receive a grant under this subsection, a program shall be a flexible learning program that offered in 2015-2016 both classroom and hands-on training in mechatronics in at least 2 sites.

(6) As used in this section, "CEPD" means a career education planning district described in this section. "CTE" MEANS CAREER AND TECHNOLOGY EDUCATION.

Sec. 62. (1) For the purposes of this section:
(a) "Membership" means for a particular fiscal year the total membership for the immediately preceding fiscal year of the intermediate district and the districts constituent to the intermediate district or the total membership for the immediately preceding fiscal year of the area vocational-technical program.

(b) "Millage levied" means the millage levied for area vocational-technical education pursuant to sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, including a levy for debt service obligations incurred as the result of borrowing for capital outlay projects and in meeting capital projects fund requirements of area vocational-technical education.

(c) "Taxable value" means the total taxable value of the districts constituent to an intermediate district or area vocational-technical education program, except that if a district has elected not to come under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, the membership and taxable value of that district shall not be included in the membership and taxable value of the intermediate district. However, the membership and taxable value of a district that has elected not to come under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, shall be included in the membership and taxable value of the intermediate district if the district meets both of the following:

(i) The district operates the area vocational-technical education program pursuant to a contract with the intermediate district.

(ii) The district contributes an annual amount to the
operation of the program that is commensurate with the revenue that would have been raised for operation of the program if millage were levied in the district for the program under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690.

(2) From the appropriation in section 11, there is allocated an amount not to exceed $9,190,000.00 each fiscal year for 2015-2016 and for 2016-2017 AND FOR 2017-2018 to reimburse intermediate districts and area vocational-technical education programs established under section 690(3) of the revised school code, MCL 380.690, levying millages for area vocational-technical education pursuant to sections 681 to 690 of the revised school code, MCL 380.681 to 380.690. The purpose, use, and expenditure of the reimbursement shall be limited as if the funds were generated by those millages.

(3) Reimbursement for the millages levied in 2014-2015 shall be made in 2015-2016 at an amount per 2014-2015 membership pupil computed by subtracting from $192,200.00 the 2014-2015 taxable value behind each membership pupil and multiplying the resulting difference by the 2014-2015 millage levied.

(4) Reimbursement for the millages levied in 2015-2016 shall be made in 2016-2017 at an amount per 2015-2016 membership pupil computed by subtracting from $196,300.00 $198,400.00 the 2015-2016 taxable value behind each membership pupil and multiplying the resulting difference by the 2015-2016 millage levied.

(4) REIMBURSEMENT FOR THOSE MILLAGES LEVIED IN 2016-2017 SHALL BE MADE IN 2017-2018 AT AN AMOUNT PER 2016-2017 MEMBERSHIP PUPIL

(5) The amount paid to a single intermediate district under this section shall not exceed 38.4% of the total amount allocated under subsection (2).

(6) The amount paid to a single intermediate district under this section shall not be less than 75% of the amount allocated to the intermediate district under this section for the immediately preceding fiscal year.

Sec. 64b. (1) From the appropriation in section 11, there is allocated an amount not to exceed $1,750,000.00 each fiscal year for 2015-2016 and for 2016-2017 FOR 2017-2018 for supplemental payments to districts that support the attendance of district pupils in grades 9 to 12 under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, or under the career and technical preparation act, 2000 PA 258, MCL 388.1901 to 388.1913, consistent with section 21b, or that support the attendance of district pupils in a concurrent enrollment program if the district meets the requirements under subsection (3). Programs funded under this section are intended to increase the number of pupils who are college- and career-ready upon high school graduation.
(2) To be eligible for payments under this section for supporting the attendance of district pupils under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, or under the career and technical preparation act, 2000 PA 258, MCL 388.1901 to 388.1913, a district shall do all of the following:

(a) Provide information to all high school pupils on postsecondary enrollment options, including enrollment eligibility, the institutions and types of courses that are eligible for participation, the decision-making process for granting academic credit, and an explanation of eligible charges that will be paid by the district.

(b) Enter into a written agreement with a postsecondary institution before the enrollment of district pupils.

(c) Agree to pay all eligible charges pursuant to section 21b.

(d) Award high school credit for the postsecondary course if the pupil successfully completes the course.

(3) To be eligible for payments under this section for pupils enrolled in a concurrent enrollment program, a district shall do all of the following:

(a) Provide information to all high school pupils on postsecondary enrollment options, including enrollment eligibility, the institutions and types of courses that are eligible for participation, the decision-making process for granting academic credit, and an explanation of eligible charges that will be paid by the district.

(b) Enter into a written agreement with a postsecondary
institution establishing the concurrent enrollment program before
the enrollment of district pupils in a postsecondary course through
the postsecondary institution.

(c) Ensure that the course is taught by either a high school
teacher or postsecondary faculty pursuant to standards established
by the postsecondary institution with which the district has
entered into a written agreement to operate the concurrent
enrollment program.

(d) Ensure that the written agreement provides that the
postsecondary institution agrees not to charge the pupil for any
cost of the program.

(e) Ensure that the course is taught in the local district or
intermediate district.

(f) Ensure that the pupil is awarded both high school and
college credit at a community college or state public university in
this state upon successful completion of the course as outlined in
the agreement with the postsecondary institution.

(4) Funds shall be awarded to eligible districts under this
section in the following manner:

(a) A payment of $10.00 per credit, for up to 3 credits, for a
credit-bearing course in which a pupil enrolls during the 2015-2016
or 2016-2017 CURRENT school year, as applicable, as described under
either subsection (2) or (3).

(b) An additional payment of $30.00 per-pupil per course
identified in subdivision (a), if the pupil successfully completes,
and is awarded both high school and postsecondary credit for, the
course during the 2015-2016 or 2016-2017 CURRENT school year.
applicable.

(5) A district requesting payment under this section shall submit an application to the department in the form and manner prescribed by the department. Notwithstanding section 17b, payments under this section shall be made on a schedule determined by the department.

SEC. 64D. (1) FROM THE GENERAL FUND APPROPRIATION UNDER SECTION 11, THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED $1,000,000.00 FOR 2017-2018 FOR A COMPETITIVE GRANT TO PROVIDE INFORMATION TECHNOLOGY EDUCATION OPPORTUNITIES TO STUDENTS ATTENDING SCHOOLS IN GRADES K-12, CAREER AND TECHNICAL CENTERS AND CAREER ACADEMIES, AND COMMUNITY COLLEGES AND UNIVERSITIES. FUNDS ALLOCATED UNDER THIS SECTION SHALL BE AWARDED TO A SINGLE PROVIDER AND USED FOR INSTRUCTION IN INFORMATION TECHNOLOGY SKILLS AND COMPETENCIES THAT ARE ESSENTIAL FOR THE WORKPLACE AND REQUESTED BY EMPLOYERS AND SHALL ALLOW PARTICIPATING STUDENTS AND FACULTIES TO SECURE BROAD-BASED INFORMATION TECHNOLOGY CERTIFICATIONS AND, IF APPLICABLE, COLLEGE CREDIT.

(2) THE DEPARTMENT SHALL SELECT THE PROVIDER USING A COMPETITIVE REQUEST FOR PROPOSALS PROCESS. PROPOSALS SUBMITTED UNDER THIS SUBSECTION SHALL INCLUDE AT LEAST THE FOLLOWING COMPONENTS:

(A) RESEARCH- AND SKILL-DEVELOPMENT-BASED INFORMATION TECHNOLOGY CURRICULUM.

(B) ONLINE ACCESS TO THE CURRICULUM.

(C) INSTRUCTIONAL SOFTWARE FOR CLASSROOM AND STUDENT USE.

(D) A PROGRAM THAT INCLUDES CODING CURRICULUM AND MATERIALS
THAT ARE ALIGNED TO THE COMPUTER SCIENCE AP EXAMINATION AND GRANTS
A CERTIFICATE UPON COMPLETION OF THE PROGRAM.

(E) COMPONENTS FOR ELEMENTARY AND MIDDLE SCHOOLS ON
COMPUTATIONAL THINKING SKILLS DEVELOPMENT USING THE LATEST GAMING
SOFTWARE.

(F) A PROCESS FOR STUDENTS TO OBTAIN CERTIFICATIONS OF SKILLS
AND COMPETENCIES IN A BROAD BASE OF INFORMATION-TECHNOLOGY-RELATED
SKILL AREAS.

(G) PROFESSIONAL DEVELOPMENT FOR FACULTY.

(H) IMPLEMENTATION AND PROGRAM SUPPORT, INCLUDING, BUT NOT
LIMITED TO, INTEGRATION WITH CURRENT CURRICULUM STANDARDS.

(I) METHODS FOR STUDENTS TO EARN COLLEGE CREDIT.

(3) THE DEPARTMENT SHALL GIVE PRIORITY TO PROPOSALS BY
PROVIDERS THAT HAVE PREVIOUSLY DEMONSTRATED SUCCESS IN THIS STATE
IN PROVIDING HIGH-QUALITY INFORMATION TECHNOLOGY EDUCATION
OPPORTUNITIES TO STUDENTS.

(4) THE FUNDS ALLOCATED UNDER THIS SECTION FOR 2017-2018 ARE A
WORK PROJECT APPROPRIATION, AND ANY UNEXPENDED FUNDS FOR 2017-2018
ARE TO BE CARRIED FORWARD INTO 2018-2019. THE PURPOSE OF THE WORK
PROJECT IS TO CONTINUE TO PROVIDE INFORMATION TECHNOLOGY EDUCATION
OPPORTUNITIES DESCRIBED IN THIS SECTION. THE ESTIMATED COMPLETION

Sec. 67. (1) From the general fund amount appropriated in
section 11, there is allocated an amount not to exceed
$3,050,000.00 for 2016-2017 $3,000,000.00 FOR 2017-2018 for college
and career preparation activities. ACCESS PROGRAMS. The programs
funded under this section are intended to inform students of
college and career options and to provide a wide array of tools and resources intended to increase the number of pupils who are adequately prepared with the information needed to make informed decisions on college and career. The funds appropriated under this section are intended to be used to increase the number of Michigan residents with high-quality degrees or credentials. Funds appropriated under this section shall not be used to supplant funding for counselors already funded by districts.

(2) From the amount allocated in subsection (1), an amount not to exceed $3,000,000.00 shall be used for the college access program. The talent investment agency of the department of talent and economic development shall administer these funds ALLOCATED UNDER THIS SECTION in collaboration with the Michigan college access network. These funds may be used for any of the following purposes:

(a) Michigan college access network operations, programming, and services to local college access networks.

(b) Local college access networks, which are community-based college access/success partnerships committed to increasing the college participation and completion rates within geographically defined communities through a coordinated strategy.

(c) The Michigan college advising program, a program intended to place trained, recently graduated college advisors in high schools that serve significant numbers of low-income and first-generation college-going pupils. State funds used for this purpose may not exceed 33% of the total funds available under this subsection.
(d) Subgrants of up to $5,000.00 to districts with comprehensive high schools that establish a college access team and implement specific strategies to create a college-going culture in a high school in a form and manner approved by the Michigan college access network and the Michigan talent investment agency.

(e) The Michigan college access portal, an online one-stop portal to help pupils and families plan and apply for college.

(f) Public awareness and outreach campaigns to encourage low-income and first-generation college-going pupils to take necessary steps toward college and to assist pupils and families in completing a timely and accurate free application for federal student aid.

(g) Subgrants to postsecondary institutions to recruit, hire, and train college student mentors and college advisors to assist high school pupils in navigating the postsecondary planning and enrollment process.

(3) From the amount allocated in subsection (1), an amount not to exceed $50,000.00 shall be used for an outreach program to provide information to pupils, parents, and educators on dual enrollment and other opportunities available to high school pupils to earn postsecondary credits, industry-recognized technical certifications, and participation in registered apprenticeships at no cost.

(3) (4) For the purposes of this section, "college" means any postsecondary educational opportunity that leads to a career, including, but not limited to, a postsecondary degree, industry-recognized technical certification, or registered apprenticeship.
Sec. 74. (1) From the amount appropriated in section 11, there is allocated an amount not to exceed $3,320,600.00 for 2016-2017 and $3,330,300.00 for 2017-2018 for the purposes of this section.

(2) From the allocation in subsection (1), there is allocated for each fiscal year the amount necessary for payments to state supported colleges or universities and intermediate districts providing school bus driver safety instruction pursuant to section 51 of the pupil transportation act, 1990 PA 187, MCL 257.1851. The payments shall be in an amount determined by the department not to exceed the actual cost of instruction and driver compensation for each public or nonpublic school bus driver attending a course of instruction. For the purpose of computing compensation, the hourly rate allowed each school bus driver shall not exceed the hourly rate received for driving a school bus. Reimbursement compensating the driver during the course of instruction shall be made by the department to the college or university or intermediate district providing the course of instruction.

(3) From the allocation in subsection (1), there is allocated for 2016-2017 and 2017-2018 the amount necessary to pay the reasonable costs of nonspecial education auxiliary services transportation provided pursuant to section 1323 of the revised school code, MCL 380.1323. Districts funded under this subsection shall not receive funding under any other section of this article for nonspecial education auxiliary services transportation.

(4) From the funds allocated in subsection (1), there is allocated an amount not to exceed $1,695,600.00 for 2016-2017 and $1,705,300.00 for 2017-2018 for reimbursement to districts and
intermediate districts for costs associated with the inspection of
school buses and pupil transportation vehicles by the department of
state police as required under section 715a of the Michigan vehicle
code, 1949 PA 300, MCL 257.715a, and section 39 of the pupil
transportation act, 1990 PA 187, MCL 257.1839. The department of
state police shall prepare a statement of costs attributable to
each district for which bus inspections are provided and submit it
to the department and to an intermediate district serving as
fiduciary in a time and manner determined jointly by the department
and the department of state police. Upon review and approval of the
statement of cost, the department shall forward to the designated
intermediate district serving as fiduciary the amount of the
reimbursement on behalf of each district and intermediate district
for costs detailed on the statement within 45 days after receipt of
the statement. The designated intermediate district shall make
payment in the amount specified on the statement to the department
of state police within 45 days after receipt of the statement. The
total reimbursement of costs under this subsection shall not exceed
the amount allocated under this subsection. Notwithstanding section
17b, payments to eligible entities under this subsection shall be
paid on a schedule prescribed by the department.

Sec. 81. (1) From the appropriation in section 11, there is
allocated for 2016-2017-2017-2018 to the intermediate districts the
sum necessary, but not to exceed $67,108,000.00 to provide state
aid to intermediate districts under this section.

(2) From the allocation in subsection (1), there is allocated
for 2016-2017 an amount not to exceed $67,108,000.00 for
allocations under this section to each intermediate district in an amount equal to 100% of the amount allocated to the intermediate district under this subsection for 2015-2016. Funding provided under this section shall be used to comply with requirements of this article and the revised school code that are applicable to intermediate districts, and for which funding is not provided elsewhere in this article, and to provide technical assistance to districts as authorized by the intermediate school board.

(3) Intermediate districts receiving funds under subsection (2) of this section, shall collaborate with the department to develop expanded professional development opportunities for teachers to update and expand their knowledge and skills needed to support the Michigan merit curriculum.

(4) From the allocation in subsection (1), there is allocated to an intermediate district, formed by the consolidation or annexation of 2 or more intermediate districts or the attachment of a total intermediate district to another intermediate school district or the annexation of all of the constituent K-12 districts of a previously existing intermediate school district which has disorganized, an additional allotment of $3,500.00 each fiscal year for each intermediate district included in the new intermediate district for 3 years following consolidation, annexation, or attachment.

(5) In order to receive funding under subsection (2), this section, an intermediate district shall do all of the following:

(a) Demonstrate to the satisfaction of the department that the
intermediate district employs at least 1 person who is trained in pupil accounting and auditing procedures, rules, and regulations.

(b) Demonstrate to the satisfaction of the department that the intermediate district employs at least 1 person who is trained in rules, regulations, and district reporting procedures for the individual-level student data that serves as the basis for the calculation of the district and high school graduation and dropout rates.

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

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

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

(f) Comply with section 761 of the revised school code, MCL 380.761.

Sec. 94. (1) From the general fund appropriation in section 11, there is allocated to the department for 2016–2017 2017–2018 an amount not to exceed $250,000.00 for efforts to increase the number of pupils who participate and succeed in advanced placement and international baccalaureate programs.

(2) From the funds allocated under this section, the department shall award funds to cover all or part of the costs of advanced placement test fees or international baccalaureate test fees and international baccalaureate registration fees for low-income pupils who take an advanced placement or an international
baccalaureate test. Payments shall not exceed $20.00 per test completed or $150.00 per international baccalaureate registration fees per pupil registered.

(3) The department shall only award funds under this section if the department determines that all of the following criteria are met:

(a) Each pupil for whom payment is made meets eligibility requirements of the federal advanced placement test fee program under section 1701 of the no child left behind act of 2001, Public Law 107-110, or under a corresponding provision of the every student succeeds act, Public Law 114-95.

(b) The tests are administered by the college board, the international baccalaureate organization, or another test provider approved by the department.

(c) The pupil for whom payment is made pays at least $5.00 toward the cost of each test for which payment is made.

(4) The department shall establish procedures for awarding funds under this section.

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

Sec. 94a. (1) There is created within the state budget office in the department of technology, management, and budget the center for educational performance and information. The center shall do all of the following:

(a) Coordinate the collection of all data required by state and federal law from districts, intermediate districts, and postsecondary institutions.
(b) Create, maintain, and enhance this state's P-20 longitudinal data system and ensure that it meets the requirements of subsection (4).

(c) Collect data in the most efficient manner possible in order to reduce the administrative burden on reporting entities, including, but not limited to, electronic transcript services.

(d) Create, maintain, and enhance this state's web-based educational portal to provide information to school leaders, teachers, researchers, and the public in compliance with all federal and state privacy laws. Data shall include, but are not limited to, all of the following:

(i) Data sets that link teachers to student information, allowing districts to assess individual teacher impact on student performance and consider student growth factors in teacher and principal evaluation systems.

(ii) Data access or, if practical, data sets, provided for regional data warehouses HUBS that, in combination with local data, can improve teaching and learning in the classroom.

(iii) Research-ready data sets for researchers to perform research that advances this state's educational performance.

(e) Provide data in a useful manner to allow state and local policymakers to make informed policy decisions.

(f) Provide public reports to the citizens of this state to allow them to assess allocation of resources and the return on their investment in the education system of this state.

(g) Other functions as assigned by the state budget director.

(2) Each state department, officer, or agency that collects
information from districts, intermediate districts, or postsecondary institutions as required under state or federal law shall make arrangements with the center to ensure that the state department, officer, or agency is in compliance with subsection (1). This subsection does not apply to information collected by the department of treasury under the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821; the school bond qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to 388.1939; or section 1351a of the revised school code, MCL 380.1351a.

(3) The center may enter into any interlocal agreements necessary to fulfill its functions.

(4) The center shall ensure that the P-20 longitudinal data system required under subsection (1)(b) meets all of the following:

(a) Includes data at the individual student level from preschool through postsecondary education and into the workforce.

(b) Supports interoperability by using standard data structures, data formats, and data definitions to ensure linkage and connectivity in a manner that facilitates the exchange of data among agencies and institutions within the state and between states.

(c) Enables the matching of individual teacher and student records so that an individual student may be matched with those teachers providing instruction to that student.

(d) Enables the matching of individual teachers with information about their certification and the institutions that
prepared and recommended those teachers for state certification.

(e) Enables data to be easily generated for continuous improvement and decision-making, including timely reporting to parents, teachers, and school leaders on student achievement.

(f) Ensures the reasonable quality, validity, and reliability of data contained in the system.

(g) Provides this state with the ability to meet federal and state reporting requirements.

(h) For data elements related to preschool through grade 12 and postsecondary, meets all of the following:

(i) Contains a unique statewide student identifier that does not permit a student to be individually identified by users of the system, except as allowed by federal and state law.

(ii) Contains student-level enrollment, demographic, and program participation information.

(iii) Contains student-level information about the points at which students exit, transfer in, transfer out, drop out, or complete education programs.

(iv) Has the capacity to communicate with higher education data systems.

(i) For data elements related to preschool through grade 12 only, meets all of the following:

(i) Contains yearly test records of individual students for assessments approved by DED-OESE for accountability purposes under section 1111(b) of the elementary and secondary education act of 1965, 20 USC 6311, including information on individual students not tested, by grade and subject.
(ii) Contains student-level transcript information, including information on courses completed and grades earned.

(iii) Contains student-level college readiness test scores.

(j) For data elements related to postsecondary education only:

(i) Contains data that provide information regarding the extent to which individual students transition successfully from secondary school to postsecondary education, including, but not limited to, all of the following:

(A) Enrollment in remedial coursework.

(B) Completion of 1 year's worth of college credit applicable to a degree within 2 years of enrollment.

(ii) Contains data that provide other information determined necessary to address alignment and adequate preparation for success in postsecondary education.

(5) From the general fund appropriation in section 11, there is allocated an amount not to exceed $12,173,200.00 for 2016-2017

$14,216,000.00 FOR 2017-2018 to the department of technology, management, and budget to support the operations of the center. In addition, from the federal funds appropriated in section 11 there is allocated for 2016-2017-2017-2018 the amount necessary, estimated at $193,500.00, to support the operations of the center and to establish a P-20 longitudinal data system necessary for state and federal reporting purposes. The center shall cooperate with the department to ensure that this state is in compliance with federal law and is maximizing opportunities for increased federal funding to improve education in this state.

(6) From the funds allocated in subsection (5), the center may
use an amount determined by the center for competitive grants for 2016-2017-2017-2018 to support collaborative efforts on the P-20 longitudinal data system. All of the following apply to grants awarded under this subsection:

(a) The center shall award competitive grants to eligible intermediate districts or a consortium of intermediate districts based on criteria established by the center.

(b) Activities funded under the grant shall support the P-20 longitudinal data system portal and may include portal hosting, hardware and software acquisition, maintenance, enhancements, user support and related materials, and professional learning tools and activities aimed at improving the utility of the P-20 longitudinal data system.

(c) An applicant that received a grant under this subsection for the immediately preceding fiscal year shall receive priority for funding under this section. However, after 3 fiscal years of continuous funding, an applicant is required to compete openly with new applicants.

(7) Funds allocated under this section that are not expended in the fiscal year in which they were allocated may be carried forward to a subsequent fiscal year and are appropriated for the purposes for which the funds were originally allocated.

(8) The center may bill departments as necessary in order to fulfill reporting requirements of state and federal law. The center may also enter into agreements to supply custom data, analysis, and reporting to other principal executive departments, state agencies, local units of government, and other individuals and organizations.
The center may receive and expend funds in addition to those authorized in subsection (5) to cover the costs associated with salaries, benefits, supplies, materials, and equipment necessary to provide such data, analysis, and reporting services.

(9) As used in this section:

(a) "DED-OESE" means the United States Department of Education Office of Elementary and Secondary Education.

(b) "State education agency" means the department.

SEC. 95B. (1) FROM THE GENERAL FUND APPROPRIATION UNDER SECTION 11, THERE IS ALLOCATED TO THE DEPARTMENT AN AMOUNT NOT TO EXCEED $2,500,000.00 FOR 2017-2018 FOR THE DEPARTMENT TO DEVELOP A MODEL VALUE-ADDED GROWTH AND PROJECTION ANALYTICS SYSTEM TO SUPPORT EDUCATOR AND ADMINISTRATOR EVALUATIONS AS REQUIRED UNDER SECTIONS 1249, 1249A, AND 1249B OF THE REVISED SCHOOL CODE, MCL 380.1249 TO 380.1249B. THE ADOPTED MODEL SHALL DO AT LEAST ALL OF THE FOLLOWING:

(A) REPORT STUDENT GROWTH MEASURES AT THE DISTRICT, SCHOOL, TEACHER, AND SUBGROUP LEVELS.

