

**SUBSTITUTE FOR  
HOUSE BILL NO. 4286**

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



388.1622m, 388.1622p, 388.1623a, 388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1626a, 388.1626b, 388.1626c, 388.1626d, 388.1627a, 388.1627b, 388.1627c, 388.1627d, 388.1628, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631n, 388.1631o, 388.1631p, 388.1631aa, 388.1632d, 388.1632n, 388.1632p, 388.1632t, 388.1635a, 388.1635d, 388.1639, 388.1639a, 388.1641, 388.1641b, 388.1651a, 388.1651c, 388.1651d, 388.1651e, 388.1651g, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1656, 388.1661a, 388.1661b, 388.1661c, 388.1661d, 388.1662, 388.1665, 388.1667, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1697, 388.1697a, 388.1698, 388.1699h, 388.1699s, 388.1699t, 388.1699x, 388.1699cc, 388.1701, 388.1704, 388.1707, 388.1721, 388.1747, 388.1747a, 388.1747b, 388.1747c, 388.1747e, 388.1752a, and 388.1763), sections 3, 6, 6a, 11a, 11j, 11k, 11m, 11s, 15, 20, 20d, 21f, 21h, 22a, 22c, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 28, 31a, 31d, 31j, 31n, 31o, 31p, 32d, 32p, 35a, 35d, 39, 41, 51d, 51g, 54b, 54d, 61a, 61b, 61c, 61d, 62, 65, 67, 74, 81, 94, 94a, 97, 97a, 98, 99h, 99s, 99t, 99x, 101, 104, 107, 147, 147a, 147b, 147e, and 152a as amended and sections 11x, 27a, 27b, 27c, 27d, 31aa, 32n, 32t, 41b, 51e, and 99cc as added by 2022 PA 144, sections 4 and 19 as amended by 2021 PA 48, sections 11, 22b, 31f, 39a, 51a, 51c, 53a, 54, and 147c as amended by 2023 PA 3, section 11w as added by 2022 PA 93, section 23a as amended by 2020 PA 22, section 56 as amended by 2022 PA 212, section 121 as amended by 2006 PA 342, and section 163 as amended by 2021 PA 15, and by adding sections 11v, 12a, 12b, 12c, 22e, 22k, 22l, 22o, 23g, 23h, 27g, 27h, 27i, 27j, 27k, 30d, 30e, 31k, 31ff, 31gg, 32o, 32w, 32x, 35i, 35j, 35k, 67f, 74b, 97g, 98d, 99ff, 99gg, 99hh, 99ii, 107a, 164i, and 164j; and to repeal acts and parts of acts.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**



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

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

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

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

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

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

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

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



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

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

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

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

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

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

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



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

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

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

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



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

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

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

12 (4) "Membership", except as otherwise provided in this  
13 article, means for a district, a public school academy, or an  
14 intermediate district ~~the sum of the product of .90 times the~~  
15 ~~number of full-time equated pupils in grades K to 12 actually~~  
16 ~~enrolled and in regular daily attendance in the district, public~~  
17 ~~school academy, or intermediate district on the pupil membership~~  
18 ~~count day for the current school year, plus the product of .10~~  
19 ~~times the final audited count from the supplemental count day of~~  
20 ~~full-time equated pupils in grades K to 12 actually enrolled and in~~  
21 ~~regular daily attendance in the district, public school academy, or~~  
22 ~~intermediate district for the immediately preceding school year.~~  
23 **the total that is greater using either of the equations described**  
24 **in subdivision (mm).** A district's, public school academy's, or  
25 intermediate district's membership is adjusted as provided under  
26 section 25e for pupils who enroll after the pupil membership count  
27 day in a strict discipline academy operating under sections 1311b  
28 to 1311m of the revised school code, MCL 380.1311b to 380.1311m.  
29 All pupil counts used in this subsection are as determined by the



1 department and calculated by adding the number of pupils registered  
2 for attendance plus pupils received by transfer and minus pupils  
3 lost as defined by rules promulgated by the superintendent, and as  
4 corrected by a subsequent department audit. The amount of the  
5 foundation allowance for a pupil in membership is determined under  
6 section 20. In making the calculation of membership, all of the  
7 following, as applicable, apply to determining the membership of a  
8 district, a public school academy, or an intermediate district:

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

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

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

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



1 program.

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

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

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

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

27 (i) Except as otherwise provided in this subdivision, the pupil  
28 shall participate in each scheduled course on pupil membership  
29 count day or supplemental count day, as applicable. If the pupil is



1 absent on pupil membership count day or supplemental count day, as  
2 applicable, the pupil must attend and participate in class during  
3 the next 10 consecutive school days if the absence was unexcused,  
4 or during the next 30 calendar days if the absence was excused.

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

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

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

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

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

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

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

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

23 (A) Except as otherwise provided in this sub-subparagraph, the  
24 pupil and the teacher of record or mentor complete a 2-way  
25 interaction for 1 course during the week on which pupil membership  
26 count day or supplemental count day, as applicable, occurs, and the  
27 3 consecutive weeks following that week. However, if a school break  
28 is scheduled during any of the weeks described in this sub-  
29 subparagraph that is 4 or more days in length or instruction has



1 been canceled districtwide during any of the weeks described in  
 2 this sub-subparagraph for 3 or more school days, the district is  
 3 not required to ensure that the pupil and the teacher of record or  
 4 mentor completed a 2-way interaction for that week. As used in this  
 5 sub-subparagraph:

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

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

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

29 (1) He or she is responsible for providing instruction,



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

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

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

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

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

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

21 (II) Documented completion of a course assignment.

22 (III) Documented completion of a course lesson or lesson  
23 activity.

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

26 (V) Documented physical attendance on pupil membership count  
27 day or supplemental count day, as applicable, in each scheduled  
28 course, if the pupil will attend at least 50% of the instructional  
29 time for each scheduled course on-site, face-to-face with the



1 teacher of record. As used in this sub-sub-subparagraph, "teacher  
2 of record" means that term as defined in subparagraph (iii) (A).

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

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

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

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

28 (j) If a district is the authorizing body for a public school  
29 academy, then, in the first school year in which pupils are counted



1 in membership on the pupil membership count day in the public  
2 school academy, the determination of the district's membership  
3 excludes from the district's pupil count for the immediately  
4 preceding supplemental count day any pupils who are counted in the  
5 public school academy on that first pupil membership count day who  
6 were also counted in the district on the immediately preceding  
7 supplemental count day.

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

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

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

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

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

27 (B) Had dropped out of school.

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



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

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

18 (n) If a pupil counted in membership in a public school  
 19 academy is also educated by a district or intermediate district as  
 20 part of a cooperative education program, the pupil is counted in  
 21 membership only in the public school academy unless a written  
 22 agreement signed by all parties designates the party or parties in  
 23 which the pupil is counted in membership, and the instructional  
 24 time scheduled for the pupil in the district or intermediate  
 25 district is included in the full-time equated membership  
 26 determination under subdivision (q) and section 101. However, for  
 27 pupils receiving instruction in both a public school academy and in  
 28 a district or intermediate district but not as a part of a  
 29 cooperative education program, the following apply:



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

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

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

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

28 (q) The number of class hours used to calculate full-time  
29 equated memberships must be consistent with section 101. In



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

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

24 (s) For a district or a public school academy that has pupils  
25 enrolled in a grade level that was not offered by the district or  
26 public school academy in the immediately preceding school year, the  
27 number of pupils enrolled in that grade level to be counted in  
28 membership is the average of the number of those pupils enrolled  
29 and in regular daily attendance on the pupil membership count day



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

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

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

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



1 certificated teacher.

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

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

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

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

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

26 (x) If a district's membership for a particular fiscal year,  
27 as otherwise calculated under this subsection, would be less than  
28 1,550 pupils, the district has 4.5 or fewer pupils per square mile,  
29 as determined by the department, and the district does not receive



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

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

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

28 (y) Full-time equated memberships for special education pupils  
 29 who are not enrolled in kindergarten but are enrolled in a



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

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

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

24 (bb) A district or public school academy that educates a pupil  
25 who attends a United States Olympic Education Center may count the  
26 pupil in membership regardless of whether or not the pupil is a  
27 resident of this state.

28 (cc) A pupil enrolled in a district other than the pupil's  
29 district of residence under section 1148(2) of the revised school



1 code, MCL 380.1148, is counted in the educating district.

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

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

22 (ii) The pupil meets the district's definition under section  
 23 23a of satisfactory monthly progress for that month or, if the  
 24 pupil does not meet that definition of satisfactory monthly  
 25 progress for that month, the pupil did meet that definition of  
 26 satisfactory monthly progress in the immediately preceding month  
 27 and appropriate interventions, **as defined by the district**, are  
 28 implemented within 10 school days after it is determined that the  
 29 pupil does not meet that definition of satisfactory monthly



1 progress.

2 (ee) A pupil participating in a virtual course under section  
3 21f is counted in membership in the district enrolling the pupil.

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

14 (gg) If a special education pupil is expelled under section  
15 1311 or 1311a of the revised school code, MCL 380.1311 and  
16 380.1311a, and is not in attendance on the pupil membership count  
17 day because of the expulsion, and if the pupil remains enrolled in  
18 the district and resumes regular daily attendance during that  
19 school year, the district's membership is adjusted to count the  
20 pupil in membership as if he or she had been in attendance on the  
21 pupil membership count day.

22 (hh) A pupil enrolled in a community district is counted in  
23 membership in the community district.

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

27 (jj) A district that borders another state or a public school  
28 academy that operates at least grades 9 to 12 and is located within  
29 20 miles of a border with another state may count in membership a



1 pupil who is enrolled in a course at a college or university that  
2 is located in the bordering state and within 20 miles of the border  
3 with this state if all of the following are met:

4 (i) The pupil would meet the definition of an eligible student  
5 under the postsecondary enrollment options act, 1996 PA 160, MCL  
6 388.511 to 388.524, if the course were an eligible course under  
7 that act.

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

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

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

26 (v) The district or public school academy awards high school  
27 credit to a pupil who successfully completes a course as described  
28 in this subdivision.

29 (kk) A pupil enrolled in a middle college program may be



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

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

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

27 (ii) If the district's or public school academy's membership  
 28 for pupils counted under section 166b is less than 5% of the  
 29 district's or public school academy's membership for pupils not



1 counted in membership under section 166b in the immediately  
 2 preceding fiscal year, then the district's or public school  
 3 academy's membership for pupils counted under section 166b must not  
 4 exceed the greater of the following:

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

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

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

15 (mm) Except as otherwise provided in this subsection, for a  
 16 district, a public school academy, or an intermediate district,  
 17 membership is the greater of either of the following totals:

18 (i) The sum of the product of .50 times the district's, public  
 19 school academy's, or intermediate district's membership for the  
 20 immediately preceding fiscal year, as calculated under this section  
 21 in the immediately preceding fiscal year, and the product of .50  
 22 times the sum of the product of .90 times the number of full-time  
 23 equated pupils in grades K to 12 actually enrolled and in regular  
 24 daily attendance in the district, public school academy, or  
 25 intermediate district on the pupil membership count day for the  
 26 current school year, plus the product of .10 times the final  
 27 audited count from the supplemental count day of full-time equated  
 28 pupils in grades K to 12 actually enrolled and in regular daily  
 29 attendance in the district, public school academy, or intermediate



1 district for the immediately preceding school year.

2 (ii) The sum of the product of .90 times the number of full-  
3 time equated pupils in grades K to 12 actually enrolled and in  
4 regular daily attendance in the district, public school academy, or  
5 intermediate district on the pupil membership count day for the  
6 current school year, plus the product of .10 times the final  
7 audited count from the supplemental count day of full-time equated  
8 pupils in grades K to 12 actually enrolled and in regular daily  
9 attendance in the district, public school academy, or intermediate  
10 district for the immediately preceding school year.

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

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

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

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

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

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

26 (e) A pupil who has made an official written complaint or  
27 whose parent or legal guardian has made an official written  
28 complaint to law enforcement officials and to school officials of  
29 the pupil's district of residence that the pupil has been the



1 victim of a criminal sexual assault or other serious assault, if  
2 the official complaint either indicates that the assault occurred  
3 at school or that the assault was committed by 1 or more other  
4 pupils enrolled in the school the pupil would otherwise attend in  
5 the district of residence or by an employee of the district of  
6 residence. A person who intentionally makes a false report of a  
7 crime to law enforcement officials for the purposes of this  
8 subdivision is subject to section 411a of the Michigan penal code,  
9 1931 PA 328, MCL 750.411a, which provides criminal penalties for  
10 that conduct. As used in this subdivision:

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

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

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

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

28 (i) The pupil has been suspended or expelled from his or her  
29 district of residence for any reason, including, but not limited



1 to, a suspension or expulsion under section 1310, 1311, or 1311a of  
2 the revised school code, MCL 380.1310, 380.1311, and 380.1311a.

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

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

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

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

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

14 (j) An expelled pupil who has been denied reinstatement by the  
15 expelling district and is reinstated by another school board under  
16 section 1311 or 1311a of the revised school code, MCL 380.1311 and  
17 380.1311a.

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

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

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

28 (n) A pupil who enrolls in a district other than the pupil's  
29 district of residence as a result of the pupil's school not making



1 adequate yearly progress under the no child left behind act of  
 2 2001, Public Law 107-110, or the every student succeeds act, Public  
 3 Law 114-95.

4 However, if a district educates pupils who reside in another  
 5 district and if the primary instructional site for those pupils is  
 6 established by the educating district after 2009-2010 and is  
 7 located within the boundaries of that other district, the educating  
 8 district must have the approval of that other district to count  
 9 those pupils in membership.

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

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

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

15 (ii) **For** a district or building in which school is not in  
 16 session on ~~that~~ **the** Wednesday **described in subparagraph (i)** due to  
 17 conditions not within the control of school authorities, with the  
 18 approval of the superintendent, the immediately following day on  
 19 which school is in session in the district or building.

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

22 (i) Fourth Wednesday in July.

23 (ii) First Wednesday in October.

24 (iii) Second Wednesday in February.

25 (iv) Fourth Wednesday in April.

26 (c) **If a date listed in subdivision (a) or (b) is a day of**  
 27 **religious or cultural significance, as determined by the**  
 28 **department, if approved by the superintendent of public**  
 29 **instruction, the immediately following day on which school is in**



**1 session in the district or building.**

2 (8) "Pupils in grades K to 12 actually enrolled and in regular  
3 daily attendance" means, except as otherwise provided in this  
4 section, pupils in grades K to 12 in attendance and receiving  
5 instruction in all classes for which they are enrolled on the pupil  
6 membership count day or the supplemental count day, as applicable.  
7 Except as otherwise provided in this section and subsection, a  
8 pupil who is absent from any of the classes in which the pupil is  
9 enrolled on the pupil membership count day or supplemental count  
10 day and who does not attend each of those classes during the 10  
11 consecutive school days immediately following the pupil membership  
12 count day or supplemental count day, except for a pupil who has  
13 been excused by the district, is not counted as 1.0 full-time  
14 equated membership. Except as otherwise provided in this section, a  
15 pupil who is excused from attendance on the pupil membership count  
16 day or supplemental count day and who fails to attend each of the  
17 classes in which the pupil is enrolled within 30 calendar days  
18 after the pupil membership count day or supplemental count day is  
19 not counted as 1.0 full-time equated membership. Except as  
20 otherwise provided in this section, in addition, a pupil who was  
21 enrolled and in attendance in a district, intermediate district, or  
22 public school academy before the pupil membership count day or  
23 supplemental count day of a particular year but was expelled or  
24 suspended on the pupil membership count day or supplemental count  
25 day is only counted as 1.0 full-time equated membership if the  
26 pupil resumed attendance in the district, intermediate district, or  
27 public school academy within 45 days after the pupil membership  
28 count day or supplemental count day of that particular year. Except  
29 as otherwise provided in this section, a pupil not counted as 1.0



1 full-time equated membership due to an absence from a class is  
 2 counted as a prorated membership for the classes the pupil  
 3 attended. For purposes of this subsection: ~~,"class" means either~~  
 4 ~~of the following, as applicable:~~

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

9 (b) ~~(a) A "Class" means a period of time in 1 day when pupils~~  
 10 ~~and an individual who is appropriately placed under a valid~~  
 11 ~~certificate, substitute permit, authorization, or approval issued~~  
 12 ~~by the department, are together and instruction is taking place.~~  
 13 ~~This subdivision does not apply for the 2020-2021, 2021-2022, and~~  
 14 ~~2022-2023 school years.~~

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

21 (9) "Rule" means a rule promulgated pursuant to the  
 22 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to  
 23 24.328.

