

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law, Executive Recommendation, and Senate Passed Senate Bill 1163, Fiscal Year 2009-10 and Fiscal Year 2010-11

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 6 Pupil Membership Definitions	N/A	6(4)(L) N/A	6(4)(L) Adds a new provision where a pupil may be up to 22 years of age in a PSA focused on educating homeless, dropped out kids in a city with over 750,000 people.	6(4)(L) Not included.	6(4)(L) Concurs with the Senate but allows the pupils to be enrolled in either a PSA or a district alternative education program in a city with over 750,000 people.
		6(4)(FF) N/A	6(4)(FF) N/A	6(4)(FF) adds new language that counts a pupil in a cyber school or in a program under a seat-time waiver as 75% of a full-time equivalent student.	6(4)(FF) Concurs with Senate - Not included.
		6(6)(J) N/A	6(6)(J) N/A	6(6)(J) revises subsection to allow a district to count the child of an employee who was enrolled in the district under this subsection prior to being laid off because of a reduction in the district's workforce.	6(6)(J) Concurs with House.
		6(6)(O) Allows a district to count, without resident district approval, a pupil who transfers from another district as a requirement of the resident district not making AYP under the Federal NCLB Act.	6(6)(O) Concurs with Executive.	6(6)(O) Concurs with Executive and Senate however changes district to school building.	6(6)(O) Concurs with House.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 11 Total Appropriations	School Aid Fund (SAF) FY 2009-10 SAF appropriation after vetoes of \$10,741,605,400.	Revised FY 2009-10 SAF (including adjustments for vetoes and technical cost changes) of \$10,617,833,500.	Revised FY 2009-10 SAF of \$10,669,333,500 and increases of \$51,500,000 over the Executive proposal.	Revised FY 2009-10 SAF to \$10,725,857,500.	Revised FY 2009-10 SAF to \$10,614,891,500.
	SAF FY 2010-11	FY 2010-11 SAF appropriation of \$10,968,776,900.	FY 2010-11 SAF appropriation of \$10,617,876,900.	FY 2010-11 SAF appropriation of \$11,052,638,700.	FY 2010-11 SAF appropriation of \$10,949,559,200.
	General Fund (GF/GP) FY 2009-10 appropriation prior to vetoes of \$31,800,000.	Revised GF/GP FY 2009-10 appropriation of \$30,206,200 to reflect vetoes, continued into FY 2010-11.	GF/GP increases by \$195,400,000 to \$225,606,200 for FY 2010-11	GF/GP FY 2010-11 appropriation of \$31,706,200	GF/GP FY 2010-11 appropriation of \$30,206,200.
	Federal American Recovery and Reinvestment Act (ARRA) Fund FY 2009-10 appropriation of \$450,000,000 from Title XIV.	FY 2010-11 ARRA appropriation of \$184,256,600. Race to the Top funds also are awarded for FY 2010-11, in the event Michigan is successful in its application for funding.	Concurs with appropriating remaining ARRA funds, but strikes appropriation for Race to the Top.	FY 2010-11 ARRA appropriation of \$184,256,600. Race to the Top funds also are awarded for FY 2010-11, in the event Michigan is successful in its application for funding.	FY 2010-11 ARRA appropriation of \$184,256,600. Concurs with Senate and leaves out RTTT funds. (5) Adds contingency appropriations which would increase SAF by \$26,167,500 and reduce GF/GP by \$2,363,800 if Michigan does not receive an award under RTTT.
Sec. 11d Per pupil Reduction	Reduces total state aid to districts by \$165 per pupil and allows districts to absorb the cut by reducing or eliminating any other funded program except secs. 11g, 22a, 31d, 51a(12), 51c and 53a. This is a real reduction that is not backfilled by ARRA funds. Estimated total reduction is \$263,000,000.	Continues the \$165 per pupil reduction in total State aid into FY 2010-11. However, funds received under Sec. 32d (school readiness) can't be reduced exclusively due to this section (in addition to the other items protected from reductions in current law).	Increases the \$165 per pupil reduction to \$283 for FY 2010-11. Does not concur with protecting Sec. 32d funds from being used to satisfy the per-pupil reductions. Includes language stating that the additional per-pupil reduction is offset by employer savings due to a lower than projected employer contribution rate under the MPSERS reforms.	Decreases the \$165 per pupil cut to State aid by \$65 per pupil to \$100 per pupil in FY 2009-10 and FY 2010-11. FY 2009-10 a cost of \$103.7 million and \$102.6 million in FY 2010-11. Concurs with Executive stating that funds received under Sec. 32d (school readiness) can't be reduced exclusively due to this section (in addition to the other items protected from reductions in current law).	Decreases the \$165 per pupil cut to State aid by \$11 per pupil to \$154 per pupil in both FY 2009-10 and FY 2010-11. Concurs with Executive and House to protect funds under Section 32d.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 11d Per pupil Reduction (cont.)		New language requires districts to implement service consolidation plans beginning the first day of the 2011-12 school year, using the most cost-effective method of providing purchasing services, payroll services, financial accounting services, facilities maintenance services, pupil transportation services, human resources services, technology services, and food service. Intermediate districts are required to compute perpupil costs for each service, and if districts choose to use a more expensive manner of providing those services, a penalty of 1% of the foundation allowance will be imposed.	Does not include this new language, but rather requires districts to report on efforts to consolidate services by February 1, 2011.	Requires districts to begin consolidating services they identified in their service consolidation plans not later than February 1, 2011 and shall report on the status of the implementation of the service consolidation plans. Also requires to districts and ISDs to explore coordinating regional purchasing of diesel fuel.	Concurs with Senate. Concurs with House.
Sec. 11g Durant Bonding Payment	Appropriates \$39,000,000 in FY 2009-10 to districts for "Durant" bond payments.	Continues the appropriation into FY 2010-11.	Concurs with Executive.	Concurs with Executive and Senate.	Concurs with Executive, Senate, and House.