(B) RECOGNIZE THE GROWTH OF TESTED STUDENTS, INCLUDING THOSE WHO MAY HAVE MISSING ASSESSMENT DATA.

(C) INCLUDE ALL AVAILABLE PRIOR STANDARDIZED ASSESSMENT DATA THAT MEET INCLUSION CRITERIA ACROSS GRADES, SUBJECTS, AND STATE AND LOCAL ASSESSMENTS.

(D) ALLOW STUDENT GROWTH RESULTS TO BE DISAGGREGATED.

(E) PROVIDE INDIVIDUAL STUDENT PROJECTIONS SHOWING THE PROBABILITY OF A STUDENT REACHING SPECIFIC PERFORMANCE LEVELS ON FUTURE ASSESSMENTS.
(F) DEMONSTRATE ANY PRIOR SUCCESS WITH THIS STATE'S ASSESSMENTS THROUGH THE MICHIGAN COUNCIL OF EDUCATOR EFFECTIVENESS TEACHER EVALUATION PILOT.

(2) THE DEPARTMENT SHALL PROVIDE INTERNET-BASED ELECTRONIC STUDENT GROWTH AND PROJECTION REPORTING BASED ON THE MODEL ADOPTED UNDER SUBSECTION (1) TO EDUCATORS AT THE SCHOOL, DISTRICT, AND STATE LEVELS. THE MODEL SHALL INCLUDE ROLE-BASED PERMISSIONS THAT ALLOW EDUCATORS TO ACCESS INFORMATION ABOUT THE PERFORMANCE OF THE STUDENTS WITHIN THEIR IMMEDIATE RESPONSIBILITY IN ACCORDANCE WITH APPLICABLE PRIVACY LAWS.

Sec. 98. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed $7,387,500.00 for 2016-2017 2017-2018 for the purposes described in this section. The Michigan Virtual University shall provide a report to the legislature not later than November 1, 2016-2017 that includes its mission, its plans, and proposed benchmarks it must meet, which shall include a plan to achieve a 50% increase in documented improvement in each requirement of the Michigan Virtual Learning Research Institute and Michigan Virtual School, and all other organizational priorities identified in this section, in order to receive full funding for 2017-2018 2018-2019. Not later than March 1, 2017-2018, the Michigan Virtual University shall provide an update to the house and senate appropriations subcommittees on school aid to show the progress being made to meet the benchmarks identified.

(2) The Michigan Virtual University shall operate the Michigan Virtual Learning Research Institute. The Michigan Virtual Learning
Research Institute shall do all of the following:

(a) Support and accelerate innovation in education through the following activities:

(i) Test, evaluate, and recommend as appropriate new technology-based instructional tools and resources.

(ii) Research, design, and recommend virtual education delivery models for use by pupils and teachers that include age-appropriate multimedia instructional content.

(iii) Research, develop, and recommend annually to the department criteria by which cyber schools and virtual course providers should be monitored and evaluated to ensure a quality education for their pupils.

(iv) Based on pupil completion and performance data reported to the department or the center for educational performance and information from cyber schools and other virtual course providers operating in this state, analyze the effectiveness of virtual learning delivery models in preparing pupils to be college- and career-ready and publish a report that highlights enrollment totals, completion rates, and the overall impact on pupils. The report shall be submitted to the house and senate appropriations subcommittees on state school aid, the state budget director, the house and senate fiscal agencies, the department, districts, and intermediate districts not later than March 31, 2017-2018.

(v) Before August 31, 2017, provide an extensive professional development program to at least 30,000 educational personnel, including teachers, school administrators, and school board members, that focuses on the effective integration of virtual
learning into curricula and instruction. The Michigan Virtual Learning Research Institute is encouraged to work with the MiSTEM advisory council created under section 99s to coordinate professional development of teachers in applicable fields. In addition, the Michigan Virtual Learning Research Institute and external stakeholders are encouraged to coordinate with the department for professional development in this state. Not later than December 1, 2017, the Michigan Virtual Learning Research Institute shall submit a report to the house and senate appropriations subcommittees on state school aid, the state budget director, the house and senate fiscal agencies, and the department on the number and percentage of teachers, school administrators, and school board members who have received professional development services from the Michigan Virtual University. The report shall also identify barriers and other opportunities to encourage the adoption of virtual learning in the public education system.

(vi) Identify and share best practices for planning, implementing, and evaluating virtual and blended education delivery models with intermediate districts, districts, and public school academies to accelerate the adoption of innovative education delivery models statewide.

(b) Provide leadership for this state's system of virtual learning education by doing the following activities:

(i) Develop and report policy recommendations to the governor and the legislature that accelerate the expansion of effective virtual learning in this state's schools.

(ii) Provide a clearinghouse for research reports, academic
studies, evaluations, and other information related to virtual learning.

(iii) Promote and distribute the most current instructional design standards and guidelines for virtual teaching.

(iv) In collaboration with the department and interested colleges and universities in this state, support implementation and improvements related to effective virtual learning instruction.

(v) Pursue public/private partnerships that include districts to study and implement competency-based technology-rich virtual learning models.

(vi) Create a statewide network of school-based mentors serving as liaisons between pupils, virtual instructors, parents, and school staff, as provided by the department or the center, and provide mentors with research-based training and technical assistance designed to help more pupils be successful virtual learners.

(vii) Convene focus groups and conduct annual surveys of teachers, administrators, pupils, parents, and others to identify barriers and opportunities related to virtual learning.

(viii) Produce an annual consumer awareness report for schools and parents about effective virtual education providers and education delivery models, performance data, cost structures, and research trends.

(ix) Research and establish an internet-based platform that educators can use to create student-centric learning tools and resources and facilitate a user network that assists educators in using the platform. As part of this initiative, the Michigan
Virtual University shall work collaboratively with districts and intermediate districts to establish a plan to make available virtual resources that align to Michigan's K-12 curriculum standards for use by students, educators, and parents.

(x) Create and maintain a public statewide catalog of virtual learning courses being offered by all public schools and community colleges in this state. The Michigan Virtual Learning Research Institute shall identify and develop a list of nationally recognized best practices for virtual learning and use this list to support reviews of virtual course vendors, courses, and instructional practices. The Michigan Virtual Learning Research Institute shall also provide a mechanism for intermediate districts to use the identified best practices to review content offered by constituent districts. The Michigan Virtual Learning Research Institute shall review the virtual course offerings of the Michigan Virtual University, and make the results from these reviews available to the public as part of the statewide catalog. The Michigan Virtual Learning Research Institute shall ensure that the statewide catalog is made available to the public on the Michigan Virtual University website and shall allow the ability to link it to each district's website as provided for in section 21f. The statewide catalog shall also contain all of the following:

(A) The number of enrollments in each virtual course in the immediately preceding school year.

(B) The number of enrollments that earned 60% or more of the total course points for each virtual course in the immediately preceding school year.
(C) The completion rate for each virtual course.

(xi) Develop prototype and pilot registration, payment services, and transcript functionality to the statewide catalog and train key stakeholders on how to use new features.

(xii) Collaborate with key stakeholders to examine district level accountability and teacher effectiveness issues related to virtual learning under section 21f and make findings and recommendations publicly available.

(xiii) Provide a report on the activities of the Michigan Virtual Learning Research Institute.

(3) To further enhance its expertise and leadership in virtual learning, the Michigan Virtual University shall continue to operate the Michigan Virtual School as a statewide laboratory and quality model of instruction by implementing virtual and blended learning solutions for Michigan schools in accordance with the following parameters:

(a) The Michigan Virtual School must maintain its accreditation status from recognized national and international accrediting entities.

(b) The Michigan Virtual University shall use no more than $1,000,000.00 of the amount allocated under this section to subsidize the cost paid by districts for virtual courses.

(c) In providing educators responsible for the teaching of virtual courses as provided for in this section, the Michigan Virtual School shall follow the requirements to request and assess, and the department of state police shall provide, a criminal history check and criminal records check under sections 1230 and
1230a of the revised school code, MCL 380.1230 and 380.1230a, in
the same manner as if the Michigan Virtual School were a school
district under those sections.

(4) FROM THE FUNDS ALLOCATED UNDER SUBSECTION (1), THE
MICHIGAN VIRTUAL UNIVERSITY, WORKING COLLABORATIVELY WITH THE
MICHIGAN ASSOCIATION OF INTERMEDIATE SCHOOL ADMINISTRATORS, SHALL
ALLOCATE UP TO $500,000.00 TO SUPPORT THE EXPANSION OF NEW ONLINE
AND BLENDED EDUCATOR PROFESSIONAL DEVELOPMENT PROGRAMS.

(5) If the course offerings are included in the statewide
catalog of virtual courses under subsection (2)(b)(ix), the
Michigan Virtual School operated by the Michigan Virtual University
may offer virtual course offerings, including, but not limited to,
all of the following:

(a) Information technology courses.
(b) College level equivalent courses, as defined in section
1471 of the revised school code, MCL 380.1471.
(c) Courses and dual enrollment opportunities.
(d) Programs and services for at-risk pupils.
(e) High school equivalency test preparation courses for
adjudicated youth.
(f) Special interest courses.
(g) Professional development programs for teachers, school
administrators, other school employees, and school board members.

(6) If a home-schooled or nonpublic school student is a
resident of a district that subscribes to services provided by the
 Michigan Virtual School, the student may use the services provided
by the Michigan Virtual School to the district without charge to
the student beyond what is charged to a district pupil using the
same services.

(7) (6) Not later than December 1 of each fiscal year, the
Michigan Virtual University shall provide a report to the house and
senate appropriations subcommittees on state school aid, the state
budget director, the house and senate fiscal agencies, and the
department that includes at least all of the following information
related to the Michigan Virtual School for the preceding state
fiscal year:

(a) A list of the districts served by the Michigan Virtual
School.

(b) A list of virtual course titles available to districts.

(c) The total number of virtual course enrollments and
information on registrations and completions by course.

(d) The overall course completion rate percentage.

(8) (7) In addition to the information listed in subsection
(6)—(7), the report under subsection (6)—(7) shall also include a
plan to serve at least 600 schools with courses from the Michigan
Virtual School or with content available through the internet-based
platform identified in subsection (2)(b)(ix).

(9) (8) The governor may appoint an advisory group for the
Michigan Virtual Learning Research Institute established under
subsection (2). The members of the advisory group shall serve at
the pleasure of the governor and shall serve without compensation.
The purpose of the advisory group is to make recommendations to the
governor, the legislature, and the president and board of the
Michigan Virtual University that will accelerate innovation in this
state's education system in a manner that will prepare elementary and secondary students to be career and college ready and that will promote the goal of increasing the percentage of citizens of this state with high-quality degrees and credentials to at least 60% by 2025.

(10) (9) Not later than November 1, 2016, 2017, the Michigan Virtual University shall submit to the house and senate appropriations subcommittees on state school aid, the state budget director, and the house and senate fiscal agencies a detailed budget for the 2016-2017-2017-2018 fiscal year that includes a breakdown on its projected costs to deliver virtual educational services to districts and a summary of the anticipated fees to be paid by districts for those services. Not later than March 1 each year, the Michigan Virtual University shall submit to the house and senate appropriations subcommittees on state school aid, the state budget director, and the house and senate fiscal agencies a breakdown on its actual costs to deliver virtual educational services to districts and a summary of the actual fees paid by districts for those services based on audited financial statements for the immediately preceding fiscal year.

(11) (10) As used in this section:

(a) "Blended learning" means a hybrid instructional delivery model where pupils are provided content, instruction, and assessment, in part at a supervised educational facility away from home where the pupil and a teacher with a valid Michigan teaching certificate are in the same physical location and in part through internet-connected learning environments with some degree of pupil
control over time, location, and pace of instruction.

(b) "Cyber school" means a full-time instructional program of virtual courses for pupils that may or may not require attendance at a physical school location.

(c) "Virtual course" means a course of study that is capable of generating a credit or a grade and that is provided in an interactive learning environment in which the majority of the curriculum is delivered using the internet and in which pupils are separated from their instructor or teacher of record by time or location, or both.

Sec. 99h. (1) From the appropriation in section 11, there is allocated an amount not to exceed $2,500,000.00 for 2016-2017-2017-2018 for competitive grants to districts that provide pupils in grades K to 12 with expanded opportunities to improve mathematics, science, and technology skills by participating in events hosted by a science and technology development program known as FIRST (for inspiration and recognition of science and technology) Robotics, including JR FIRST Lego League, FIRST Lego League, FIRST tech challenge, and FIRST Robotics competition. Programs funded under this section are intended to increase the number of pupils demonstrating proficiency in science and mathematics on the state assessments and to increase the number of pupils who are college- and career-ready upon high school graduation. Notwithstanding section 17b, grant payments to districts under this section shall be paid on a schedule determined by the department. The department shall set maximum grant awards for each different level of competition in a manner that both maximizes the number of teams
that will be able to receive funds and expands the geographical
distribution of teams.

(2) A district applying for a grant under this section shall
submit an application in a form and manner determined by the
department. To be eligible for a grant, a district shall
demonstrate in its application that the district has established a
partnership for the purposes of the FIRST Robotics program with at
least 1 sponsor, business entity, higher education institution, or
technical school, shall submit a spending plan, and shall pay at
least 25% of the cost of the FIRST Robotics program.

(3) The department shall distribute the grant funding under
this section for the following purposes:

(a) Grants to districts to pay for stipends not to exceed
$1,500.00 for 1 coach per team.

(b) Grants to districts for event registrations, materials,
travel costs, and other expenses associated with the preparation
for and attendance at FIRST Robotics events and competitions. Each
grant recipient shall provide a local match from other private or
local funds for the funds received under this subdivision equal to
at least 50% of the costs of participating in an event.

(c) Grants to districts for awards to teams that advance to
the state and world championship competitions. The department shall
determine an equal amount per team for those teams that advance to
the state championship and a second equal award amount to those
teams that advance to the world championship.

(4) The funds allocated under this section are a work project
appropriation, and any unexpended funds for 2016-2017 are carried
forward into 2017-2018. The purpose of the work project is to continue to implement the projects described under subsection (1). The estimated completion date of the work project is September 30, 2019.

Sec. 99s. (1) From the funds appropriated under section 11, there is allocated for 2016–2017 2017-2018 an amount not to exceed $3,000,000.00 $4,850,000.00 from the state school aid fund appropriation and an amount not to exceed $1,300,000.00 $950,000.00 from the general fund appropriation for Michigan science, technology, engineering, and mathematics (MiSTEM) programs. In addition, from the federal funds appropriated in section 11, there is allocated for 2016–2017 2017-2018 an amount estimated at $5,249,300.00 $4,700,000.00 from DED-OESE, title II, mathematics and science partnership grants. Programs funded under this section are intended to increase the number of pupils demonstrating proficiency in science and mathematics on the state assessments and to increase the number of pupils who are college- and career-ready upon high school graduation. NOTWITHSTANDING SECTION 17B, PAYMENTS UNDER THIS SECTION SHALL BE PAID ON A SCHEDULE DETERMINED BY THE DEPARTMENT.

(2) From the general fund allocation in subsection (1), there is allocated an amount not to exceed $50,000.00 to the department for administrative, training, and travel costs related to the MiSTEM advisory council. All of the following apply to the MiSTEM advisory council funded under this subsection:

(a) The MiSTEM advisory council is created. The MiSTEM advisory council shall provide to the governor, legislature,
department of talent and economic development, and department
recommendations designed to improve and promote innovation in STEM
education and to prepare students for careers in science,
technology, engineering, and mathematics.

(b) The MiSTEM advisory council created under subdivision (a)
shall consist of the following members:

(i) The governor shall appoint 11 voting members who are
representative of business sectors that are important to Michigan's
economy and rely on a STEM-educated workforce, nonprofit
organizations and associations that promote STEM education, K-12
and postsecondary education entities involved in STEM-related
career education, or other sectors as considered appropriate by the
governor. Each of these members shall serve at the pleasure of the
governor and for a term determined by the governor.

(ii) The senate majority leader shall appoint 2 members of the
senate to serve as nonvoting, ex-officio members of the MiSTEM advisory council, including 1 majority party member and 1
minority party member.

(iii) The speaker of the house of representatives shall
appoint 2 members of the house of representatives to serve as
nonvoting, ex-officio members of the MiSTEM advisory
council, including 1 majority party member and 1 minority party
member.

(c) Each member of the MiSTEM advisory council shall serve
without compensation.

(d) The MiSTEM advisory council ANNUALLY shall recommend
REVIEW AND MAKE RECOMMENDATIONS to the governor, the legislature,
and the department a CONCERNING CHANGES TO THE statewide strategy
ADOPTED BY THE COUNCIL for delivering STEM education-related
opportunities to pupils. and objective criteria for determining
preferred STEM programs. The MiSTEM advisory council shall use
funds received under this subsection to purchase training for
ENSURE THAT its members or their designees from ARE TRAINED IN the
Change the Equation STEMworks rating system program for the purpose
of rating STEM programs.

(e) Not later than October 15 of each fiscal year, the MiSTEM
advisory council shall provide STEM quality ratings for programs
recommended for funding under subsection (3). The MiSTEM advisory
council shall make specific funding recommendations for the funds
allocated under subsection (3) by December 15 of each fiscal year.
The amount of each grant recommended shall not exceed $250,000.00.

(f) If the MiSTEM advisory council is unable to make specific
funding recommendations by December 15 of a fiscal year, the
department shall distribute the funds allocated under subsection
(3) on a competitive grant basis that at least follows the quality
guidelines and priority areas STATEWIDE STEM STRATEGY PLAN AND
RATING SYSTEM recommended by the MiSTEM advisory council. Each
grant shall not exceed $250,000.00 and must provide STEM education-
related opportunities for pupils.

(g) The MiSTEM advisory council shall work with directors of
mathematics and science centers THE EXECUTIVE DIRECTOR OF THE
MiSTEM CENTERS NETWORK funded under subsection (4) to connect
educators with businesses, workforce developers, economic
developers, community colleges, and universities IMPLEMENT THE
STATEWIDE STEM STRATEGY ADOPTED BY THE MISTEM ADVISORY COUNCIL.

(3) From the general STATE SCHOOL AID fund money allocated under subsection (1), there is allocated for 2016-2017-2017-2018 an amount not to exceed $1,000,000.00-$2,850,000.00 for the purpose of funding programs under this section for 2016-2017, 2017-2018, as recommended by the MiSTEM advisory council.

(4) From the state school aid fund allocation under subsection (1), there is allocated for 2016-2017-2017-2018 an amount not to exceed $2,750,000.00-$2,000,000.00, and from the general fund allocation under subsection (1), there is allocated for 2017-2018 an amount not to exceed $750,000.00, to support the activities and programs of mathematics and science centers—the MiSTEM centers network. In addition, from the federal funds allocated under subsection (1), there is allocated for 2016-2017-2017-2018 an amount estimated at $5,249,300.00-$4,700,000.00 from DED-OESE, title II, mathematics and science partnership grants, for the purposes of this subsection. All of the following apply to the programs and funding under this subsection:

   (a) Within a service area designated locally, approved by the department, and consistent with the comprehensive master plan for mathematics and science centers developed by the department and approved by the state board, an established mathematics and science center shall provide 2 or more of the following 6 basic services, as described in the master plan, to constituent districts and communities: leadership, pupil services, curriculum support, community involvement, professional development, and resource clearinghouse services.
(b) The department shall not award a state grant under this subsection to more than 1 mathematics and science center located in a designated region as prescribed in the 2007 master plan unless each of the grants serves a distinct target population or provides a service that does not duplicate another program in the designated region.

c) As part of the technical assistance process, the department shall provide minimum standard guidelines that may be used by the mathematics and science center for providing fair access for qualified pupils and professional staff as prescribed in this subsection.

d) Allocations under this subsection to support the activities and programs of mathematics and science centers shall be continuing support grants to all 33 established mathematics and science centers. For 2016-2017, each established mathematics and science center shall receive state funding in an amount equal to 100% of the amount it was allocated under former section 99 for 2014-2015. If a center declines state funding or a center closes, the remaining money available under this subsection shall be distributed to the remaining centers, as determined by the department.

e) From the funds allocated under this subsection, the department shall distribute for 2016-2017 an amount not to exceed $750,000.00 in a form and manner determined by the department to those centers able to provide curriculum and professional development support to assist districts in implementing the Michigan merit curriculum components for mathematics and science.
Funding under this subdivision is in addition to funding allocated under subdivision (d).

(A) FROM THE GENERAL FUND MONEY ALLOCATED UNDER THIS SUBSECTION, THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED $250,000.00 TO THE DEPARTMENT TO SUPPORT THE FUNCTIONS OF THE EXECUTIVE DIRECTOR OF THE MISTEM CENTERS NETWORK. FROM THESE FUNDS, THE SUPERINTENDENT SHALL EMPLOY AN EXECUTIVE DIRECTOR OF THE MISTEM CENTERS NETWORK WITH THE ADVICE OF THE MISTEM ADVISORY COUNCIL. THE DEPARTMENT SHALL ASSIST THE EXECUTIVE DIRECTOR IN PERFORMING HIS OR HER DUTIES AS NECESSARY. THE EXECUTIVE DIRECTOR SHALL DO ALL OF THE FOLLOWING:

(i) COORDINATE THE DEVELOPMENT OF A NEW MASTER PLAN FOR THE REGIONAL MISTEM CENTERS THAT IS CONSISTENT WITH THE STATEWIDE STEM STRATEGY DEVELOPED BY THE MISTEM ADVISORY COUNCIL AND ENSURES SERVICES TO ALL DISTRICTS.

(ii) SERVE AS A LIAISON AMONG AND BETWEEN THE DEPARTMENT, THE MISTEM ADVISORY COUNCIL, AND THE REGIONAL MISTEM CENTERS IN A MANNER THAT CREATES A ROBUST STATEWIDE STEM CULTURE, THAT EMPOWERS STEM TEACHERS, THAT INTEGRATES BUSINESS AND EDUCATION INTO THE STEM NETWORK, AND THAT ENSURES HIGH-QUALITY STEM EXPERIENCES FOR PUPILS.

(iii) COORDINATE A CAMPAIGN TO BUILD STEM AWARENESS AND COMMUNICATE STEM NEEDS AND OPPORTUNITIES TO PUPILS, PARENTS, EDUCATORS, AND THE BUSINESS COMMUNITY.

(iv) DISTRIBUTE AND MONITOR MISTEM CENTERS NETWORK GRANTS TO THE REGIONAL MISTEM CENTERS.

(v) REPORT TO THE GOVERNOR, THE LEGISLATURE, AND THE MISTEM ADVISORY COUNCIL ANNUALLY ON THE ACTIVITIES AND PERFORMANCE OF THE
REGIONAL MISTEM CENTERS.

(B) FROM THE GENERAL FUND MONEY ALLOCATED UNDER THIS SUBSECTION, THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED $500,000.00 TO THE DEPARTMENT TO PAY FOR COSTS TO TRANSITION FROM THE EXISTING 33 MATHEMATICS AND SCIENCE CENTERS TO A NETWORK OF 10 REGIONAL MISTEM CENTERS THAT ARE ALIGNED WITH THE PROSPERITY REGIONS. THE TRANSITION SHALL BE COMPLETED NO LATER THAN MARCH 31, 2018. THE DEPARTMENT SHALL DEVELOP AND IMPLEMENT A TRANSITION PLAN FOR THIS TRANSITION CONTAINING AT LEAST ALL OF THE FOLLOWING:

(i) IDENTIFICATION OF A FISCAL AGENT AND LOCATION FOR EACH OF THE REGIONAL MISTEM CENTERS. SUBJECT TO SUBSECTION (5), AN INTERMEDIATE DISTRICT, COMMUNITY COLLEGE, OR STATE PUBLIC UNIVERSITY MAY SERVE AS A FISCAL AGENT.