24 (10) "The revised school code" means the revised school code,  
 25 1976 PA 451, MCL 380.1 to 380.1852.

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



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

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

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

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

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

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

23 (18) "Taxable value" means, except as otherwise provided in  
24 this article, the taxable value of property as determined under  
25 section 27a of the general property tax act, 1893 PA 206, MCL  
26 211.27a.

27 (19) "Textbook" means a book, electronic book, or other  
28 instructional print or electronic resource that is selected and  
29 approved by the governing board of a district and that contains a



1 presentation of principles of a subject, or that is a literary work  
 2 relevant to the study of a subject required for the use of  
 3 classroom pupils, or another type of course material that forms the  
 4 basis of classroom instruction.

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

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

26 Sec. 11. (1) For the fiscal year ending September 30, ~~2022,~~  
 27 **2023**, there is appropriated for the public schools of this state  
 28 and certain other state purposes relating to education the sum of  
 29 ~~\$14,511,014,700.00~~ **\$17,738,115,900.00** from the state school aid



1 fund, the sum of ~~\$98,119,400.00~~ **\$124,200,000.00** from the general  
 2 fund, an amount not to exceed \$72,000,000.00 from the community  
 3 district education trust fund created under section 12 of the  
 4 Michigan trust fund act, 2000 PA 489, MCL 12.262, ~~and an amount not~~  
 5 ~~to exceed \$100.00 from the water emergency reserve fund.~~ **and an**  
 6 **amount not to exceed \$140,400,000.00 from the MPERS retirement**  
 7 **obligation reform reserve fund created under section 147b.** For the  
 8 fiscal year ending September 30, ~~2023,~~ **2024**, there is appropriated  
 9 for the public schools of this state and certain other state  
 10 purposes relating to education the sum of ~~\$16,754,072,900.00~~  
 11 **\$18,507,583,600.00** from the state school aid fund, the sum of  
 12 ~~\$124,200,000.00~~ **\$73,700,700.00** from the general fund, an amount not  
 13 to exceed \$72,000,000.00 from the community district education  
 14 trust fund created under section 12 of the Michigan trust fund act,  
 15 2000 PA 489, MCL 12.262, ~~and an amount not to exceed~~  
 16 ~~\$140,400,000.00~~ **\$202,000,000.00** from the MPERS retirement  
 17 obligation reform reserve fund created under section 147b, **an**  
 18 **amount not to exceed \$245,000,000.00 from the school consolidation**  
 19 **and infrastructure fund created under section 11x, and an amount**  
 20 **not to exceed \$150,000,000.00 from the school transportation fund**  
 21 **created under section 22k.** In addition, all available federal funds  
 22 are only appropriated as allocated in this article for the fiscal  
 23 years ending September 30, ~~2022-2023~~ and September 30, ~~2023-2024~~.

24 (2) The appropriations under this section are allocated as  
 25 provided in this article. Money appropriated under this section  
 26 from the general fund must be expended to fund the purposes of this  
 27 article before the expenditure of money appropriated under this  
 28 section from the state school aid fund.

29 (3) Any general fund allocations under this article that are



1 not expended by the end of the fiscal year are transferred to the  
2 school aid stabilization fund created under section 11a.

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

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

9 (a) Unexpended and unencumbered state school aid fund revenue  
10 for a fiscal year that remains in the state school aid fund as of  
11 the bookclosing for that fiscal year.

12 (b) Money statutorily dedicated to the school aid  
13 stabilization fund.

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

15 (3) Money available in the school aid stabilization fund may  
16 not be expended without a specific appropriation from the school  
17 aid stabilization fund. Money in the school aid stabilization fund  
18 must be expended only for purposes for which state school aid fund  
19 money may be expended.

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

24 (5) Money in the school aid stabilization fund at the close of  
25 a fiscal year remains in the school aid stabilization fund and does  
26 not lapse to the unreserved school aid fund balance or the general  
27 fund.

28 (6) If the maximum amount appropriated under section 11 from  
29 the state school aid fund for a fiscal year exceeds the amount



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

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

16 Sec. 11j. From the state school aid fund money appropriated in  
 17 section 11, there is allocated an amount not to exceed  
 18 \$111,000,000.00 for ~~2022-2023~~ **2023-2024** for payments to the school  
 19 loan bond redemption fund in the department of treasury on behalf  
 20 of districts and intermediate districts. Notwithstanding section  
 21 296 or any other provision of this act, funds allocated under this  
 22 section are not subject to proration and must be paid in full.

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



1           Sec. 11m. From the state school aid fund money appropriated in  
 2 section 11, there is allocated for ~~2021-2022-2022-2023~~ an amount  
 3 not to exceed \$1,000,000.00 and there is allocated for ~~2022-2023~~  
 4 **2023-2024** an amount not to exceed ~~\$7,800,000.00~~ **\$1,000,000.00** for  
 5 fiscal year cash-flow borrowing costs solely related to the state  
 6 school aid fund established under section 11 of article IX of the  
 7 state constitution of 1963.

8           Sec. 11s. (1) From the state school aid fund money  
 9 appropriated in section 11, there is allocated \$5,000,000.00 for  
 10 ~~2022-2023-2023-2024~~ and from the general fund money appropriated in  
 11 section 11, there is allocated \$3,075,000.00 for ~~2022-2023-2023-~~  
 12 **2024** for the purpose of providing services and programs to children  
 13 who reside within the boundaries of a district with the majority of  
 14 its territory located within the boundaries of a city for which an  
 15 executive proclamation of emergency concerning drinking water is  
 16 issued in the current or immediately preceding ~~7-8~~ fiscal years  
 17 under the emergency management act, 1976 PA 390, MCL 30.401 to  
 18 30.421, and that has at least 4,500 pupils in membership for the  
 19 2016-2017 fiscal year or has at least ~~2,900-2,800~~ pupils in  
 20 membership for a fiscal year after 2016-2017.

21           (2) From the general fund money allocated in subsection (1),  
 22 there is allocated to a district with the majority of its territory  
 23 located within the boundaries of a city for which an executive  
 24 proclamation of emergency concerning drinking water is issued in  
 25 the current or immediately preceding ~~7-8~~ fiscal years under the  
 26 emergency management act, 1976 PA 390, MCL 30.401 to 30.421, and  
 27 that has at least 4,500 pupils in membership for the 2016-2017  
 28 fiscal year or has at least ~~2,900-2,800~~ pupils in membership for a  
 29 fiscal year after 2016-2017, an amount not to exceed \$2,425,000.00



1 for ~~2022-2023~~ **2023-2024** for the purpose of employing school nurses,  
 2 classroom aides, and school social workers **and for the provision of**  
 3 **behavioral or mental health supports, parental engagement**  
 4 **activities, community coordination activities, and other support**  
 5 **services.** The district shall provide a report to the department in  
 6 a form, manner, and frequency prescribed by the department. The  
 7 department shall provide a copy of that report to the governor, the  
 8 house and senate school aid subcommittees, the house and senate  
 9 fiscal agencies, and the state budget director within 5 days after  
 10 receipt. The report must provide at least the following  
 11 information:

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

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

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

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

21 ~~(3) For 2022-2023, from the state school aid fund money~~  
 22 ~~allocated in subsection (1), there is allocated an amount not to~~  
 23 ~~exceed \$2,000,000.00 to an intermediate district that has a~~  
 24 ~~constituent district described in subsection (2) to provide state~~  
 25 ~~early intervention services for children described in subsection~~  
 26 ~~(1) who are between age 3 and age 5. The intermediate district~~  
 27 ~~shall use these funds to provide state early intervention services~~  
 28 ~~that are similar to the services described in the early on Michigan~~  
 29 ~~state plan.~~



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

10       (3) ~~(5) For 2022-2023, 2023-2024,~~ from the general fund money  
 11       allocated in subsection (1), there is allocated an amount not to  
 12       exceed \$650,000.00 for nutritional services to children described  
 13       in subsection (1).

14       (4) ~~(6) For 2022-2023, 2023-2024,~~ from the state school aid  
 15       fund money allocated in subsection (1), there is allocated an  
 16       amount not to exceed ~~\$2,000,000.00~~ **\$5,000,000.00** to the  
 17       intermediate district ~~described in subsection (3)~~ **that has a**  
 18       **constituent district described in subsection (2)** for interventions  
 19       and supports for students in K to 12 who were impacted by an  
 20       executive proclamation of emergency described in subsection (1)  
 21       concerning drinking water. Funds under this subsection must be used  
 22       for behavioral supports, social workers, counselors, psychologists,  
 23       nursing services, including, but not limited to, vision and hearing  
 24       services, transportation services, parental engagement, community  
 25       coordination, and other support services.

26       (5) ~~(7) In addition to the allocation under subsection (1),~~  
 27       from the general fund money appropriated under section 11, there is  
 28       allocated an amount not to exceed \$1,000,000.00 for ~~2022-2023~~ **2023-**  
 29       **2024** only for an early childhood collaborative that serves students



1 located in a county with a population of not less than ~~400,000~~  
 2 **390,000** or more than ~~500,000.~~ **450,000**. The funds allocated under  
 3 this subsection must be used to continue the expansion of early  
 4 childhood services in response to an executive proclamation of  
 5 emergency described in this section concerning drinking water.

6 ~~(8) In addition to other funding allocated and appropriated in~~  
 7 ~~this section, there is appropriated an amount not to exceed~~  
 8 ~~\$5,000,000.00 for 2022-2023 for state restricted contingency funds.~~  
 9 ~~These contingency funds are not available for expenditure until~~  
 10 ~~they have been transferred to a section within this article under~~  
 11 ~~section 393(2) of the management and budget act, 1984 PA 431, MCL~~  
 12 ~~18.1393.~~

13 **(6)** ~~(9)~~ Notwithstanding section 17b, the department shall make  
 14 payments under this section on a schedule determined by the  
 15 department.

16 **Sec. 11v. From the state school aid fund money appropriated in**  
 17 **section 11, there is allocated for 2022-2023 only \$94,400,000.00 to**  
 18 **a community district that was created as described under section**  
 19 **383 of the revised school code, MCL 380.383. Funds allocated under**  
 20 **this section are direct grant funds to a community district and are**  
 21 **not subject to approval by the state board of education or the**  
 22 **superintendent of public instruction. A community district shall**  
 23 **use funds allocated under this section only for literacy-related**  
 24 **programs and initiatives. Notwithstanding section 17b, the**  
 25 **department shall make payments under this section by not later than**  
 26 **September 30, 2023.**

27 **Sec. 11w. (1) From the state school aid fund money**  
 28 **appropriated in section 11, there is allocated for 2021-2022 an**  
 29 **amount not to exceed \$9,828,000.00 for payments to 1 district that**



1 was forced to close a building operated by the district for an  
2 extended period of time, but not less than 20 consecutive school  
3 days, as a result of the district's response to an act of pupil  
4 violence. Funds allocated under this section may be used for  
5 personnel and additional student supports, including psychologists,  
6 family liaisons, mental health staff, school security, additional  
7 learning time, legal fees, and the physical restoration of a school  
8 building.

9 (2) For 2021-2022 only, for the district described in  
10 subsection (1), it is the intent of the legislature that results  
11 from summative assessments administered by the district during the  
12 2021-2022 school year are not used for retention decisions,  
13 educator evaluations, and other high-stakes decisions. The  
14 department is encouraged to work with the district to determine  
15 alternative methods to comply with applicable state laws.

16 (3) The funds allocated under this section for 2021-2022 are a  
17 work project appropriation, and any unexpended funds for 2021-2022  
18 are carried forward into 2022-2023. The purpose of the work project  
19 is to continue to provide support for the district described in  
20 subsection (1). The estimated completion date of the work project  
21 is September 30, ~~2023-2024~~.

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

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



1 (2) The state treasurer may receive money or other assets from  
 2 any source for deposit into the school consolidation and  
 3 infrastructure fund. The state treasurer shall direct the  
 4 investment of the school consolidation and infrastructure fund. The  
 5 state treasurer shall credit to the school consolidation and  
 6 infrastructure fund interest and earnings from school consolidation  
 7 and infrastructure fund investments.

8 (3) Money in the school consolidation and infrastructure fund  
 9 at the close of the fiscal year remains in the school consolidation  
 10 and infrastructure fund and does not lapse to the state school aid  
 11 fund or the general fund.

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

14 (5) Money available in the school consolidation and  
 15 infrastructure fund must not be expended without a specific  
 16 appropriation. ~~No more than 50% of funds in the school~~  
 17 ~~consolidation and infrastructure fund may be appropriated for non-~~  
 18 ~~consolidation-related infrastructure projects.~~

19 (6) ~~From~~ **Subject to subsection (7), from** the state school aid  
 20 fund money appropriated under section 11, there is allocated for  
 21 2022-2023 only an amount not to exceed \$5,000,000.00 for grants to  
 22 ~~districts and intermediate districts~~ to support the cost of a  
 23 feasibility study or analysis of consolidation **or the consolidation**  
 24 **of services** among 1 or more districts or among 1 or more  
 25 intermediate districts. ~~Districts and intermediate districts~~ **Except**  
 26 **as otherwise provided in this subsection, an intermediate district**  
 27 **may apply to the department by not later than September 30, 2023**  
 28 ~~for a grant under this section to the department on a first-come,~~  
 29 ~~first-serve basis.~~ **subsection in a form and manner prescribed by**



1 the department no later than September 30, 2023. The maximum amount  
2 of a grant to be distributed under this ~~section~~ subsection may not  
3 exceed \$250,000.00. Notwithstanding section 17b, the department  
4 shall make payments under this subsection on a schedule determined  
5 by the department. A district with more than 40,000 pupils in  
6 membership may apply to the department for a grant under this  
7 subsection on its own behalf and must not be included in an  
8 intermediate district application.

9 (7) To be eligible for a grant under subsection (6), an  
10 intermediate district must demonstrate to the department, in the  
11 manner prescribed by the department, that the intermediate district  
12 will conduct a feasibility study or analysis and that all of the  
13 following will be met:

14 (a) Within 30 days after completion of the study or analysis,  
15 the intermediate district will make the results available to all  
16 districts and intermediate districts included in the study or  
17 analysis. Within 60 days after the completion of the study or  
18 analysis, the intermediate district will make the results available  
19 on a publicly available website.

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

22 (i) Financial services, which may include, but are not limited  
23 to, the following:

24 (A) Budgeting and staffing.

25 (B) Payroll.

26 (C) Employee benefits.

27 (D) State reporting.

28 (E) Software consolidation to achieve common software  
29 throughout the intermediate district.



1 (ii) Human resources, which may include, but are not limited  
2 to, the following:

3 (A) Onboarding.

4 (B) Title IX administration.

5 (C) Hiring.

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

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

10 (A) Software consolidation to achieve common software  
11 throughout the intermediate district.

12 (B) Fiber projects.

13 (C) Cybersecurity.

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

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

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

18 (B) Grant reporting.

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

22 (vi) Debt issuance and management, including at least all of  
23 the following:

24 (A) Refunding opportunities.

25 (B) New bond issue analysis.

26 (vii) School facility consolidation.

27 (viii) The physical consolidation of districts.

28 (c) The intermediate district will meet with its constituent  
29 districts located within the intermediate district to discuss the



1 results of the study or analysis and to implement changes where  
 2 feasible. The application must include a brief description of how  
 3 the intermediate district will conduct these meetings.