Sec. 11j School Bond Loan Fund	Appropriates \$40,000,000 for debt service in FY 2009-10 for the school bond loan program.	Increases the appropriation to \$45,134,000 for FY 2010-11.	Concurs with Executive.	Concurs with Executive and Senate.	Concurs with Executive, Senate, and House.
Sec. 11m Cash-Flow Borrowing	Appropriates \$45,000,000 in FY 2009-10 to pay for costs associated with cashflow borrowing related to the SAF.	Decreases the cash flow borrowing cost to \$30,000,000 in FY 2009-10, but reinstates the \$45,000,000 cost for FY 2010-11.	Concurs with Executive.	Concurs with Executive and Senate.	Decreases the cash flow borrowing cost to \$20,000,000 in FY 2009-10, but reinstates the \$45,000,000 cost for FY 2010-11.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 18 Spending and Audit Requirements	Specifies allowable uses of funds and requires yearly financial and pupil audits.			(2) Revises the additional reporting requirements for online budget information required of districts and ISDs which were added in FY 2009-10 by changing the reporting threshold from \$100,000 to \$90,000 for compensation packages.	(2) Revises the reporting requirements for ISDs to avoid duplication requirements in MCL 380.620. Limits ISD requirements to annual budgets, the CEPI - provided personnel cost pie chart, and links to bargaining agreements, health care benefit plans, and audit reports.
		(4) Proposes biennial pupil audits for small, populationstable districts.	(4) Concurs with Executive.	(4) Concurs with Executive and Senate on biennial pupil audits for certain districts.	(4) Concurs with Executive, Senate and House on biennial pupil audits.
Sec. 19 Compliance with Reporting Requirements	Requires districts and intermediate districts to comply with reporting requirements specified in State and Federal law. Districts and intermediate districts shall cooperate with CEPI on the provisions of the ARRA requiring the establishment of a statewide P-20 longitudinal data system.	Removes language requiring districts to comply with parts of Public Act 25 of 1990 that aren't also required under the No Child Left Behind Act, and removes yearly reporting on annual progress under PA 25.	Concurs with Executive.	Concurs with Executive and Senate.	Concurs with Executive, Senate, and House.
Sec. 20 Foundation Allowance Calculation	Basic foundation allowance for FY 2009-10 is \$8,489 and the minimum foundation is \$7,316. Uses an equity formula which doubles the increase in the basic foundation for those at the minimum foundation and provides an increase somewhere in between for districts with foundations in between.	Continues the basic of \$8,489 into FY 2010-11.	Concurs with Executive.	Concurs with Executive and Senate. (3)(d) Adjusts the foundations of 6 hold harmless districts whose foundation dropped below the basic foundation, back to the basic foundation allowance of \$8,489. Contingent on a change in the School Code which would exempt these 6 districts from hold harmless status.	Concurs with Executive, Senate, and House. (3)(d) Concurs with House but implements the change for FY 2011-12 if the related school code bill HB 6212 is adopted. The 6 districts are Avondale, Clarenceville, East Lansing, Harper Woods, Livonia, and Northville.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 20 Foundation Allowance Calculation (continued)		(6) Includes new language clarifying that charter schools that open after 2009-10 shall receive the lesser of the foundation allowance of the district in which the charter is located, or the state charter school maximum foundation. (Current law allows for an exception where the charter may receive more than the foundation if local revenue generated by the local district's millage is higher than the foundation allowance.)	(6) Concurs with Executive.	(6) Concurs with Executive and Senate.	(6) Concurs with Executive, Senate, and House.
	(15) Intent language requiring a GF/GP amount sufficient to support pupil membership growth in excess of 101% of the previous year membership.	(15) Strikes the language.	(15) Does not concur with Executive.	(15) Concurs with Senate. (19) Revises the foundation allowance adjustments under this subsection such that the funds may be used to maintain small class sizes in grades K-8 as opposed to K-3 as is currently allowed.	(15) Concurs with Senate and House.(19) Concurs with Senate to maintain current law.
			(25) Adds a new subsection increasing the foundation allowance by \$10-\$20 per pupil under the 2x formula in both FY 2009-10 and FY 2010-11, but only if SB 884 is enacted by September 30, 2010. If the bill is enacted but revenue raised is insufficient to pay for this increase, the increase will be prorated on a per-pupil basis. The adjustments would total \$25,750,000 if fully funded.	(25) Not included.	(25) Concurs with the Senate but would begin in FY 2010-11.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 20j Additional Calculation for Hold Harmless Districts	N/A (Vetoed for FY 2009-10.) Previously, provided funding to districts above the hold-harmless level reflecting the difference between inflationary increases (where such districts are capped) and actual dollar increases given in the basic foundation allowance.	N/A (Vetoed for FY 2009-10.)	Restores 50% of the funding to this section in both FY 2009-10 and FY 2010-11, but only if SB 884 is enacted by September 30, 2010. If the bill is enacted but revenue raised is insufficient to pay for this increase, the increase will be prorated on a per-pupil basis. The adjustments would total \$25,750,000 if fully funded.	Not included.	Concurs with the Senate but would begin in FY 2010-11.
Sec. 22a Proposal A Obligation Payment (The Constitutionally required part of	FY 2009-10 appropriation of \$5,882,000,000.	FY 2009-10 appropriation is reduced to \$5,797,000,000 to reflect January cost estimates. FY 2010-11 appropriation is	Concurs with Executive. Concurs with Executive.	FY 2009-10 appropriation is reduced to \$5,785,000,000 to reflect May cost estimates. FY 2010-11 appropriation is	Concurs with House. Concurs with House.
the foundation .)		\$5,792,000,000.	Concurs with Exceditive.	\$5,764,000,000.	Concurs with Flouse.