(ii) IDENTIFICATION OF AT LEAST 1 FULL-TIME EMPLOYEE POSITION AT EACH OF THE REGIONAL MISTEM CENTERS TO SERVE AS THE DIRECTOR OF THE CENTER.

(C) FROM THE FUNDS ALLOCATED UNDER THIS SUBSECTION, THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED $2,000,000.00 TO THE MISTEM CENTERS NETWORK FOR GRANTS OF UP TO $200,000.00 EACH TO A TOTAL OF 10 REGIONAL MISTEM CENTERS. A REGIONAL MISTEM CENTER SHALL DO ALL OF THE FOLLOWING:

(i) COLLABORATE WITH THE TALENT DISTRICT CAREER COUNCIL THAT IS LOCATED IN THE PROSPERITY REGION TO DEVELOP A REGIONAL STRATEGIC PLAN FOR STEM EDUCATION THAT CREATES A ROBUST REGIONAL STEM CULTURE, THAT EMPOWERS STEM TEACHERS, THAT INTEGRATES BUSINESS AND EDUCATION INTO THE STEM NETWORK, AND THAT ENSURES HIGH-QUALITY STEM EXPERIENCES FOR PUPILS. AT A MINIMUM, A REGIONAL STEM STRATEGIC
PLAN SHOULD DO ALL OF THE FOLLOWING:

(A) IDENTIFY REGIONAL EMPLOYER NEED FOR STEM USING THE METHODOLOGY DESCRIBED IN SECTION 61B(4)(A).

(B) IDENTIFY PROCESSES FOR REGIONAL EMPLOYERS AND EDUCATORS TO CREATE GUIDED PATHWAYS FOR STEM CAREERS THAT INCLUDE INTERNSHIPS OR EXTERNSHIPS, APPRENTICESHIPS, AND OTHER EXPERIENTIAL ENGAGEMENTS FOR PUPILS.

(C) IDENTIFY EDUCATOR PROFESSIONAL DEVELOPMENT OPPORTUNITIES, INCLUDING INTERNSHIPS OR EXTERNSHIPS AND APPRENTICESHIPS, THAT INTEGRATE THIS STATE'S SCIENCE CONTENT STANDARDS INTO HIGH-QUALITY STEM EXPERIENCES THAT ENGAGE PUPILS.

(ii) FACILITATE REGIONAL STEM EVENTS SUCH AS EDUCATOR AND EMPLOYER NETWORKING AND STEM CAREER FAIRS TO RAISE STEM AWARENESS.

(iii) CONTRIBUTE TO THE MiSTEM WEBSITE AND ENGAGE IN OTHER STATEWIDE FUNCTIONS TO FURTHER THE MISSION OF STEM IN THIS STATE.

(D) (f) In order to receive state or federal funds under this subsection, a grant recipient shall allow access for the department or the department's designee to audit all records related to the program for which it receives those funds. The grant recipient shall reimburse the state for all disallowances found in the audit.

(g) Not later than September 30, 2017, the department shall work with the MiSTEM advisory council to revise the comprehensive master plan described in subdivision (a) to ensure that the comprehensive master plan is in compliance with the statewide strategy developed by the council under subsection (2)(d). The comprehensive master plan shall include a review of the feasibility of consolidating and reducing the number of mathematics and science
(h) The department shall give preference in awarding the federal grants allocated under this subsection to eligible existing mathematics and science centers.

(E) (i) In order to receive state funds under this subsection, a grant recipient—REGIONAL MISTEM CENTER—shall provide at least a 10% local match from local public or private resources for the funds received under this subsection.

(F) (j) Not later than JULY 1, 2019 AND July 1 of each year THEREAFTER, a mathematics and science—REGIONAL MISTEM—center that receives funds under this subsection shall report to the department EXECUTIVE DIRECTOR OF THE MISTEM CENTERS NETWORK in a form and manner prescribed by the department on the following performance measures:

(i) Statistical change in pre- and post-assessment scores for students who enrolled in mathematics and science activities provided to districts by the mathematics and science center.

(ii) Statistical change in pre- and post-assessment scores for teachers who enrolled in professional development activities provided by the mathematics and science center. EXECUTIVE DIRECTOR ON PERFORMANCE MEASURES DEVELOPED BY THE REGIONAL MISTEM CENTERS AND APPROVED BY THE EXECUTIVE DIRECTOR. THE PERFORMANCE MEASURES SHALL BE DESIGNED TO ENSURE THAT THE ACTIVITIES OF THE MISTEM CENTERS NETWORK ARE IMPROVING STUDENT ACADEMIC OUTCOMES.

(5) (k) As used in this subsection: SECTION:

(A) (i) "DED" means the United States Department of Education.

(B) (ii) "DED-OESE" means the DED Office of Elementary and
Secondary Education.

(C) "STEM" MEANS SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS.

(D) "TALENT DISTRICT CAREER COUNCIL" MEANS AN ADVISORY COUNCIL TO THE LOCAL WORKFORCE DEVELOPMENT BOARDS LOCATED IN A PROSPERITY REGION CONSISTING OF EDUCATIONAL, EMPLOYER, LABOR, AND PARENT REPRESENTATIVES.

(5) From the allocations under subsection (1), there is allocated an amount not to exceed $250,000.00 for 2016-2017 for competitive grants to districts that provide pupils in grades K to 12 with expanded opportunities in science education and skills by participating in events and competitions hosted by Science Olympiad. All of the following apply to the grant funding under this subsection:

(a) A district applying for a grant under this subsection shall submit an application in the form and manner determined by the department not later than November 15, 2016. The department shall select districts for grants and make notification not later than December 15, 2016. To be eligible for a grant, a district shall pay at least 25% of the cost of participating in the Science Olympiad program.

(b) The department shall distribute the grant funding allocated under this subsection for the following purposes:

(i) Grants to districts of up to $800.00 per new elementary team.

(ii) Grants to districts of up to $400.00 per established elementary team.
(iii) Grants to districts of up to $1,600.00 per new secondary team.

(iv) Grants to districts of up to $800.00 per established secondary team.

(6) From the general fund allocation under subsection (1), there is allocated an amount not to exceed $250,000.00 for 2016–2017; $150,000.00 FOR 2017-2018 for a grant to the Van Andel Education Institute for the purposes of advancing and promoting science education and increasing the number of students who choose to pursue careers in science or science-related fields. Funds allocated under this subsection shall be used to provide professional development for science teachers in using student-driven, inquiry-based instruction.

Sec. 99t. (1) From the general fund appropriation under section 11, there is allocated an amount not to exceed $1,500,000.00 for 2016–2017; $1,000,000.00 FOR 2017-2018 to purchase statewide access to an online algebra tool that meets all of the following:

(a) Provides students statewide with complete access to videos aligned with state standards including study guides and workbooks that are aligned with the videos.

(b) Provides students statewide with access to a personalized online algebra learning tool including adaptive diagnostics.

(c) Provides students statewide with dynamic algebra practice assessments that emulate the state assessment with immediate feedback and help solving problems.

(d) Provides students statewide with online access to algebra
help 24 hours a day and 7 days a week from study experts, teachers,
and peers on a moderated social networking platform.

(e) Provides an online algebra professional development
network for teachers.

(f) Is already provided under a statewide contract in at least
1 other state that has a population of at least 18,000,000 but not
more than 19,000,000 according to the most recent decennial census
and is offered in that state in partnership with a public
university.

(G) IS THE ONLINE ALGEBRA TOOL CHOSEN BY THE DEPARTMENT UNDER
THIS SECTION AS THIS SECTION WAS IN EFFECT IN 2016-2017.

(2) The department shall choose the online algebra tool by
October 1, 2016.

(2) FROM THE ALLOCATION UNDER SUBSECTION (1), THERE IS
ALLOCATED FOR 2017-2018 AN AMOUNT NOT TO EXCEED $100.00 TO PURCHASE
STATEWIDE ACCESS TO AN ONLINE MATHEMATICS TOOL THAT MEETS ALL OF
THE FOLLOWING:

(A) PROVIDES STUDENTS STATEWIDE WITH COMPLETE ACCESS TO
MATHEMATICS SUPPORT ALIGNED WITH STATE STANDARDS THROUGH A PROGRAM
THAT HAS ALL OF THE FOLLOWING ELEMENTS:

(i) STUDENT MOTIVATION.

(ii) VALID AND RELIABLE ASSESSMENTS.

(iii) PERSONALIZED LEARNING PATHWAYS.

(iv) HIGHLY QUALIFIED, LIVE TEACHERS AVAILABLE ALL DAY AND ALL
YEAR.

(v) TWENTY-FOUR-HOUR REPORTING.

(vi) CONTENT BUILT FOR RIGOROUS MATHEMATICS.
(B) HAS A RECORD OF IMPROVING STUDENT MATHEMATICS SCORES IN AT LEAST 5 OTHER STATES.

Sec. 102d. (1) From the funds appropriated in section 11, there is allocated an amount not to exceed $1,500,000.00 for 2016-2017-2018 for reimbursements to districts and intermediate districts for the licensing of school data analytical tools as described under this section. The reimbursement is for districts and intermediate districts that choose to use a school data analytical tool to assist the district or intermediate district and that enter into a licensing agreement for a school data analytical tool with 1 of the vendors approved by the department of technology, management, and budget under subsection (2). Funds allocated under this section are intended to provide districts and intermediate districts with financial forecasting and transparency reporting tools to help improve the financial health of districts and to improve communication with the public, resulting in increased fund balances for districts and intermediate districts.

(2) Not later than October 15, 2016, the department of technology, management, and budget shall review vendors for school data analytical tools and provide districts and intermediate districts with a list of up to 2 approved vendors that districts and intermediate districts may use to be eligible for a reimbursement paid under this section. In addition, a vendor approved under this section for 2015-2016-2016-2017 is considered to be approved for use by a district or intermediate district and for reimbursement for 2016-2017-2017-2018. An approved school data analytical tool supplied by the vendor must meet at least all of
the following:

(a) Analyzes financial data.
(b) Analyzes academic data.
(c) Provides early warning indicators of financial stress.
(d) Has the capability to provide peer district comparisons of both financial and academic data.
(e) Has the capability to provide financial projections for at least 3 subsequent fiscal years.

(3) Funds allocated under this section shall be paid to districts and intermediate districts as a reimbursement for already having a licensing agreement or for entering into a licensing agreement not later than December 1, 2016-2017 with a vendor approved under subsection (2) to implement a school data analytical tool. Reimbursement will be prorated for the portion of the state fiscal year not covered by the licensing agreement. However, a licensing agreement that takes effect after October 1, 2016-2017 and before December 1, 2016-2017 will not be prorated if the term of the agreement is at least 1 year. Reimbursement under this section shall be made as follows:

(a) All districts and intermediate districts seeking reimbursement shall submit requests not later than December 1, 2016-2017 indicating the cost paid for the financial data analytical tool.

(b) The department shall determine the sum of the funding requests under subdivision (a) and, if there are sufficient funds, shall pay 1/2 of the costs submitted under subdivision (a). If there are insufficient funds to pay 1/2 of the costs submitted
under (a), then reimbursement shall be made on an equal percentage basis.

(c) Funds remaining after the calculation and payment under subdivision (b) shall be distributed on an equal per-pupil basis, with an intermediate district's pupils considered to be the sum of the pupil memberships of the constituent districts for which the intermediate district is purchasing the financial data analytical tool.

(d) The reimbursement to a district or intermediate district shall not be greater than the amount paid for a data analytics application.

(e) A district or intermediate district shall not be reimbursed for the purchase of more than 1 software application.

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

Sec. 104. (1) In order to receive state aid under this article, a district shall comply with sections 1249, 1278a, 1278b, 1279, 1279g, and 1280b of the revised school code, MCL 380.1249, 380.1278a, 380.1278b, 380.1279, 380.1279g, and 380.1280b, and 1970 PA 38, MCL 388.1081 to 388.1086. Subject to subsection (2), from the state school aid fund money appropriated in section 11, there is allocated for 2016-2017, 2017-2018 an amount not to exceed $33,894,400.00 for payments on behalf of districts for costs associated with complying with those provisions of law. In addition, from the federal funds appropriated in section 11, there is allocated for 2016-2017, 2017-2018 an amount estimated at $6,250,000.00, funded from DED-OESE, title VI, state assessment
funds, and from DED-OSERS, section 504 of part B of the individuals
with disabilities education act, Public Law 94-142, plus any
carryover federal funds from previous year appropriations, for the
purposes of complying with the federal no child left behind act of
2001, Public Law 107-110, or the every student succeeds act, Public
Law 114-95.

(2) The results of each test administered as part of the
Michigan student test of educational progress (M-STEP), including
tests administered to high school students, shall include an item
analysis that lists all items that are counted for individual pupil
scores and the percentage of pupils choosing each possible
response. The department shall work with the center to identify the
number of students enrolled at the time assessments are given by
each district. In calculating the percentage of pupils assessed for
a district's scorecard, the department shall use only the number of
pupils enrolled in the district at the time the district
administers the assessments and shall exclude pupils who enroll in
the district after the district administers the assessments.

(3) All federal funds allocated under this section shall be
distributed in accordance with federal law and with flexibility
provisions outlined in Public Law 107-116, and in the education

(4) From the allocation in subsection (1), there is allocated
an amount not to exceed $185,000.00 for the implementation of a
kindergarten readiness assessment pilot project in 2016-2017. The
funding would be allocated to an intermediate district located in a
prosperity region with 2 or more subregions to participate in the
Maryland-Ohio pilot and cover the cost of a contract with a university for implementation of version 1.75 of the kindergarten readiness assessment tool. The kindergarten readiness assessment pilot shall assess an estimated 4,000 children, and the designated intermediate district shall work with other intermediate districts to implement the pilot project, engage with the office of great start and the department, and provide a report to the legislature on the efficacy and usefulness of a kindergarten readiness assessment. Allowable costs under this pilot program include those incurred in August and September 2016.

(4) The department shall continue to make the kindergarten entry assessment developed by the department and field tested in 2015-2016 available to districts in 2016-2017, 2017-2018.

(5) The department may recommend, but may not require, districts to allow pupils to use an external keyboard with tablet devices for online M-STEP testing, including, but not limited to, open-ended test items such as constructed response or equation builder items.

(6) Notwithstanding section 17b, payments on behalf of districts, intermediate districts, and other eligible entities under this section shall be paid on a schedule determined by the department.

(7) From the allocation in subsection (1), there is allocated an amount not to exceed $3,200,000.00 for the development or selection of an online reporting tool to provide student-level assessment data in a secure environment to educators,
parents, and pupils immediately after assessments are scored AND

SHALL ENSURE THAT ASSESSMENT DATA ARE MADE ACCESSIBLE ALONGSIDE

OTHER EDUCATION OUTCOME DATA FOR USE IN PROFESSIONAL DEVELOPMENT

ACTIVITIES FOR DISTRICTS AND INTERMEDIATE DISTRICTS THROUGH THE

MISCHOOL DATA PORTAL. The department and the center shall ensure

that any data collected by the online reporting tool do not provide

individually identifiable student data to the federal government.

(9) From the allocation in subsection (1), there is allocated

an amount not to exceed $5,600,000.00 for the purpose of

implementing a summative assessment system pursuant to section

104c.

(8) FROM THE ALLOCATION IN SUBSECTION (1), THERE IS ALLOCATED

AN AMOUNT NOT TO EXCEED $1,100,000.00 FOR THE IMPLEMENTATION OF AN

ASSESSMENT DIGITAL LITERACY PREPARATION PILOT PROJECT FOR PUPILS

ENROLLED IN GRADES K TO 8. THE DEPARTMENT SHALL ENSURE THAT A PILOT

PROJECT FUNDED UNDER THIS SUBSECTION SATISFIES ALL OF THE

FOLLOWING:

(A) IS AVAILABLE TO DISTRICTS IN THE 2017-2018 SCHOOL YEAR.

(B) FOCUSES ON ENSURING PUPILS HAVE THE NECESSARY SKILLS

REQUIRED FOR STATE ONLINE ASSESSMENTS BY ASSESSING PUPIL DIGITAL

LITERACY SKILL LEVELS AND PROVIDING TEACHERS WITH A DIGITAL

CURRICULUM TARGETED AT AREAS OF DETERMINED WEAKNESS.

(C) ALLOWS PUPILS TO ENGAGE WITH THE DIGITAL CURRICULUM IN AN

INDEPENDENT OR TEACHER-FACILITATED MODALITY.

(D) INCLUDES TRAINING AND PROFESSIONAL DEVELOPMENT FOR

TEACHERS.

(E) IS IMPLEMENTED IN AT LEAST 220 DISTRICTS THAT OPERATE
GRADES K TO 8 AND THAT REPRESENT A DIVERSE GEOGRAPHY AND SOCIO-ECONOMIC DEMOGRAPHIC.

(9) FUNDING UNDER SUBSECTION (8) SHALL BE ALLOCATED TO A DISTRICT THAT OPERATES AT LEAST GRADES K TO 8 AND HAS A PARTNERSHIP WITH A THIRD PARTY THAT IS EXPERIENCED IN THE ASSESSMENT OF DIGITAL LITERACY AND THE PREPARATION OF DIGITAL LITERACY SKILLS AND HAS DEMONSTRABLE EXPERIENCE SERVING DISTRICTS IN THIS STATE AND LOCAL EDUCATION AGENCIES IN OTHER STATES. THE DISTRICT, ALONG WITH ITS THIRD-PARTY PARTNER, SHALL PROVIDE A REPORT TO THE HOUSE AND SENATE APPROPRIATIONS SUBCOMMITTEES ON SCHOOL AID AND THE HOUSE AND SENATE FISCAL AGENCIES ON THE EFFICACY AND USEFULNESS OF THE ASSESSMENT DIGITAL LITERACY PREPARATION PILOT PROJECT NO LATER THAN SEPTEMBER 30, 2018.

(10) NOTWITHSTANDING SECTION 17B, PAYMENTS UNDER SUBSECTION (8) SHALL BE MADE IN A MANNER DETERMINED BY THE DEPARTMENT.

(11) (10)—As used in this section:
(a) "DED" means the United States Department of Education.
(b) "DED-OESE" means the DED Office of Elementary and Secondary Education.
(c) "DED-OSERS" means the DED Office of Special Education and Rehabilitative Services.

Sec. 104c. (1) In order to receive state aid under this article, a district shall administer the state assessments described in this section.

(2) For the purposes of this section, the department shall develop for use in the spring of 2015-2016 the Michigan student test of educational progress (M-STEP) assessments in English
language arts and mathematics. These assessments shall be aligned
to state standards.

(3) For the purposes of this section, the department shall
implement a summative assessment system that is proven to be valid
and reliable for administration to pupils as provided under this
subsection. The summative assessment system shall meet all of the
following requirements:

(a) The summative assessment system shall measure student
proficiency on the current state standards, shall measure student
growth for consecutive grade levels in which students are assessed
in the same subject area in both grade levels, and shall be capable
of measuring individual student performance.

(b) The summative assessments for English language arts and
mathematics shall be administered to all public school pupils in
grades 3 to 11, including those pupils as required by the federal
individuals with disabilities education act, Public Law 108-446,
and by title I of the federal elementary and secondary education
act.

(c) The summative assessments for science shall be
administered to all public school pupils in at least grades 4 and
7, including those pupils as required by the federal individuals
with disabilities education act, Public Law 108-446, and by title I
of the federal elementary and secondary education act.

(d) The summative assessments for social studies shall be
administered to all public school pupils in at least grades 5 and
8, including those pupils as required by the federal individuals
with disabilities education act, Public Law 108-446, and by title I
of the federal elementary and secondary education act.

(e) The content of the summative assessments shall be aligned
to state standards.

(f) The pool of questions for the summative assessments shall
be subject to a transparent review process for quality, bias, and
sensitive issues involving educator review and comment. The
department shall post samples from tests or retired tests featuring
questions from this pool for review by the public.

(g) The summative assessment system shall ensure that
students, parents, and teachers are provided with reports that
convey individual student proficiency and growth on the assessment
and that convey individual student domain-level performance in each
subject area, including representative questions, and individual
student performance in meeting state standards.

(h) The summative assessment system shall be capable of
providing, and the department shall ensure that students, parents,
teachers, administrators, and community members are provided with,
reports that convey aggregate student proficiency and growth data
by teacher, grade, school, and district.

(i) The summative assessment system shall ensure the
capability of reporting the available data to support educator
evaluations.

(j) The summative assessment system shall ensure that the
reports provided to districts containing individual student data
are available within 60 days after completion of the assessments.

(k) The summative assessment system shall ensure that access
to individually identifiable student data meets all of the
following:

(i) Is in compliance with 20 USC 1232g, commonly referred to as the family educational rights and privacy act of 1974.

(ii) Except as may be provided for in an agreement with a vendor to provide assessment services, as necessary to support educator evaluations pursuant to subdivision (i), or for research or program evaluation purposes, is available only to the student; to the student's parent or legal guardian; and to a school administrator or teacher, to the extent that he or she has a legitimate educational interest.

(l) The summative assessment system shall ensure that the assessments are pilot tested before statewide implementation.

(m) The summative assessment system shall ensure that assessments are designed so that the maximum total combined length of time that schools are required to set aside for a pupil to answer all test questions on all assessments that are part of the system for the pupil's grade level does not exceed that maximum total combined length of time for the previous statewide assessment system or 9 hours, whichever is less. This subdivision does not limit the amount of time a district may allow a pupil to complete a test.

(n) The total cost of executing the summative assessment system statewide each year, including, but not limited to, the cost of contracts for administration, scoring, and reporting, shall not exceed an amount equal to 2 times the cost of executing the previous statewide assessment after adjustment for inflation.

(4) IN AN EFFORT TO DEVELOP A COHESIVE STATE ASSESSMENT
SYSTEM, THE DEPARTMENT SHALL IMPLEMENT A REQUEST FOR INFORMATION
PROCESS FOR A COMMON FORMATIVE ASSESSMENT SYSTEM THAT IS FULLY
ALIGNED TO THIS STATE'S CONTENT STANDARDS FOR ENGLISH LANGUAGE ARTS
AND MATHEMATICS. THE DEPARTMENT MAY USE INFORMATION COMPILLED FROM A
REQUEST FOR PROPOSAL IN 2016-2017 TO SATISFY THIS REQUEST.

(5) Beginning in the 2015-2016 school year, the department
shall field test assessments in the fall and spring of each school
year to measure English language arts and mathematics in each of
grades K to 2 for full implementation when the assessments have
been successfully field tested. This full implementation shall
occur not later than the 2018-2019 school year. These assessments
are necessary to determine a pupil's proficiency level before grade
3.

(6) IN AN EFFORT TO ADD AND ADMINISTER STATEWIDE BENCHMARK
ASSESSMENTS IN ENGLISH LANGUAGE ARTS AND MATHEMATICS TO THE CURRENT
ASSESSMENT SYSTEM, THE DEPARTMENT SHALL BEGIN TO DEVELOP AND
IMPLEMENT PILOT PROGRAMS OR FIELD TESTING OF TEST CONTENT FOR THE
STATEWIDE USE OF BENCHMARK ASSESSMENTS FOR GRADES 3 TO 8 UP TO 3
TIMES PER YEAR BEGINNING IN THE 2018-2019 SCHOOL YEAR. THESE
BENCHMARK ASSESSMENTS SHALL BE FULLY ALIGNED TO THIS STATE'S STATE
CONTENT STANDARDS FOR ENGLISH LANGUAGE ARTS AND MATHEMATICS AND MAY
BE COMPUTER-ADAPTIVE IN NATURE.