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

11 (9) ~~(7)~~ For the fiscal year ending September 30, 2022 only,  
 12 \$475,000,000.00 from the state school aid fund must be deposited  
 13 into the school consolidation and infrastructure fund.

14 (10) For the fiscal year ending September 30, 2023 only,  
 15 \$714,184,700.00 from the state school aid fund must be deposited  
 16 into the school consolidation and infrastructure fund.

17 (11) ~~(8)~~ To be eligible for the receipt of ~~funds~~ funding for  
 18 infrastructure-related projects appropriated from the school  
 19 consolidation and infrastructure fund created under this section, a  
 20 district must allow for the facility condition assessments  
 21 described in section 11y to be conducted in the district. It is  
 22 intended that money in the school consolidation and infrastructure  
 23 fund will not be appropriated for infrastructure projects until the  
 24 completion of the facility condition assessments described in  
 25 section 11y.

26 Sec. 12a. (1) From the state school aid fund money  
 27 appropriated in section 11, there is allocated for 2022-2023 only  
 28 an amount not to exceed \$300,000,000.00 for competitive grants to  
 29 participating schools to lower energy costs and improve health



1 outcomes at school facilities through the healthy schools grant  
2 program created under this section. The department shall create a  
3 healthy schools grant program to disburse grant funding for the  
4 purposes under this section.

5 (2) Except as otherwise provided in this subsection, to  
6 receive a grant under this section, a participating school must  
7 apply for the grant in a form and manner prescribed by the  
8 department, in collaboration with the department of environment,  
9 Great Lakes, and energy and the department of health and human  
10 services. An application described in this subsection must be  
11 evaluated using the following scoring criteria:

12 (a) Utilizing Justice40 parameters.

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

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

22 (d) Prioritizing initial distribution of funds to  
23 participating schools that participated in the racial disparities  
24 task force initiative evaluating and analyzing opportunities to  
25 improve air quality in K to 12 facilities in environmental justice  
26 communities.

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

29 (a) Indoor air quality improvements, including HVAC and air



1 conditioning needs.

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

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

6 (d) Drinking water system upgrades, including the installation  
7 of hydration stations.

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

12 (5) The funds allocated under this section for 2022-2023 are a  
13 work project appropriation, and any unexpended funds for 2022-2023  
14 are carried forward into 2023-2024. The purpose of the work project  
15 is to lower energy costs and improve health outcomes at school  
16 facilities. The estimated completion date of the work project is  
17 September 30, 2027.

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

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

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



- 1 (a) Modernizing antiquated medical equipment.  
2 (b) Improving security and patient safety measures.  
3 (c) Investing in new patient-centered technologies.  
4 (d) Renovating physical spaces to improve patient privacy and  
5 the care setting.

6 (2) To be eligible to receive funding under this section, a  
7 district or intermediate district must have a school-based health  
8 center that serves students in the current fiscal year and must  
9 submit a joint application with the school-based health center  
10 toward which it will apply funding under this section, in a form  
11 and manner determined by the department in collaboration with the  
12 department of health and human services.

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

16 (4) If funding under this section is not sufficient to fully  
17 fund all eligible applicants, the department shall prioritize  
18 funding based on the age of the school-based health center for  
19 which the district or intermediate district sought funding for  
20 under this section.

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

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



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

7 (a) An assurance that the district or intermediate district  
8 was included in a feasibility study or analysis conducted under  
9 section 11x.

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

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

16 (d) An assurance that the district or intermediate district  
17 will submit to the department an annual report documenting the  
18 estimated savings produced as a result of the consolidation or  
19 consolidation of services.

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

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

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

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



1           (4) Each intermediate district that receives funding under  
2 this section and also receives funding under section 11x(6) for  
3 2022-2023 shall, in consultation with its constituent districts  
4 that receive funds under this section, submit a report to the  
5 department not later than June 30, 2025. The report must include  
6 all of the following information regarding consolidation or  
7 consolidated services supported by funding under this section, in  
8 the form and manner prescribed by the department:

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

11           (b) The number of students impacted by the consolidation or  
12 consolidated service.

13           (c) The vendors, third-party entities, or other educational  
14 entities used for consolidation or to consolidate the service or  
15 services.

16           (d) The impact on student learning attributable to money  
17 reallocated as a result of the consolidation or consolidated  
18 service or services.

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

22           (5) As used in this section, "constituent district" means that  
23 terms as defined in section 3 of the revised school code, MCL  
24 380.3.

25           Sec. 15. (1) If a district or intermediate district fails to  
26 receive its proper apportionment, the department, upon satisfactory  
27 proof that the district or intermediate district was entitled  
28 justly, shall apportion the deficiency in the next apportionment.  
29 Subject to subsections (2) and (3), if a district or intermediate



1 district has received more than its proper apportionment, the  
2 department, upon satisfactory proof, shall deduct the excess in the  
3 next apportionment. Notwithstanding any other provision in this  
4 article, state aid overpayments to a district, other than  
5 overpayments in payments for special education or special education  
6 transportation, may be recovered from any payment made under this  
7 article other than a special education or special education  
8 transportation payment, from the proceeds of a loan to the district  
9 under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to  
10 141.942, or from the proceeds of millage levied or pledged under  
11 section 1211 of the revised school code, MCL 380.1211. State aid  
12 overpayments made in special education or special education  
13 transportation payments may be recovered from subsequent special  
14 education or special education transportation payments, from the  
15 proceeds of a loan to the district under the emergency municipal  
16 loan act, 1980 PA 243, MCL 141.931 to 141.942, or from the proceeds  
17 of millage levied or pledged under section 1211 of the revised  
18 school code, MCL 380.1211.

19 (2) If the result of an audit conducted by or for the  
20 department affects the current fiscal year membership, the  
21 department shall adjust affected payments in the current fiscal  
22 year. A deduction due to an adjustment made as a result of an audit  
23 conducted by or for the department, or as a result of information  
24 obtained by the department from the district, an intermediate  
25 district, the department of treasury, or the office of auditor  
26 general, must be deducted from the district's apportionments when  
27 the adjustment is finalized. At the request of the district and  
28 upon the district presenting evidence satisfactory to the  
29 department of the hardship, the department may grant up to an



1 additional 4 years for the adjustment and may advance payments to  
2 the district otherwise authorized under this article if the  
3 district would otherwise experience a significant hardship in  
4 satisfying its financial obligations. However, a district that  
5 presented satisfactory evidence of hardship and was undergoing an  
6 extended adjustment during 2018-2019 may continue to use the period  
7 of extended adjustment as originally granted by the department.

8 (3) If, based on an audit by the department or the  
9 department's designee or because of new or updated information  
10 received by the department, the department determines that the  
11 amount paid to a district or intermediate district under this  
12 article for the current fiscal year or a prior fiscal year was  
13 incorrect, the department shall make the appropriate deduction or  
14 payment in the district's or intermediate district's allocation in  
15 the next apportionment after the adjustment is finalized. The  
16 department shall calculate the deduction or payment according to  
17 the law in effect in the fiscal year in which the incorrect amount  
18 was paid. If the district does not receive an allocation for the  
19 fiscal year or if the allocation is not sufficient to pay the  
20 amount of any deduction, the amount of any deduction otherwise  
21 applicable must be satisfied from the proceeds of a loan to the  
22 district under the emergency municipal loan act, 1980 PA 243, MCL  
23 141.931 to 141.942, or from the proceeds of millage levied or  
24 pledged under section 1211 of the revised school code, MCL  
25 380.1211, as determined by the department.

26 (4) If the department makes an adjustment under this section  
27 based in whole or in part on a membership audit finding that a  
28 district or intermediate district employed an educator in violation  
29 of certification requirements under the revised school code and



1 rules promulgated by the department, the department shall prorate  
 2 the adjustment according to the period of noncompliance with the  
 3 certification requirements.

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

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

12 (7) In addition to funds appropriated in section 11 for all  
 13 programs and services, there is appropriated for ~~2022-2023~~**2023-**  
 14 **2024** for obligations in excess of applicable appropriations an  
 15 amount equal to the collection of overpayments, but not to exceed  
 16 amounts available from overpayments.

17 Sec. 19. (1) A district or intermediate district shall comply  
 18 with all applicable reporting requirements specified in state and  
 19 federal law. Data provided to the center, in a form and manner  
 20 prescribed by the center, shall be aggregated and disaggregated as  
 21 required by state and federal law. In addition, a district or  
 22 intermediate district shall cooperate with all measures taken by  
 23 the center to establish and maintain a statewide P-20 longitudinal  
 24 data system.

25 (2) Each district shall furnish to the center not later than 5  
 26 weeks after the pupil membership count day and by the last business  
 27 day in June of the school fiscal year ending in the fiscal year, in  
 28 a manner prescribed by the center, the information necessary for  
 29 the preparation of the district and high school graduation report,



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

20 (3) By the first business day in December and by the last  
 21 business day in June of each year, **and within 30 days of any**  
 22 **changes in employment or assignment status**, a district shall  
 23 furnish to the center, in a manner prescribed by the center,  
 24 information related to educational personnel **and personnel**  
 25 **vacancies** as necessary for reporting required by state and federal  
 26 law. For the purposes of this subsection, the center shall only  
 27 require districts and intermediate districts to report information  
 28 that is not already available from the office of retirement  
 29 services in the department of technology, management, and budget,



1 **including, but not limited to, information concerning vacancy start**  
 2 **and end dates and reasons for vacancies and vacancy terminations.**

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

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

25 (6) The department shall implement statewide standard  
 26 reporting requirements for education data approved by the  
 27 department in conjunction with the center. The department shall  
 28 work with the center, intermediate districts, districts, and other  
 29 interested stakeholders to implement this policy change. A district



1 or intermediate district shall implement the statewide standard  
 2 reporting requirements not later than 2017-2018 or when a district  
 3 or intermediate district updates its education data reporting  
 4 system, whichever is later.

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

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

18 ~~(a) For 2021-2022, the target foundation allowance is~~  
 19 ~~\$8,700.00.~~

20 ~~(b) For 2021-2022, the minimum foundation allowance is~~  
 21 ~~\$8,700.00.~~

22 ~~(c) For 2022-2023, 2023-2024, the target foundation allowance~~  
 23 ~~is \$9,150.00. \$9,516.00.~~

24 (2) The department shall calculate the amount of each  
 25 district's foundation allowance as provided in this section, using  
 26 a target foundation allowance in the amount specified in subsection  
 27 (1).

28 (3) Except as otherwise provided in this section, the  
 29 department shall calculate the amount of a district's foundation



1 allowance as follows, using in all calculations the total amount of  
2 the district's foundation allowance as calculated before any  
3 proration:

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

16 ~~(b) For a district that in the immediately preceding fiscal~~  
17 ~~year had a foundation allowance in an amount equal to the amount of~~  
18 ~~the target foundation allowance for the immediately preceding~~  
19 ~~fiscal year, the district receives a foundation allowance for 2021-~~  
20 ~~2022 in an amount equal to the target foundation allowance for~~  
21 ~~2021-2022. This subdivision does not apply after the 2021-2022~~  
22 ~~fiscal year.~~

23 ~~(c) For a district that had a foundation allowance for the~~  
24 ~~immediately preceding fiscal year that was greater than the target~~  
25 ~~foundation allowance for the immediately preceding fiscal year, the~~  
26 ~~district's foundation allowance is an amount equal to the sum of~~  
27 ~~the district's foundation allowance for the immediately preceding~~  
28 ~~fiscal year plus the lesser of the increase in the target~~  
29 ~~foundation allowance for the current fiscal year, as compared to~~



1 ~~the immediately preceding fiscal year, or the product of the~~  
 2 ~~district's foundation allowance for the immediately preceding~~  
 3 ~~fiscal year times the percentage increase in the United States~~  
 4 ~~Consumer Price Index in the calendar year ending in the immediately~~  
 5 ~~preceding fiscal year as reported by the May revenue estimating~~  
 6 ~~conference conducted under section 367b of the management and~~  
 7 ~~budget act, 1984 PA 431, MCL 18.1367b. This subdivision does not~~  
 8 ~~apply after the 2021-2022 fiscal year.~~

9       **(b)** ~~(d)~~ For a district that had a foundation allowance for the  
 10 immediately preceding fiscal year that was greater than the target  
 11 foundation allowance for the immediately preceding fiscal year, the  
 12 district's foundation allowance is an amount equal to the lesser of  
 13 (the sum of the district's foundation allowance for the immediately  
 14 preceding fiscal year plus any per pupil amount calculated under  
 15 section 20m(2) in the immediately preceding fiscal year plus the  
 16 increase in the target foundation allowance for the current fiscal  
 17 year, as compared to the immediately preceding fiscal year) or (the  
 18 product of the district's foundation allowance for the immediately  
 19 preceding fiscal year times the percentage increase in the United  
 20 States Consumer Price Index in the calendar year ending in the  
 21 immediately preceding fiscal year as reported by the May revenue  
 22 estimating conference conducted under section 367b of the  
 23 management and budget act, 1984 PA 431, MCL 18.1367b). ~~This~~  
 24 ~~subdivision does not apply for the 2021-2022 fiscal year.~~

25       **(c)** ~~(e)~~ For a district that has a foundation allowance that is  
 26 less than the target foundation allowance in the current fiscal  
 27 year but had a foundation allowance in fiscal year 2020-2021 that  
 28 was greater than the target foundation allowance in effect for that  
 29 fiscal year, the district's foundation allowance is an amount equal



1 to the lesser of (the sum of the district's foundation allowance  
 2 for fiscal year 2020-2021 plus the increase in the target  
 3 foundation allowance for the current fiscal year, as compared to  
 4 fiscal year 2020-2021) or (the product of the district's foundation  
 5 allowance for the immediately preceding fiscal year times the  
 6 percentage increase in the United States Consumer Price Index in  
 7 the calendar year ending in the immediately preceding fiscal year  
 8 as reported by the May revenue estimating conference conducted  
 9 under section 367b of the management and budget act, 1984 PA 431,  
 10 MCL 18.1367b). ~~This subdivision does not apply for the 2021-2022~~  
 11 ~~fiscal year.~~

12 (d) ~~(f)~~—For a district that has a foundation allowance that is  
 13 not a whole dollar amount, the department shall round the  
 14 district's foundation allowance up to the nearest whole dollar.

15 (4) Except as otherwise provided in this subsection, the state  
 16 portion of a district's foundation allowance is an amount equal to  
 17 the district's foundation allowance or the target foundation  
 18 allowance for the current fiscal year, whichever is less, minus the  
 19 local portion of the district's foundation allowance. Except as  
 20 otherwise provided in this subsection, for a district described in  
 21 subsection ~~(3) (d) and (e), beginning in 2021-2022,~~ **(3) (b) and (c)** ,  
 22 the state portion of the district's foundation allowance is an  
 23 amount equal to the target foundation allowance minus the  
 24 district's foundation allowance supplemental payment per pupil  
 25 calculated under section 20m and minus the local portion of the  
 26 district's foundation allowance. For a district that has a millage  
 27 reduction required under section 31 of article IX of the state  
 28 constitution of 1963, the department shall calculate the state  
 29 portion of the district's foundation allowance as if that reduction



1 did not occur. For a receiving district, if school operating taxes  
2 continue to be levied on behalf of a dissolved district that has  
3 been attached in whole or in part to the receiving district to  
4 satisfy debt obligations of the dissolved district under section 12  
5 of the revised school code, MCL 380.12, the taxable value per  
6 membership pupil of property in the receiving district used for the  
7 purposes of this subsection does not include the taxable value of  
8 property within the geographic area of the dissolved district. For  
9 a community district, if school operating taxes continue to be  
10 levied by a qualifying school district under section 12b of the  
11 revised school code, MCL 380.12b, with the same geographic area as  
12 the community district, the taxable value per membership pupil of  
13 property in the community district to be used for the purposes of  
14 this subsection does not include the taxable value of property  
15 within the geographic area of the community district.