Sec. 22b Discretionary Payment (The discretionary portion of the foundation allowance.)	FY 2009-10 pre-veto appropriation of \$3,323,800,000 in SAF and \$450,000,000 in Federal ARRA for a total of \$3,773,800,000.	FY 2009-10 SAF appropriation reduced to \$3,292,000,000 to reflect January cost estimates and veto of Sec. 20j funding.	Increases FY 2009-10 appropriation by \$51,500,000 to pay for foundation allowance and Sec. 20j changes if SB 884 is enacted and brings in sufficient revenue.	FY 2009-10 SAF appropriation reduced to \$3,299,300,000 to reflect May cost estimates and adds an additional \$10,300,000 to restore the foundation allowance of 6 hold harmless districts to the basic foundation allowance of \$8,489 as described in Sec. 20(3).	FY 2009-10 SAF appropriation reduced to \$3,289,000,000 to reflect May costs. Does not include \$10,300,000 for hold harmless adjustments as they do not take effect until FY 2011-12.
		FY 2010-11 SAF appropriation of \$3,583,000,000.	FY 2010-11 SAF appropriation of \$3,634,500,000, includes \$51,500,000 to pay for foundation allowance and Sec. 20j changes if SB 884 is enacted and brings in sufficient revenue.	FY 2010-11 SAF appropriation of \$3,578,600,000 which includes \$10,300,000 to restore the foundation allowance of six hold harmless districts to the basic foundation allowance level of \$8,489. Also includes a reduction of \$5.7 million for the change in membership for online pupils to 75% of an FTE.	FY 2010-11 SAF appropriation of \$3,573,500,000.

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Sec. 22b Discretionary Payment (cont.)		FY 2010-11 ARRA appropriation of \$184,256,600 (which is the amount of remaining ARRA available under the SFSF).	Concurs with Executive.	Concurs with Executive and Senate.	Concurs with Executive, Senate and House.
		(6) New language added allowing the Department to pay up to \$1,000,000 for litigation costs incurred by the State related to commercial or industrial property tax appeals that impact the School Aid Fund.	(6) Concurs with Executive.	(6) Concurs with Executive and Senate.	(6) Concurs with Executive, Senate and House.
Sec. 22d Supplemental funding to Small, Isolated Districts	Appropriates \$2,025,000 for FY 2009-10, with \$750,000 to certain small, geographically isolated districts and \$1,275,000 to districts that have 5.0 or fewer pupils per square mile and a total square mileage greater than 200.	Continues the \$2,025,000 appropriation into FY 2010-11.	Concurs with Executive.	Concurs with Executive and Senate.	Concurs with Executive, Senate and House.
Sec. 22e– Replacing Lost Michigan Business Tax (MBT) Revenue for Out-of- Formula Districts	Appropriates \$1,300,000 in FY 2009-10 to replace local revenue in out-of-formula districts lost due to MBT changes.	Continues the appropriation into FY 2010-11. Also changes the eligibility for funds to those districts that received funding in FY 2008-09, with this change effective in the current year (FY 2009-10). Also, caps the amount received to the lesser received in FY 2008-09 or the calculation for reimbursement in the current year.	Appropriates \$1,300,000 in FY 2010-11, but does allow new grantees to receive funds under the section. However, no grantee could receive more than 15% of the appropriation.	Appropriates \$2,000,000 in FY 2010-11. Changes the eligibility requirements such that if a district first received a grant in FY 2008-09 they would receive that same amount in FY 2010-11 and if a district first received a grant in FY 2009-10 they would receive that same amount in FY 2010-11 and prohibits any new districts from receiving funding under this section.	Concurs with the Senate language beginning in FY 2010-11 and adds an additional \$500,000 for Pontiac.
Sec. 24 Court-Placed Pupils	Appropriates \$8,000,000 in FY 2009-10 to reimburse districts for added costs of educating court-placed pupils in a local juvenile detention facility institution.	Continues the appropriation into FY 2010-11.	Concurs with Executive.	Concurs with Executive and Senate.	Concurs with Executive, Senate and House.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 24a Educating Pupils in DHS Juvenile Justice Service Facilities	Appropriates \$2,523,200 in FY 2009-10 for payments to intermediate districts for pupils who are placed in juvenile justice facilities.	Reduces the FY 2009-10 appropriation to \$1,751,300 and reduces it further to \$1,526,200 for FY 2010-11 to reflect declines in population and closure of facilities.	Concurs with Executive, but removes economic increases of \$86,200. The appropriation is \$1,440,000.	Concurs with Executive.	Concurs with the Senate.
Sec. 24c Youth Challenge Program	Appropriates \$642,300 in FY 2009-10 for the Youth Challenge Program. Payment goes through Battle Creek Public Schools, which contracts with Department of Military and Veterans' Affairs (DMVA) for the program.	Continues the appropriation into FY 2010-11, with a slight increase for economics, to \$653,200.	Concurs with Executive, but removes economic increases of \$10,900. The appropriation remains at \$642,300.	Concurs with Executive.	Concurs with the Senate, and caps the administrative costs retained by Battle Creek school district at 3%.
Sec. 26a Renaissance Zone Reimbursement	Appropriates \$26,300,000 from the SAF and \$9,200,000 GF/GP for FY 2009-10 to reimburse districts and the SAF for lost local revenue due to renaissance zones.	Continues the \$26,300,000 SAF and \$9,200,000 GF/GP appropriations into FY 2010- 11.	Concurs with Executive.	Concurs with Executive and Senate.	Concurs with Executive, Senate and House.
Sec. 26b PILT Reimbursement	Appropriates \$3,400,000 for FY 2009-10 to reimburse districts, intermediate districts, and community colleges for payment in lieu of taxes (PILT) obligations per PA 513 of 2004.	Continues the \$3,400,000 appropriation into FY 2010-11.	Concurs with Executive.	Concurs with Executive and Senate.	Concurs with Executive, Senate and House.