(7) This section does not prohibit districts from adopting
interim assessments.

(8) As used in this section, "English language arts" means
that term as defined in section 104b.

Sec. 104d. (1) From the state school aid fund money
appropriated in section 11, there is allocated for 2016-2017-2018 an amount not to exceed $4,000,000.00 for providing reimbursement to districts that purchase a computer-adaptive test, or that purchase 1 or more diagnostic tools, screening tools, or benchmark assessments for pupils in grades K to 3 that are intended to increase reading proficiency by grade 4.

(2) In order to receive reimbursement under this section for the purchase of a computer-adaptive test, the computer-adaptive test must provide for at least all of the following:

(a) Internet-delivered, standards-based assessment using a computer-adaptive model to target the instructional level of each pupil.

(b) Unlimited testing opportunities throughout the 2016-2017-2018 school year.

(c) Valid and reliable diagnostic assessment data.

(d) Adjustment of testing difficulty based on previous answers to test questions.

(e) Immediate feedback to pupils and teachers.

(3) In order to receive reimbursement under this section for the purchase of 1 or more diagnostic tools or screening tools for pupils in grades K to 3, each of the tools must meet all of the following:

(a) Be reliable.

(b) Be valid.

(c) Be useful. As used in this subdivision, "useful" means that a tool is easy to administer and requires a short time to complete and that results are linked to intervention.
(4) In order to receive funding under this section for the purchase of 1 or more benchmark assessments for pupils in grades K to 3, each of the benchmark assessments must meet all of the following:

(a) Be aligned to the state standards of this state.
(b) Complement this state's summative assessment system.
(c) Be administered at least once a year before the administration of any summative assessment to monitor pupil progress.
(d) Provide information on pupil achievement with regard to learning the content required in a given year or grade span.

(5) Reimbursement under this section shall be made to eligible districts that purchase a computer-adaptive test or 1 or more diagnostic tools, screening tools, or benchmark assessments described in this section by October 15, 2016-2017 and shall be made on an equal per-pupil basis according to the available funding, based on the number of pupils for whom assessments were purchased.

(6) In order to receive reimbursement under this section, a district shall demonstrate to the satisfaction of the department that each qualifying computer-adaptive test, diagnostic tool, screening tool, or benchmark assessment was purchased by the district by December 1, 2016-2017.

Sec. 107. (1) From the appropriation in section 11, there is allocated an amount not to exceed $25,000,000.00 for 2016-2017 2017-2018 for adult education programs authorized under this section. Except as otherwise provided under subsections (14) and
(15), funds allocated under this section are restricted for adult education programs as authorized under this section only. A recipient of funds under this section shall not use those funds for any other purpose.

(2) To be eligible for funding under this section, an eligible adult education provider shall employ certificated teachers and qualified administrative staff and shall offer continuing education opportunities for teachers to allow them to maintain certification.

(3) To be eligible to be a participant funded under this section, an individual shall be enrolled in an adult basic education program, an adult secondary education program, an adult English as a second language program, a high school equivalency test preparation program, or a high school completion program, that meets the requirements of this section, and for which instruction is provided, and shall meet either of the following:

(a) Has attained 20 years of age.

(b) Has attained 18 years of age and the individual's graduating class has graduated.

(4) By April 1 of each fiscal year, the intermediate districts within a prosperity region or subregion shall determine which intermediate district will serve as the prosperity region's or subregion's fiscal agent for the next fiscal year and shall notify the department in a form and manner determined by the department. The department shall approve or disapprove of the prosperity region's or subregion's selected fiscal agent. From the funds allocated under subsection (1), an amount as determined under this subsection shall be allocated to each intermediate district serving
as a fiscal agent for adult education programs in each of the
prosperity regions or subregions identified by the department. An
intermediate district shall not use more than 5% of the funds
allocated under this subsection for administration costs for
serving as the fiscal agent. Beginning in 2014-2015, 67% of the
allocation provided to each intermediate district serving as a
fiscal agent shall be based on the proportion of total funding
formerly received by the adult education providers in that
prosperity region or subregion in 2013-2014, and 33% shall be
allocated based on the factors in subdivisions (a), (b), and (c).
For 2017-2018, 33% of the allocation provided to each intermediate
district serving as a fiscal agent shall be based upon the
proportion of total funding formerly received by the adult
education providers in that prosperity region in 2013-2014 and 67%
of the allocation shall be based upon the factors in subdivisions
(a), (b), and (c). Beginning in 2018-2019, 100% of the allocation
provided to each intermediate district serving as a fiscal agent
shall be based on the factors in subdivisions (a), (b), and (c).
The funding factors for this section are as follows:
(a) Sixty percent of this portion of the funding shall be
distributed based upon the proportion of the state population of
individuals between the ages of 18 and 24 that are not high school
graduates that resides in each of the prosperity regions or
subregions, as reported by the most recent 5-year estimates from
the American community survey (ACS) from the United States Census
Bureau.
(b) Thirty-five percent of this portion of the funding shall
be distributed based upon the proportion of the state population of individuals age 25 or older who are not high school graduates that resides in each of the prosperity regions or subregions, as reported by the most recent 5-year estimates from the American community survey (ACS) from the United States Census Bureau.

(c) Five percent of this portion of the funding shall be distributed based upon the proportion of the state population of individuals age 18 or older who lack basic English language proficiency that resides in each of the prosperity regions or subregions, as reported by the most recent 5-year estimates from the American community survey (ACS) from the United States Census Bureau.

(5) To be an eligible fiscal agent, an intermediate district must agree to do the following in a form and manner determined by the department:

(a) Distribute funds to adult education programs in a prosperity region or subregion as described in this section.
(b) Collaborate with the talent district career council, which is an advisory council of the workforce development boards located in the prosperity region or subregion, or its successor, to develop a regional strategy that aligns adult education programs and services into an efficient and effective delivery system for adult education learners, with special consideration for providing contextualized learning and career pathways and addressing barriers to education and employment.
(c) Collaborate with the talent district career council, which is an advisory council of the workforce development boards located
in the prosperity region or subregion, or its successor, to create a local process and criteria that will identify eligible adult education providers to receive funds allocated under this section based on location, demand for services, past performance, quality indicators as identified by the department, and cost to provide instructional services. The fiscal agent shall determine all local processes, criteria, and provider determinations. However, the local processes, criteria, and provider services must be approved by the department before funds may be distributed to the fiscal agent.

(d) Provide oversight to its adult education providers throughout the program year to ensure compliance with the requirements of this section.

(e) Report adult education program and participant data and information as prescribed by the department.

(6) An adult basic education program, an adult secondary education program, or an adult English as a second language program operated on a year-round or school year basis may be funded under this section, subject to all of the following:

(a) The program enrolls adults who are determined by a department-approved assessment, in a form and manner prescribed by the department, to be below twelfth grade level in reading or mathematics, or both, or to lack basic English proficiency.

(b) The program tests individuals for eligibility under subdivision (a) before enrollment and upon completion of the program in compliance with the state-approved assessment policy.

(c) A participant in an adult basic education program is
eligible for reimbursement until 1 of the following occurs:
  
  (i) The participant's reading and mathematics proficiency are assessed at or above the ninth grade level.

  (ii) The participant fails to show progress on 2 successive assessments after having completed at least 450 hours of instruction.

(d) A participant in an adult secondary education program is eligible for reimbursement until 1 of the following occurs:

  (i) The participant's reading and mathematics proficiency are assessed above the twelfth grade level.

  (ii) The participant fails to show progress on 2 successive assessments after having at least 450 hours of instruction.

(e) A funding recipient enrolling a participant in an English as a second language program is eligible for funding according to subsection (9) until the participant meets 1 of the following:

  (i) The participant is assessed as having attained basic English proficiency as determined by a department-approved assessment.

  (ii) The participant fails to show progress on 2 successive department-approved assessments after having completed at least 450 hours of instruction. The department shall provide information to a funding recipient regarding appropriate assessment instruments for this program.

(7) A high school equivalency test preparation program operated on a year-round or school year basis may be funded under this section, subject to all of the following:

  (a) The program enrolls adults who do not have a high school
diploma or a high school equivalency certificate.

(b) The program shall administer a pre-test approved by the department before enrolling an individual to determine the individual's literacy levels, shall administer a high school equivalency practice test to determine the individual's potential for success on the high school equivalency test, and shall administer a post-test upon completion of the program in compliance with the state-approved assessment policy.

(c) A funding recipient shall receive funding according to subsection (9) for a participant, and a participant may be enrolled in the program until 1 of the following occurs:

(i) The participant achieves a high school equivalency certificate.

(ii) The participant fails to show progress on 2 successive department-approved assessments used to determine readiness to take a high school equivalency test after having completed at least 450 hours of instruction.

(8) A high school completion program operated on a year-round or school year basis may be funded under this section, subject to all of the following:

(a) The program enrolls adults who do not have a high school diploma.

(b) The program tests participants described in subdivision (a) before enrollment and upon completion of the program in compliance with the state-approved assessment policy.

(c) A funding recipient shall receive funding according to subsection (9) for a participant in a course offered under this
subsection until 1 of the following occurs:

(i) The participant passes the course and earns a high school diploma.

(ii) The participant fails to earn credit in 2 successive semesters or terms in which the participant is enrolled after having completed at least 900 hours of instruction.

(9) A funding recipient shall receive payments under this section in accordance with all of the following:

(a) Statewide allocation criteria, including 3-year average enrollments, census data, and local needs.

(b) Participant completion of the adult basic education objectives by achieving an educational gain as determined by the national reporting system levels; for achieving basic English proficiency, as determined by the department; for achieving a high school equivalency certificate or passage of 1 or more individual high school equivalency tests; for attainment of a high school diploma or passage of a course required for a participant to attain a high school diploma; for enrollment in a postsecondary institution, or for entry into or retention of employment, as applicable.

(c) Participant completion of core indicators as identified in the innovation and opportunity act.

(d) Allowable expenditures.

(10) A person who is not eligible to be a participant funded under this section may receive adult education services upon the payment of tuition. In addition, a person who is not eligible to be served in a program under this section due to the program
limitations specified in subsection (6), (7), or (8) may continue to receive adult education services in that program upon the payment of tuition. The tuition level shall be determined by the local or intermediate district conducting the program.

(11) An individual who is an inmate in a state correctional facility shall not be counted as a participant under this section.

(12) A funding recipient shall not commingle money received under this section or from another source for adult education purposes with any other funds and shall establish a separate ledger account for funds received under this section. This subsection does not prohibit a district from using general funds of the district to support an adult education or community education program.

(13) A funding recipient receiving funds under this section may establish a sliding scale of tuition rates based upon a participant's family income. A funding recipient may charge a participant tuition to receive adult education services under this section from that sliding scale of tuition rates on a uniform basis. The amount of tuition charged per participant shall not exceed the actual operating cost per participant minus any funds received under this section per participant. A funding recipient may not charge a participant tuition under this section if the participant's income is at or below 200% of the federal poverty guidelines published by the United States Department of Health and Human Services.

(14) In order to receive funds under this section, a funding recipient shall furnish to the department, in a form and manner determined by the department, all information needed to administer
this program and meet federal reporting requirements; shall allow
the department or the department's designee to review all records
related to the program for which it receives funds; and shall
reimburse the state for all disallowances found in the review, as
determined by the department. In addition, a funding recipient
shall agree to pay to a career and technical education program
under section 61a the amount of funding received under this section
in the proportion of career and technical education coursework used
to satisfy adult basic education programming, as billed to the
funding recipient by programs operating under section 61a.

(15) From the amount appropriated in subsection (1), an amount
not to exceed $500,000.00 shall be allocated for 2016-2017-2017-
2018 to not more than 1 pilot program that is located in a
prosperity region with 2 or more subregions and that connects adult
education participants directly with employers by linking adult
education, career and technical skills, and workforce development.
To be eligible for funding under this subsection, a pilot program
shall provide a collaboration linking adult education programs
within the county, the area career/technical center, and local
employers, and shall meet the additional criteria in subsections
(16) and (17). Funding under this subsection for 2016-2017-2017-
2018 is for the second THIRD of 3 years of funding.

(16) A pilot program funded under subsection (15) shall
require adult education staff to work with Michigan works! agency
to identify a cohort of participants who are most prepared to
successfully enter the workforce. Participants identified under
this subsection shall be dually enrolled in adult education
programming and at least 1 technical course at the area
career/technical center.

(17) A pilot program funded under subsection (15) shall have
on staff an adult education navigator who will serve as a
caseworker for each participant identified under subsection (16).
The navigator shall work with adult education staff and potential
employers to design an educational program best suited to the
personal and employment needs of the participant, and shall work
with human service agencies or other entities to address any
barrier in the way of participant access.

(18) Not later than December 1, 2017, 2018, the pilot program
funded under subsection (15) shall provide to the senate and house
appropriations subcommittees on school aid, and to the senate and
house fiscal agencies, AND TO THE STATE BUDGET DIRECTOR a report
detailing number of participants, graduation rates, and a measure
of transitioning to employment.

(19) The department shall develop an application process for a
pilot program to be funded under subsection (15) and shall award
funding not later than October 1, 2016. Funding allocated under
subsection (15) may be paid on a schedule other than that specified
under section 17b.

(20) The department shall approve at least 3 high school
equivalency tests and determine whether a high school equivalency
certificate meets the requisite standards for high school
equivalency in this state.

(21) As used in this section:

(a) "Career pathway" means a combination of rigorous and high-
quality education, training, and other services that comply with all of the following:

(i) Aligns with the skill needs of industries in the economy of this state or in the regional economy involved.

(ii) Prepares an individual to be successful in any of a full range of secondary or postsecondary education options, including apprenticeships registered under the act of August 16, 1937 (commonly known as the "national apprenticeship act"), 29 USC 50 et seq.

(iii) Includes counseling to support an individual in achieving the individual's education and career goals.

(iv) Includes, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster.

(v) Organizes education, training, and other services to meet the particular needs of an individual in a manner that accelerates the educational and career advancement of the individual to the extent practicable.

(vi) Enables an individual to attain a secondary school diploma or its recognized equivalent, and at least 1 recognized postsecondary credential.

(vii) Helps an individual enter or advance within a specific occupation or occupational cluster.

(b) "Department" means the department of talent and economic development.

(c) "Eligible adult education provider" means a district, intermediate district, a consortium of districts, a consortium of
intermediate districts, or a consortium of districts and
intermediate districts that is identified as part of the local
process described in subsection (5)(c) and approved by the
department.

Sec. 147. (1) The allocation for 2016-2017-2017-2018 for the
public school employees' retirement system pursuant to the public
school employees retirement act of 1979, 1980 PA 300, MCL 38.1301
to 38.1408, shall be made using the individual projected benefit
entry age normal cost method of valuation and risk assumptions
adopted by the public school employees retirement board and the
department of technology, management, and budget.

(2) The annual level percentage of payroll contribution rates
for the 2016-2017-2017-2018 fiscal year, as determined by the
retirement system, are estimated as follows:

(a) For public school employees who first worked for a public
school reporting unit before July 1, 2010 and who are enrolled in
the health premium subsidy, the annual level percentage of payroll
contribution rate is estimated at 36.64%, 36.88%, with 24.94%
25.56% paid directly by the employer.

(b) For public school employees who first worked for a public
school reporting unit on or after July 1, 2010 and who are enrolled
in the health premium subsidy, the annual level percentage of
payroll contribution rate is estimated at 36.01%, 35.60%, with
24.31%—24.28% paid directly by the employer.

(c) For public school employees who first worked for a public
school reporting unit on or after July 1, 2010 and who participate
in the personal healthcare fund, the annual level percentage of
payroll contribution rate is estimated at 35.79%, 35.35%, with 24.09%–24.03% paid directly by the employer.

(d) For public school employees who first worked for a public school reporting unit on or after September 4, 2012, who elect defined contribution, and who participate in the personal healthcare fund, the annual level percentage of payroll contribution rate is estimated at 32.66%, 32.28%, with 20.96% paid directly by the employer.

(e) For public school employees who first worked for a public school reporting unit before July 1, 2010, who elect defined contribution, and who are enrolled in the health premium subsidy, the annual level percentage of payroll contribution rate is estimated at 32.88%, 32.53%, with 21.18%–21.21% paid directly by the employer.

(f) For public school employees who first worked for a public school reporting unit before July 1, 2010, who elect defined contribution, and who participate in the personal healthcare fund, the annual level percentage of payroll contribution rate is estimated at 32.66%, 32.28%, with 20.96% paid directly by the employer.

(g) For public school employees who first worked for a public school reporting unit before July 1, 2010 and who participate in the personal healthcare fund, the annual level percentage of payroll contribution rate is estimated at 36.42%, 36.63%, with 24.72%–25.31% paid directly by the employer.

(3) In addition to the employer payments described in subsection (2), the employer shall pay the applicable contributions
to the Tier 2 plan, as determined by the public school employees
retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1408.

(4) The contribution rates in subsection (2) reflect an
amortization period of 22-21 years for 2016-2017, 2017-2018. The
public school employees' retirement system board shall notify each
district and intermediate district by February 28 of each fiscal
year of the estimated contribution rate for the next fiscal year.

Sec. 147a. (1) From the appropriation in section 11, there is
allocated for 2016-2017, 2017-2018 an amount not to exceed
$100,000,000.00 for payments to participating districts. A district
that receives money under this section shall use that money solely
for the purpose of offsetting a portion of the retirement
contributions owed by the district for the fiscal year in which it
is received. The amount allocated to each participating district
under this section shall be based on each participating
district's percentage of the total statewide payroll for all
participating districts for the immediately preceding fiscal year.
As used in this section, "participating district" means
a district that is a reporting unit of the Michigan public school
employees' retirement system under the public school employees
retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1408, and
that reports employees to the Michigan public school employees'
retirement system for the applicable fiscal year.

(2) In addition to the allocation in subsection (1), for 2017-
2018 there is allocated from the state school aid fund money
appropriated under section 11 an amount not to exceed
$48,940,000.00 for payments to participating districts and
INTERMEDIATE DISTRICTS, AND FROM THE GENERAL FUND MONEY

APPROPRIATED UNDER SECTION 11, THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED $29,000.00 FOR PAYMENTS TO PARTICIPATING DISTRICT LIBRARIES. THE AMOUNT ALLOCATED TO EACH PARTICIPATING ENTITY UNDER THIS SUBSECTION SHALL BE BASED ON EACH PARTICIPATING ENTITY'S PERCENTAGE OF THE TOTAL STATEWIDE PAYROLL FOR THAT TYPE OF PARTICIPATING ENTITY FOR THE IMMEDIATELY PRECEDING FISCAL YEAR. A PARTICIPATING ENTITY THAT RECEIVES MONEY UNDER THIS SUBSECTION SHALL USE THAT MONEY SOLELY FOR THE PURPOSE OF OFFSETTING A PORTION OF THE NORMAL COST CONTRIBUTION RATE. AS USED IN THIS SUBSECTION:

(A) "DISTRICT LIBRARY" MEANS A DISTRICT LIBRARY ESTABLISHED UNDER THE DISTRICT LIBRARY ESTABLISHMENT ACT, 1989 PA 24, MCL 397.171 TO 397.196.

(B) "PARTICIPATING ENTITY" MEANS A DISTRICT, INTERMEDIATE DISTRICT, OR DISTRICT LIBRARY THAT IS A REPORTING UNIT OF THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM UNDER THE PUBLIC SCHOOL EMPLOYEES RETIREMENT ACT OF 1979, 1980 PA 300, MCL 38.1301 TO 38.1408, AND THAT REPORTS EMPLOYEES TO THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM FOR THE APPLICABLE FISCAL YEAR.

Sec. 147c. (1) From the appropriation in section 11, there is allocated for 2016-2017-2017-2018 an amount not to exceed $982,200,000.00-$960,130,000.00 from the state school aid fund for payments to districts and intermediate districts that are participating entities of the Michigan public school employees' retirement system. In addition, from the general fund money appropriated in section 11, there is allocated for 2016-2017-2017-
2018 an amount not to exceed $600,000.00 $654,000.00 for payments to district libraries that are participating entities of the Michigan public school employees' retirement system.

(2) For 2016-2017, 2017-2018, the amounts allocated under subsection (1) are estimated to provide an average MPSERS rate cap per pupil amount of $660.00 $640.00 and are estimated to provide a rate cap per pupil for districts ranging between $5.00 and $3,100.00 $4.00 AND $3,020.00.

(3) Payments made under this section shall be equal to the difference between the unfunded actuarial accrued liability contribution rate as calculated pursuant to section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, as calculated without taking into account the maximum employer rate of 20.96% included in section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum employer rate of 20.96% included in section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

(4) The amount allocated to each participating entity under this section shall be based on each participating entity's proportion of the total covered payroll for the immediately preceding fiscal year for the same type of participating entities. A participating entity that receives funds under this section shall use the funds solely for the purpose of retirement contributions as specified in subsection (5).

(5) Each participating entity receiving funds under this section shall forward an amount equal to the amount allocated under
subsection (4) to the retirement system in a form, manner, and time frame determined by the retirement system.

(6) Funds allocated under this section should be considered when comparing a district's growth in total state aid funding from 1 fiscal year to the next.

(7) Not later than December 20, 2016—2017, the department shall publish and post on its website an estimated MPSERS rate cap per pupil for each district.

(8) As used in this section:

(A) "DISTRICT LIBRARY" MEANS A DISTRICT LIBRARY ESTABLISHED UNDER THE DISTRICT LIBRARY ESTABLISHMENT ACT, 1989 PA 24, MCL 397.171 TO 397.196.

(B) "MPSERS rate cap per pupil" means an amount equal to the quotient of the district's payment under this section divided by the district's pupils in membership.

(C) "Participating entity" means a district, intermediate district, or district library that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

(D) "Retirement board" means the board that administers the retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

(E) "Retirement system" means the Michigan public school employees' retirement system under the public school employees
Sec. 152a. (1) As required by the court in the consolidated cases known as Adair v State of Michigan, Michigan supreme court docket nos. 137424 and 137453, 486 MICH 468 (2010), from the state school aid fund money appropriated in section 11 there is allocated for 2016–2017–2017-2018 an amount not to exceed $38,000,500.00 to be used solely for the purpose of paying necessary costs related to the state-mandated collection, maintenance, and reporting of data to this state.

(2) From the allocation in subsection (1), the department shall make payments to districts and intermediate districts in an equal amount per-pupil based on the total number of pupils in membership in each district and intermediate district. The department shall not make any adjustment to these payments after the final installment payment under section 17b is made.

Sec. 152b. (1) From the general fund money appropriated under section 11, there is allocated an amount not to exceed $2,500,000.00 for 2016–2017–2017-2018 to reimburse costs incurred by nonpublic schools as identified in the nonpublic school mandate report published by the department on November 25, 2014 and under subsection (2). IN COMPLYING WITH A HEALTH, SAFETY, OR WELFARE REQUIREMENT MANDATED BY STATE LAW.

(2) By January 1, 2017–2018, the department shall publish a form containing the requirements identified in the report under subsection (1). EACH HEALTH, SAFETY, OR WELFARE REQUIREMENT WITH WHICH A NONPUBLIC SCHOOL MUST COMPLY WITH A REFERENCE TO THE RELEVANT SECTION OF STATUTE OR ADMINISTRATIVE RULE, OR BOTH, FOR
EACH MANDATED REQUIREMENT. The department shall include other
HEALTH, SAFETY, AND WELFARE requirements on the form that were
enacted into law after publication of the report. APPLICABLE TO
NONPUBLIC SCHOOLS AND MANDATED BY STATE LAW ENACTED AFTER OCTOBER
1, 2017. The form shall be posted on the department's website in
electronic form.