16 (5) The allocation calculated under this section for a pupil  
17 is based on the foundation allowance of the pupil's district of  
18 residence. For a pupil enrolled under section 105 or 105c in a  
19 district other than the pupil's district of residence, the  
20 allocation calculated under this section is based on the lesser of  
21 the foundation allowance of the pupil's district of residence or  
22 the foundation allowance of the educating district. For a pupil in  
23 membership in a K-5, K-6, or K-8 district who is enrolled in  
24 another district in a grade not offered by the pupil's district of  
25 residence, the allocation calculated under this section is based on  
26 the foundation allowance of the educating district if the educating  
27 district's foundation allowance is greater than the foundation  
28 allowance of the pupil's district of residence. The calculation  
29 under this subsection must take into account a district's per-pupil



1 allocation under section 20m.

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

22 (7) For pupils in membership, other than special education  
 23 pupils, in a community district, the allocation calculated under  
 24 this section is an amount per membership pupil other than special  
 25 education pupils in the community district equal to the foundation  
 26 allowance of the qualifying school district, as described in  
 27 section 12b of the revised school code, MCL 380.12b, that is  
 28 located within the same geographic area as the community district.

29 (8) Subject to subsection (4), for a district that is formed



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

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

19 (10) Except as otherwise provided in this subsection, state  
 20 payments related to payment of the foundation allowance for a  
 21 special education pupil are not calculated under this section but  
 22 are instead calculated under ~~section 51a and section 51e. All of~~  
 23 ~~the following apply with regard to state payments related to~~  
 24 ~~payment of the foundation allowance for a special education pupil:~~

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

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

29 ~~(ii) Seventy five percent is calculated under section 51e.~~



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

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

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

20       (b) The revenue adjustment factor is computed by dividing the  
 21 sum of the estimated total state school aid fund revenue for the  
 22 subsequent fiscal year plus the estimated total state school aid  
 23 fund revenue for the current fiscal year, adjusted for any change  
 24 in the rate or base of a tax the proceeds of which are deposited in  
 25 that fund and excluding money transferred into that fund from the  
 26 countercyclical budget and economic stabilization fund under the  
 27 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, by  
 28 the sum of the estimated total school aid fund revenue for the  
 29 current fiscal year plus the estimated total state school aid fund



1 revenue for the immediately preceding fiscal year, adjusted for any  
2 change in the rate or base of a tax the proceeds of which are  
3 deposited in that fund. If a consensus revenue factor is not  
4 determined at the revenue estimating conference, the principals of  
5 the revenue estimating conference shall report their estimates to  
6 the house and senate subcommittees responsible for school aid  
7 appropriations not later than 7 days after the conclusion of the  
8 revenue conference.

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

16 (12) Payments to districts and public school academies are not  
17 made under this section. Rather, the calculations under this  
18 section are used to determine the amount of state payments under  
19 section 22b.

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

25 (14) As used in this section:

26 (a) "Certified mills" means the lesser of 18 mills or the  
27 number of mills of school operating taxes levied by the district in  
28 1993-94.

29 (b) "Current fiscal year" means the fiscal year for which a



1 particular calculation is made.

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

6 (d) "Immediately preceding fiscal year" means the fiscal year  
7 immediately preceding the current fiscal year.

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

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

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

27 (h) "Principal residence", "qualified agricultural property",  
28 "qualified forest property", "supportive housing property",  
29 "industrial personal property", and "commercial personal property"



1 mean those terms as defined in section 1211 of the revised school  
2 code, MCL 380.1211.

3 (i) "Receiving district" means a district to which all or part  
4 of the territory of a dissolved district is attached under section  
5 12 of the revised school code, MCL 380.12.

6 (j) "School operating purposes" means the purposes included in  
7 the operation costs of the district as prescribed in sections 7 and  
8 18 and purposes authorized under section 1211 of the revised school  
9 code, MCL 380.1211.

10 (k) "School operating taxes" means local ad valorem property  
11 taxes levied under section 1211 of the revised school code, MCL  
12 380.1211, and retained for school operating purposes.

13 (l) "Tax increment financing acts" means parts 2, 3, 4, and 6  
14 of the recodified tax increment financing act, 2018 PA 57, MCL  
15 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield  
16 redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

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

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

28 (a) For a district that had combined state and local revenue  
29 per membership pupil in the 1994-95 fiscal year of \$6,500.00 or



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

14 (b) If a district had an adjustment made to its 1993-94 total  
15 state school aid that excluded payments made under former section  
16 146 and under section 147 on behalf of the district's employees who  
17 provided direct services for intermediate district center programs  
18 operated by the district under former section 51 and sections 51a  
19 to 56, if nonresident pupils attending the center programs were  
20 included in the district's membership for purposes of calculating  
21 the combined state and local revenue per membership pupil for 1993-  
22 94, and if there is a signed agreement by all constituent districts  
23 of the intermediate district agreeing to an adjustment under this  
24 subdivision, the department shall calculate the foundation  
25 allowances for 1995-96 and 1996-97 of all districts that had pupils  
26 attending the intermediate district center program operated by the  
27 district that had the adjustment as if their combined state and  
28 local revenue per membership pupil for 1993-94 included resident  
29 pupils attending the center program and excluded nonresident pupils



1 attending the center program.

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

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

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

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

23       (b) The pupil agrees with the recommendation of the primary  
24 district.

25       (4) If the number of applicants eligible for acceptance in a  
26 virtual course does not exceed the capacity of the provider to  
27 provide the virtual course, the provider shall accept for  
28 enrollment all of the applicants eligible for acceptance. If the  
29 number of applicants exceeds the provider's capacity to provide the



1 virtual course, the provider shall use a random draw system,  
2 subject to the need to abide by state and federal  
3 antidiscrimination laws and court orders. A primary district that  
4 is also a provider shall determine whether or not it has the  
5 capacity to accept applications for enrollment from nonresident  
6 applicants in virtual courses and may use that limit as the reason  
7 for refusal to enroll a nonresident applicant.

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

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

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

16 (c) The virtual course is not capable of generating academic  
17 credit.

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

20 (e) The pupil has not completed the prerequisite coursework  
21 for the requested virtual course or has not demonstrated  
22 proficiency in the prerequisite course content.

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

25 (g) The virtual course is of insufficient quality or rigor. A  
26 primary district that denies a pupil enrollment request for this  
27 reason shall enroll the pupil in a virtual course in the same or a  
28 similar subject that the primary district determines is of  
29 acceptable rigor and quality.



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

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

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

12 (6) If a pupil is denied enrollment in a virtual course by the  
13 pupil's primary district, the primary district shall provide  
14 written notification to the pupil of the denial, the reason or  
15 reasons for the denial under subsection (5), and a description of  
16 the appeal process. The pupil may appeal the denial by submitting a  
17 letter to the superintendent of the intermediate district in which  
18 the pupil's primary district is located. The letter of appeal must  
19 include the reason provided by the primary district for not  
20 enrolling the pupil and the reason why the pupil is claiming that  
21 the enrollment should be approved. The intermediate district  
22 superintendent or designee shall respond to the appeal within 5  
23 days after it is received. If the intermediate district  
24 superintendent or designee determines that the denial of enrollment  
25 does not meet 1 or more of the reasons specified in subsection (5),  
26 the primary district shall enroll the pupil in the virtual course.

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

29 (a) Ensure that the virtual course has been published in the



1 pupil's primary district's catalog of board-approved courses or  
2 published in the statewide catalog of virtual courses maintained by  
3 the Michigan Virtual University.

4 (b) Assign to each pupil a teacher of record and provide the  
5 primary district with the personnel identification code assigned by  
6 the center for the teacher of record. If the provider is a  
7 community college, the virtual course must be taught by an  
8 instructor employed by or contracted through the providing  
9 community college.

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

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

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

20 (ii) Not later than October 1 of each fiscal year, provide the  
21 Michigan Virtual University with an aggregated count of enrollments  
22 for each virtual course the provider delivered to pupils under this  
23 section during the immediately preceding school year, and the  
24 number of enrollments in which the pupil earned 60% or more of the  
25 total course points for each virtual course.

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

29 (9) For any virtual course a pupil enrolls in under this



1 section, the pupil's primary district must assign to the pupil a  
2 mentor and shall supply the provider with the mentor's contact  
3 information.

4 (10) For a pupil enrolled in 1 or more virtual courses, the  
5 primary district shall use foundation allowance or per-pupil funds  
6 calculated under section 20 to pay for the expenses associated with  
7 the virtual course or courses. A primary district is not required  
8 to pay toward the cost of a virtual course an amount that exceeds  
9 6.67% of the target foundation allowance for the current fiscal  
10 year as calculated under section 20.

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

18 (12) If a pupil successfully completes a virtual course, as  
19 determined by the pupil's primary district, the pupil's primary  
20 district shall grant appropriate academic credit for completion of  
21 the course and shall count that credit toward completion of  
22 graduation and subject area requirements. A pupil's school record  
23 and transcript must identify the virtual course title as it appears  
24 in the virtual course syllabus.

25 (13) The enrollment of a pupil in 1 or more virtual courses  
26 must not result in a pupil being counted as more than 1.0 full-time  
27 equivalent pupils under this article. The minimum requirements to  
28 count the pupil in membership are those established by the pupil  
29 accounting manual as it was in effect for the 2015-2016 school year



1 or as subsequently amended by the department if the department  
2 notifies the legislature about the proposed amendment at least 60  
3 days before the amendment becomes effective.

4 (14) As used in this section:

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

7 (b) "Mentor" means a professional employee of the primary  
8 district who monitors the pupil's progress, ensures the pupil has  
9 access to needed technology, is available for assistance, and  
10 ensures access to the teacher of record. A mentor may also serve as  
11 the teacher of record if the primary district is the provider for  
12 the virtual course and the mentor meets the requirements under  
13 subdivision (e).

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

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

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

22 (i) Holds a valid Michigan teaching certificate or a teaching  
23 permit recognized by the department.

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

26 (iii) Is responsible for providing instruction, determining  
27 instructional methods for each pupil, diagnosing learning needs,  
28 assessing pupil learning, prescribing intervention strategies and  
29 modifying lessons, reporting outcomes, and evaluating the effects



1 of instruction and support strategies.

2 (iv) Has a personnel identification code provided by the  
3 center.

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

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

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

14 (i) An alignment document detailing how the course meets  
15 applicable state standards or, if the state does not have state  
16 standards, nationally recognized standards.

17 (ii) The virtual course content outline.

18 (iii) The virtual course required assessments.

19 (iv) The virtual course prerequisites.

20 (v) Expectations for actual instructor or teacher of record  
21 contact time with the virtual learning pupil and other  
22 communications between a pupil and the instructor or teacher of  
23 record.

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

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

26 (viii) The name of the institution or organization providing the  
27 virtual content.

28 (ix) The name of the institution or organization providing the  
29 instructor or teacher of record.



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

4 (xi) The number of eligible pupils that will be accepted by the  
 5 provider in the virtual course. A primary district that is also the  
 6 provider may limit the enrollment to those pupils enrolled in the  
 7 primary district.

8 (xii) The results of the virtual course quality review using  
 9 the guidelines and model review process published by the Michigan  
 10 Virtual University.

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

13 Sec. 21h. (1) From the state school aid fund money  
 14 appropriated in section 11, there is allocated \$6,137,400.00 for  
 15 ~~2022-2023~~**2023-2024** for assisting districts assigned by the  
 16 superintendent to participate in a partnership and districts that  
 17 have established a community engagement advisory committee in  
 18 partnership with the department of treasury, are required to submit  
 19 a deficit elimination plan or an enhanced deficit elimination plan  
 20 under section 1220 of the revised school code, MCL 380.1220, and  
 21 are located in a city with a population between ~~9,000~~**8,000** and  
 22 ~~11,000~~**10,000**, as determined by the department, that is in a  
 23 county with a population between 150,000 and 160,000, as determined  
 24 by the department, to improve student achievement and district  
 25 financial stability. The superintendent shall collaborate with the  
 26 state treasurer to identify any conditions that may be contributing  
 27 to low academic performance within a district being considered for  
 28 assignment to a partnership. The purpose of the partnership is to  
 29 identify district needs, develop intervention plans, and partner



1 with public, private, and nonprofit organizations to coordinate  
 2 resources and improve student achievement. Assignment of a district  
 3 to a partnership is made by the superintendent in consultation with  
 4 the state treasurer.

5 (2) A district described in subsection (1) is eligible for  
 6 funding under this section if the district includes at least 1  
 7 school that has been identified as low performing under the  
 8 approved federal accountability system or the state accountability  
 9 system. A district described in this subsection must do all of the  
 10 following to be eligible for funding under this section:

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

21 (i) A review of the district's implementation and utilization  
 22 of a multi-tiered system of supports to ensure that it is used to  
 23 appropriately inform instruction.

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

26 (iii) A review of classroom, instructional, and operational  
 27 practices and curriculum to ensure alignment with research-based  
 28 instructional practices and state curriculum standards.

29 (b) Develop an academic and financial operating or



1 intervention plan that has been approved by the superintendent and  
2 that addresses the needs identified in the comprehensive needs  
3 assessment or evaluation completed under subdivision (a). The  
4 intervention plan must include at least all of the following:

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

7 (ii) Specific measurable benchmarks that will be met within 18  
8 months to improve student achievement and identification of  
9 expected student achievement outcomes to be attained within 3 years  
10 after assignment to the partnership.

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

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

18 (3) Upon approval of the academic and financial operating or  
19 intervention plan developed under subsection (2), the department,  
20 in collaboration with the department of treasury, shall assign a  
21 team of individuals with expertise in comprehensive school and  
22 district reform to partner with the district, the intermediate  
23 district, community organizations, education organizations, and  
24 postsecondary institutions identified in the academic and financial  
25 operating or intervention plan to review the district's use of  
26 existing financial resources to ensure that those resources are  
27 being used as efficiently and effectively as possible to improve  
28 student academic achievement and to ensure district financial  
29 stability. The superintendent of public instruction may waive



1 burdensome administrative rules for a partnership district for the  
2 duration of the partnership agreement and for a district described  
3 in subsection (1) that is not a partnership district under this  
4 section and that receives funding under this section in the current  
5 fiscal year.

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

17 (5) From the funds allocated under subsection (1), there is  
18 allocated for ~~2022-2023~~**2023-2024** an amount not to exceed  
19 \$137,400.00 for the purchase of a data analytics tool to be used by  
20 districts described in subsection (1). The superintendent of public  
21 instruction shall require districts described in subsection (1) to  
22 purchase a data analytics tool funded under this subsection as part  
23 of the agreements described in this section.

24 (6) The department, in consultation with the department of  
25 treasury, shall annually report to the legislature on the  
26 activities funded under this section and how those activities  
27 impacted student achievement in districts that received funds under  
28 this section. To the extent possible, participating districts  
29 receiving funding under this section shall participate in the



1 report.

2 (7) In addition to the allocation under subsection (1), from  
 3 the state school aid fund money appropriated in section 11, there  
 4 is allocated an amount not to exceed \$36,000,000.00 to districts  
 5 described in subsection (1) for 2023-2024 only for supplemental  
 6 funding to be used by districts for the purposes of this section in  
 7 equal installments of \$12,000,000.00 in each of the fiscal years  
 8 2023-2024, 2024-2025, and 2025-2026. The funds allocated under this  
 9 subsection for 2023-2024 are a work project appropriation, and any  
 10 unexpended funds for 2023-2024 are carried forward into 2024-2025.  
 11 The purpose of the work project is to provide assistance to  
 12 districts eligible for funding under this section. The estimated  
 13 completion date of the work project described in this subsection is  
 14 September 30, 2026.