Sec. 29 Declining Enrollment Grants	Appropriates \$20,000,000 for FY 2009-10 for declining enrollment grants to local districts (excluding charter schools) with two consecutive years of declining enrollment. If a district receives funding under Sections 6(4)(y) or 22d, it is not eligible for a grant under this section.	Continues the \$20,000,000 appropriation into FY 2010-11.	Repeals the section effective for FY 2010-11.	Concurs with Executive.	Concurs with the Executive and House.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 31a At-Risk Funding/ Adolescent Health Centers/	Appropriates \$317,695,500 in FY 2009-10.	Continues the \$317,695,500 appropriation into FY 2010-11.	Concurs with Executive.	Appropriates \$318,881,200	Concurs with the Executive and Senate.
Hearing and Vision Screenings	At-Risk funding equals \$308,988,200.	At-Risk funding is maintained at \$308,988,200.	Concurs with Executive.	Concurs with Executive and Senate.	Concurs with Executive, Senate and House.
Screenings	(6) Allocates \$3,557,300 for Child and Adolescent Health Centers.	(6) Continues the \$3,557,300 appropriation for health centers.	(6) Concurs with Executive.	(6) Increases funding by \$1,185,700 to a total of \$4,743,000.	(6) Concurs with the Executive and Senate.
	(7) Allocates \$5,150,000 from total for hearing and vision screenings.	(7) Continues the \$5,150,000 appropriation for hearing and vision screenings.	(7) Concurs with Executive.	(7) Concurs with Executive and Senate.	(7) Concurs with Executive, Senate and House.
	VISION SCIECTINGS.	VISION Screenings.		(18) Revises the 25% reduction made to Dearborn's at-risk allocation such that it would be reduced after all payments made under this section are prorated rather than before. This change is effective starting in FY 2009-10.	(18) Concurs with the House but makes the change effective in FY 2010-11.
Sec. 31d School Lunch Program	Appropriates \$22,495,100 SAF for FY 2009-10 to fund the State share of the school lunch programs as required by the <i>Durant</i> settlement and includes \$372,506,000 Federal.	Continues the \$22,495,100 SAF appropriation into FY 2010-11, but increases the Federal grant to \$402,506,000.	Concurs with Executive.	Concurs with Executive and Senate. Adds that preference be given to food grown or produced by Michigan businesses if competitively priced and of comparable quality.	Concurs with the House.
Sec. 31f School Breakfast	Appropriates \$9,625,000 for FY 2009-10 to reimburse districts for the cost of providing breakfasts.	Continues the \$9,625,000 appropriation into FY 2010-11.	Concurs with Executive.	Concurs with Executive and Senate. Adds that preference be given to food grown or produced by Michigan businesses if competitively priced and of comparable quality.	Concurs with the House.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 32b Great Start Communities Grants (ECIC)	Appropriates \$6,000,000 for FY 2009-10 for grants to intermediate districts for great start collaboratives or other community purposes identified by the Early Childhood Investment Corporation (ECIC). Grants awarded to eligible intermediate districts in amounts determined by the ECIC.	Continues the \$6,000,000 appropriation into FY 2010-11.	Concurs with Executive.	Concurs with Executive and Senate.	Concurs with Executive, Senate and House.
Sec. 32c. Early Childhood Grants	Executive vetoed funding \$1,593,800 GF/GP for FY 2009-10 for interagency early childhood abuse and neglect prevention grants.	Eliminates funding and repeals section.	Concurs with Executive.	Provides contingency appropriation of up to \$1,500,000 GF/GP. Funding is contingent on the elimination of the double deduction allowed for state income tax purposes for indirect costs incurred in oil and gas production.	Concurs with the House.
Sec. 32d Great Start Readiness Program (GSRP)	Appropriates \$88,100,000 SAF for FY 2009-10 to operate the district Great Start Readiness Program (GSRP) and \$300,000 GF/GP to continue a longitudinal study of the GSRP, and \$7,575,000 GF for competitive GSRP grants to non-district programs.	Continues the \$88,100,000 SAF appropriation into FY 2010-11, along with \$300,000 GF for the study and \$7,575,000 GF for the programs operated by entities other than school districts.	Concurs with Executive.	Appropriates \$88,100,000 SAF in FY 2010-11, along with \$300,000 GF/GP for the study and funds competitive grants at \$15,150,000 GF/GP for the programs operated by entities other than school districts.	Appropriates \$89,400,000 SAF in FY 2010-11, along with \$300,000 GF/GP for the study and funds competitive grants at \$8,875,000 GF/GP for the programs operated by entities other than school districts. This is an increase of \$1,300,000 or 382 slots for both district grants and competitive grants.
	(1)(b) Allows funds to be used for preschool and parenting programs under former section 32b (PIE program); caps funding spent by each district for the former PIE program to the amount spent in the prior fiscal year.	(1)(b) Removes this allowable use of GSRP funds.	(1)(b) Does not concur with Executive.	(1)(b) Concurs with Senate.	(1)(b) Concurs with Senate and House.

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Sec. 32d Great Start Readiness Program (GSRP) (cont.)	(5) An application shall provide the following: (a) compliance with all components in (4), (b) ensure more than 50% of children are less than or equal to 300% of poverty,	(5)(b) Increases the participation rate from 50% to 75% of children who participate in GSRP are from families with income equal to or less than 300% of poverty.	(5)(b) Concurs with Executive.	(5)(b) Concurs with Executive and Senate.	(5)(b) Concurs with Executive, Senate and House.
	(c) ensure teachers and paraprofessionals are qualified pursuant to this subsection, and (d) program budget.	(5)(c) Requires teachers to complete compliance plans within 2 years rather than the current 4 years from the date of employment.	(5)(c) Does not concur.	(5)(c) Concurs with Senate.	(5)(c) Concurs with Senate and House.