(3) By June 15, 2017, 30, 2018, a nonpublic school seeking
reimbursement FOR COSTS INCURRED under subsection (1) of costs
incurred during the 2016-2017, 2017-2018 school year shall submit
the form described in subsection (2) to the department. This
section does not require OR OTHERWISE MANDATE a nonpublic school to
submit a form described in subsection (2). A nonpublic school is
not eligible for reimbursement under this section unless the
nonpublic school submits the form described in subsection (2) in a
timely manner.

(4) By August 15, 2017, 2018, the department shall distribute
funds to nonpublic schools that submit a completed form described
under subsection (2) in a timely manner. The superintendent shall
determine the amount of funds to be paid to each nonpublic school
in an amount that does not exceed the nonpublic school's actual
cost to comply with requirements under subsections (1) and (2). The
superintendent shall calculate a nonpublic school's actual cost in
accordance with this section.

(5) If the funds allocated under this section are insufficient
to fully fund payments as otherwise calculated under this section,
the department shall distribute funds under this section on a
prorated or other equitable basis as determined by the
superintendent.

(6) The department has the authority to review the records of a nonpublic school submitting a form described in subsection (2) only for the limited purpose of verifying the nonpublic school's compliance with this section. If a nonpublic school does not allow the department to review records under this subsection for this limited purpose, the nonpublic school is not eligible for reimbursement under this section.

(7) The funds appropriated under this section are for purposes related to education, are considered to be incidental to the operation of a nonpublic school, are noninstructional in character, and are intended for the public purpose of ensuring the health, safety, and welfare of the children in nonpublic schools and to reimburse nonpublic schools for costs described in this section.

(8) Funds allocated under this section are not intended to aid or maintain any nonpublic school, support the attendance of any student at a nonpublic school, employ any person at a nonpublic school, support the attendance of any student at any location where instruction is offered to a nonpublic school student, or support the employment of any person at any location where instruction is offered to a nonpublic school student.

(9) For purposes of this section, "actual cost" means the hourly wage for the employee or employees performing the reported task or tasks REQUIRED TO COMPLY WITH A SECTION OF STATUTE OR ADMINISTRATIVE RULES IDENTIFIED BY THE DEPARTMENT UNDER SUBSECTION (2) and is to be calculated in accordance with the form published by the department under subsection (2), which shall include a
detailed itemization of cost. The nonpublic school shall not charge
more than the hourly wage of its lowest-paid employee capable of
performing the reported A SPECIFIC task regardless of whether that
individual is available and regardless of who actually performs the
reported A SPECIFIC task. Labor costs under this subsection shall
be estimated and charged in increments of 15 minutes or more, with
all partial time increments rounded down. When calculating costs
under subsection (4), fee components shall be itemized in a manner
that expresses both the hourly wage and the number of hours
charged. The nonpublic school may not charge any applicable labor
charge amount to cover or partially cover the cost of health or
fringe benefits. A nonpublic school shall not charge any overtime
wages in the calculation of labor costs.

(10) FOR THE PURPOSES OF THIS SECTION, THE COST INCURRED BY A
NONPUBLIC SCHOOL FOR TAKING DAILY STUDENT ATTENDANCE SHALL BE
CONSIDERED A COST IN COMPLYING WITH A HEALTH, SAFETY, AND WELFARE
REQUIREMENT MANDATED BY STATE LAW.

(11) IN ADDITION TO THE AMOUNT ALLOCATED UNDER SUBSECTION (1),
FROM THE GENERAL FUND MONEY APPROPRIATED UNDER SECTION 11
THERE ISAllocATED AN AMOUNT NOT TO EXCEED $250,000.00 FOR 2017-
2018 FOR COMPETITIVE GRANTS TO NONPUBLIC SCHOOLS THAT PROVIDE
PUPILS WITH EXPANDED OPPORTUNITIES TO IMPROVE MATHEMATICS, SCIENCE,
AND TECHNOLOGY SKILLS BY PARTICIPATING IN FIRST ROBOTICS, INCLUDING
JR FIRST LEGO LEAGUE, FIRST LEGO LEAGUE, FIRST TECH CHALLENGE, AND
FIRST ROBOTICS COMPETITION, AS WELL AS SCIENCE OLYMPIAD PROGRAMS.
The department shall set maximum grant awards that align with the
maximum grant awards determined for districts under section 99h.
(12) A nonpublic school applying for grant funding under subsection (11) shall submit an application in a form and manner determined by the department. To be eligible for funding under subsection (11), a nonpublic school shall do all of the following:

(A) establish a partnership with at least 1 sponsor, business entity, higher education institution, or technical school.

(B) submit a spending plan.

(C) pay at least 25% of the cost of the program.

Sec. 164G. A district or intermediate district shall not use funds appropriated under this act to pay an expense incurred relating to any legal action initiated by the district or intermediate district against this state. If a district or intermediate district violates this section in a fiscal year, the district or intermediate district forfeits from its funds due under this act for that fiscal year an amount equal to the expenses paid in violation of this section.

Sec. 164H. (1) Beginning October 1, 2017, a district or intermediate district shall not enter into a collective bargaining agreement that does any of the following:

(A) establishes racial or religious preferences for employees.

(B) automatically deducts union dues from employee compensation.

(C) is in conflict with any state or federal law regarding district or intermediate district transparency.

(D) includes a method of compensation that does not comply with section 1250 of the revised school code, MCL 380.1250.

(2) A district or intermediate district that enters into a
COLLECTIVE BARGAINING AGREEMENT IN VIOLATION OF SUBSECTION (1)

SHALL FORFEIT AN AMOUNT EQUAL TO 5% OF THE FUNDS DUE TO THE
DISTRICT OR INTERMEDIATE DISTRICT UNDER THIS ARTICLE.

Sec. 166b. (1) This act does not prohibit a parent or legal
guardian of a minor who is enrolled in any of grades kindergarten
to 12 in a nonpublic school or who is being home-schooled from also
enrolling the minor in a district, public school academy, or
intermediate district in any curricular offering that is provided
by the district, public school academy, or intermediate district at
a public school site and is available to pupils in the minor's
grade level or age group, subject to compliance with the same
requirements that apply to a full-time pupil's participation in the
offering. However, state school aid shall be provided under this
act for a minor enrolled as described in this subsection only for
curricular offerings that are offered to full-time pupils in the
minor's grade level or age group during regularly scheduled school
hours.

(2) This act does not prohibit a parent or legal guardian of a
minor who is enrolled in any of grades kindergarten to 12 in a
nonpublic school or who resides within the district and is being
home-schooled from also enrolling the minor in the district in a
curricular offering being provided by the district at the nonpublic
school site. However, state school aid shall be provided under this
act for a minor enrolled as described in this subsection only if
all of the following apply:

(a) Either of the following:

(i) The nonpublic school site is located, or the nonpublic
students are educated, within the geographic boundaries of the
district.

(ii) If the nonpublic school has submitted a written request
to the district in which the nonpublic school is located for the
district to provide certain instruction under this subsection for a
school year and the district does not agree to provide some or all
of that instruction by May 1 immediately preceding that school year
or, if the request is submitted after March 1 immediately preceding
that school year, within 60 days after the nonpublic school submits
the request, the instruction is instead provided by an eligible
other district. This subparagraph does not require a nonpublic
school to submit more than 1 request to the district in which the
nonpublic school is located for that district to provide
instruction under this subsection, and does not require a nonpublic
school to submit an additional request to the district in which the
nonpublic school is located for that district to provide additional
instruction under this subsection beyond the instruction requested
in the original request, before having the instruction provided by
an eligible other district. A public school academy that is located
in the district in which the nonpublic school is located or in an
eligible other district also may provide instruction under this
subparagraph under the same conditions as an eligible other
district. As used in this subparagraph, "eligible other district"
means a district that is located in the same intermediate district
as the district in which the nonpublic school is located or is
located in an intermediate district that is contiguous to that
intermediate district.
(b) The nonpublic school is registered with the department as a nonpublic school and meets all state reporting requirements for nonpublic schools.

(c) The instruction is scheduled to occur during the regular school day.

(d) The instruction is provided directly by a certified teacher at the district or public school academy or at an intermediate district.

(e) The curricular offering is also available to full-time pupils in the minor's grade level or age group in the district or public school academy during the regular school day at a public school site.

(f) The curricular offering is restricted to nonessential elective courses for pupils in grades kindergarten to 12.

(3) A minor enrolled as described in this section is a part-time pupil for purposes of state school aid under this act.

(4) A district that receives a written request to provide instruction under subsection (2) shall reply to the request in writing by May 1 immediately preceding the applicable school year or, if the request is made after March 1 immediately preceding that school year, within 60 days after the nonpublic school submits the request. The written reply shall specify whether the district agrees to provide or does not agree to provide the instruction for each portion of instruction included in the request.

(5) The department shall establish a workgroup consisting of staff from the department, staff from the center, pupil accounting staff from districts and intermediate districts, other applicable
staff from districts and intermediate districts, representatives
from nonpublic schools, and representatives from home schools to
examine the issue of providing a uniform definition of nonessential
elective courses, and also to provide a uniform definition of a
part-time pupil for the purposes of this section.

Sec. 201. (1) Subject to the conditions set forth in this
article, the amounts listed in this section are appropriated for
community colleges for the fiscal year ending September 30, 2017,
2018, from the funds indicated in this section. The following is a
summary of the appropriations in this section:

(a) The gross appropriation is $395,925,600.00.

$395,142,600.00. After deducting total interdepartmental grants and
intradepartmental transfers in the amount of $0.00, the adjusted
gross appropriation is $395,925,600.00. $395,142,600.00.

(b) The sources of the adjusted gross appropriation described
in subdivision (a) are as follows:

(i) Total federal revenues, $0.00.

(ii) Total local revenues, $0.00.

(iii) Total private revenues, $0.00.

(iv) Total other state restricted revenues,

$260,414,800.00. $395,142,600.00.

(v) State general fund/general purpose money,

$135,510,800.00. $0.00.

(2) Subject to subsection (3), the amount appropriated for
community college operations is $315,892,000.00. $315,892,000.00,
allocated as follows:

(a) The appropriation for Alpena Community College is
$5,544,700.00, $5,464,400.00 for operations and $80,300.00 for performance funding.

(b) The appropriation for Bay de Noc Community College is $5,560,900.00, $5,490,200.00 for operations and $70,700.00 for performance funding.

c) The appropriation for Delta College is $14,907,700.00, $14,704,000.00 for operations and $203,700.00 for performance funding.

d) The appropriation for Glen Oaks Community College is $2,586,900.00, $2,551,100.00 for operations and $35,800.00 for performance funding.

e) The appropriation for Gogebic Community College is $4,577,800.00, $4,509,900.00 for operations and $67,900.00 for performance funding.

(f) The appropriation for Grand Rapids Community College is $18,450,500.00, $18,187,300.00 for operations and $263,200.00 for performance funding.

g) The appropriation for Henry Ford College is $22,176,000.00, $21,893,300.00 for operations and $282,700.00 for performance funding.

(h) The appropriation for Jackson College is $12,397,600.00, $12,245,300.00 for operations and $152,300.00 for performance funding.

(i) The appropriation for Kalamazoo Valley Community College is $12,873,900.00, $12,689,400.00 for operations and $184,500.00 for performance funding.

(j) The appropriation for Kellogg Community College is
$10,087,500.00, $9,950,100.00 for operations and $137,400.00 for performance funding. $10,087,500.00.

(k) The appropriation for Kirtland Community College is $3,270,000.00, $3,221,500.00 for operations and $48,500.00 for performance funding. $3,270,000.00.

(l) The appropriation for Lake Michigan College is $5,492,800.00, $5,417,700.00 for operations and $75,100.00 for performance funding. $5,492,800.00.

(m) The appropriation for Lansing Community College is $31,677,300.00, $31,288,200.00 for operations and $389,100.00 for performance funding. $31,677,300.00.

(n) The appropriation for Macomb Community College is $33,681,800.00, $33,239,500.00 for operations and $442,300.00 for performance funding. $33,681,800.00.

(o) The appropriation for Mid Michigan Community College is $4,834,100.00, $4,757,700.00 for operations and $76,400.00 for performance funding. $4,834,100.00.

(p) The appropriation for Monroe County Community College is $4,636,700.00, $4,565,600.00 for operations and $71,100.00 for performance funding. $4,636,700.00.

(q) The appropriation for Montcalm Community College is $3,343,100.00, $3,280,600.00 for operations and $62,500.00 for performance funding. $3,343,100.00.

(r) The appropriation for C.S. Mott Community College is $16,115,500.00, $15,901,700.00 for operations and $213,800.00 for performance funding. $16,115,500.00.

(s) The appropriation for Muskegon Community College is
$9,150,600.00, $9,020,700.00 for operations and $129,900.00 for performance funding. $9,150,600.00.

(t) The appropriation for North Central Michigan College is $3,290,400.00, $3,224,800.00 for operations and $65,600.00 for performance funding. $3,290,400.00.

(u) The appropriation for Northwestern Michigan College is $9,318,000.00, $9,200,500.00 for operations and $117,500.00 for performance funding. $9,318,000.00.

(v) The appropriation for Oakland Community College is $21,770,900.00, $21,429,400.00 for operations and $341,500.00 for performance funding. $21,770,900.00.

(w) The appropriation for Schoolcraft College is $12,909,300.00, $12,706,400.00 for operations and $202,900.00 for performance funding. $12,909,300.00.

(x) The appropriation for Southwestern Michigan College is $6,732,500.00, $6,657,600.00 for operations and $74,900.00 for performance funding. $6,732,500.00.

(y) The appropriation for St. Clair County Community College is $7,259,300.00, $7,158,000.00 for operations and $101,300.00 for performance funding. $7,259,300.00.

(z) The appropriation for Washtenaw Community College is $13,534,000.00, $13,301,100.00 for operations and $232,900.00 for performance funding. $13,534,000.00.

(aa) The appropriation for Wayne County Community College is $17,234,200.00, $16,989,800.00 for operations and $244,400.00 for performance funding. $17,234,200.00.

(bb) The appropriation for West Shore Community College is
$2,478,000.00, $2,446,200.00 for operations and $31,800.00 for performance funding.

(3) The amount appropriated in subsection (2) for community college operations is appropriated from the following:

(a) State school aid fund, $185,481,200.00-$315,892,000.00.

(b) State general fund/general purpose money, $130,410,800.00-$0.00.

(4) From the appropriations described in subsection (1), subject BOTH OF THE FOLLOWING APPLY:

(A) SUBJECT to section 207a, the amount appropriated for fiscal year 2016-2017-2018 to offset certain fiscal year 2016-2017-2018 retirement contributions is $1,733,600.00, appropriated from the state school aid fund.

(B) FOR FISCAL YEAR 2017-2018 ONLY, FROM THE APPROPRIATIONS DESCRIBED IN SUBSECTION (1), THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED $3,612,000.00 FOR PAYMENTS TO PARTICIPATING COMMUNITY COLLEGES, APPROPRIATED FROM THE STATE SCHOOL AID FUND. A COMMUNITY COLLEGE THAT RECEIVES MONEY UNDER THIS SUBSECTION SHALL USE THAT MONEY SOLELY FOR THE PURPOSE OF OFFSETTING THE NORMAL COST CONTRIBUTION RATE.

(5) From the appropriations described in subsection (1), subject to section 207b, the amount appropriated for payments to community colleges that are participating entities of the retirement system is $73,200,000.00-$70,805,000.00, appropriated from the state school aid fund.

(6) From the appropriations described in subsection (1), subject to section 207c, the amount appropriated for renaissance
zone tax reimbursements is $5,100,000.00, $3,100,000.00, appropriated from general fund/general purpose money. THE STATE SCHOOL AID FUND.

Sec. 201a. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2019 for the items listed in section 201. The fiscal year 2017-2018 2018-2019 appropriations are anticipated to be the same as those for fiscal year 2016-2017, 2017-2018, except that the amounts will be adjusted for changes in retirement costs, caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2017-2018 consensus revenue estimating conference.

Sec. 203. Unless otherwise specified, a community college that receives appropriations in section 201, the workforce development agency, and the center shall use the Internet to fulfill the reporting requirements of this article. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement or it may include placement of reports on an Internet or Intranet site.

Sec. 206. (1) The funds appropriated in section 201 are appropriated for community colleges with fiscal years ending June 30, 2017-2018 and shall be paid out of the state treasury and distributed by the state treasurer to the respective community colleges in 11 monthly installments on the sixteenth of each month, or the next succeeding business day, beginning with October 16, 2016-2017. Each community college shall accrue its July and August
2017-2018 payments to its institutional fiscal year ending June 30, 2017. However, if 2018.

(2) IF the state budget director determines that a community college failed to submit all verified Michigan community colleges activities classification structure data for school year 2015-2016 to the center by November 1, 2016, or failed to submit its longitudinal data system data set for school year 2015-2016 to the center under section 219, ANY OF THE INFORMATION DESCRIBED IN SUBDIVISIONS (A) TO (F) IN THE FORM AND MANNER SPECIFIED BY THE CENTER, the state treasurer shall, SUBJECT TO SUBDIVISION (G), withhold the monthly installments from that community college until those data are submitted:

(A) ALL VERIFIED MICHIGAN COMMUNITY COLLEGES ACTIVITIES CLASSIFICATION STRUCTURE DATA FOR THE PRECEDING ACADEMIC YEAR TO THE CENTER BY NOVEMBER 1 OF EACH YEAR AS SPECIFIED IN SECTION 217.

(B) THE COLLEGE CREDIT OPPORTUNITY DATA SET AS SPECIFIED IN SECTION 209.

(C) THE LONGITUDINAL DATA SET FOR THE PRECEDING ACADEMIC YEAR TO THE CENTER AS SPECIFIED IN SECTION 219.

(D) THE ANNUAL INDEPENDENT AUDIT AS SPECIFIED IN SECTION 222.

(E) TUITION AND MANDATORY FEES INFORMATION FOR THE CURRENT ACADEMIC YEAR AS SPECIFIED IN SECTION 225.

(F) THE NUMBER AND TYPE OF ASSOCIATE DEGREES AND OTHER CERTIFICATES AWARDED DURING THE PREVIOUS ACADEMIC YEAR AS SPECIFIED IN SECTION 226.

(G) The state budget director shall notify the chairs of the house and senate appropriations subcommittees on community colleges
at least 10 days before withholding funds from any community college.

Sec. 207a. All of the following apply to the allocation of the fiscal year 2016-2017-2017-2018 appropriations described in section 201(4):

(a) A community college that receives money under section 201(4) shall use that money solely for the purpose of offsetting a portion of the retirement contributions owed by the college for that fiscal year.

(b) The amount allocated to each participating community college under section 201(4) shall be based on each college's percentage of the total covered payroll for all community colleges that are participating colleges in the immediately preceding fiscal year.

Sec. 207b. All of the following apply to the allocation of the fiscal year 2016-2017-2017-2018 appropriations described in section 201(5) for payments to community colleges that are participating entities of the retirement system:

(a) The amount of a payment under section 201(5) shall be the difference between the unfunded actuarial accrued liability contribution rate as calculated under section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, AS CALCULATED WITHOUT TAKING INTO ACCOUNT THE MAXIMUM EMPLOYER RATE OF 20.96% INCLUDED IN SECTION 41 OF THE PUBLIC SCHOOL EMPLOYEES RETIREMENT ACT OF 1979, 1980 PA 300, MCL 38.1341, and the maximum employer rate of 20.96% under section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341.
(b) The amount allocated to each community college under section 201(5) shall be based on each community college's percentage of the total covered payroll for all community colleges that are participating colleges in the immediately preceding fiscal year. A community college that receives funds under this subdivision shall use the funds solely for the purpose of retirement contributions under section 201(5).

(c) Each participating college that receives funds under section 201(5) shall forward an amount equal to the amount allocated under subdivision (b) to the retirement system in a form and manner determined by the retirement system.

Sec. 207c. All of the following apply to the allocation of the appropriations described in section 201(6) to community colleges described in section 12(3) of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692:

(a) The amount allocated to each community college under section 201(6) for fiscal year 2016-2017-2017-2018 shall be based on that community college's proportion of total revenue lost by community colleges as a result of the exemption of property taxes levied in 2016-2017 under the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696.

(b) The appropriations described in section 201(6) shall be made to each eligible community college within 60 days after the department of treasury certifies to the state budget director that it has received all necessary information to properly determine the amounts payable to each eligible community college under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692.
Sec. 209. (1) Within 30 days after the board of a community college adopts its annual operating budget for the following fiscal year, or after the board adopts a subsequent revision to that budget, the community college shall make all of the following available through a link on its website homepage:

(a) The annual operating budget and subsequent budget revisions.

(b) A link to the most recent "Activities Classification Structure Data Book and Companion".


(d) A listing of all debt service obligations, detailed by project, anticipated fiscal year 2016-2017 payment of each project, and total outstanding debt FOR THE CURRENT FISCAL YEAR.

(e) The estimated cost to the community college resulting from the patient protection and affordable care act, Public Law 111-148, as amended by the health care and education reconciliation act of 2010, Public Law 111-152.

(f) Links to all of the following for the community college:

(i) The current collective bargaining agreement for each bargaining unit.

(ii) Each health care benefits plan, including, but not limited to, medical, dental, vision, disability, long-term care, or any other type of benefits that would constitute health care services, offered to any bargaining unit or employee of the community college.

(iii) Audits and financial reports for the most recent fiscal
year for which they are available.

(iv) A copy of the board of trustees resolution regarding compliance with best practices for the local strategic value component described in section 230(2).

(2) For statewide consistency and public visibility, community colleges must use the icon badge provided by the department of technology, management, and budget consistent with the icon badge developed by the department of education for K-12 school districts. It must appear on the front of each community college's homepage. The size of the icon may be reduced to 150 x 150 pixels.

(3) The state budget director shall determine whether a community college has complied with this section. The state budget director may withhold a community college's monthly installments described in section 206 until the community college complies with this section. The state budget director shall notify the chairs of the house and senate appropriations subcommittee on community colleges at least 10 days before withholding funds from any community college.

(4) Each community college shall report the following information to the senate and house appropriations subcommittees on community colleges, the senate and house fiscal agencies, and the state budget office by November 15 of each fiscal year and post that information on its website as required under subsection (1):

(a) Budgeted CURRENT fiscal year 2016-2017 general fund revenue from tuition and fees.

(b) Budgeted CURRENT fiscal year 2016-2017 general fund revenue from state appropriations.
(c) Budgeted **CURRENT** fiscal year 2016-2017 general fund revenue from property taxes.

(d) Budgeted **CURRENT** fiscal year 2016-2017 total general fund revenue.

(e) Budgeted **CURRENT** fiscal year 2016-2017 total general fund expenditures.

(5) By November 15 of each year, a community college shall report the following information to the center and post the information on its website under the budget transparency icon badge:

(a) Opportunities for earning college credit through the following programs:

   (i) State approved career and technical education or a tech prep articulated program of study.

   (ii) Direct college credit or concurrent enrollment.

   (iii) Dual enrollment.

   (iv) An early college/middle college program.

(b) For each program described in subdivision (a) that the community college offers, all of the following information:

   (i) The number of high school students participating in the program.

   (ii) The number of school districts that participate in the program with the community college.

   (iii) Whether a college professor, qualified local school district employee, or other individual teaches the course or courses in the program.

   (iv) The total cost to the community college to operate the
program.

(v) The cost per credit hour for the course or courses in the program.

(vi) The location where the course or courses in the program are held.

(vii) Instructional resources offered to the program instructors.

(viii) Resources offered to the student in the program.

(ix) Transportation services provided to students in the program.