15 Sec. 22a. (1) From the state school aid fund money  
 16 appropriated in section 11, there is allocated an amount not to  
 17 exceed ~~\$4,492,000,000.00~~ **\$4,366,000,000.00** for ~~2021-2022-2022-2023~~  
 18 and there is allocated an amount not to exceed ~~\$4,376,000,000.00~~  
 19 **\$4,212,000,000.00** for ~~2022-2023-2023-2024~~ for payments to districts  
 20 and qualifying public school academies to guarantee each district  
 21 and qualifying public school academy an amount equal to its 1994-95  
 22 total state and local per-pupil revenue for school operating  
 23 purposes under section 11 of article IX of the state constitution  
 24 of 1963. Pursuant to section 11 of article IX of the state  
 25 constitution of 1963, this guarantee does not apply to a district  
 26 in a year in which the district levies a millage rate for school  
 27 district operating purposes less than it levied in 1994. However,  
 28 subsection (2) applies to calculating the payments under this  
 29 section. Funds allocated under this section that are not expended



1 in the fiscal year for which they were allocated, as determined by  
 2 the department, may be used to supplement the allocations under  
 3 sections 22b and 51c to fully fund those allocations for the same  
 4 fiscal year. ~~For each fund transfer as described in the immediately~~  
 5 ~~preceding sentence that occurs, the state budget director shall~~  
 6 ~~send notification of the transfer to the house and senate~~  
 7 ~~appropriations subcommittees on state school aid and the house and~~  
 8 ~~senate fiscal agencies by not later than 14 calendar days after the~~  
 9 ~~transfer occurs.~~

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

15 (a) Except as otherwise provided in this subsection, the state  
 16 portion of a district's 1994-95 foundation allowance is an amount  
 17 equal to the district's 1994-95 foundation allowance or \$6,500.00,  
 18 whichever is less, minus the difference between the sum of the  
 19 product of the taxable value per membership pupil of all property  
 20 in the district that is nonexempt property times the district's  
 21 certified mills and, for a district with certified mills exceeding  
 22 12, the product of the taxable value per membership pupil of  
 23 property in the district that is commercial personal property times  
 24 the certified mills minus 12 mills and the quotient of the ad  
 25 valorem property tax revenue of the district captured under tax  
 26 increment financing acts divided by the district's membership. For  
 27 a district that has a millage reduction required under section 31  
 28 of article IX of the state constitution of 1963, the department  
 29 shall calculate the state portion of the district's foundation



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

23 (b) For a district that had a 1994-95 foundation allowance  
24 greater than \$6,500.00, the state payment under this subsection is  
25 the sum of the amount calculated under subdivision (a) plus the  
26 amount calculated under this subdivision. The amount calculated  
27 under this subdivision must be equal to the difference between the  
28 district's 1994-95 foundation allowance minus \$6,500.00 and the  
29 current year hold harmless school operating taxes per pupil. If the



1 result of the calculation under subdivision (a) is negative, the  
2 negative amount is an offset against any state payment calculated  
3 under this subdivision. If the result of a calculation under this  
4 subdivision is negative, there is not a state payment or a  
5 deduction under this subdivision. The taxable values per membership  
6 pupil used in the calculations under this subdivision are as  
7 adjusted by ad valorem property tax revenue captured under tax  
8 increment financing acts divided by the district's membership. For  
9 a receiving district, if school operating taxes are to be levied on  
10 behalf of a dissolved district that has been attached in whole or  
11 in part to the receiving district to satisfy debt obligations of  
12 the dissolved district under section 12 of the revised school code,  
13 MCL 380.12, ad valorem property tax revenue captured under tax  
14 increment financing acts do not include ad valorem property tax  
15 revenue captured within the geographic boundaries of the dissolved  
16 district under tax increment financing acts.

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

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

27 (5) Except as otherwise provided in this subsection, for a  
28 district that is formed or reconfigured after June 1, 2000 by  
29 consolidation of 2 or more districts or by annexation, the



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

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

17 (7) As used in this section:

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

22 (b) "Certified mills" means the lesser of 18 mills or the  
23 number of mills of school operating taxes levied by the district in  
24 1993-94.

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

27 (d) "Current year hold harmless school operating taxes per  
28 pupil" means the per-pupil revenue generated by multiplying a  
29 district's 1994-95 hold harmless millage by the district's current



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

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

13 (f) "Hold harmless millage" means, for a district with a 1994-  
14 95 foundation allowance greater than \$6,500.00, the number of mills  
15 by which the exemption from the levy of school operating taxes on a  
16 principal residence, qualified agricultural property, qualified  
17 forest property, supportive housing property, industrial personal  
18 property, commercial personal property, and property occupied by a  
19 public school academy could be reduced as provided in section 1211  
20 of the revised school code, MCL 380.1211, and the number of mills  
21 of school operating taxes that could be levied on all property as  
22 provided in section 1211(2) of the revised school code, MCL  
23 380.1211, as certified by the department of treasury for the 1994  
24 tax year. For a receiving district, if school operating taxes are  
25 to be levied on behalf of a dissolved district that has been  
26 attached in whole or in part to the receiving district to satisfy  
27 debt obligations of the dissolved district under section 12 of the  
28 revised school code, MCL 380.12, school operating taxes do not  
29 include school operating taxes levied within the geographic area of



1 the dissolved district.

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

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

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

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

18 (k) "Receiving district" means a district to which all or part  
19 of the territory of a dissolved district is attached under section  
20 12 of the revised school code, MCL 380.12.

21 (l) "School operating taxes" means local ad valorem property  
22 taxes levied under section 1211 of the revised school code, MCL  
23 380.1211, and retained for school operating purposes as defined in  
24 section 20.

25 (m) "Tax increment financing acts" means parts 2, 3, 4, and 6  
26 of the recodified tax increment financing act, 2018 PA 57, MCL  
27 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield  
28 redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

29 (n) "Taxable value per membership pupil" means each of the



1 following divided by the district's membership:

2 (i) For the number of mills by which the exemption from the  
3 levy of school operating taxes on a principal residence, qualified  
4 agricultural property, qualified forest property, supportive  
5 housing property, industrial personal property, commercial personal  
6 property, and property occupied by a public school academy may be  
7 reduced as provided in section 1211 of the revised school code, MCL  
8 380.1211, the taxable value of principal residence, qualified  
9 agricultural property, qualified forest property, supportive  
10 housing property, industrial personal property, commercial personal  
11 property, and property occupied by a public school academy for the  
12 calendar year ending in the current fiscal year. For a receiving  
13 district, if school operating taxes are to be levied on behalf of a  
14 dissolved district that has been attached in whole or in part to  
15 the receiving district to satisfy debt obligations of the dissolved  
16 district under section 12 of the revised school code, MCL 380.12,  
17 mills do not include mills within the geographic area of the  
18 dissolved district.

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



1           Sec. 22b. (1) For discretionary nonmandated payments to  
 2 districts under this section, there is allocated for ~~2021-2022~~  
 3 **2022-2023** an amount not to exceed ~~\$5,094,000,000.00~~  
 4 **\$5,663,000,000.00** from the state school aid fund and general fund  
 5 appropriations in section 11 and an amount not to exceed  
 6 \$72,000,000.00 from the community district education trust fund  
 7 appropriation in section 11, and there is allocated for ~~2022-2023~~  
 8 **2023-2024** an amount not to exceed ~~\$5,686,000,000.00~~  
 9 **\$6,192,100,000.00** from the state school aid fund and general fund  
 10 appropriations in section 11 and an amount not to exceed  
 11 \$72,000,000.00 from the community district education trust fund  
 12 appropriation in section 11. For ~~2021-2022, 2022-2023~~, an amount  
 13 not to exceed ~~\$14,500,000.00~~ **\$22,500,000.00** must be deposited from  
 14 the general fund into the state school aid fund to reimburse the  
 15 state school aid fund for community district education trust fund  
 16 costs in excess of \$72,000,000.00, as required under section 12 of  
 17 the Michigan trust fund act, 2000 PA 489, MCL 12.262. For ~~2022-~~  
 18 ~~2023, \$19,500,000.00~~ **2023-2024, \$27,800,000.00** must be deposited  
 19 from the general fund into the state school aid fund to reimburse  
 20 the state school aid fund for community district education trust  
 21 fund costs in excess of \$72,000,000.00, as required under section  
 22 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262. If the  
 23 amount allocated under this subsection from the community district  
 24 education trust fund appropriation under section 11 is insufficient  
 25 to pay for an increase under this section, any amount exceeding  
 26 that allocation may be paid from other allocations under this  
 27 subsection. Except for money allocated under this section from the  
 28 community district education trust fund appropriation in section  
 29 11, funds allocated under this section that are not expended in the



1 fiscal year for which they were allocated, as determined by the  
 2 department, may be used to supplement the allocations under  
 3 sections 22a and 51c to fully fund those allocations for the same  
 4 fiscal year. ~~For each fund transfer as described in the immediately~~  
 5 ~~preceding sentence that occurs, the state budget director shall~~  
 6 ~~send notification of the transfer to the house and senate~~  
 7 ~~appropriations subcommittees on school aid and the house and senate~~  
 8 ~~fiscal agencies by not later than 14 calendar days after the~~  
 9 ~~transfer occurs.~~

10 (2) Subject to subsection (3) and section 296, the allocation  
 11 to a district under this section is an amount equal to the sum of  
 12 the amounts calculated under sections 20, 20m, 51a(2), 51a(3), ~~and~~  
 13 51a(11), **and 51e**, minus the sum of the allocations to the district  
 14 under sections 22a and 51c. For a community district, the  
 15 allocation as otherwise calculated under this section is increased  
 16 by an amount equal to the amount of local school operating tax  
 17 revenue that would otherwise be due to the community district if  
 18 not for the operation of section 386 of the revised school code,  
 19 MCL 380.386, and this increase must be paid from the community  
 20 district education trust fund allocation in subsection (1) in order  
 21 to offset the absence of local school operating revenue in a  
 22 community district in the funding of the state portion of the  
 23 foundation allowance under section 20(4).

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

27 (a) Comply with section 1280b of the revised school code, MCL  
 28 380.1280b.

29 (b) Comply with sections 1278a and 1278b of the revised school



1 code, MCL 380.1278a and 380.1278b.

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

5 (d) Comply with section 1230g of the revised school code, MCL  
6 380.1230g.

7 (e) Comply with section 21f.

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

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

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

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

28 (7) It is the intent of the legislature that all  
29 constitutional obligations of this state have been fully funded



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

14 (8) If the local claims review board or a court of competent  
15 jurisdiction makes a final determination that this state is in  
16 violation of section 29 of article IX of the state constitution of  
17 1963 regarding state payments to districts, the state budget  
18 director shall use work project funds under subsection (7) or  
19 allocate from the discretionary funds for nonmandated payments  
20 under this section the amount as may be necessary to satisfy the  
21 amount owed to districts before making any payments to districts  
22 under subsection (2).

23 (9) If a claim is made in court that challenges the  
24 legislative determination of the adequacy of funding for this  
25 state's constitutional obligations or alleges that there exists an  
26 unfunded constitutional requirement, any interested party may seek  
27 an expedited review of the claim by the local claims review board.  
28 If the claim exceeds \$10,000,000.00, this state may remove the  
29 action to the court of appeals, and the court of appeals has and



1 shall exercise jurisdiction over the claim.

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

9 (11) If a lawsuit challenging payments made to districts  
10 related to costs reimbursed by federal title XIX Medicaid funds is  
11 filed against this state, then, for the purpose of addressing  
12 potential liability under such a lawsuit, the state budget director  
13 may place funds allocated under this section in escrow or allocate  
14 money from the funds otherwise allocated under this section, up to  
15 a maximum of 50% of the amount allocated in subsection (1). If  
16 funds are placed in escrow under this subsection, those funds are a  
17 work project appropriation and the funds are carried forward into  
18 the following fiscal year. The purpose of the work project is to  
19 provide for any payments that may be awarded to districts as a  
20 result of the litigation. The work project is completed upon  
21 resolution of the litigation. In addition, this state reserves the  
22 right to terminate future federal title XIX Medicaid reimbursement  
23 payments to districts if the amount or allocation of reimbursed  
24 funds is challenged in the lawsuit. As used in this subsection,  
25 "title XIX" means title XIX of the social security act, 42 USC 1396  
26 to 1396w-6.

27 (12) **From the allocation in subsection (1) for 2022-2023, the**  
28 **department may use the amount necessary, estimated at**  
29 **\$1,000,000.00, for payments to districts for state compliance with**



1 federal maintenance of equity requirements described in the  
 2 American rescue plan act of 2021, Public Law 117-2. Notwithstanding  
 3 section 17b, the department shall make calculations and payments  
 4 under this subsection in a form and manner determined by the  
 5 department.

6 (13) ~~(12)~~—As used in this section:

7 (a) "Dissolved district" means that term as defined in section  
 8 20.

9 (b) "Local school operating revenue" means school operating  
 10 taxes levied under section 1211 of the revised school code, MCL  
 11 380.1211. For a receiving district, if school operating taxes are  
 12 to be levied on behalf of a dissolved district that has been  
 13 attached in whole or in part to the receiving district to satisfy  
 14 debt obligations of the dissolved district under section 12 of the  
 15 revised school code, MCL 380.12, local school operating revenue  
 16 does not include school operating taxes levied within the  
 17 geographic area of the dissolved district.

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

20 Sec. 22c. From the state school aid fund money appropriated in  
 21 section 11, there is allocated for ~~2022-2023~~ **2023-2024 only** an  
 22 amount not to exceed \$3,000,000.00 for payments to eligible  
 23 districts as provided under this section. The payment for an  
 24 eligible district under this section must be in an amount per  
 25 membership pupil equal to \$171.00. As used in this section:

26 (a) "Eligible district" means a district that received  
 27 payments under this section in the immediately preceding fiscal  
 28 year and for which the local school operating revenue per  
 29 membership pupil in the current school fiscal year exceeds the



1 district's foundation allowance as calculated under section 20 for  
2 the current fiscal year.

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

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

8 Sec. 22d. (1) From the state school aid fund money  
9 appropriated under section 11, an amount not to exceed  
10 ~~\$8,858,000.00~~ **\$11,101,000.00** is allocated for ~~2022-2023~~ **2023-2024**  
11 for supplemental payments to rural districts under this section. **It**  
12 **is the intent of the legislature that the amount allocated under**  
13 **this section for 2024-2025 will be \$9,301,000.00.**

14 (2) From the allocation under subsection (1), there is  
15 allocated for ~~2022-2023~~ **2023-2024** an amount not to exceed  
16 ~~\$1,638,300.00~~ **\$3,520,200.00** for payments under this subsection to  
17 eligible districts. **It is the intent of the legislature that the**  
18 **amount allocated under this subsection for 2024-2025 will be**  
19 **\$1,720,200.00.** A district that meets all of the following is an  
20 eligible district under this subsection:

21 (a) Operates grades K to 12.

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

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

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

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

28 (3) The amount of the additional funding to each eligible  
29 district under subsection (2) is determined under a spending plan



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

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

21 (5) The funds allocated under subsection (4) are allocated as  
 22 follows:

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

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

28 (i) For districts with at least 8.0 but fewer than 9.0 pupils  
 29 per square mile, as determined by the department, the allocation is



1 an amount per pupil equal to 75% of the per-pupil amount allocated  
2 to districts under subdivision (a).

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

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

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

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

19 **(8) In addition to the funds allocated in subsection (1),**  
20 **there is allocated from the state school aid fund money**  
21 **appropriated under section 11 \$500,000.00 for 2023-2024 only for a**  
22 **district that is located on an island with a toll bridge and that**  
23 **does not otherwise receive funding under this section.**

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

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



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

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

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

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

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

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

19       (6) For the fiscal year ending September 30, 2024 only,  
20 \$450,000,000.00 from the state school aid fund must be deposited  
21 into the school transportation fund.

22       Sec. 22l. From the school transportation fund under section  
23 22k, there is allocated for 2023-2024 only an amount not to exceed  
24 \$150,000,000.00 to districts for transportation costs. Funding for  
25 each district is as follows:

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

29       (b) Funds must be distributed to each district at the lesser



1 of the quartile's median cost per rider or the actual  
2 transportation cost per general education student at the district.