		(5)(c)(i)(B) Removes language allowing a teacher in a subcontracted program with 90 credit hours and at least 4 years' teaching experience in a qualified preschool program to meet the requirements to participate in the program.	(5)(c)(i)(B) Does not concur.	(5)(c)(i)(B) Allows a teacher in a subcontracted program to continue teaching if they have 90 credit hours and at least 4 years' teaching experience, and if the person was employed in the program in FY 2009-10.	(5)(c)(i)(B) Concurs with Senate to maintain current law.
		(7) New language is added defining a "part-day program" as one that operates at least 4 days per week, 30 weeks per year, for at least 3 hours of teacher-child contact time per day.	(7) Concurs with Executive.	(7) Concurs with Executive and Senate.	(7) Revise to (10) Concurs with Executive, Senate and House.
		(11) New language is proposed encouraging a district or ISD receiving funds under this section to establish a sliding scale of tuition rates based upon a child's family income for the purpose of expanding eligible programs under this section.	(11) Does not concur.	(11) Concurs with Executive. (12) Adds intent language requiring any additional lottery revenue resulting from implementation of new technology pull-tab distribution in lottery games shall be used to increase funding for school readiness programs under this section.	(11) Concurs with Executive and House.(12) Concurs with Senate - Does not include this subsection.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 32j Intermediate District (ISD) Parent Involvement Grants	Appropriates \$5,000,000 in FY 2009-10 in SAF to intermediate districts for competitive grants to provide programs to parents of children age 5 or younger to encourage early mathematics and reading literacy, improve school readiness, reduce the need for special education services, and foster stable families.	Continues the \$5,000,000 appropriation into FY 2010-11.	Concurs with Executive.	Concurs with Executive and Senate.	Concurs with Executive, Senate and House.
Sec. 32 <i>I</i> GSRP Competitive Grant	Provides guidelines to non- public district entities operating Great Start Readiness Programs.	Adds new (5) such that a grantee shall receive priority for funding for three fiscal years, but that after the three years, the program must compete anew. This language used to be in the boilerplate governing competitive grants, but was inadvertently not included last year.	Concurs with Executive.	Concurs with Executive and Senate.	Concurs but makes technical revisions.
Sec. 39 GSRP Per Pupil Allocation Formula	Per pupil allocation for GSRP students is \$3,400. Three-tier allocation formula. Step 1: fund the lesser of children in need (calculated in section 38) or capacity. Step 2: ensure districts receive at least prior year funding. Step 3: distribute remaining funds. Caps a new program at 32 children.	Maintain current law.	Concurs with Executive.	Concurs with Executive and Senate.	Revises to count the slots received by districts in FY 2009-10 that were used to satisfy reductions in Sec. 11d as part of the number of slots used by a district in FY 2009-10 in order to calculate the number of slots they are eligible for in FY 2010-11.
Sec. 39a Federal Funds	(1) Appropriates \$752,937,500 for FY 2009- 10 in Federal No Child Left Behind (NCLB) funds. (2) Appropriates \$32,559,700 in other Federal funds for education.	(1) Updates Federal grants to their expected levels, totaling \$761,973,600 for NCLB funds, and (2) \$32,359,700 in other Federal funds for education.	Concurs with Executive.	Concurs with Executive and Senate appropriation levels. (5) Adds language that allows an ISD to submit a consolidated application on behalf of 2 or more districts.	Concurs with Executive, Senate and House. (5) Concurs with House.

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Sec. 41 Bilingual Education	Appropriates \$2,800,000 in SAF for FY 2009-10 for districts to provide bilingual education programs.	Continues the \$2,800,000 appropriation into FY 2010-11.	Concurs with Executive.	Concurs with Executive and Senate.	Concurs with Executive, Senate and House.
Sec. 51a(1) Total Special Education Funding	Appropriates \$1,016,283,000 from SAF and \$350,700,000 in Federal funding for special education programs for FY	Decreases the FY 2009-10 appropriation to \$1,018,583,000 to reflect more recent cost estimates.	Concurs with Executive.	Decreases the FY 2009-10 appropriation to \$1,019,583,000 to reflect May cost estimates.	Concurs with House.
	2009-10.	Appropriates \$1,060,683,000 for FY 2010-11. Increases Federal funding to \$385,700,000.	Concurs with Executive.	Appropriates \$1,057,883,000 for FY 2010-11. Increases Federal funding to \$385,700,000.	Concurs with House.
	(7)(c) Allows unspent Sec. 51a funds at book closing to be allocated as additional reimbursements in certain situations for FY 2007-08.	Deletes (7)(c)	(7)(c) Maintains current law.	(7)(c) Concurs with Senate.	(7)(c) Concurs with Senate and House.
Sec. 51c Special Education - Durant Payment	Allocates \$742,300,000 from the appropriation in Sec. 51a(1) for FY 2009-10 to provide funding for costs associated with <i>Durant</i> settlement that guarantees	Decreases the FY 2009-10 appropriation to \$703,500,000 to reflect more recent cost estimates. Appropriates \$735,700,000 in FY 2010-11.	Concurs with Executive.	Decreases the FY 2009-10 appropriation to \$702,500,000 to reflect May cost estimates. Appropriates \$732,100,000	Concurs with House. Concurs with House.
	districts 28.6138% of total approved costs of special education services and 70.4164% of total approved costs of special education transportation.	F1 2010-11.		in FY 2010-11.	Concurs with mouse.
Sec. 51d Federal Special Education Funds	Appropriates \$74,000,000 in Federal special education grants for FY 2009-10.	Continues the \$74,000,000 Federal appropriation into FY 2010-11.	Concurs with Executive.	Concurs with Executive and Senate.	Concurs with Executive, Senate and House.
Sec. 53a Special Education -Court Placed pupils	Allocates \$13,500,000 from the appropriation in Sec. 51a(1) for FY 2009-10.	Continues the \$13,500,000 appropriation into FY 2010-11.	Concurs with Executive.	Concurs with Executive and Senate.	Concurs with Executive, Senate and House.