Sec. 210b. By March 1, 2017, the Michigan Community College Association and the Michigan Association of State Universities shall submit a report to the senate and house appropriations subcommittees on community colleges, the senate and house fiscal agencies, and the state budget director that includes:

ON THE ACTIVITIES AND PROGRAMS OF THE TRANSFER STEERING COMMITTEE SINCE THE MARCH 1, 2017 REPORT REQUIRED UNDER THIS SECTION, INCLUDING all of the following:

(a) A progress report on the implementation of the Michigan transfer agreement developed by the study committee created under former section 210a, including an update on progress made on outstanding concerns identified in the March 1, 2016 implementation update.

(b) A report on improvements to articulation and credit transfer policies among and between all sectors of postsecondary education in this state. The report shall identify areas of progress since the March 1, 2016 report required by former section
210c, including all of the following:

_____(i) Identifying effective policies and practices developed by other states.

_____(ii) Developing specific pathways, where advisable, that meet program requirements for both associate’s and bachelor’s degree programs.

(A) THE ALIGNMENT OF LEARNING OUTCOMES IN GATEWAY MATHEMATICS COURSES IN THE QUANTITATIVE REASONING, COLLEGE ALGEBRA, AND STATISTICS PATHWAYS AND THE TRANSFERABILITY OF MATHEMATICS GATEWAY COURSES BETWEEN AND AMONG COMMUNITY COLLEGES AND UNIVERSITIES.

(B) THE DEVELOPMENT OF PROGRAM-SPECIFIC, STATEWIDE TRANSFER PATHWAYS THAT MEET PROGRAM REQUIREMENTS FOR BOTH ASSOCIATE AND BACHELOR’S DEGREE PROGRAMS.

(C) (iii) Creating an enhanced online communication tool to share information about postsecondary options in Michigan, particularly clearly articulating COURSE EQUIVALENCIES, AND transfer pathways THAT ARE CLEARLY ARTICULATED.

(D) (iv) Establishing clear timelines for finalizing DEVELOPING AND IMPLEMENTING transfer pathways.

(E) A PROGRESS REPORT ON THE IMPLEMENTATION OF THE MICHIGAN TRANSFER AGREEMENT.

Sec. 210e. By February 1, 2017, 2018, the Michigan Community College Association, the Michigan Association of State Universities, and the Michigan Independent Colleges and Universities, on behalf of their member colleges and universities, shall submit to the senate and house appropriations subcommittees on higher education, the senate and house appropriations
subcommittees on community colleges, the senate and house fiscal agencies, and the state budget director a comprehensive report detailing the number of academic program partnerships between public community colleges, public universities, and private colleges and universities, including, but not limited to, the following information:

(a) The names of the baccalaureate degree programs of study offered by public and private universities on community college campuses.

(b) The names of the articulation agreements for baccalaureate degree programs of study between public community colleges, public universities, and private colleges and universities.

(c) The number of students enrolled and number of degrees awarded through articulation agreements, and the number of courses offered, number of students enrolled, and number of degrees awarded through on-campus programs named in subdivision (a) from July 1, 2015 through June 30, 2016.

Sec. 217. (1) The center shall do all of the following:

(a) Establish, maintain, and coordinate the state community college database commonly known as the "activities classification structure" or "ACS" database.

(b) Collect data concerning community colleges and community college programs in this state, including data required by law.

(c) Establish procedures to ensure the validity and reliability of the data and the collection process.

(d) Develop model data collection policies, including, but not limited to, policies that ensure the privacy of any individual
student data. Privacy policies shall ensure that student social
security numbers are not released to the public for any purpose.

(e) Provide data in a useful manner to allow state
policymakers and community college officials to make informed
policy decisions.

(f) Assist community colleges in complying with audits under
this section or federal law.

(2) There is created within the center the activities
classification structure advisory committee. The committee shall
provide advice to the director of the center regarding the
management of the state community college database, including, but
not limited to:

(a) Determining what data are necessary to collect and
maintain to enable state and community college officials to make
informed policy decisions.

(b) Defining the roles of all stakeholders in the data
collection system.

(c) Recommending timelines for the implementation and ongoing
collection of data.

(d) Establishing and maintaining data definitions, data
transmission protocols, and system specifications and procedures
for the efficient and accurate transmission and collection of data.

(e) Establishing and maintaining a process for ensuring the
accuracy of the data.

(f) Establishing and maintaining policies related to data
collection, including, but not limited to, privacy policies related
to individual student data.
(g) Ensuring that the data are made available to state policymakers and citizens of this state in the most useful format possible.

(h) Addressing other matters as determined by the director of the center or as required by law.

(3) The activities classification structure advisory committee created in subsection (2) shall consist of the following members:

(a) One representative from the house fiscal agency, appointed by the director of the house fiscal agency.

(b) One representative from the senate fiscal agency, appointed by the director of the senate fiscal agency.

(c) One representative from the workforce development agency, appointed by the director of the workforce development agency.

(d) One representative from the center appointed by the director of the center.

(e) One representative from the state budget office, appointed by the state budget director.

(f) One representative from the governor's policy office, appointed by that office.

(g) Four representatives of the Michigan Community College Association, appointed by the president of the association. From the groupings of community colleges given in table 17 of the activities classification structure database described in subsection (1), the association shall appoint 1 representative each from group 1, group 2, and group 3, and 1 representative from either group 3 or 4.

Sec. 223. (1) By February 15 of each year, the department of
civil rights shall annually submit to the state budget director, the house and senate appropriations subcommittees on community colleges, and the house and senate fiscal agencies a report on North American Indian tuition waivers for the preceding fiscal ACADEMIC year that includes, but is not limited to, all of the following information:

(a) The number of waiver applications received and the number of waiver applications approved.

(b) For each community college submitting information under subsection (2), all of the following:

(i) The number of North American Indian students enrolled each term for the previous fiscal ACADEMIC year.

(ii) The number of North American Indian waivers granted each term, INCLUDING CONTINUING EDUCATION STUDENTS, and the monetary value of the waivers for the previous fiscal ACADEMIC year.

(iii) The number of students attending under a North American Indian tuition waiver who withdrew from the college EACH TERM during the previous fiscal ACADEMIC year. FOR PURPOSES OF THIS SUBPARAGRAPH, A WITHDRAWAL OCCURS WHEN A STUDENT WHO HAS BEEN AWARDED THE WAIVER WITHDRAWS FROM THE INSTITUTION AT ANY POINT DURING THE TERM, REGARDLESS OF ENROLLMENT IN SUBSEQUENT TERMS.

(iv) The number of students attending under a North American Indian tuition waiver who successfully complete a degree or certificate program, separated by degree or certificate level, and the graduation rate for students attending under a North American Indian tuition waiver who complete a degree OR CERTIFICATE within 150% of the normal time to complete, separated by the level of the
degree OR CERTIFICATE.

(2) A community college that receives funds under section 201 shall provide to the department of civil rights any information necessary for preparing the report described in subsection (1), using guidelines and procedures developed by the department of civil rights.

(3) The department of civil rights may consolidate the report required under this section with the report required under section 268, but a consolidated report must separately identify data for universities and data for community colleges.

Sec. 224. A community college USING THE DATA PROVIDED BY THE COMMUNITY COLLEGES AS REQUIRED UNDER SECTION 219 OF THIS ACT, THE CENTER shall use the P-20 longitudinal data system to inform interested Michigan high schools and the public of the aggregate academic status of its students for the previous academic year in a manner prescribed by THE CENTER SHALL WORK WITH the Michigan Community College Association and in cooperation with the Michigan Association of Secondary School Principals. Community colleges shall cooperate with the center to maintain a systematic approach for accomplishing this work.

Sec. 225. Each community college shall report to the house and senate fiscal agencies, the state budget director, and the center by August 31 of each year the tuition and mandatory fees paid by a full-time in-district student and a full-time out-of-district student as established by the college governing board for the academic year. This report should also include the annual cost of attendance based on a full-time course
load of 30 credits. Each community college shall also report any revisions to the reported 2016-2017 CURRENT academic year tuition and mandatory fees adopted by the college governing board to the house and senate fiscal agencies, the state budget director, and the center within 15 days of being adopted. THE CENTER SHALL MAKE THIS INFORMATION AND ANY REVISIONS AVAILABLE TO THE HOUSE AND SENATE FISCAL AGENCIES AND THE STATE BUDGET DIRECTOR.

Sec. 226. Each community college shall report to the center the numbers and type of associate degrees and other certificates awarded BY THE COMMUNITY COLLEGE during the previous fiscal year. The report shall be made not later than November 15 of each year. Community colleges shall work with the center to develop a systematic approach for meeting this requirement USING THE P-20 LONGITUDINAL DATA SYSTEM.

Sec. 229. (1) Each community college that receives an appropriation in section 201 is expected to include in its admission application process a specific question as to whether an applicant for admission has ever served or is currently serving in the United States armed forces, ARMED FORCES or is the spouse or dependent of an individual who has served or is currently serving in the United States armed forces, ARMED FORCES, in order to more quickly identify potential educational assistance available to that applicant.

(2) It is expected that each public community college that receives an appropriation in section 201 shall work with the house and senate community college subcommittees, the Michigan Community College Association, and veterans groups to review the issue of in-
district tuition for veterans of this state when determining
tuition rates and fees.

(3) As used in this section, "veteran" means an honorably
discharged veteran entitled to educational assistance under the
provisions of section 5003 of the post-911 veterans educational
assistance act of 2008, 38 USC 3301 to 3325.

Sec. 229a. Included in the fiscal year 2016-2017-2017-2018
appropriations for the department of technology, management, and
budget are appropriations totaling $30,879,600.00 to
provide funding for the state share of costs for previously
constructed capital projects for community colleges. Those
appropriations for state building authority rent represent
additional state general fund support for community colleges, and
the following is an estimate of the amount of that support to each
community college:

(a) Alpena Community College, $632,500.00-$630,000.00.
(b) Bay de Noc Community College, $685,100.00-$682,400.00.
(c) Delta College, $3,360,600.00-$3,347,300.00.
(d) Glen Oaks Community College, $124,500.00-$124,000.00.
(e) Gogebic Community College, $56,700.00-$56,400.00.
(f) Grand Rapids Community College,
$2,083,500.00-$2,075,300.00.
(g) Henry Ford College, $1,040,300.00-$1,036,200.00.
(h) Jackson College, $2,273,800.00-$2,264,800.00.
(i) Kalamazoo Valley Community College,
$2,030,900.00-$1,957,400.00.
(j) Kellogg Community College, $526,200.00-$524,100.00.
(k) Kirtland Community College, $367,300.00 $365,900.00.
(l) Lake Michigan College, $344,100.00 $342,700.00.
(m) Lansing Community College, $1,154,600.00 $1,150,000.00.
(n) Macomb Community College, $1,715,700.00 $1,662,100.00.
(o) Mid Michigan Community College,
$1,634,300.00 $1,627,800.00.
(p) Monroe County Community College,
$1,278,100.00 $1,273,000.00.
(q) Montcalm Community College, $982,600.00 $978,700.00.
(r) C.S. Mott Community College, $1,497,600.00 $1,817,300.00.
(s) Muskegon Community College, $623,500.00 $570,500.00.
(t) North Central Michigan College, $417,900.00 $416,300.00.
(u) Northwestern Michigan College,
$1,320,600.00 $1,315,400.00.
(v) Oakland Community College, $470,500.00 $468,700.00.
(w) Schoolcraft College, $1,564,400.00 $1,558,300.00.
(x) Southwestern Michigan College, $574,800.00 $531,700.00.
(y) St. Clair County Community College,
$360,200.00 $358,800.00.
(z) Washtenaw Community College, $1,696,000.00 $1,689,300.00.
(aa) Wayne County Community College,
$1,479,400.00 $1,473,600.00.
(bb) West Shore Community College, $583,000.00 $581,600.00.

Sec. 230. (1) Money included in the appropriations for community college operations under section 201(2) in fiscal year 2016-2017-2017-2018 for performance funding is distributed based on the following formula:
(a) Allocated proportionate to fiscal year 2015-2016 2016-2017
base appropriations, 30%.
(b) Based on a weighted student contact hour formula as
provided for in the 2016 recommendations of the performance
indicators task force, 30%.
(c) Based on the performance improvement as provided for in
the 2016 recommendations of the performance indicators task force, 10%.
(d) Based on the performance completion number as provided for
in the 2016 recommendations of the performance indicators task
force, 10%.
(e) Based on the performance completion rate as provided for
in the 2016 recommendations of the performance indicators task
force, 10%.
(f) Based on administrative costs, 5%.
(g) Based on the local strategic value component, as developed
in cooperation with the Michigan Community College Association and
described in subsection (2), 5%.
(2) Money included in the appropriations for community college
operations under section 201(2) for local strategic value shall be
allocated to each community college that certifies to the state
budget director, through a board of trustees resolution on or
before October 15, 2016, 2017, that the college has met 4 out of 5
best practices listed in each category described in subsection (3).
The resolution shall provide specifics as to how the community
college meets each best practice measure within each category. One-
third of funding available under the strategic value component
shall be allocated to each category described in subsection (3).

Amounts distributed under local strategic value shall be on a proportionate basis to each college's fiscal year 2015-2016-2016-2017 operations funding. Payments to community colleges that qualify for local strategic value funding shall be distributed with the November installment payment described in section 206.

(3) For purposes of subsection (2), the following categories of best practices reflect functional activities of community colleges that have strategic value to the local communities and regional economies:

(a) For Category A, economic development and business or industry partnerships, the following:

(i) The community college has active partnerships with local employers including hospitals and health care providers.

(ii) The community college provides customized on-site training for area companies, employees, or both.

(iii) The community college supports entrepreneurship through a small business assistance center or other training or consulting activities targeted toward small businesses.

(iv) The community college supports technological advancement through industry partnerships, incubation activities, or operation of a Michigan technical education center or other advanced technology center.

(v) The community college has active partnerships with local or regional workforce and economic development agencies.

(b) For Category B, educational partnerships, the following:

(i) The community college has active partnerships with
regional high schools, intermediate school districts, and career-tech centers to provide instruction through dual enrollment, concurrent enrollment, direct credit, middle college, or academy programs.

(ii) The community college hosts, sponsors, or participates in enrichment programs for area K-12 students, such as college days, summer or after-school programming, or Science Olympiad.

(iii) The community college provides, supports, or participates in programming to promote successful transitions to college for traditional age students, including grant programs such as talent search, upward bound, or other activities to promote college readiness in area high schools and community centers.

(iv) The community college provides, supports, or participates in programming to promote successful transitions to college for new or reentering adult students, such as adult basic education, a high school equivalency test preparation program and testing, or recruiting, advising, or orientation activities specific to adults. As used in this subparagraph, "high school equivalency test preparation program" means that term as defined in section 4.

(v) The community college has active partnerships with regional 4-year colleges and universities to promote successful transfer, such as articulation, 2+2, or reverse transfer agreements or operation of a university center.

(c) For Category C, community services, the following:

(i) The community college provides continuing education programming for leisure, wellness, personal enrichment, or professional development.
(ii) The community college operates or sponsors opportunities for community members to engage in activities that promote leisure, wellness, cultural or personal enrichment such as community sports teams, theater or musical ensembles, or artist guilds.

(iii) The community college operates public facilities to promote cultural, educational, or personal enrichment for community members, such as libraries, computer labs, performing arts centers, museums, art galleries, or television or radio stations.

(iv) The community college operates public facilities to promote leisure or wellness activities for community members, including gymnasiums, athletic fields, tennis courts, fitness centers, hiking or biking trails, or natural areas.

(v) The community college promotes, sponsors, or hosts community service activities for students, staff, or community members.

(4) Payments for performance funding under section 201(2) shall be made to a community college only if that community college actively participates in the Michigan Transfer Network sponsored by the Michigan Association of Collegiate Registrars and Admissions Officers and submits timely updates, including updated course equivalencies at least every 6 months, to the Michigan transfer network. The state budget director shall determine if a community college has not satisfied this requirement. The state budget director may withhold payments for performance funding until a community college is in compliance with this section.

Sec. 236. (1) Subject to the conditions set forth in this article, the amounts listed in this section are appropriated for
House Bill No. 4313 as amended May 2, 2017
higher education for the fiscal year ending September 30, 2017, 2018, from the funds indicated in this section. The following is a summary of the appropriations in this section:
(a) The gross appropriation is $1,582,640,400.00. [$1,621,124,400.00.] After deducting total interdepartmental grants and intradepartmental transfers in the amount of $0.00, the adjusted gross appropriation is $1,582,640,400.00. [$1,621,124,400.00.]
(b) The sources of the adjusted gross appropriation described in subdivision (a) are as follows:
   (i) Total federal revenues, $101,526,400.00. [$111,526,400.00.]
   (ii) Total local revenues, $0.00.
   (iii) Total private revenues, $0.00.
   (iv) Total other state restricted revenues, $237,209,500.00. [$235,743,500.00.]
   (v) State general fund/general purpose money, $1,243,904,500.00. [$1,273,854,500.00.]
(2) Amounts appropriated for public universities are as follows:
   (a) The appropriation for Central Michigan University is $83,925,500.00, $81,127,100.00 for operations and $2,798,400.00 for performance funding. $85,568,000.00, $83,925,500.00 FOR OPERATIONS AND $1,642,500.00 FOR PERFORMANCE FUNDING.
   (b) The appropriation for Eastern Michigan University is $73,593,800.00, $71,782,500.00 for operations and $1,811,300.00 for performance funding. $75,091,100.00, $73,593,800.00 FOR OPERATIONS AND $1,497,300.00 FOR PERFORMANCE FUNDING.
(c) The appropriation for Ferris State University is $52,259,900.00, $50,369,800.00 for operations and $1,890,100.00 for performance funding. $53,528,700.00, $52,259,900.00 FOR OPERATIONS AND $1,268,800.00 FOR PERFORMANCE FUNDING.

(d) The appropriation for Grand Valley State University is $68,227,900.00, $65,275,700.00 for operations and $2,952,200.00 for performance funding. $70,006,400.00, $68,227,900.00 FOR OPERATIONS AND $1,778,500.00 FOR PERFORMANCE FUNDING.

(e) The appropriation for Lake Superior State University is $13,567,400.00, $13,207,400.00 for operations and $360,000.00 for performance funding. $13,764,700.00, $13,567,400.00 FOR OPERATIONS AND $197,300.00 FOR PERFORMANCE FUNDING.

(f) The appropriation for Michigan State University is $337,777,800.00, $268,770,700.00 for operations, $7,091,400.00 for performance funding, $33,243,100.00 for MSU AgBioResearch, and $28,672,600.00 for MSU Extension. $344,436,000.00, $275,862,100.00 FOR OPERATIONS, $5,108,200.00 FOR PERFORMANCE FUNDING, $34,074,200.00 FOR MSU AGBIORESEARCH, AND $29,391,500.00 FOR MSU EXTENSION.

(g) The appropriation for Michigan Technological University is $48,097,500.00, $46,754,700.00 for operations and $1,342,800.00 for performance funding. $49,004,500.00, $48,097,500.00 FOR OPERATIONS AND $907,000.00 FOR PERFORMANCE FUNDING.

(h) The appropriation for Northern Michigan University is $46,279,200.00, $45,107,700.00 for operations and $1,171,500.00 for performance funding. $47,094,500.00, $46,279,200.00 FOR OPERATIONS AND $815,300.00 FOR PERFORMANCE FUNDING.
(i) The appropriation for Oakland University is $49,920,700.00, $48,371,900.00 for operations and $1,548,800.00 for performance funding. $51,170,100.00, $49,920,700.00 FOR OPERATIONS AND $1,249,400.00 FOR PERFORMANCE FUNDING.

(j) The appropriation for Saginaw Valley State University is $29,114,000.00, $28,181,200.00 for operations and $932,800.00 for performance funding. $29,733,500.00, $29,114,000.00 FOR OPERATIONS AND $619,500.00 FOR PERFORMANCE FUNDING.

(k) The appropriation for University of Michigan - Ann Arbor is $308,639,000.00, $299,975,000.00 for operations and $8,664,000.00 for performance funding. $314,291,600.00, $308,639,000.00 FOR OPERATIONS AND $5,652,600.00 FOR PERFORMANCE FUNDING.

(l) The appropriation for University of Michigan - Dearborn is $24,803,300.00, $24,033,100.00 for operations and $770,200.00 for performance funding. $25,391,000.00, $24,803,300.00 FOR OPERATIONS AND $587,700.00 FOR PERFORMANCE FUNDING.

(m) The appropriation for University of Michigan - Flint is $22,549,300.00, $21,815,400.00 for operations and $733,900.00 for performance funding. $23,036,100.00, $22,549,300.00 FOR OPERATIONS AND $486,800.00 FOR PERFORMANCE FUNDING.

(n) The appropriation for Wayne State University is $196,064,500.00, $191,451,300.00 for operations and $4,613,200.00 for performance funding. $199,014,500.00, $196,064,500.00 FOR OPERATIONS AND $2,950,000.00 FOR PERFORMANCE FUNDING.

(o) The appropriation for Western Michigan University is $107,440,900.00, $104,334,100.00 for operations and $3,106,800.00
for performance funding $109,280,000.00, $107,440,900.00 FOR
OPERATIONS AND $1,839,100.00 FOR PERFORMANCE FUNDING.

(3) The amount appropriated in subsection (2) for public universities is appropriated from the following:

(a) State school aid fund, $231,219,500.00.
(b) State general fund/general purpose money, $1,231,041,200.00 - $1,259,191,200.00.

(4) The amount appropriated for Michigan public school employees' retirement system reimbursement is $5,890,000.00, $4,005,000.00, appropriated from the state school aid fund.

(5) The amount appropriated for state and regional programs is $315,000.00, appropriated from general fund/general purpose money and allocated as follows:

(a) Higher education database modernization and conversion, $200,000.00.
(b) Midwestern Higher Education Compact, $115,000.00.

(6) The amount appropriated for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks program is $2,691,500.00, appropriated from general fund/general purpose money and allocated as follows:

(a) Select student support services, $1,956,100.00.
(b) Michigan college/university partnership program, $586,800.00.
(c) Morris Hood, Jr. educator development program, $148,600.00.

(7) Subject to subsection (8), the amount appropriated for grants and financial aid is $110,983,200.00, $121,783,200.00, allocated as follows:
(a) State competitive scholarships, $18,361,700.00-$22,361,700.00.

(b) Tuition grants, $35,021,500.00-$36,521,500.00.

(c) Tuition incentive program, $53,000,000.00-$58,300,000.00.

(d) Children of veterans and officer's survivor tuition grant programs, $1,400,000.00.

(e) Project GEAR-UP, $3,200,000.00.

(8) The money appropriated in subsection (7) for grants and financial aid is appropriated from the following:

(a) Federal revenues under the United States Department of Education, Office of Elementary and Secondary Education, GEAR-UP program, $3,200,000.00.

(b) Federal revenues under the social security act, temporary assistance for needy families, $98,326,400.00-$108,326,400.00.

(c) Contributions to children of veterans tuition grant program, $100,000.00.

(d) State general fund/general purpose money, $9,356,800.00-$10,156,800.00.

(9) For fiscal year 2016-2017 only, $500,000.00 is appropriated for the Michigan State University Diagnostic Center for Population and Animal Health, appropriated from state general fund/general purpose money.

(9) FOR FISCAL YEAR 2017-2018 ONLY, IN ADDITION TO THE ALLOCATION UNDER SUBSECTION (4), FROM THE APPROPRIATIONS DESCRIBED IN SUBSECTION (1), THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED $419,000.00 FOR PAYMENTS TO PARTICIPATING PUBLIC UNIVERSITIES, APPROPRIATED FROM THE STATE SCHOOL AID FUND. A UNIVERSITY THAT
House Bill No. 4313 as amended May 2, 2017

receives money under this subsection shall use that money solely
for the purpose of offsetting the normal cost contribution rate. As
used in this subsection, "participating public universities" means
public universities that are a reporting unit of the Michigan
Public School Employees' Retirement System under the Public School
Employees Retirement Act of 1979, 1980 PA 300, MCL 38.1301 to
38.1437, and that pay contributions to the Michigan Public School
employees' retirement system for the state fiscal year.