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

6 Sec. 22m. (1) From the state school aid fund money  
7 appropriated in section 11, there is allocated for ~~2022-2023-2023-~~  
8 **2024 only** an amount not to exceed ~~\$2,200,000.00~~ **\$3,200,000.00** for  
9 supporting the integration of local data systems into the Michigan  
10 data hub network based on common standards and applications that  
11 are in compliance with section 19(6).

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

18 (3) The center shall work with an advisory committee composed  
19 of representatives from intermediate districts within each of the  
20 data hub regions to coordinate the activities of the Michigan data  
21 hub network.

22 (4) The center, in collaboration with the Michigan data hub  
23 network, shall determine the amount of funds distributed under this  
24 section to each participating regional data hub within the network,  
25 based upon a competitive grant process. The center shall ensure  
26 that the entities receiving funding under this section represent  
27 geographically diverse areas in this state.

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



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

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

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

12 (a) Creating an infrastructure that effectively manages the  
13 movement of data between data systems used by intermediate  
14 districts, districts, and other educational organizations in  
15 Michigan based on common data standards to improve student  
16 achievement.

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

20 (c) Promoting the use of a more common set of applications by  
21 promoting systems that integrate with the Michigan data hub  
22 network.

23 (d) Promoting 100% district adoption of the Michigan data hub  
24 network.

25 (e) Ensuring local control of data, data security, and student  
26 data privacy.

27 (f) Utilizing the infrastructure to promote the actionable use  
28 of data through common reports and dashboards that are consistent  
29 statewide.



1 (g) Creating a governance model to facilitate sustainable  
2 operations of the infrastructure in the future, including  
3 administration, legal agreements, documentation, staffing, hosting,  
4 and funding.

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

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

17 (10) **The funds allocated under this section for 2023-2024 are**  
18 **a work project appropriation, and any unexpended funds for 2023-**  
19 **2024 are carried forward into 2024-2025. The purpose of the work**  
20 **project is to continue support for the Michigan data hub network.**  
21 **The estimated completion date of the work project is September 30,**  
22 **2025.**

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

27 Sec. 22p. (1) Subject to subsection (2), in order to receive  
28 funding under section 22b, a district or public school academy that  
29 is assigned by the superintendent of public instruction as a



1 partnership district must have a signed 3-year partnership  
2 agreement with the department that includes all of the following:

3 (a) Measurable academic outcomes that the district or public  
4 school academy will achieve for each school operated by the  
5 district or public school academy that is subject to the  
6 partnership agreement after 18 months and after 36 months from the  
7 date the agreement was originally signed. Measurable academic  
8 outcomes under this subdivision must include all of the following:

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

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

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

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

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

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

21 (b) Accountability measures to be imposed if the district or  
22 public school academy does not achieve the measurable academic  
23 outcomes described in subdivision (a) for each school operated by  
24 the district or public school academy that is subject to the  
25 partnership agreement. For a district assigned as a partnership  
26 district as described in this subsection, accountability measures  
27 under this subdivision must include the reconstitution of the  
28 school. For a public school academy assigned as a partnership  
29 district as described in this subsection, accountability measures



1 under this subdivision may include the reconstitution of the  
2 school.

3 (c) For a public school academy assigned as a partnership  
4 district as described in this subsection, a requirement that, if  
5 reconstitution is imposed on a school that is operated by the  
6 public school academy and that is subject to the partnership  
7 agreement, the school must be reconstituted as described in section  
8 507, 528, or 561, as applicable, of the revised school code, MCL  
9 380.507, 380.528, and 380.561.

10 (d) For a district assigned as a partnership district as  
11 described in this subsection, a provision that, if reconstitution  
12 is imposed on a school that is operated by the district and that is  
13 subject to the partnership agreement, reconstitution may require  
14 closure of the school building, but, if the school building remains  
15 open, reconstitution must include, but is not limited to, all of  
16 the following:

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

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

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

28 (2) If a district or public school academy is assigned as a  
29 partnership district as described in subsection (1) during the



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

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

15 (a) Enrolls only eligible pupils.

16 (b) Provides an advocate and teacher of record. An advocate  
 17 may serve in that role for more than 1 pupil but not more than 50  
 18 pupils. An advocate or teacher of record may be employed by the  
 19 district or may be provided by an education management organization  
 20 that is partnering with the district. Before an individual is  
 21 assigned to be an advocate or teacher of record for a pupil in the  
 22 dropout recovery program, the district must comply with sections  
 23 1230 and 1230a of the revised school code, MCL 380.1230 and  
 24 380.1230a, with respect to that individual.

25 (c) Develops a written learning plan.

26 (d) Monitors the pupil's progress against the written learning  
 27 plan.

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



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

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

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

8 (i) If the district partners with an education management  
9 organization for the program, the education management organization  
10 has a dropout recovery program partnership relationship with at  
11 least 1 other district.

12 (2) A district operating a dropout recovery program under this  
13 section shall adopt a definition of satisfactory monthly progress  
14 that is consistent with the definition of that term under  
15 subsection (3).

16 (3) As used in this section:

17 (a) "Advocate" means an adult available to meet in person with  
18 assigned pupils, as needed, to conduct social interventions, to  
19 proctor final examinations, and to provide academic and social  
20 support to pupils enrolled in the district's dropout recovery  
21 program.

22 (b) "Education management organization" means a private  
23 provider that operates 1 or more other dropout recovery programs  
24 that meet the requirements of this section in partnership with 1 or  
25 more districts.

26 (c) "Eligible pupil" means a pupil who has been expelled from  
27 school under the mandatory expulsion provisions in section 1311 or  
28 1311a of the revised school code, MCL 380.1311 and 380.1311a, a  
29 pupil who has been suspended or expelled from school under a local



1 policy, a pupil who is referred by a court, a pupil who is pregnant  
2 or is a parent, a pupil who was previously a dropout, or a pupil  
3 who is determined by the district to be at risk of dropping out.

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

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

23 (f) "Written learning plan" means a written plan developed in  
24 conjunction with the advocate that includes the plan start and end  
25 dates, courses to be taken, credit to be earned for each course,  
26 teacher of record for each course, and advocate name and contact  
27 information.

28 **Sec. 23g. (1) From the state school aid fund money**  
29 **appropriated in section 11, there is allocated for 2022-2023 only**



1 an amount not to exceed \$300,000,000.00 for payments to eligible  
2 districts and eligible intermediate districts for implementing the  
3 MI Kids Back on Track Program as described in this section.

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

16 (3) A district or intermediate district that meets all of the  
17 following is an eligible district or eligible intermediate district  
18 under this section:

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

21 (b) It posts a MI Kids Back on Track Program plan to its  
22 website homepage that describes evidence-based actions the district  
23 or intermediate district is taking to respond to student needs  
24 related to unfinished learning and how funds received under this  
25 section will create or expand these efforts. The plan described in  
26 this subdivision must meet the following criteria:

27 (i) Reflect input from educators, parents and legal guardians,  
28 and community members.

29 (ii) Include an analysis of student data and describe student



1 needs.

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

4 (c) Implement and maintain functionality on its website  
5 homepage that allows parents, legal guardians, and students to  
6 request additional assistance through the MI Kids Back on Track  
7 Program.

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

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

16 (4) If a district or intermediate district does not match at  
17 least 50% of funding received under this section with other  
18 available funds, the district or intermediate district must return  
19 any unmatched funds to the department on a timeline determined by  
20 the department. The department may redistribute any returned funds  
21 to eligible districts or eligible intermediate districts on an  
22 equal per-pupil basis. Districts or intermediate districts  
23 receiving redistributed dollars must increase expenditures from  
24 other sources to match the amount of redistributed dollars  
25 received.

26 (5) The superintendent of public instruction shall provide  
27 guidelines to districts and intermediate districts on evidence-  
28 based best practices and effective strategies a district or  
29 intermediate district may use to respond to unfinished learning and



1 shall provide resources to assist districts and intermediate  
2 districts in implementing the evidence-based practices.

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

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

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

21 Sec. 23h. (1) From the state school aid fund money  
22 appropriated in section 11, there is allocated for 2023-2024 only  
23 an amount not to exceed \$30,000,000.00 to support the improvement  
24 of mathematics teaching and learning in this state over a 2-year  
25 period.

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

28 (a) Continued system development, capacity building, and  
29 networking spaces for early math specialists in districts and



1 intermediate districts.

2 (b) Support for all of the following:

3 (i) The delivery of high-quality professional learning  
4 delivered regionally to support teachers' implementation of best  
5 practices mathematics instruction.

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

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

14 (c) Incentives and supports for K to 5 schools in the  
15 purchasing and implementation of high-quality mathematics  
16 instructional materials programs to engage students in equitable  
17 high-quality mathematics learning experiences through a guided  
18 adoption process through intermediate districts.

19 (d) Supports for the expansion of math recovery specialists  
20 statewide through intermediate districts. These specialists must do  
21 all of the following:

22 (i) Support the implementation of research-based diagnostic  
23 assessments, learning progressions, and high-quality instructional  
24 tools to help participants increase student understanding and  
25 achievement.

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

27 (iii) Expand and begin to sustain the efforts specific to this  
28 state's mathematics essentials and the collaboration between the  
29 department and state educational organizations focused on



1 increasing mathematics achievement.

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

4 (3) To receive funding under this section, districts and  
5 intermediate districts must apply for the funding in a form and  
6 manner determined by the department. Notwithstanding section 17b,  
7 the department shall make payments under this section on a schedule  
8 determined by the department.

9 (4) The funds allocated under this section for 2023-2024 are a  
10 work project appropriation, and any unexpended funds for 2023-2024  
11 are carried forward into 2024-2025. The purpose of the work project  
12 is to support improvement of mathematics teaching and learning in  
13 this state. The estimated completion date of the work project is  
14 September 30, 2025.

15 Sec. 24. (1) From the state school aid fund money appropriated  
16 in section 11, there is allocated for ~~2022-2023~~ **2023-2024** an amount  
17 not to exceed \$7,650,000.00 for payments to the educating district  
18 or intermediate district for educating pupils assigned by a court  
19 or the department of health and human services to reside in or to  
20 attend a juvenile detention facility or child caring institution  
21 licensed by the department of health and human services and  
22 approved by the department to provide an on-grounds education  
23 program. The amount of the payment under this section to a district  
24 or intermediate district is calculated as prescribed under  
25 subsection (2).

26 (2) The department shall allocate the total amount allocated  
27 under this section by paying to the educating district or  
28 intermediate district an amount equal to the lesser of the  
29 district's or intermediate district's added cost or the



1 department's approved per-pupil allocation for the district or  
2 intermediate district. For the purposes of this subsection:

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

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

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



1 longer than 181 days but not longer than 233 days and that was  
2 operated by a district or intermediate district.

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

5 Sec. 24a. From the state school aid fund money appropriated in  
6 section 11, there is allocated an amount not to exceed  
7 \$1,355,700.00 for ~~2022-2023~~**2023-2024** for payments to intermediate  
8 districts for pupils who are placed in juvenile justice service  
9 facilities operated by the department of health and human services.  
10 The amount of the payment to each intermediate district is an  
11 amount equal to the state share of those costs that are clearly and  
12 directly attributable to the educational programs for pupils placed  
13 in facilities described in this section that are located within the  
14 intermediate district's boundaries. The intermediate districts  
15 receiving payments under this section shall cooperate with the  
16 department of health and human services to ensure that all funding  
17 allocated under this section is utilized by the intermediate  
18 district and department of health and human services for  
19 educational programs for pupils described in this section. Pupils  
20 described in this section are not eligible to be funded under  
21 section 24. However, a program responsibility or other fiscal  
22 responsibility associated with these pupils must not be transferred  
23 from the department of health and human services to a district or  
24 intermediate district unless the district or intermediate district  
25 consents to the transfer.

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



1 this section.

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

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

23 (4) Special education pupils funded under section 53a are not  
24 funded under this section.

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

29 (6) The department shall make payments to strict discipline



1 academies and qualified districts under this section according to  
2 the payment schedule under section 17b.

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

7 (8) As used in this section:

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

21 (b) "Department's approved per-pupil allocation" means, for a  
22 strict discipline academy or qualified district, an amount equal to  
23 the quotient of the total amount allocated under this section for a  
24 fiscal year and the full-time equated membership total for all  
25 pupils approved by the department to be funded under this section  
26 for that fiscal year for the strict discipline academy or qualified  
27 district.

28 (c) "Qualified district" means a public school academy that is  
29 not a strict discipline academy that enrolls individuals who are in



1 the custody of a county juvenile agency to which both of the  
2 following are applicable:

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

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

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

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

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

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

29 (4) The department shall make payments to districts under this



1 section according to the payment schedule under section 17b.

2       Sec. 26a. From the state school aid fund money appropriated in  
3 section 11, there is allocated an amount not to exceed  
4 \$14,000,000.00 for ~~2021-2022~~**2023-2024** to reimburse districts and  
5 intermediate districts under section 12 of the Michigan renaissance  
6 zone act, 1996 PA 376, MCL 125.2692, for taxes levied in ~~2021,~~ and  
7 ~~there is allocated an amount not to exceed \$14,000,000.00 for 2022-~~  
8 ~~2023 to reimburse districts and intermediate districts under~~  
9 ~~section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL~~  
10 ~~125.2692, for taxes levied in 2022.~~**2023**. The department shall pay  
11 the allocations not later than 60 days after the department of  
12 treasury certifies to the department and to the state budget  
13 director that the department of treasury has received all necessary  
14 information to properly determine the amounts due to each eligible  
15 recipient.

16       Sec. 26b. (1) From the state school aid fund money  
17 appropriated in section 11, there is allocated an amount not to  
18 exceed ~~\$4,989,000.00~~**\$5,084,000.00** for ~~2022-2023~~**2023-2024** for  
19 payments to districts, intermediate districts, and community  
20 college districts for the portion of the payment in lieu of taxes  
21 obligation that is attributable to districts, intermediate  
22 districts, and community college districts under section 2154 of  
23 the natural resources and environmental protection act, 1994 PA  
24 451, MCL 324.2154.

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

29       Sec. 26c. (1) From the state school aid fund money



1 appropriated under section 11, there is allocated an amount not to  
2 exceed ~~\$14,800,000.00~~ **\$20,500,000.00** for ~~2021-2022~~ **2022-2023** and  
3 there is allocated an amount not to exceed ~~\$14,800,000.00~~  
4 **\$26,000,000.00** for ~~2022-2023~~ **2023-2024** to the promise zone fund  
5 created in subsection (3). The funds allocated under this section  
6 reflect the amount of revenue from the collection of the state  
7 education tax captured under section 17 of the Michigan promise  
8 zone authority act, 2008 PA 549, MCL 390.1677.

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

20 (3) The promise zone fund is created as a separate account  
21 within the state school aid fund to be used solely for the purposes  
22 of the Michigan promise zone authority act, 2008 PA 549, MCL  
23 390.1661 to 390.1679. All of the following apply to the promise  
24 zone fund:

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

28 (b) Money in the promise zone fund at the close of a fiscal  
29 year remains in the promise zone fund and does not lapse to the



1 general fund.

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

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

10 Sec. 26d. (1) From the state school aid fund money  
11 appropriated under section 11, there is allocated an amount not to  
12 exceed ~~\$12,000,000.00~~ **\$14,400,000.00** for ~~2021-2022~~ and an amount  
13 ~~not to exceed \$14,400,000.00 for 2022-2023~~ **2023-2024** for  
14 reimbursements to intermediate districts as required under section  
15 15b of the brownfield redevelopment financing act, 1996 PA 381, MCL  
16 125.2665b.

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

20 (3) The Michigan strategic fund and the Michigan economic  
21 development corporation shall work with the department of treasury  
22 in identifying the amount of tax revenues that are to be reimbursed  
23 under subsection (1).

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

27 Sec. 27a. (1) From the state school aid fund money  
28 appropriated in section 11, there is allocated for ~~2022-2023~~ **2023-**  
29 **2024 only** an amount not to exceed \$20,000,000.00 and from the



1 general fund money appropriated in section 11, there is allocated  
2 for ~~2022-2023~~**2023-2024** an amount not to exceed \$5,000,000.00 for  
3 the MI future educator fellowship program. **It is the intent of the**  
4 **legislature to fund this section from the funds in the educator**  
5 **fellowship public provider fund and educator fellowship private**  
6 **provider fund in future fiscal years.** The funds allocated under  
7 this section must be used to offset tuition costs for individuals  
8 who are working toward earning their initial teacher certification.