Sec. 54 Special Ed - Schools for the Deaf and Blind	Allocates \$1,688,000 from the appropriation in Sec. 51a(1) for FY 2009-10.	Continues the \$1,688,000 appropriation into FY 2010-11.	Concurs with Executive.	Concurs with Executive and Senate.	Concurs with Executive, Senate and House.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 56 Special Education - Millage Equalization	Allocates \$36,881,100 from the appropriation in Sec. 51a(1) for FY 2009-10 for millage equalization to provide funding to intermediate districts to guarantee a minimal amount per special education mill levied, on a per-pupil basis. FY 2009-10 per pupil equalization dollar amount of \$179,700.	Continues the \$36,881,100 appropriation into FY 2010-11 and updates the permembership pupil guarantees for both FY 2009-10 and FY 2010-11. FY 2009-10 equalization is \$180,600, and FY 2010-11 equalization is \$181,700.	Concurs with Executive.	Concurs with Executive and Senate.	Concurs with Executive, Senate and House.
Sec. 61a Vocational Education	Appropriates \$26,611,300 for FY 2009-10 to support vocational education programs.	Continues the \$26,611,300 appropriation into FY 2010- 11. Changes name from "vocational technical" to "career and technical". Removes "parenthood education programs" from allowable uses of funds.	Concurs with Executive.	Concurs with Executive and Senate.	Concurs with Executive, Senate and House.
Sec. 62 Vocational Education Millage Equalization	Appropriates \$9,000,000 for FY 2009-10 to provide funding to intermediate districts that levy vocational education mills to guarantee	Continues the \$9,000,000 appropriation into FY 2010-11. Updates equalization amounts.	Concurs with Executive.	Concurs with Executive and Senate.	Concurs with Executive, Senate and House.
	a minimal amount received per mill levied, on a perpupil basis. FY 2008-09 per-pupil equalization amount is \$181,900.	FY 2009-10 per-pupil equalization amount is \$191,000 and FY 2010-11 amount is \$194,700.	Concurs with Executive.	Concurs with Executive and Senate.	Concurs with Executive, Senate and House.
Sec. 64 Health/Science Middle College Program	Appropriates \$2,000,000 in FY 2009-10 for grants to intermediate districts or Detroit Public Schools that are in consortium with a community college or state university and a business to create and implement a middle college focused on health sciences or other career choices.	Continues the \$2,000,000 appropriation into FY 2010-11.	Concurs with Executive.	Concurs with Executive and Senate.	Concurs with Executive, Senate and House.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 65 Precollege Engineering and Science Grants	Appropriates \$905,100 for FY 2009-10 for grants to districts or intermediate districts for precollege programs in engineering and the sciences. Grand Rapids and Detroit receive \$340,050 each and 4 intermediate districts (Huron, Tuscola, and Bay-Arenac) receive grants of \$75,000.	Continues the \$905,100 appropriation into FY 2010-11.	Concurs with Executive.	Concurs with Executive and Senate.	Concurs with Executive, Senate and House.
Sec. 74 Bus Driver Safety and School Bus Inspections	Appropriates \$1,625,000 for FY 2009-10.	FY 2010-11 total appropriation of \$2,078,600.	FY 2010-11 total appropriation of \$2,058,800.	FY 2010-11 total appropriation of \$3,028,500.	FY 2009-10 total appropriation of \$3,028,500 and FY 2010-11 total appropriation of \$2,058,800.
	(2) \$1,625,000 is to reimburse intermediate districts and universities for providing bus driver safety instruction.	(2) of which \$1,625,000 continues the appropriation for bus driver safety, and	(2) Concurs with Executive.	(2) Concurs with Executive and Senate.	(2) Concurs with Executive, Senate, and House.
		(4) \$453,600 is a new allocation to the Michigan State Police to institute random audits of local school district bus inspections.	(4) Appropriates \$433,800 which does not include economic increases of \$19,800 for MSP personnel.	(4) Appropriates \$1,403,500 and maintains that State Police inspect school buses and pupil transportation vehicles.	(4) Appropriates \$1,403,500 for FY 2009-10 and \$433,800 for FY 2010-11.
Sec. 81 Intermediate School Districts (ISD) General Operations Funding	Appropriates \$65,376,800 for FY 2009-10 for basic operational funding of intermediate districts.	Continues the \$65,376,800 appropriation into FY 2010-11.	Concurs with Executive.	Appropriates \$73,376,800 for both FY 2009-10 and FY 2010-11. An increase of \$8,000,000 million over current law appropriation.	Appropriates an additional \$2,400,000 for FY 2009-10 for a total of \$67,776,800. Concurs with Executive and Senate on FY 2010-11 appropriation of \$65,376,800.
				(6) Adds language which would protect from reductions after FY 2009-10, the portion of an ISD's allocation under Sec. 81 equal to the amount transferred into Sec. 81 for each ISD in 1994-95 from former section 146 and section 147 related to FICA and retirement.	(6) Concurs with House but revises to protect from reductions after FY 2010-11. and revises the base year to 1995-96.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 92 Agriculture Education Program	N/A	N/A	Appropriates \$300,000 for a new program at Saginaw Valley State University for the purpose of establishing an agriculture education program.	Concurs with Senate.	Concurs with Senate and House.
Sec. 93 Online Administration Grant	N/A	N/A	N/A	Appropriates \$250,000 in FY 2010-11 to GENnet for administration of their statewide online education program.	Concurs with Senate.