[(10) For fiscal year 2017-2018 only, $1,500,000.00 is appropriated for
the Michigan State University Fruit and Vegetable Processing Teaching
Laboratory, appropriated from general fund/general purpose money.]

Sec. 236a. It is the intent of the legislature to provide
appropriations for the fiscal year ending on September 30, 2018
2019 for the items listed in section 236. The fiscal year 2017-2018
2018-2019 appropriations are anticipated to be the same as those
for fiscal year 2016-2017, 2017-2018, except that the amounts will
be adjusted for changes in caseload and related costs, federal fund
match rates, economic factors, and available revenue. These
adjustments will be determined after the January 2017-2018
consensus revenue estimating conference.

Sec. 236b. In addition to the funds appropriated in section
236, there is appropriated for grants and financial aid in fiscal
year 2016-2017-2017-2018 an amount not to exceed $6,000,000.00 for
federal contingency funds. These funds are not available for
expenditure until they have been transferred under section 393(2)
of the management and budget act, 1984 PA 431, MCL 18.1393, for
another purpose under this article.

Sec. 236c. In addition to the funds appropriated for fiscal
year 2016-2017-2017-2018 in section 236, appropriations to the
department of technology, management, and budget in the act
providing general appropriations for fiscal year 2016-2017-2018 for state building authority rent, totaling an estimated $144,995,300.00, provide funding for the state share of costs for previously constructed capital projects for state universities. These appropriations for state building authority rent represent additional state general fund support provided to public universities, and the following is an estimate of the amount of that support to each university:

(a) Central Michigan University, $11,819,500.00-$12,570,900.00.
(b) Eastern Michigan University, $4,868,000.00-$5,177,500.00.
(c) Ferris State University, $6,260,300.00-$6,658,300.00.
(d) Grand Valley State University, $6,635,900.00-$7,057,800.00.
(e) Lake Superior State University, $1,722,800.00-$1,832,400.00.
(f) Michigan State University, $18,827,000.00-$15,500,500.00.
(g) Michigan Technological University, $6,793,200.00-$7,225,100.00.
(h) Northern Michigan University, $9,447,600.00-$7,786,500.00.
(i) Oakland University, $12,685,900.00-$13,492,400.00.
(j) Saginaw Valley State University, $10,331,000.00-$10,918,500.00.
(k) University of Michigan - Ann Arbor, $11,875,600.00-$10,586,200.00.
(l) University of Michigan - Dearborn, $9,008,800.00-$9,581,500.00.
(m) University of Michigan - Flint, $4,357,600.00 - $4,315,600.00.
(n) Wayne State University, $15,399,400.00 - $16,378,300.00.
(o) Western Michigan University, $14,962,700.00 - $15,913,800.00.

Sec. 237b. As used in this article: The term "workforce"

(A) "CENTER" MEANS THE CENTER FOR EDUCATIONAL PERFORMANCE AND
INFORMATION CREATED IN SECTION 94A.

(B) "WORKFORCE development agency" means the workforce
development agency within the department of talent and economic
development--talent investment agency.

SEC. 239B. IT IS THE INTENT OF THE LEGISLATURE THAT PUBLIC
UNIVERSITIES SHALL NOT USE FUNDS APPROPRIATED IN SECTION 236 TO
LEASE OR PURCHASE A VEHICLE ASSEMBLED OR MANUFACTURED OUTSIDE OF
THE UNITED STATES AND WILL GIVE PREFERENCE TO VEHICLES ASSEMBLED OR
MANUFACTURED IN THIS STATE.

Sec. 241. (1) Subject to sections 244 and 265a, the funds
appropriated in section 236 to public universities shall be paid
out of the state treasury and distributed by the state treasurer to
the respective institutions in 11 equal monthly installments on the
sixteenth of each month, or the next succeeding business day,
beginning with October 16, 2016 - 2017. Except for Wayne State
University, each institution shall accrue its July and August 2017
2018 payments to its institutional fiscal year ending June 30,
2017-2018.

(2) All public universities shall submit higher education
institutional data inventory (HEIDI) data and associated financial
and program information requested by and in a manner prescribed by
the state budget director. For public universities with fiscal
years ending June 30, 2016–2017, these data shall be submitted to
the state budget director by October 15, 2016–2017. Public
universities with a fiscal year ending September 30, 2016–2017
shall submit preliminary HEIDI data by November 15, 2016–2017 and
final data by December 15, 2016–2017. If a public university fails
to submit HEIDI data and associated financial aid program
information in accordance with this reporting schedule, the state
treasurer may withhold the monthly installments under subsection
(1) to the public university until those data are submitted.

Sec. 244. A BY OCTOBER 15 OF EACH YEAR, A public university
receiving funds in section 236 shall cooperate with all measures
taken by the state to develop, operate, and maintain PROVIDE ITS
LONGITUDINAL DATA SYSTEM DATA SET FOR THE PRECEDING ACADEMIC YEAR
to the center for inclusion in the statewide P-20 longitudinal data
system described in section 94a. If the state budget director finds
that a university has not complied with this section, the state
budget director is authorized to withhold the monthly installments
provided to that university under section 241 until he or she finds
the university has complied with this section.

Sec. 245. (1) A public university shall maintain a public
transparency website available through a link on its website
homepage. The public university shall update this website within 30
days after the university's governing board adopts its annual
operating budget for the next academic year, or after the governing
board adopts a subsequent revision to that budget.
(2) The website required under subsection (1) shall include all of the following concerning the public university:

(a) The annual operating budget and subsequent budget revisions.

(b) A summary of current expenditures for the most recent fiscal year for which they are available, expressed as pie charts in the following 2 categories:

(i) A chart of personnel expenditures, broken into the following subcategories:

(A) Earnings and wages.

(B) Employee benefit costs, including, but not limited to, medical, dental, vision, life, disability, and long-term care benefits.

(C) Retirement benefit costs.

(D) All other personnel costs.

(ii) A chart of all current expenditures the public university reported as part of its higher education institutional data inventory data under section 241(2), broken into the same subcategories in which it reported those data.

(c) Links to all of the following for the public university:

(i) The current collective bargaining agreement for each bargaining unit.

(ii) Each health care benefits plan, including, but not limited to, medical, dental, vision, disability, long-term care, or any other type of benefits that would constitute health care services, offered to any bargaining unit or employee of the public university.
(iii) Audits and financial reports for the most recent fiscal year for which they are available.

(iv) Campus security policies and crime statistics pursuant to the student right-to-know and campus security act, Public Law 101-542, 104 Stat. STAT 2381. Information shall include all material prepared pursuant to the public information reporting requirements under the crime awareness and campus security act of 1990, title II of the student right-to-know and campus security act, Public Law 101-542, 104 Stat. STAT 2381.

(d) A list of all positions funded partially or wholly through institutional general fund revenue that includes the position title and annual salary or wage amount for each position.

(e) General fund revenue and expenditure projections for the current fiscal year and the next fiscal year.

(f) A listing of all debt service obligations, detailed by project, anticipated fiscal year payment for each project, and total outstanding debt for the current fiscal year.

(g) The institution's policy regarding the transferability of core college courses between community colleges and the university.

(h) A listing of all community colleges that have entered into reverse transfer agreements with the university.

(3) On the website required under subsection (1), a public university shall provide a dashboard or report card demonstrating the university's performance in several "best practice" measures. The dashboard or report card shall include at least all of the following for the 3 most recent academic years for which the data are available:
(a) Enrollment.
(b) Student retention rate.
(c) Six-year graduation rates.
(d) Number of Pell grant recipients and graduating Pell grant recipients.
(e) Geographic origination of students, categorized as in-state, out-of-state, and international.
(f) Faculty to student ratios and total university employee to student ratios.
(g) Teaching load by faculty classification.
(h) Graduation outcome rates, including employment and continuing education.

(4) For statewide consistency and public visibility, public universities must use the icon badge provided by the department of technology, management, and budget consistent with the icon badge developed by the department of education for K-12 school districts. It must appear on the front of each public university's homepage. The size of the icon may be reduced to 150 x 150 pixels. The font size and style for this reporting must be consistent with other documents on each university's website.

(5) The state budget director shall determine whether a public university has complied with this section. The state budget director may withhold a public university's monthly installments described in section 241 until the public university complies with this section.

(6) By November 15 of each year, a public university shall report the following information to the center for educational
performance and information and post the information on its website under the budget transparency icon badge:

(a) Opportunities for earning college credit through the following programs:

(i) State approved career and technical education or a tech prep articulated program of study.

(ii) Direct college credit or concurrent enrollment.

(iii) Dual enrollment.

(iv) An early college/middle college program.

(b) For each program described in subdivision (a) that the public university offers, all of the following information:

(i) The number of high school students participating in the program.

(ii) The number of school districts that participate in the program with the public university.

(iii) Whether a university professor, qualified local school district employee, or other individual teaches the course or courses in the program.

(iv) The total cost to the public university to operate the program.

(v) The cost per credit hour for the course or courses in the program.

(vi) The location where the course or courses in the program are held.

(vii) Instructional resources offered to the program instructors.

(viii) Resources offered to the student in the program.
(ix) Transportation services provided to students in the program.


(2) THE GENERAL FUND/GENERAL PURPOSE FUNDS APPROPRIATED IN SECTION 236 FOR THE CHILDREN OF VETERANS AND OFFICER’S SURVIVOR TUITION GRANT PROGRAMS SHALL BE DEPOSITED INTO THE RESTRICTED ACCOUNT DESCRIBED IN SUBSECTION (1), AS REQUIRED IN SECTION 5 OF THE CHILDREN OF VETERANS TUITION GRANT ACT, 2005 PA 248, MCL 390.1345.

(3) FUNDS DEPOSITED INTO THE RESTRICTED ACCOUNT UNDER SUBSECTION (2) FOR THE CHILDREN OF VETERANS AND OFFICER’S SURVIVOR TUITION GRANT PROGRAMS ARE APPROPRIATED AND AVAILABLE FOR ALLOCATION AS REQUIRED IN THE CHILDREN OF VETERANS TUITION GRANT ACT, 2005 PA 248, MCL 390.1341 TO 390.1346.

SEC. 250. TO BE CONSIDERED ELIGIBLE FOR ANY SCHOLARSHIP OR GRANT FINANCIAL AID PROGRAM ADMINISTERED BY THE DEPARTMENT OF TREASURY, THE STUDENT MUST FILE THE FREE APPLICATION FOR FEDERAL STUDENT AID (FAFSA) ANNUALLY.

Sec. 251. (1) Payments of the amounts included in section 236 for the state competitive scholarship program shall be distributed
pursuant to 1964 PA 208, MCL 390.971 to 390.981.

(2) Pursuant to section 6 of 1964 PA 208, MCL 390.976, the
department of treasury shall determine an actual maximum state
competitive scholarship award per student, which shall be not less
than $575.00–$775.00, that ensures that the aggregate payments for
the state competitive scholarship program do not exceed the
appropriation contained in section 236 for the state competitive
scholarship program. If the department determines that insufficient
funds are available to establish a maximum award amount equal to at
least $575.00–$775.00, the department shall immediately report to
the house and senate appropriations subcommittees on higher
education, the house and senate fiscal agencies, and the state
budget director regarding the estimated amount of additional funds
necessary to establish a $575.00–$775.00 maximum award amount.

(3) The department of treasury shall implement a proportional
competitive scholarship maximum award level for recipients enrolled
less than full-time in a given semester or term.

(4) If a student who receives an award under this section has
his or her tuition and fees paid under the Michigan educational
trust program, pursuant to the Michigan education trust act, 1986
PA 316, MCL 390.1421 to 390.1442, and still has financial need, the
funds awarded under this section may be used for educational
expenses other than tuition and fees.

(5) If the department of treasury increases the maximum award
per eligible student from that provided in the previous fiscal
year, it shall not have the effect of reducing the number of
eligible students receiving awards in relation to the total number
of eligible applicants. Any increase in the maximum grant shall be proportional for all eligible students receiving awards.

(6) Veterans Administration benefits shall not be considered in determining eligibility for the award of scholarships under 1964 PA 208, MCL 390.971 to 390.981.


Sec. 252. (1) The amounts appropriated in section 236 for the state tuition grant program shall be distributed pursuant to 1966 PA 313, MCL 390.991 to 390.997a.

(2) Tuition grant awards shall be made to all eligible Michigan residents enrolled in undergraduate degree programs who are qualified and who apply before July 1, of each year for the next academic year. 2017 FOR THE 2017-2018 ACADEMIC YEAR. BEGINNING WITH THE 2018-2019 ACADEMIC YEAR, TUITION GRANT AWARDS SHALL BE MADE TO ALL ELIGIBLE MICHIGAN RESIDENTS ENROLLED IN UNDERGRADUATE DEGREE PROGRAMS WHO ARE QUALIFIED AND WHO APPLY BEFORE JUNE 1 OF EACH YEAR FOR THE NEXT ACADEMIC YEAR.

(3) BEGINNING WITH THE 2018-2019 ACADEMIC YEAR, A TUITION GRANT MAY BE RENEWED FOR NOT MORE THAN 10 SEMESTERS OR ITS EQUIVALENT IN TRIMESTERS OR QUARTERS OF UNDERGRADUATE EDUCATION, OR
IF AN ELIGIBLE APPLICANT HAS NOT COMPLETED USING THE GRANT WITHIN 10 YEARS AFTER HIS OR HER ELIGIBILITY IS DETERMINED, WHICHEVER OCCURS FIRST. THE DEPARTMENT SHALL DETERMINE AN EQUIVALENT TO 10 SEMESTERS OR ITS EQUIVALENT IN TRIMESTERS OR QUARTERS OF UNDERGRADUATE EDUCATION FOR LESS THAN FULL-TIME BUT MORE THAN HALF-TIME STUDENTS.

(4) Pursuant to section 5 of 1966 PA 313, MCL 390.995, and subject to subsections (7)-(8) and (8)-(9), the department of treasury shall determine an actual maximum tuition grant award per student, which shall be no less than $1,512.00, $1,750.00, that ensures that the aggregate payments for the tuition grant program do not exceed the appropriation contained in section 236 for the state tuition grant program. If the department determines that insufficient funds are available to establish a maximum award amount equal to at least $1,512.00, $1,750.00, the department shall immediately report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding the estimated amount of additional funds necessary to establish a $1,512.00 $1,750.00 maximum award amount. If the department determines that sufficient funds are available to establish a maximum award amount equal to at least $1,512.00, $1,750.00, the department shall immediately report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding the maximum award amount established and the projected amount of any projected year-end appropriation balance based on that maximum award amount. By
February 18 of each fiscal year, the department shall analyze the status of award commitments, shall make any necessary adjustments, and shall confirm that those award commitments will not exceed the appropriation contained in section 236 for the tuition grant program. The determination and actions shall be reported to the state budget director and the house and senate fiscal agencies no later than the final day of February of each year. If award adjustments are necessary, the students shall be notified of the adjustment by March 4 of each year.


(6) The department of treasury shall continue a proportional tuition grant maximum award level for recipients enrolled less than full-time in a given semester or term.

(7) If the department of treasury increases the maximum award per eligible student from that provided in the previous fiscal year, it shall not have the effect of reducing the number of eligible students receiving awards in relation to the total number of eligible applicants. Any increase in the maximum grant shall be proportional for all eligible students receiving awards for that
fiscal year.

(8) Except as provided in subsection (4), the department of treasury shall not award more than $3,200,000.00 in tuition grants to eligible students enrolled in the same independent nonprofit college or university in this state. Any decrease in the maximum grant shall be proportional for all eligible students enrolled in that college or university, as determined by the department.

(9) The department of treasury shall not award tuition grants to otherwise eligible students enrolled in an independent college or university that does not report, in a form and manner directed by and satisfactory to the department of treasury, by September 30, OCTOBER 31 of each year, all of the following:

(a) The number of students in the most recently completed academic year who in any academic year received a state tuition grant at the reporting institution and successfully completed a program or graduated.

(b) The number of students in the most recently completed academic year who in any academic year received a state tuition grant at the reporting institution and took a remedial education class.

(c) The number of students in the most recently completed academic year who in any academic year received a Pell grant at the reporting institution and successfully completed a program or graduated.

(10) By February 1, 2017, 2018, each independent college and university participating in the tuition grant program shall
report to the senate and house appropriations subcommittees on higher education, the senate and house fiscal agencies, and the state budget director on its efforts to develop and implement sexual assault response training for the institution's title IX coordinator, campus law enforcement personnel, campus public safety personnel, and any other campus personnel charged with responding to on-campus incidents, including information on sexual assault response training materials and the status of implementing sexual assault response training for institutional personnel.

Sec. 254. The sums appropriated in section 236 for the state competitive scholarship, tuition incentive, and tuition grant programs shall be paid out of the state treasury and shall be distributed to the respective institutions under a quarterly payment system as follows:

(a) For the state competitive scholarship and tuition grant programs, 50% shall be paid at the beginning of the state's first fiscal quarter, 30% during the state's second fiscal quarter, 10% during the state's third fiscal quarter, and 10% during the state's fourth fiscal quarter.

(b) For the tuition incentive program, 65% shall be paid at the beginning of the state's first fiscal quarter, 35% during the state's second fiscal quarter, and 5% during the state's third fiscal quarter.

Sec. 256. (1) The funds appropriated in section 236 for the tuition incentive program shall be distributed as provided in this section and pursuant to the administrative procedures for the tuition incentive program of the department of treasury.
(2) As used in this section:

(a) "Phase I" means the first part of the tuition incentive assistance program defined as the academic period of 80 semester or 120 term credits, or less, leading to an associate degree or certificate. **STUDENTS MUST BE ENROLLED IN A CERTIFICATE OR ASSOCIATE DEGREE PROGRAM AND TAKING CLASSES WITHIN THE PROGRAM OF STUDY FOR A CERTIFICATE OR ASSOCIATE DEGREE. TUITION WILL NOT BE COVERED FOR COURSES OUTSIDE OF A CERTIFICATE OR ASSOCIATE DEGREE PROGRAM.**

(b) "Phase II" means the second part of the tuition incentive assistance program which provides assistance in the third and fourth year of 4-year degree programs.

(c) "Department" means the department of treasury.

(d) "High school equivalency certificate" means that term as defined in section 4.

(3) An individual shall meet the following basic criteria and financial thresholds to be eligible for tuition incentive program benefits:

(a) To be eligible for phase I, an individual shall meet all of the following criteria:

(i) Apply for certification to the department any time after he or she begins the sixth grade but before August 31 of the school year in which he or she graduates from high school or before achieving a high school equivalency certificate.

(ii) Be less than 20 years of age at the time he or she graduates from high school with a diploma or certificate of completion or achieves a high school equivalency certificate **OR,**
FOR STUDENTS ATTENDING A 5-YEAR MIDDLE COLLEGE APPROVED BY THE
MICHIGAN DEPARTMENT OF EDUCATION, BE LESS THAN 21 YEARS OF AGE WHEN
HE OR SHE GRADUATES FROM HIGH SCHOOL.

(iii) Be a United States citizen and a resident of Michigan THIS STATE according to institutional criteria.

(iv) Be at least a half-time student, earning less than 80 semester or 120 term credits at a participating educational institution within 4 years of high school graduation or achievement of a high school equivalency certificate. ALL PROGRAM ELIGIBILITY EXPIRES 6 YEARS FROM HIGH SCHOOL GRADUATION OR ACHIEVEMENT OF A HIGH SCHOOL EQUIVALENCY CERTIFICATE.

(v) Request information on filing a FAFSA.

(vi) Meet the satisfactory academic progress policy of the educational institution he or she attends.

(b) To be eligible for phase II, an individual shall meet either of the following criteria in addition to the criteria in subdivision (a):

(i) Complete at least 56 transferable semester or 84 transferable term credits.

(ii) Obtain an associate degree or certificate at a participating institution.

(c) To be eligible for phase I or phase II, an individual must not be incarcerated and must be financially eligible as determined by the department. An individual is financially eligible for the tuition incentive program if he or she was eligible for Medicaid from the THIS state of Michigan for 24 months within the 36 consecutive months before application. The department shall accept
certification of Medicaid eligibility only from the department of health and human services for the purposes of verifying if a person is Medicaid eligible for 24 months within the 36 consecutive months before application. Certification of eligibility may begin in the sixth grade. As used in this subdivision, "incarcerated" does not include detention of a juvenile in a state-operated or privately operated juvenile detention facility.

(4) Beginning in fiscal year 2017-2018, the department shall not award more than $8,500,000.00 annually in tuition incentive program funds to eligible students enrolled in the same college or university in this state.

(5) For phase I, the department shall provide payment on behalf of a person eligible under subsection (3). The department shall ONLY ACCEPT STANDARD PER-CREDIT HOUR TUITION BILLINGS AND SHALL reject billings that are excessive or outside the guidelines for the type of educational institution.

(6) For phase I, all of the following apply:

(a) Payments for associate degree or certificate programs shall not be made for more than 80 semester or 120 term credits for any individual student at any participating institution.

(b) For persons enrolled at a Michigan community college, the department shall pay the current in-district tuition and mandatory fees. For persons residing in an area that is not included in any community college district, the out-of-district tuition rate may be authorized.

(c) For FISCAL YEAR 2017-2018, FOR persons enrolled at a Michigan public university, the department shall pay lower division
resident tuition and mandatory fees for the current year. BEGINNING IN FISCAL YEAR 2018-2019, FOR PERSONS ENROLLED AT A MICHIGAN PUBLIC UNIVERSITY, THE DEPARTMENT SHALL PAY MANDATORY FEES FOR THE CURRENT YEAR AND A PER-CREDIT PAYMENT THAT DOES NOT EXCEED 3 TIMES THE AVERAGE COMMUNITY COLLEGE IN-DISTRICT PER-CREDIT TUITION RATE AS REPORTED ON AUGUST 1 FOR THE IMMEDIATELY PRECEDING ACADEMIC YEAR.

(d) For persons enrolled at a Michigan independent, nonprofit degree-granting college or university, or a Michigan federal tribally controlled community college, or Focus: HOPE, the department shall pay mandatory fees for the current year and a per-credit payment that does not exceed the average community college in-district per-credit tuition rate as reported on August 1, for the immediately preceding academic year.

(7) A person participating in phase II may be eligible for additional funds not to exceed $500.00 per semester or $400.00 per term up to a maximum of $2,000.00 subject to the following conditions:

(a) Credits are earned in a 4-year program at a Michigan degree-granting 4-year college or university.

(b) The tuition reimbursement is for coursework completed within 30 months of completion of the phase I requirements.

(8) The department shall work closely with participating institutions to develop an application and eligibility determination process that will provide the highest level of participation and ensure that all requirements of the program are met.

(9) Applications for the tuition incentive program may be
approved at any time after the student begins the sixth grade. If a
determination of financial eligibility is made, that determination
is valid as long as the student meets all other program
requirements and conditions.

(10) Each institution shall ensure that all known available
restricted grants for tuition and fees are used prior to billing
the tuition incentive program for any portion of a student's
tuition and fees.

(11) The department shall ensure that the tuition incentive
program is well publicized and that eligible Medicaid clients are
provided information on the program. The department shall provide
the necessary funding and staff to fully operate the program.