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

12 (a) Have graduated from high school with a diploma or  
13 certificate of completion or achieved a high school equivalency  
14 certificate.

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

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

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

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

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

29 (g) Agree to repay any funds received from funding under this



1 section if the individual does not maintain enrollment in their  
2 educator preparation program, the individual does not successfully  
3 complete their educator program, or the individual does not  
4 complete the work requirement described in subsection (7).

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

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

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

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

18 (b) Maintain satisfactory academic progress, including a grade  
19 point average of at least 3.0, in courses provided by the eligible  
20 educator preparation program and meet requirements established by  
21 the eligible educator preparation program.

22 (c) Participate in relevant academic and career advising  
23 programs offered by the eligible educator preparation program.

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

27 (e) Timely apply for all available gift aid for each academic  
28 year in which the individual applies for funding under this  
29 section.



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

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

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

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

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

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

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

27 (c) For a recipient of funding under this section who received  
28 an award for 3 academic years, 5 years of work as a certified  
29 teacher in a public school ~~, nonpublic school,~~ or a qualifying



1 public preschool program in this state.

2 (d) For a recipient working in a critical needs district, 3  
3 years of work as a certified teacher. As used in this subdivision,  
4 "critical needs district" means a district with a median household  
5 income in the lowest quartile in each prosperity region, as  
6 determined by the department.

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

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

22 (10) If the amount allocated in subsection (1) is not  
23 sufficient to fully fund awards under this section, there is  
24 appropriated from the educator fellowship public provider fund or  
25 the educator fellowship private provider fund, as applicable, the  
26 amount necessary to fully fund these programs. The state budget  
27 director shall provide notification to the house and senate  
28 appropriations subcommittees on K to 12 school aid and the house  
29 and senate fiscal agencies for any additional appropriation



1 described under this subsection.

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

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

8 (a) Is a public or nonpublic institution of higher education  
9 in this state.

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

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

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

15 Sec. 27b. (1) From the state school aid fund money  
16 appropriated in section 11, there is allocated for 2022-2023 only  
17 an amount not to exceed \$20,000,000.00 and from the federal funding  
18 appropriated under section 11, there is allocated for 2022-2023  
19 only an amount not to exceed \$155,000,000.00 from the federal  
20 funding awarded to this state from the coronavirus state fiscal  
21 recovery fund under the American rescue plan act of 2021, title IX,  
22 subtitle M of Public Law 117-2, to districts and intermediate  
23 districts for a grow your own program as described in subsection  
24 (2).

25 (2) Districts and intermediate districts receiving funding  
26 under this section shall use the funding to implement a grow your  
27 own program. A grow your own program described in this subsection  
28 must be implemented to improve the teacher talent pipeline and  
29 provide a no-cost pathway for support staff members to become



1 certified teachers. Allowable expenses for grow your own programs  
2 include, but are not limited to:

3 (a) Tuition and fees for attendance at a state-approved  
4 education preparation provider for an accelerated degree, for a  
5 traditional bachelor's degree for current staff who are not  
6 teachers, or for ~~an advanced degree.~~ **a department-approved**  
7 **certification program.**

8 (b) Books.

9 (c) Testing fees.

10 (d) Travel to and from coursework.

11 (e) Substitute employee salary and wages for the duration of  
12 the educator preparation program attended by the recipient staff of  
13 the district or intermediate district.

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

20 (3) The department shall establish a grant process to  
21 distribute funds under this section. A district or intermediate  
22 school district must apply for funds in a form and manner  
23 prescribed by the department. As part of the application described  
24 in this subsection, a district or intermediate district must submit  
25 the following information and assurances:

26 (a) Demonstrated need for funding in the district or  
27 intermediate district or the broader community, including projected  
28 workforce needs, and a proposed spending plan on how the funds will  
29 be utilized that includes expected tuition, fees, and books for the



1 program.

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

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

7 (d) Assurances that the pathway will be no cost for  
8 participants and that participants will be compensated as an  
9 employee for the duration of their training, including a paid  
10 residency or student teaching.

11 (e) Identification of eligible recipients and a pledge to hire  
12 an eligible recipient as a full-time teacher upon their receipt of  
13 an initial teaching certificate and provide for student teaching  
14 opportunities.

15 (f) A pledge that, before providing funding under this section  
16 to an eligible recipient, the district or intermediate district  
17 will require that the eligible recipient pledge to serve as a full-  
18 time teacher at the district or intermediate district for at least  
19 the same number of years as the recipient participated in a grow  
20 your own program. If the district or intermediate district is  
21 unable to hire an eligible recipient as required under subdivision  
22 (e), the eligible recipient may serve the years the recipient  
23 pledged to serve under this subdivision at another district,  
24 intermediate district, or nonpublic school.

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

28 (5) The federal funding allocated under this section is  
29 intended to respond to the COVID-19 public health emergency and its



1 negative impacts.

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

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

11 Sec. 27c. (1) From the state school aid fund money  
12 appropriated in section 11, there is allocated \$50,000,000.00 for  
13 ~~2022-2023~~**2023-2024** for the MI future educator student teacher  
14 stipend program. Except as otherwise provided in this section, the  
15 funds allocated under this section must be paid to eligible  
16 educator preparation programs for payments to eligible student  
17 teachers working in a district.

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

20 (a) The individual must be admitted to an eligible educator  
21 preparation program, be working toward a teacher certification, be  
22 participating in required student teaching coursework, and be  
23 maintaining satisfactory academic progress. As used in this  
24 subdivision, "required student teaching coursework" means credit  
25 hours, or the program equivalent, required by an eligible educator  
26 preparation program for successful completion of the program. This  
27 coursework must include regular placement in a district where the  
28 student gains real-world, first-hand experience working in a  
29 classroom, teaching students, engaging in the day-to-day activities



1 of a certified teacher, and working daily under the guidance of a  
2 certified teacher.

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

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

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

23 (3) The department of treasury shall pay each eligible  
24 educator preparation program an amount not to exceed \$9,600.00 per  
25 academic semester for each eligible student teacher working in a  
26 district. If the individual's eligible educator preparation program  
27 is not provided by a public institution of higher education, the  
28 department of treasury shall pay an amount not to exceed \$9,600.00  
29 per academic semester to the district in which the individual is



1 working as a student teacher, and that district must forward the  
 2 amount received to the individual's eligible educator preparation  
 3 program. If funding allocated under this section is insufficient to  
 4 fully fund all eligible student teachers, the department of  
 5 treasury shall first award funding for eligible student teachers  
 6 who are also Pell grant recipients and then shall distribute  
 7 funding in the order in which applications were received. It is  
 8 intended that payments under this subsection are made at the  
 9 beginning of the semester in 1 lump sum for eligible student  
 10 teachers.

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

15 ~~(a) Tuition costs.~~

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

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

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

21 (5) Notwithstanding section 17b, the department of treasury  
 22 shall make payments under this section on a schedule determined by  
 23 the department of treasury.

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

27 (a) Is a public or private institution of higher education in  
 28 this state.

29 (b) Has an established school of education with an educator



1 preparation program approved by the department.

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

4 Sec. 27d. (1) The educator fellowship public provider fund is  
5 created as a separate account within the state school aid fund for  
6 the purpose of improving the educator workforce through recruitment  
7 efforts for students attending public educator preparation  
8 programs.

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

15 (3) Money in the educator fellowship public provider fund at  
16 the close of the fiscal year remains in the educator fellowship  
17 public provider fund and does not lapse to the state school aid  
18 fund.

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

21 (5) The department of treasury shall expend money from the  
22 educator fellowship public provider fund, upon appropriation, for  
23 the purposes described in section 27a(10) for students admitted to  
24 public educator preparation programs.

25 (6) For the fiscal year ending September 30, 2022 only,  
26 \$235,000,000.00 from the state school aid fund is deposited into  
27 the educator fellowship public ~~programs~~**provider** fund.

28 **(7) For the fiscal year ending September 30, 2023 only,**  
29 **\$25,000,000.00 from the state school aid fund is deposited into the**



1 educator fellowship public provider fund.

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

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

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

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

17       (c) Provide school leader development programs to increase  
18 educator retention and efficacy.

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

22       (e) Promote research so that this state can learn from its  
23 investments and innovations and become a top state for educators.

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

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



1 (a) Is based in this state.

2 (b) Operates statewide.

3 (c) Is a non-higher education institution under section  
4 501(c)(3) of the internal revenue code of 1986, 26 USC 501.

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

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

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

11 (i) Teacher recruitment.

12 (ii) Teacher development.

13 (iii) Teacher retention.

14 (iv) Teacher certification.

15 (v) School leader development.

16 (vi) School leader retention.

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

19 Sec. 27h. (1) From the state school aid fund money  
20 appropriated in section 11, there is allocated for 2023-2024 only  
21 for the purposes of this section an amount not to exceed  
22 \$25,000,000.00. Programs funded under this section are intended to  
23 expand support for new teachers, school counselors, and  
24 administrators; improve their instructional practices; and improve  
25 teacher retention.

26 (2) From the allocation under subsection (1), the department  
27 shall provide grants to districts for mentor stipends to support  
28 and retain quality teachers, school counselors, and administrators  
29 in this state.



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

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

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

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

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

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

12 (i) Veteran school counselors who serve as mentor school  
13 counselors of school counselors participating in grow your own  
14 programs.

15 (ii) Veteran school counselors who serve as mentor school  
16 counselors for school counselors who are within their first 3 years  
17 of serving as school counselors.

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

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

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

25 (d) Training for mentor teachers, mentor school counselors,  
26 and mentor administrators.

27 (e) Books, materials, professional learning expenses, and  
28 other resources necessary for mentoring and onboarding new  
29 teachers. Professional learning expenses under this subdivision



1 must be in addition to professional learning requirements described  
2 under section 1526 of the revised school code, MCL 380.1526.

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

7 (g) Contracting with 1 or more established state professional  
8 organizations to provide mentoring services to school  
9 administrators. Only \$3,000.00 per administrator or the actual  
10 program cost, whichever is lesser, of the costs described in this  
11 subdivision may be reimbursed from grant funding under subsection  
12 (2).

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

20 (6) From the allocation under subsection (1), there is  
21 allocated \$500,000.00 for a competitive grant to conduct a program  
22 evaluation of activities funded under this section. The evaluation  
23 must identify recommendations to strengthen the program. Qualified  
24 evaluators are eligible to apply for this grant in a form and  
25 manner prescribed by the department. The funds allocated under this  
26 subsection for 2023-2024 are a work project appropriation, and any  
27 unexpended funds for 2023-2024 are carried forward into 2024-2025.  
28 The purpose of the work project is to evaluate the activities under  
29 this section. The estimated completion date of the work project is



1 September 30, 2027.

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

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

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

15 (2) The department must award a grant to a lead approved  
16 educator preparation institution to develop the hub working with a  
17 consortium of other educator preparation institutions and rural  
18 districts to support prospective educators through certifications  
19 and career experiences.

20 (3) To receive funding under this section, educator  
21 preparation institutions must apply for the funding in a form and  
22 manner prescribed by the department. The department must prioritize  
23 funding for educator preparation institutions best equipped to  
24 support rural districts with the greatest need for additional  
25 credentialed educators.

26 (4) The hub described in subsection (1) must provide  
27 programming and supports for educators to complete requirements for  
28 initial or additional credentials, at no cost to the educator,  
29 through assessment of nontraditional and experiential learning and



1 to offset associated costs, including, but not limited to, costs  
2 related to transcript review, assessments of skills and knowledge,  
3 mentoring, licensure test fees, reasonable course fees, and  
4 preparation experiences.

5 (5) The hub described in subsection (1) must meet the  
6 credentialing needs of a variety of educators, including  
7 individuals who completed or nearly completed formal teacher  
8 preparation in this state or another state but have not been  
9 certified, individuals who have worked successfully in rural  
10 schools under temporary credentials, and veteran educators seeking  
11 to expand the authorizations of their credentials.

12 (6) Notwithstanding section 17b, the department shall make  
13 payments under this section on a schedule determined by the  
14 department.

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

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

21 (2) The department shall award a grant to an intermediate  
22 district to enter into a partnership with a statewide special  
23 education organization to improve the capacity of building-level  
24 special education administration personnel.

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



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

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

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

16 (2) As used in this section:

17 (a) "Credential" means degrees, diplomas, certificates,  
18 transcripts, reports, or documents, that signify satisfactory  
19 completion of the requirements or prerequisites for any educational  
20 program.

21 (b) "Digital wallet system" means a secure, private online  
22 data management tool for people to store evidence of their academic  
23 or skills-based achievements across their lifetimes.

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

28 (d) "Talent dashboard" means a visual display of aggregated  
29 education and training data that is housed and displayed on its own



1 page and that receives information from the secure digital wallet  
2 system. The dashboard must be designed for use in different ways,  
3 but must primarily be designed to provide a complete picture at a  
4 glance of the education and skill levels of specific populations  
5 aggregated by state, county, intermediate district, or district.

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

11 (a) Section 22d, isolated and rural districts,  
12 ~~\$8,858,000.00~~. **\$11,601,000.00.**

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

14 (c) ~~(b)~~ Section 31a, at risk,  
15 ~~\$747,500,000.00~~. **\$1,021,400,000.00.**

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

18 (e) ~~(d)~~ Section 51c, special education, mandated percentages,  
19 ~~\$709,900,000.00~~. **\$819,200,000.00.**

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

22 (g) ~~(f)~~ Section 61d, career and technical education  
23 incentives, \$5,000,000.00.

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

27 **Sec. 30d. (1) From the state school aid fund money**  
28 **appropriated in section 11, there is allocated an amount not to**  
29 **exceed \$25,000,000.00 for 2022-2023 and an amount not to exceed**



1 \$160,000,000.00 for 2023-2024 for the purpose of making payments to  
2 participating entities to provide free school lunch and breakfast  
3 to public school pupils in grades pre-K to 12.

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

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

10 (b) Submit information regarding the number of reimbursable  
11 breakfasts and reimbursable lunches served in a manner prescribed  
12 by the department and, except for in 2022-2023, pledge that it will  
13 report to the department, not later than the last business day of  
14 January for each fiscal year, in a form and manner prescribed by  
15 the department, the number of meals and the average cost per meal  
16 provided during the first half of the current school fiscal year.

17 (c) Maximize federal reimbursement for reimbursable breakfasts  
18 and reimbursable lunches by operating under the CEP if the  
19 participating entity has an identified student percentage greater  
20 than or equal to the minimum requirement to be eligible to  
21 participate in the CEP. For purposes of this subdivision, all  
22 eligible participating entities must elect CEP on behalf of a  
23 single school, a group or groups of schools, or all schools in the  
24 participating entity, as applicable, in a manner that maximizes  
25 federal reimbursement.

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

29 (e) The participating entity takes all efforts to maximize and



1 implement policies that require parents or guardians to fill out  
2 relevant family income information, in a manner prescribed by the  
3 department, for the purposes of determining student eligibility for  
4 federal free or reduced cost meal reimbursement rates and CEP  
5 eligibility determinations.

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

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

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

16 (a) The amount equal to the federal rate per student paid per  
17 pupil per free breakfast and lunch under the Child Nutrition Act of  
18 1966, 42 USC 21 1771 to 1793, and the Richard B. Russell National  
19 School Lunch Act, 42 USC 1751 to 1769j, multiplied by the number of  
20 breakfasts and lunches provided by the participating entity to  
21 students, less the federal revenue received by the participating  
22 entity under the school breakfast program and the school lunch  
23 program under the Child Nutrition Act of 1966, 42 USC 21 1771 to  
24 1793, and the Richard B. Russell National School Lunch Act, 42 USC  
25 1751 to 1769j, and other state lunch payments received under  
26 section 31d.