Sec. 94a Center for Educational Performance and Information (CEPI)	Appropriates \$3,486,100 GF/GP in FY 2009-10 to support the operations of the CEPI and for the development and implementation of a comprehensive data management and student tracking system.	GF/GP appropriation of \$3,656,100 into FY 2010-11. Increases current-year Federal funding to \$18,657,400 for FY 2009-10, declining to \$7,270,000 in FY 2010-11. The increases in Federal funds are appropriated in the event Michigan is awarded grants associated with the Race to the Top application.	Concurs with Executive, but removes economic increases totaling \$170,000 from CEPI. The total State appropriation remains at \$3,486,100 into FY 2010-11.	GF/GP appropriation of \$3,656,100 into FY 2010- 11. Increases current-year Federal funding to \$18,657,400 for FY 2009- 10, declining to \$7,270,100 in FY 2010-11.	Revises FY 2009-10 Federal appropriation to \$13,416,600 to recognize the receipt of additional Federal grants. Appropriates \$3,621,100 GF/GP and \$10,067,800 Federal funds in FY 2010-11. The additional Federal funds are available to
	Appropriates \$2,793,200 in FY 2009-10 from Federal funds for Federal reporting requirements.	Of the additional Federal funds, \$8,440,000 is appropriated in FY 2009-10 to support the efforts of districts to match individual teacher and student records. Another \$1,274,000 is directed to support the efforts of postsecondary institutions to comply with Michigan's statewide longitudinal data system. The purpose of the remainder of the additional funds is not specified.	Concurs with Executive.	Concurs with Senate.	support the student longitudinal database and support the efforts of districts to match individual teacher and student records. In addition the bill provides a contingency appropriation of \$1,800,000 in GF/GP and \$8,440,000 in School Aid Fund to support CEPI as it implements recent education reforms in the event that Michigan does not receive a Federal Race to the Top award.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 94a Center for Educational Performance and Information (CEPI) (cont.)		The section contains many boilerplate changes, including codifying the data requirements found in the data assurances for the State Fiscal Stabilization Fund application Top and other Federal requirements, such as a P-20 data system, data that's meaningful and connected between agencies and states, linking teachers and student records, matching teachers with certification information, making data easy to use for continuous improvement, and similar measures. Transcript information, student-level college readiness scores, and other data must be maintained. A P-20 Advisory Council is presumed to be established, but until it is, the CEPI Advisory Council will continue to advise the Director of CEPI, after which it will cease to exist. The CEPI is tasked with working on developing a state research agenda.	Concurs with Executive language with the exception of the P-20 council language which is not included, and the current CEPI advisory council is retained in the section.	Concurs with Senate.	Concurs with the Senate
Sec. 98 Michigan Virtual University (MVU)	Appropriates \$1,687,500 GF/GP to MVU in FY 2009-10 for operations of the Virtual High School and appropriates \$2,700,000 in Federal funds.	Continues the \$1,687,500 GF appropriation into FY 2010-11, and maintains Federal funding of \$2,700,000. No policy changes are proposed for the MVU.	Concurs with Executive.	Appropriates \$1,437,500 for FY 2010-11 a reduction of \$250,000 from current year.	Concurs with Executive and Senate.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 98d Online Courses	N/A	N/A	N/A	Appropriates \$100 for FY 2010-11 for online courses. (1) With the funds provided in this section, a district that serves students in grades 6-12 shall provide students with no-cost access to high quality online course options under certain circumstances. (2) Each online course provider must be accredited by a nationally recognized program or agency and include Michigan-certified teachers as online instructors.	Concurs with Senate.
Sec. 99 Math and Science Centers	Appropriates for FY 2009- 10 \$2,515,000 SAF and \$110,000 GF/GP and \$5,249,300 in Federal funds for the funding of 33 math and science centers.	Continues the appropriations into FY 2010-11.	Concurs with Executive.	Concurs with Executive and Senate.	Concurs with Executive, Senate, and House.
Sec. 99i Pontiac Crisis Intervention Grant	Appropriates \$300,000 in FY 2009-10 to expand the crisis intervention program at Pontiac.	Continues the \$300,000 appropriation into FY 2010-11.	Concurs with Executive.	Concurs with Executive and Senate.	Concurs with Executive, Senate, and House.
Sec. 99p Cultural Access Grants	Executive vetoed \$100,000 for FY 2009-10 for grants to districts for programs that provide students with access to cultural, art, or music resources and experiences that are available in the community and that promote reading, literacy, and communications skills among students.	Eliminates funding and repeals section.	Concurs with Executive.	Appropriates \$100,000 and adds zoos to the list programs allowed to compete for funding.	Concurs with House.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 101 Hours Requirement	(1) Requires pupil counts to the Center for Educational Performance and Information.	(1) Requires pupil counts to be submitted to both the CEPI and to the intermediate district in which the district is located.	(1) Concurs with Executive.	(1) Concurs with Executive and Senate.	(1) Concurs with Executive, Senate, and House.
	(3)(a) For FY 2010-11 and FY 2011-12 requires districts to provide at least 165 days of instructions and 2012-13 at least 170 days of instructions. Beginning in 2010-11 a district shall not provide fewer days of instruction than the district provided in FY 2009-10.	(3)(a) No change to current law.	(3)(a) Requires districts that provided 170 days or more In FY 2009-10 to provide at least that amount in FY 2010-11. Allows a district that had a 4-day school week to apply for a waiver from the days requirement.	(3)(a) Concurs with Executive to maintain current law.	(3)(a) Concurs with Executive and House.
	(3)(c) Superintendent shall grant a waiver from the 75% daily attendance requirement to department-approved alternative education programs.	(3)(c) Changes language such that the Superintendent may (instead of shall) grant a waiver from the 75% daily attendance requirement to department-approved alternative education programs.	(3)(c) Concurs with Executive.	(3)(c) Concurs with Executive and Senate.	(3)(c) Concurs with Executive, Senate, and House.
	(40) Allows a district to	(4) Includes technical changes striking "30 hours" and inserting "equivalent hours" in the snow day provisions.	(4) Concurs with Executive.	(4) Concurs with Executive and Senate.	(4) Concurs with Executive, Senate, and House.