(12) ANY UNEXPENDED AND UNENCUMBERED FUNDS REMAINING ON
SEPTEMBER 30, 2018 FROM THE AMOUNTS APPROPRIATED IN SECTION 236 FOR
THE TUITION INCENTIVE PROGRAM FOR FISCAL YEAR 2017-2018 DO NOT
LAPSE ON SEPTEMBER 30, 2018, BUT CONTINUE TO BE AVAILABLE FOR
EXPENDITURE FOR TUITION INCENTIVE PROGRAM FUNDS PROVIDED IN THE
2018-2019 FISCAL YEAR UNDER A WORK PROJECT ACCOUNT. THE USE OF
THESE UNEXPENDED FISCAL YEAR 2017-2018 FUNDS TERMINATES AT THE END
OF THE 2018-2019 FISCAL YEAR.

(13) THE DEPARTMENT OF TREASURY SHALL COLLABORATE WITH THE
CENTER TO USE THE P-20 LONGITUDINAL DATA SYSTEM TO REPORT THE
FOLLOWING INFORMATION FOR EACH QUALIFIED POSTSECONDARY INSTITUTION:

(A) THE NUMBER OF PHASE I STUDENTS IN THE MOST RECENTLY
COMPLETED ACADEMIC YEAR WHO IN ANY ACADEMIC YEAR RECEIVED A TUITION
INCENTIVE PROGRAM AWARD AND WHO SUCCESSFULLY COMPLETED A DEGREE OR
CERTIFICATE PROGRAM. COHORT GRADUATION RATES FOR PHASE I STUDENTS
(B) The number of students in the most recently completed academic year who in any academic year received a Pell grant at the reporting institution and who successfully completed a degree or certificate program. Cohort graduation rates for students who received Pell grants shall be calculated using the established success rate methodology developed by the center in collaboration with the postsecondary institutions.

(14) If a qualified postsecondary institution does not report the data necessary to comply with subsection (13) to the P-20 longitudinal data system, the institution shall report, in a form and manner satisfactory to the Department of Treasury and the center, all of the information needed to comply with subsection (13) by December 1, 2017.

(15) Beginning in fiscal year 2018-2019, if a qualified postsecondary institution does not report the data necessary to complete the reporting in subsection (13) to the P-20 longitudinal data system by October 15 for the prior academic year, the Department of Treasury shall not award Phase I tuition incentive program funding to otherwise eligible students enrolled in that institution until the data are submitted.

Sec. 263. (1) Included in the appropriation in section 236 for fiscal year 2016-2017-2017-2018 for MSU AgBioResearch is $2,982,900.00 and included in the appropriation in section 236 for MSU Extension is $2,645,200.00 for Project GREEEN. Project GREEEN

SHALL BE CALCULATED USING THE ESTABLISHED SUCCESS RATE METHODOLOGY DEVELOPED BY THE CENTER IN COLLABORATION WITH THE POSTSECONDARY INSTITUTIONS.
is intended to address critical regulatory, food safety, economic, and environmental problems faced by this state's plant-based agriculture, forestry, and processing industries. "GREEEN" is an acronym for Generating Research and Extension to Meet Environmental and Economic Needs.

(2) The department of agriculture and rural development and Michigan State University, in consultation with agricultural commodity groups and other interested parties, shall develop Project GREEEN and its program priorities.

Sec. 263a. (1) Not later than September 30 of each year, Michigan State University shall submit a report on MSU AgBioResearch and MSU Extension to the house and senate appropriations subcommittees on agriculture and on higher education, the house and senate standing committees on agriculture, the house and senate fiscal agencies, and the state budget director for the preceding academic fiscal year.

(2) The report required under subsection (1) shall include all of the following:

(a) Total funds expended by MSU AgBioResearch and by MSU Extension identified by state, local, private, federal, and university fund sources.

(b) The metric goals that were used to evaluate the impacts of programs operated by MSU Extension and MSU AgBioResearch. The following metric goals will be used to evaluate the impacts of those programs:

(i) Increasing the number of agriculture and food-related firms collaborating with and using services of research and
extension faculty and staff by 3% per year.

   (ii) Increasing the number of individuals utilizing MSU Extension's educational services by 5% per year.

   (iii) Increasing external funds generated in support of research and extension, beyond state appropriations, by 10% over the amounts generated in the past 3 state fiscal years.

   (iv) Increasing the sector's total economic impact to at least $100,000,000,000.00-$125,000,000,000.00.

   (v) Increasing Michigan's agricultural exports to at least $3,500,000,000.00-$4,250,000,000.00.

   (vi) Increasing jobs in the food and agriculture sector by 10%.

   (vi) (vii) Improving access by Michigan consumers to healthy foods by 20%.

   (c) A review of major programs within both MSU AgBioResearch and MSU Extension with specific reference to accomplishments, impacts, and the metrics described in subdivision (b), including a specific accounting of Project GREEEN expenditures and the impact of those expenditures.

Sec. 264. Included in the appropriation in section 236 for fiscal year 2016-2017-2017-2018 for Michigan State University is $80,000.00 for the Michigan Future Farmers of America Association. This $80,000.00 allocation shall not supplant any existing support that Michigan State University provides to the Michigan Future Farmers of America Association.

Sec. 265. (1) Payments under section 265a for performance funding shall only be made to a public university that certifies to
the state budget director by August 31, 2016-2017 that its board did not adopt an increase in tuition and fee rates for resident undergraduate students after September 1, 2015-2016 for the 2015-2016-2017 academic year and that its board will not adopt an increase in tuition and fee rates for resident undergraduate students for the 2016-2017-2017-2018 academic year that is greater than 4.2% -3.8% OR $475.00, WHICHEVER IS GREATER. As used in this subsection:

(a) "Fee" means any board-authorized fee that will be paid by more than 1/2 of all resident undergraduate students at least once during their enrollment at a public university, as described in the higher education institutional data inventory (HEIDI) user manual. A university increasing a fee that applies to a specific subset of students or courses shall provide sufficient information to prove that the increase applied to that subset will not cause the increase in the average amount of board-authorized total tuition and fees paid by resident undergraduate students in the 2016-2017 2017-2018 academic year to exceed the limit established in this subsection.

(b) "Tuition and fee rate" means the average of full-time rates paid by a majority of students in each undergraduate class, based on an unweighted average of the rates authorized by the university board and actually charged to students, deducting any uniformly rebated or refunded amounts, for the 2 semesters with the highest levels of full-time equated resident undergraduate enrollment during the academic year, as described in the higher education institutional data inventory (HEIDI) user manual.
(c) For purposes of subdivision (a), for a public university that compels resident undergraduate students to be covered by health insurance as a condition to enroll at the university, "fee" includes the annual amount a student is charged for coverage by the university-affiliated group health insurance policy if he or she does not provide proof that he or she is otherwise covered by health insurance. This subdivision does not apply to limited subsets of resident undergraduate students to be covered by health insurance for specific reasons other than general enrollment at the university.

(2) The state budget director shall implement uniform reporting requirements to ensure that a public university receiving a payment under section 265a for performance funding has satisfied the tuition restraint requirements of this section. The state budget director shall have the sole authority to determine if a public university has met the requirements of this section. Information reported by a public university to the state budget director under this subsection shall also be reported to the house and senate appropriations subcommittees on higher education and the house and senate fiscal agencies.

(3) Universities that exceed the tuition and fee rate cap described in subsection (1) shall not receive a planning or construction authorization for a state-funded capital outlay project in fiscal year 2017-2018-2018-2019 or fiscal year 2018-2019-2019-2020.

(4) Notwithstanding any other provision of this act, the legislature may at any time adjust appropriations for a university
that adopts an increase in tuition and fee rates for resident undergraduate students that exceeds the rate cap established in subsection (1).

Sec. 265a. (1) Appropriations to public universities in section 236 for fiscal year 2016-2017 for performance funding shall be paid only to a public university that complies with section 265 and certifies to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies by August 31, 2016-2017 that it complies with all of the following requirements:

(a) The university participates in reverse transfer agreements described in section 286 with at least 3 Michigan community colleges.

(b) The university does not and will not consider whether dual enrollment credits earned by an incoming student were utilized towards his or her high school graduation requirements when making a determination as to whether those credits may be used by the student toward completion of a university degree or certificate program.

(c) The university actively participates in and submits timely updates to the Michigan Transfer Network created as part of the Michigan Association of Collegiate Registrars and Admissions Officers transfer agreement.

(2) Any performance funding amounts under section 236 that are not paid to a public university because it did not comply with 1 or more requirements under subsection (1) are unappropriated and reappropriated for performance funding to those public universities
that meet the requirements under subsection (1), distributed in proportion to their performance funding appropriation amounts under section 236.

(3) The state budget director shall report to the house and senate appropriations subcommittees on higher education and the house and senate fiscal agencies by September 30, 2016, 2017, regarding any performance funding amounts that are not paid to a public university because it did not comply with 1 or more requirements under subsection (1) and any reappropriation of funds under subsection (2).

(4) Performance funding amounts described in section 236 are distributed based on the following formula:

(a) Proportional to each university's share of total operations funding appropriated in fiscal year 2010-2011, 50%.

(b) Based on weighted undergraduate completions in critical skills areas, 11.1%.

(c) Based on research and development expenditures, for universities classified in Carnegie classifications as doctoral/research universities, research universities (high research activity), or research universities (very high research activity)—DOCTORAL UNIVERSITIES: MODERATE RESEARCH ACTIVITY, DOCTORAL UNIVERSITIES: HIGHER RESEARCH ACTIVITY, OR DOCTORAL UNIVERSITIES: HIGHEST RESEARCH ACTIVITY only, 5.6%.

(d) Based on 6-year graduation rate, total degree completions, and institutional support as a percentage of core expenditures, and the percentage of students receiving Pell grants, scored against national Carnegie classification peers and weighted by total
undergraduate fiscal year equated students, 33.3%.

(5) For purposes of determining the score of a university under subsection (4)(d), each university is assigned 1 of the following scores:

(a) A university classified as in the top 20%, a score of 3.
(b) A university classified as above national median, a score of 2.
(c) A university classified as improving, a score of 2. It is the intent of the legislature that, beginning in the 2017-2018 state fiscal year, a university classified as improving is assigned a score of 1.
(d) A university that is not included in subdivision (a), (b), or (c), a score of 0.

(6) As used in this section, "Carnegie classification" means the basic classification of the university according to the most recent version prior to February 1, 2016 of the Carnegie classification of institutions of higher education, published by the Carnegie Foundation for the Advancement of Teaching.

Sec. 267. All public universities shall submit the amount of tuition and fees actually charged to a full-time resident undergraduate student for academic year 2016-2017-2017-2018 as part of their higher education institutional data inventory (HEIDI) data by August 31 of each year. A public university shall report any revisions for any semester of the reported academic year 2016-2017-2017-2018 tuition and fee charges to HEIDI within 15 days of being adopted.

Sec. 268. (1) For the fiscal year ending September 30, 2017-
2018, it is the intent of the legislature that funds be allocated for unfunded North American Indian tuition waiver costs incurred by public universities under 1976 PA 174, MCL 390.1251 to 390.1253, from the general fund.

(2) By February 15 of each year, the department of civil rights shall annually submit to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies a report on North American Indian tuition waivers for the preceding fiscal academic year that includes, but is not limited to, all of the following information:

(a) The number of waiver applications received and the number of waiver applications approved.

(b) For each university submitting information under subsection (3), all of the following:

(i) The number of graduate and undergraduate North American Indian students enrolled each term for the previous fiscal academic year.

(ii) The number of North American Indian waivers granted each term, including to continuing education students, and the monetary value of the waivers for the previous fiscal academic year.

(iii) The number of graduate and undergraduate students attending under a North American Indian tuition waiver who withdrew from the university each term during the previous fiscal academic year. For purposes of this subparagraph, a withdrawal occurs when a student who has been awarded the waiver withdraws from the institution at any point during the term, regardless of enrollment in subsequent terms.
(iv) The number of graduate and undergraduate students attending under a North American Indian tuition waiver who successfully complete a degree or certificate program, separated by degree or certificate level, and the graduation rate for graduate and undergraduate students attending under a North American Indian tuition waiver who complete a degree OR CERTIFICATE within 150% of the normal time to complete, separated by the level of the degree OR CERTIFICATE.

(3) A public university that receives funds under section 236 shall provide to the department of civil rights any information necessary for preparing the report detailed in subsection (2), using guidelines and procedures developed by the department of civil rights.

(4) The department of civil rights may consolidate the report required under this section with the report required under section 223, but a consolidated report must separately identify data for universities and data for community colleges.

Sec. 269. For fiscal year 2016-2017, 2017-2018, from the amount appropriated in section 236 to Central Michigan University for operations, $29,700.00 shall be paid to Saginaw Chippewa Tribal College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253.

Sec. 270. For fiscal year 2016-2017, 2017-2018, from the amount appropriated in section 236 to Lake Superior State University for operations, $100,000.00 shall be paid to Bay Mills Community College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253.
Sec. 274. It is the intent of the legislature that public and private organizations that conduct human embryonic stem cell derivation subject to section 27 of article I of the state constitution of 1963 will provide information to the director of the department of health and human services by December 1, 2017 that includes all of the following:

(a) Documentation that the organization conducting human embryonic stem cell derivation is conducting its activities in compliance with the requirements of section 27 of article I of the state constitution of 1963 and all relevant National Institutes of Health guidelines pertaining to embryonic stem cell derivation.

(b) A list of all human embryonic stem cell lines submitted by the organization to the National Institutes of Health for inclusion in the Human Embryonic Stem Cell Registry before and during fiscal year 2015-2016, 2016-2017, and the status of each submission as approved, pending approval, or review completed but not yet accepted.

(c) Number of human embryonic stem cell lines derived and not submitted for inclusion in the Human Embryonic Stem Cell Registry, before and during fiscal year 2015-2016, 2016-2017.

Sec. 274c. By February 1, 2017, 2018, each university receiving funds under section 236 shall report to the senate and house appropriations subcommittees on higher education, the senate and house fiscal agencies, and the state budget director on its efforts to develop and implement sexual assault response training for the university's title IX coordinator, campus law enforcement personnel, campus public safety personnel, and any other campus
personnel charged with responding to on-campus incidents, including information on sexual assault response training materials and the status of implementing sexual assault response training for campus personnel.


Sec. 275. (1) It is the intent of the legislature that each public university that receives an appropriation in section 236 SHALL do all of the following:

(a) Meet the provisions of section 5003 of the post-911 veterans educational assistance act of 2008, 38 USC 3301 to 3327, including voluntary participation in the Yellow Ribbon GI Education Enhancement Program established in that act in 38 USC 3317. By October 1 of each year, each public university shall report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the Michigan Association of State Universities on whether or not it has chosen to participate in the Yellow Ribbon GI Education Enhancement Program. If at any time during the fiscal year a university participating in the Yellow Ribbon Program chooses to leave the Yellow Ribbon Program, it shall notify the house and senate...
appropriations subcommittees on higher education, the house and senate fiscal agencies, and the Michigan Association of State Universities.

(b) Establish an on-campus veterans' liaison to provide information and assistance to all student veterans.

(c) Provide flexible enrollment application deadlines for all veterans.

(d) Include in its admission application process a specific question as to whether an applicant for admission is a veteran, an active member of the military, a member of the National Guard or military reserves, or the spouse or dependent of a veteran, active member of the military, or member of the National Guard or military reserves, in order to more quickly identify potential educational assistance available to that applicant.

(e) Consider all veterans residents of this state for determining their tuition rates and fees.

(f) Waive enrollment fees for all veterans.

(2) By October 1 of each year, each public university shall report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the department of military and veterans affairs regarding services provided specifically to veterans and active military duty personnel, including, but not limited to, the services described in subsection (1).

(3) As used in this section, "veteran" means an honorably discharged veteran entitled to educational assistance under the provisions of section 5003 of the post-911 veterans educational
Sec. 276. (1) Included in the appropriation for fiscal year 2016-2017-2017-2018 for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks future faculty program that is intended to increase the pool of academically or economically disadvantaged candidates pursuing faculty teaching careers in postsecondary education. Preference may not be given to applicants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage applications from applicants who would otherwise not adequately be represented in the graduate student and faculty populations. Each public university shall apply the percentage change applicable to every public university in the calculation of appropriations in section 236 to the amount of funds allocated to the future faculty program.

(2) The program shall be administered by each public university in a manner prescribed by the workforce development agency. The workforce development agency shall use a good faith effort standard to evaluate whether a fellowship is in default.

Sec. 277. (1) Included in the appropriation for fiscal year 2016-2017-2017-2018 for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college day program that is intended to introduce academically or economically disadvantaged schoolchildren to the potential of a college education. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Public universities should encourage participation from those who
would otherwise not adequately be represented in the student population.

(2) Individual program plans of each public university shall include a budget of equal contributions from this program, the participating public university, the participating school district, and the participating independent degree-granting college. College day funds shall not be expended to cover indirect costs. Not more than 20% of the university match shall be attributable to indirect costs. Each public university shall apply the percentage change applicable to every public university in the calculation of appropriations in section 236 to the amount of funds allocated to the college day program.

(3) The program described in this section shall be administered by each public university in a manner prescribed by the workforce development agency.

Sec. 278. (1) Included in section 236 for fiscal year 2016-2017-2018 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks select student support services program for developing academically or economically disadvantaged student retention programs for 4-year public and independent educational institutions in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) An award made under this program to any 1 institution shall not be greater than $150,000.00, and the amount awarded shall
be matched on a 70% state, 30% college or university basis.

(3) The program described in this section shall be administered by the workforce development agency.

Sec. 279. (1) Included in section 236 for fiscal year 2016-2017-2018 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college/university partnership program between 4-year public and independent colleges and universities and public community colleges, which is intended to increase the number of academically or economically disadvantaged students who transfer from community colleges into baccalaureate programs. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the transfer student population.

(2) The grants shall be made under the program described in this section to Michigan public and independent colleges and universities. An award to any 1 institution shall not be greater than $150,000.00, and the amount awarded shall be matched on a 70% state, 30% college or university basis.

(3) The program described in this section shall be administered by the workforce development agency.

Sec. 280. (1) Included in the appropriation for fiscal year 2016-2017-2017-2018 for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks visiting professors program which is intended to increase the number of instructors in the classroom to provide role models for academically or economically disadvantaged students. Preference may
not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Public universities should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) The program described in this section shall be administered by the workforce development agency.

Sec. 281. (1) Included in the appropriation for fiscal year 2016-2017-2017-2018 in section 236 is funding under the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks initiative for the Morris Hood, Jr. educator development program which is intended to increase the number of academically or economically disadvantaged students who enroll in and complete K-12 teacher education programs at the baccalaureate level. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the teacher education student population.

(2) The program described in this section shall be administered by each state-approved teacher education institution in a manner prescribed by the workforce development agency.

(3) Approved teacher education institutions may and are encouraged to use student support services funding in coordination with the Morris Hood, Jr. funding to achieve the goals of the program described in this section.

Sec. 282. Each institution receiving funds for fiscal year 2016-2017-2017-2018 under section 278, 279, or 281 shall notify the workforce development agency by April 15, 2017 as to
whether it will expend by the end of its fiscal year the funds received under section 278, 279, or 281. 2018 THE UNOBLIGATED AND UNEXPENDED FUNDS AS OF MARCH 31, 2018 AND A PLAN TO EXPEND THE REMAINING FUNDS BY THE END OF THE FISCAL YEAR. Notwithstanding the award limitations in sections 278 and 279, the amount of funding reported as not being expended will be reallocated to the institutions that intend to expend all funding received under section 278, 279, or 281.

Sec. 283. (1) From the amount appropriated in section 236, the public universities shall systematically using the data provided to the center as required by section 244 of this act, the center shall use the p-20 longitudinal data system to inform interested Michigan high schools and the public regarding the aggregate academic status of its students. From each high school in a manner prescribed by the center shall work with the universities and the Michigan Association of State Universities and in cooperation with the Michigan Association of Secondary School Principals. Public universities shall also work with the center for educational performance and information to maintain a systematic approach for accomplishing this task.

(2) Michigan high schools shall systematically inform the public universities about the use of information received under this section in a manner prescribed by the Michigan Association of Secondary School Principals in cooperation with the Michigan Association of State Universities.

Sec. 284. From the amount appropriated in section 236, the public universities using data provided to the center as required...
BY SECTION 244 OF THIS ACT, THE CENTER shall USE THE P-20 LONGITUDINAL DATA SYSTEM TO inform Michigan community colleges regarding the academic status of community college transfer students. in a manner prescribed by THE CENTER SHALL WORK WITH THE UNIVERSITIES AND the Michigan Association of State Universities in cooperation with the Michigan Community College Association. Public universities shall also work with the center for educational performance and information to maintain a systematic approach for accomplishing this task.

Sec. 286a. By February 1, 2017, 2018, the Michigan Community College Association, the Michigan Association of State Universities, and the Michigan Independent Colleges and Universities, on behalf of their member colleges and universities, shall submit to the senate and house appropriations subcommittees on higher education, the senate and house appropriations subcommittees on community colleges, the senate and house fiscal agencies, and the state budget director a comprehensive report detailing the number of academic program partnerships between public community colleges, public universities, and private colleges and universities, including, but not limited to, the following information:

(a) The names of the baccalaureate degree programs of study offered by public and private universities on community college campuses.

(b) The names of the articulation agreements for baccalaureate degree programs of study between public community colleges, public universities, and private colleges and universities.
(c) The number of students enrolled and number of degrees
awarded through articulation agreements, and the number of courses
offered, number of students enrolled, and number of degrees awarded
through on-campus programs named in subdivision (a) from July 1, 2015-2016 through June 30, 2016-2017.

Enacting section 1. (1) In accordance with section 30 of
article IX of the state constitution of 1963, total state spending
from state sources on state school aid under article I of the state
school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772, as
amended by 2016 PA 249 and this amendatory act, for fiscal year
2016-2017 is estimated at $12,326,709,400.00, and state
appropriations for school aid to be paid to local units of
government for fiscal year 2016-2017 are estimated at
$12,162,929,700.00. In accordance with section 30 of article IX of
the state constitution of 1963, total state spending from state
sources on school aid under article I of the state school aid act
of 1979, 1979 PA 94, MCL 388.1601 to 388.1772, as amended by this
amendatory act, for fiscal year 2017-2018 is estimated at
$12,582,507,200.00, and state appropriations for school aid to be
paid to local units of government for fiscal year 2017-2018 are
estimated at $12,417,153,600.00.

(2) In accordance with section 30 of article IX of the state
constitution of 1963, total state spending from state sources for
community colleges for fiscal year 2017-2018 under article II of
the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to
388.1830, is estimated at $395,142,600.00 and the amount of that
state spending from state sources to be paid to local units of
House Bill No. 4313 as amended May 2, 2017

government for fiscal year 2017-2018 is estimated at

$395,142,600.00.

(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2017-2018 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, is estimated at [$1,509,598,000.00] and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2017-2018 is estimated at $0.00.

Enacting section 2. Sections 11o, 20g, 21, 31c, 31h, 31j, 32q, 35, 55, 63, 65, and 95a of the state school aid act of 1979, 1979 PA 94, MCL 388.1611o, 388.1620g, 388.1621, 388.1631c, 388.1631h, 388.1631j, 388.1632q, 388.1635, 388.1655, 388.1663, 388.1665, and 388.1695a, are repealed effective October 1, 2017.

Enacting section 3. (1) Except as otherwise provided in subsection (2), this amendatory act takes effect October 1, 2017.

(2) Sections 11, 11m, 11r, 11s, 15, 22a, 22b, 22g, 26a, 26c, 31f, 39a, 51a, 51c, 56, 61b, and 62 of the state school aid act of 1979, 1979 PA 94, MCL 388.1611, 388.1611m, 388.1611r, 388.1611s, 388.1615, 388.1622a, 388.1622b, 388.1622g, 388.1626a, 388.1626c, 388.1631f, 388.1639a, 388.1651a, 388.1651c, 388.1656, 388.1661b, and 388.1662, as amended by this amendatory act, take effect upon enactment of this amendatory act.