	(10) Allows a district to count 38 hours of professional development as instructional hours only if at least 5 of those hours are provided online either by MVU or a Dept. approved intermediate school provider, effective for FY 2009-10.	(10) Includes other technical language necessary to implement the 5 hours of online instruction requirement (to count 38 hours of professional development as hours of instruction).	(10) Does not include this, and instead removes the requirement of 5 hours of online professional development.	(10) Concurs with Senate.	(10) Concurs with Senate and House.(12) Requires that the Dept study the actual costs of distance learning and report by September 2012.Requires online educational providers to submit any requested data.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 104 Assessment Funding	Appropriates \$26,630,700 for FY 2009-10 from the SAF for reimbursement of costs associated with state student assessment requirements. Also appropriates \$8,313,700 in Federal assessment funding for the purposes of complying with Federal NCLB Act. Requires that in order to receive state aid a district must administer assessments in compliance with the following sections of the School Code: 1278a, 1278b,1279,1279g, and 1280b.	Continues the appropriations into FY 2010-11. Removes language asking the Department to determine whether the EXPLORE exam is as robust as the MEAP social studies test. Also removes language requiring the Department to meet with the US Department of Education seeking a waiver to replace the MEAP with a standardized exam.	Concurs with Executive.	Concurs with Executive and Senate.	Concurs with Executive, Senate, and House. Includes contingency appropriations of \$13,563,700 School Aid Fund and a reduction of \$5,063,700 in Federal funds for assessment requirements associated with recent education reforms in the event that Michigan is not awarded Race to the Top funds.
Sec. 107 Adult Education	Appropriates \$22,000,000 in SAF for Adult Education programs for FY 2009-10.	Appropriates \$22,000,000 for FY 2010-11. Removes expired language that created an adult learning planning group and required a report of the group (making recommendations for updating the section, developing program entry and exit requirements, assessing and recommending a comprehensive statewide delivery system).	Concurs with Executive.	Concurs with Executive and Senate.	Concurs with Executive, Senate, and House.
Sec. 147 Retirement Contribution Rate	FY 2009-10 rate is 16.94%, with an amortization period of 28 years.	FY 2010-11 rate increases to 19.41%, and the amortization period is reduced to 27 years. In addition, language is added saying the contribution rate may be reduced approved by the Board if reforms in the system are enacted and in effect by the end of calendar year 2010.	FY 2010-11 rate increases to 17.08% and language is added specifying that the lower rate reflects the savings local school districts will see by higher required employee contributions into MPSERS, among other reforms.	Concurs with Executive.	Concurs with Executive and House.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 166b Nonpublic schools	Provides for the paying of state aid for the electives courses taken by nonpublic school students at public school sites.	No change.	Allows a PSA located in a district in which the nonpublic school is located or in a contiguous district to provide instruction to a nonpublic student under the same conditions that apply to the contiguous district.	Maintains current law.	Concurs with Senate.
Sec. 166c Basic Materials Hotline/Claims Process	Requires districts to ensure that teachers have adequate access to basic instructional supplies. Requires the Department to implement a hotline and claims process for teachers who contend they lack basic instructional supplies.	No change.	Allows the district to determine what constitutes basic instructional supplies, rather than the Department, and strikes the claims process and hotline, along with financial penalty language.	Concurs with Executive.	Revises to require districts to develop and implement a policy addressing adequate supplies. Requires the Dept to develop a model policy and make available on its website. Establishes a protocol to follow if a teacher determines they do not have access to adequate instructional supplies. A teacher would make claims first to a principal or superintendent, then the school board, then the department if the claim is not resolved within a reasonable amount of time. Requires the Dept to investigate the claim.
Sec. 166d Non-disclosure Penalty	N/A	N/A	N/A	Prohibits a district or an education management organization contracted by the district from requiring an employee or someone working in the district to sign an agreement prohibiting them from disclosing information about their salary or other compensation. A district that violates this section would have their total state aid payment reduced by 5%.	Uses House language but applies it only to cyber schools and revises the penalty to 2% of total state aid.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Technical Adjustments	N/A	Includes date changes and vocational to "career and technical" education programs. Removes all Sec. 20j references.	Concurs with Executive.	Concurs with Executive and Senate.	Concurs with Executive, Senate, and House.
Enacting Section 1 State Spending and Payments to Locals	N/A	FY 2009-10 state spending from state sources is \$10,648,039,700, and payments to locals are \$10,538,860,400. FY 2010-11 state spending from state sources is \$10,998,983,100, and payments to locals are \$10,869,499,800.	FY 2009-10 state spending from state sources is \$10,699,539,700, and payments to locals are \$10,590,360,400. FY 2010-11 state spending from state sources is \$10,843,483,100 and payments to locals are \$10,713,999,800.	FY 2009-10 state spending from state sources is \$10,756,063,700, and payments to locals are \$10,666,477,000. FY 2010-11 state spending from state sources is \$11,084,344,800 and payments to locals are \$10,948,401,200.	FY 2009-10 total state spending from state sources is \$10,645,097,700 and payments to locals total \$10,565,511,000 FY 2010-11 total state spending from state sources is \$10,980,265,400 and payments to locals total \$10,854,068,100
Enacting Section 2 Repeals Sections as of October 1, 2010.	N/A	Repeals the following: Sec. 32c (early childhood grants), Sec. 32n (before- and after-school program), Sec. 57 (advanced and accelerated program), Sec. 98a (intent language to fund 21st century learning initiatives), Sec. 99p (cultural access grants) and Sec. 166 (5% penalty if providing family planning drugs or abortion referrals).	Repeals the following: Sec. 29 (declining enrollment), Sec. 32c (early childhood grants), Sec. 32n (beforeand after-school program), Sec. 57 (advanced and accelerated program), Sec. 98a (intent language to fund 21st century learning initiatives), and Sec. 99p (cultural access grants).	Repeals the following: Sec. 32n (before- and after-school program), Sec. 57 (advanced and accelerated program), and Sec. 98a (intent language to fund 21st century learning initiatives).	Repeals the following: Sec. 32n (before- and after-school program), Sec. 57 (advanced and accelerated program), and Sec. 98a (intent language to fund 21st century learning initiatives).