27 (b) The amount equal to the federal rate per student paid per  
28 pupil per free breakfast and lunch under the Child Nutrition Act of  
29 1966, 42 USC 21 1771 to 1793, and the Richard B. Russell National



1 School Lunch Act, 42 USC 1751 to 1769j, multiplied by the number of  
2 breakfasts and lunches provided by the participating entity, as  
3 applicable, to children participating in the Great Start Readiness  
4 Program under section 32d at the participating entity, less all  
5 other federal and state lunch payments made for those children. For  
6 purposes of this subdivision, compliance with 7 CFR 226.9 is  
7 required. The department shall assign rates of reimbursement, at  
8 least annually, on the basis of family size and income information  
9 reported by each eligible participating entity. Assigned rates of  
10 reimbursement must be adjusted annually to reflect changes in the  
11 national average payment rates.

12 (4) Notwithstanding section 17b, the department may make  
13 payments under this section on a schedule determined by the  
14 department.

15 (5) As used in this section:

16 (a) "CEP" means the Community Eligibility Provision under the  
17 Richard B. Russell National School Lunch Act, 42 USC 1751 to 1769j.

18 (b) "Participating entity" means a district, intermediate  
19 district, or the Michigan School for the Deaf and Blind.

20 Sec. 30e. (1) From the state school aid fund money  
21 appropriated in section 11, there is allocated for 2022-2023 only  
22 an amount not to exceed \$10,000,000.00 to districts and  
23 intermediate districts to offer meals that meet students' dietary  
24 restrictions, including the provision of gluten-free meals,  
25 vegetarian meals, vegan meals, and, upon request, kosher meals,  
26 halal meals, and meals meeting any allergy restrictions as  
27 confirmed by a doctor's note. The funds allocated under this  
28 section must be paid in installments over 2 fiscal years.

29 (2) In order to receive funding under this section, a district



1 or intermediate district must apply for funds under this section in  
2 a form and manner prescribed by the department.

3 (3) The funds allocated under this section for 2022-2023 are a  
4 work project appropriation, and any unexpended funds for 2022-2023  
5 are carried forward into 2023-2024. The purpose of the work project  
6 is to continue support for dietary restrictions in school meals.  
7 The estimated completion date of the work project is September 30,  
8 2024.

9 Sec. 31a. (1) From the state school aid fund money  
10 appropriated in section 11, there is allocated for ~~2021-2022-2023-~~  
11 ~~2024~~ an amount not to exceed ~~\$537,650,000.00,~~ **\$1,059,550,000.00** and  
12 from the general fund money appropriated in section 11 there is  
13 allocated for ~~2021-2022-2023-2024~~ an amount not to exceed  
14 \$1,500,000.00 ~~, and, from the state school aid fund money~~  
15 ~~appropriated in section 11, there is allocated for 2022-2023 an~~  
16 ~~amount not to exceed \$785,650,000.00, and from the general fund~~  
17 ~~money appropriated in section 11, there is allocated for 2022-2023~~  
18 ~~an amount not to exceed \$1,500,000.00 for payments to eligible~~  
19 ~~districts and eligible public school academies for the purposes of~~  
20 ~~ensuring that pupils are proficient in English language arts by the~~  
21 ~~end of grade 3, that pupils are proficient in mathematics by the~~  
22 ~~end of grade 8, that pupils are attending school regularly, that~~  
23 ~~high school graduates are career and college ready, and for the~~  
24 ~~purposes under subsections (7) and (8).~~ **(6) and (7).**

25 ~~(2) For 2021-2022 only, for a district that has combined state~~  
26 ~~and local revenue per membership pupil under sections 20 and 20m~~  
27 ~~that is greater than the target foundation allowance under section~~  
28 ~~20 for the current fiscal year and that, for the immediately~~  
29 ~~preceding fiscal year, had combined state and local revenue per~~



1 membership pupil under section 20 and 20m that was greater than the  
 2 target foundation allowance under section 20 that was in effect for  
 3 that fiscal year, the allocation under subsection (4) is an amount  
 4 equal to 35% of the allocation for which it would otherwise be  
 5 eligible under subsection (4) before any proration under subsection  
 6 (15). It is the intent of the legislature that, if revenues are  
 7 sufficient and if districts with combined state and local revenue  
 8 per membership pupil under sections 20 and 20m that is below the  
 9 target foundation allowance are receiving nonprorated payments  
 10 under subsection (4), the percentage in the immediately preceding  
 11 sentence must be increased annually until it reaches 100%. If a  
 12 district has combined state and local revenue per membership pupil  
 13 under sections 20 and 20m that is greater than the target  
 14 foundation allowance under section 20 for the current fiscal year,  
 15 but for the 2018-2019 fiscal year had combined state and local  
 16 revenue per membership pupil under section 20 that was less than  
 17 the basic foundation allowance under section 20 that was in effect  
 18 for the 2018-2019 fiscal year, the district shall receive an amount  
 19 per pupil equal to 11.5% of the target foundation allowance, as  
 20 applied under subsection (4), and before any proration under  
 21 subsection (15). This subsection does not apply beginning in 2022-  
 22 2023.

23       (2) ~~(3)~~ For a district or public school academy to be eligible  
 24 to receive funding under this section, other than funding under  
 25 subsection ~~(7) or (8)~~, **(6) or (7)**, the district or public school  
 26 academy, for grades K to 12, must comply with the requirements  
 27 under section 1280f of the revised school code, MCL 380.1280f, and  
 28 shall use resources to address early literacy and numeracy, and for  
 29 at least grades K to 12 or, if the district or public school



1 academy does not operate all of grades K to 12, for all of the  
 2 grades it operates, must implement a multi-tiered system of  
 3 supports that is an ~~evidence-based~~ **evidence-based** framework that  
 4 uses data driven problem solving to integrate academic and  
 5 behavioral instruction and that uses intervention delivered to all  
 6 pupils in varying intensities based on pupil needs. The multi-  
 7 tiered system of supports described in this subsection must provide  
 8 at least all of the following essential components:

9 (a) Team-based leadership.

10 (b) A tiered delivery system.

11 (c) Selection and implementation of instruction,  
 12 interventions, and supports.

13 (d) A comprehensive screening and assessment system.

14 (e) Continuous data-based decision making.

15 (3) ~~(4)~~ From the state school aid fund money allocated under  
 16 subsection (1), there is allocated for ~~2021-2022~~ **2023-2024** an  
 17 amount not to exceed ~~\$512,500,000.00~~ and, for ~~2022-2023~~, an amount  
 18 ~~not to exceed \$747,500,000.00~~ **\$1,021,400,000.00** to continue a  
 19 weighted foundation per pupil payment for districts and public  
 20 school academies enrolling economically disadvantaged pupils. The  
 21 department shall pay under this subsection to each eligible  
 22 district or eligible public school academy an amount per pupil  
 23 equal to ~~11.5%~~ **35.0%** of the target foundation allowance for the  
 24 following, as applicable:

25 (a) Except as otherwise provided under subdivision (b), (c),  
 26 or (d) the greater of the following:

27 (i) The number of membership pupils in the district or public  
 28 school academy who are determined to be economically disadvantaged,  
 29 as reported to the center in the form and manner prescribed by the



1 center not later than the fifth Wednesday after the pupil  
2 membership count day of the immediately preceding fiscal year.

3 (ii) If the district or public school academy is in the  
4 community eligibility program, the number of pupils determined to  
5 be eligible based on the product of the identified student  
6 percentage multiplied by the total number of pupils in the district  
7 or public school academy, as reported to the center in the form and  
8 manner prescribed by the center not later than the fifth Wednesday  
9 after the pupil membership count day of the immediately preceding  
10 fiscal year. These calculations must be made at the building level.  
11 This subparagraph only applies to an eligible district or eligible  
12 public school academy for the fiscal year immediately following the  
13 first fiscal year in which it is in the community eligibility  
14 program. As used in this subparagraph, "identified student  
15 percentage" means the quotient of the number of pupils in an  
16 eligible district or eligible public school academy who are  
17 determined to be economically disadvantaged, as reported to the  
18 center in a form and manner prescribed by the center, not later  
19 than the fifth Wednesday after the pupil membership count day in  
20 the fiscal year preceding the first fiscal year in which the  
21 eligible district or eligible public school academy is in the  
22 community eligibility program, divided by the total number of  
23 pupils counted in an eligible district or eligible public school  
24 academy on the pupil membership count day in the fiscal year  
25 preceding the first fiscal year in which the eligible district or  
26 eligible public school academy is in the community eligibility  
27 program.

28 (b) If the district or public school academy began operations  
29 as a district or public school academy after the pupil membership



1 count day of the immediately preceding school year, the number of  
2 membership pupils in the district or public school academy who are  
3 determined to be economically disadvantaged, as reported to the  
4 center in the form and manner prescribed by the center not later  
5 than the fifth Wednesday after the pupil membership count day of  
6 the current fiscal year.

7 (c) If the district or public school academy began operations  
8 as a district or public school academy after the pupil membership  
9 count day of the current fiscal year, the number of membership  
10 pupils in the district or public school academy who are determined  
11 to be economically disadvantaged, as reported to the center in the  
12 form and manner prescribed by the center not later than the fifth  
13 Wednesday after the supplemental count day of the current fiscal  
14 year.

15 (d) If, for a particular fiscal year, the number of membership  
16 pupils in a district or public school academy who are determined  
17 under subdivision (a) to be economically disadvantaged or to be  
18 eligible based on the identified student percentage varies by more  
19 than 20 percentage points from the number of those pupils in the  
20 district or public school academy as calculated under subdivision  
21 (a) for the immediately preceding fiscal year caused by an  
22 egregious reporting error by the district or public school academy,  
23 the department may choose to have the calculations under  
24 subdivision (a) instead be made using the number of membership  
25 pupils in the district or public school academy who are determined  
26 to be economically disadvantaged, as reported to the center in the  
27 form and manner prescribed by the center not later than the fifth  
28 Wednesday after the supplemental count day of the immediately  
29 preceding fiscal year.



1           **(4)** ~~(5)~~—Except as otherwise provided in this section, a  
2 district or public school academy receiving funding under this  
3 section shall use that money only to provide instructional programs  
4 and direct noninstructional services, including, but not limited  
5 to, medical, mental health, or counseling services, for at-risk  
6 pupils; for school health clinics; and for the purposes of  
7 subsection ~~(6), (7), or (8)~~. **(5), (6), or (7)**. In addition, a  
8 district that is a school district of the first class or a district  
9 or public school academy in which at least 50% of the pupils in  
10 membership were determined to be economically disadvantaged in the  
11 immediately preceding state fiscal year, as determined and reported  
12 as described in subsection ~~(4)~~, **(3)**, may use the funds it receives  
13 under this section for school security or school parent liaison  
14 personnel. The uses of the funds described in the immediately  
15 preceding sentence must align to the needs assessment and the  
16 multi-tiered system of supports model and, for funds spent on  
17 parent liaison personnel, must connect parents to the school  
18 community. A district or public school academy shall not use any of  
19 the money received under this section for administrative costs. The  
20 instruction or direct noninstructional services provided under this  
21 section may be conducted before or after regular school hours or by  
22 adding extra school days to the school year.

23           **(5)** ~~(6)~~—A district or public school academy that receives  
24 funds under this section and that operates a school breakfast  
25 program under section 1272a of the revised school code, MCL  
26 380.1272a, shall use from the funds received under this section an  
27 amount, not to exceed \$10.00 per pupil for whom the district or  
28 public school academy receives funds under this section, necessary  
29 to pay for costs associated with the operation of the school



1 breakfast program.

2       (6) ~~(7)~~ From the state school aid fund money allocated under  
 3 subsection (1), there is allocated for ~~2021-2022-2023-2024~~ an  
 4 amount not to exceed ~~\$8,000,000.00~~ and there is allocated for ~~2022-~~  
 5 ~~2023~~ an amount not to exceed ~~\$33,000,000.00~~ **\$33,000,000.00** to  
 6 support primary health care services provided to children and  
 7 adolescents up to age 21. These funds must be expended in a form  
 8 and manner determined jointly by the department and the department  
 9 of health and human services. When making funding decisions for new  
 10 adolescent health centers under this subsection, the department and  
 11 department of health and human services shall prioritize support  
 12 for primary health care services in unserved counties as of the  
 13 effective date of the amendatory act that added this sentence. An  
 14 amount not to exceed 4% of the funds allocated for ~~2022-2023-2023-~~  
 15 **2024** under this subsection must be made available for technical  
 16 support and coordination services from a nonprofit organization  
 17 exclusively dedicated to serving adolescent health centers in this  
 18 state and that has a membership that includes federally qualified  
 19 health centers, local public health departments, hospital systems,  
 20 and public school districts. As a requirement of being awarded the  
 21 funds under this subsection as prescribed under this subsection, a  
 22 nonprofit organization described in this subsection shall make  
 23 readily available technical support and coordination services to  
 24 all child and adolescent health centers in this state.

25       (7) ~~(8)~~ From the state school aid fund money allocated under  
 26 subsection (1), there is allocated for ~~2021-2022-2023-2024~~ an  
 27 amount not to exceed \$5,150,000.00 and there is allocated for ~~2022-~~  
 28 ~~2023~~ an amount not to exceed ~~\$5,150,000.00~~ for the state portion of  
 29 the hearing and vision screenings as described in part 93 of the



1 public health code, 1978 PA 368, MCL 333.9301 to 333.9329, and,  
 2 from the general fund money allocated under subsection (1), there  
 3 is allocated for ~~2021-2022-2023-2024~~ an amount not to exceed  
 4 \$1,500,000.00 and ~~there is allocated for 2022-2023 an amount not to~~  
 5 ~~exceed \$1,500,000.00~~ for the state portion of the dental screenings  
 6 as described in part 93 of the public health code, 1978 PA 368, MCL  
 7 333.9301 to 333.9329. A local public health department shall pay at  
 8 least 50% of the total cost of the screenings. The frequency of the  
 9 vision screenings must be as required under R 325.13091 to R  
 10 325.13096 of the Michigan Administrative Code and the frequency of  
 11 the hearing screenings must be as required under R 325.3271 to R  
 12 325.3276 of the Michigan Administrative Code. Funds must be awarded  
 13 in a form and manner approved jointly by the department and the  
 14 department of health and human services. Notwithstanding section  
 15 17b, the department shall make payments to eligible entities under  
 16 this subsection on a schedule determined by the department.

17 (8) ~~(9)~~ Each district or public school academy receiving funds  
 18 under this section shall submit to the department by July 15 of  
 19 each fiscal year a report, in the form and manner prescribed by the  
 20 department, that includes a brief description of each program  
 21 conducted or services performed by the district or public school  
 22 academy using funds under this section, the amount of funds under  
 23 this section allocated to each of those programs or services, the  
 24 total number of ~~at-risk~~ **at-risk** pupils served by each of those  
 25 programs or services, and the data necessary for the department and  
 26 the department of health and human services to verify matching  
 27 funds for the temporary assistance for needy families program. In  
 28 prescribing the form and manner of the report, the department shall  
 29 ensure that districts are allowed to expend funds received under



1 this section on any activities that are permissible under this  
 2 section. If a district or public school academy does not comply  
 3 with this subsection, the department shall withhold an amount equal  
 4 to the August payment due under this section until the district or  
 5 public school academy complies with this subsection. If the  
 6 district or public school academy does not comply with this  
 7 subsection by the end of the fiscal year, the withheld funds are  
 8 forfeited to the school aid fund.

9       **(9)** ~~(10)~~—In order to receive funds under this section, a  
 10 district or public school academy must allow access for the  
 11 department or the department's designee to audit all records  
 12 related to the program for which it receives those funds. The  
 13 district or public school academy shall reimburse the state for all  
 14 disallowances found in the audit.

15       **(10)** ~~(11)~~—Subject to subsections ~~(6), (7), and (8),~~ **(5), (6),**  
 16 **and (7)**, for schools in which more than 40% of pupils are  
 17 identified as at-risk, a district or public school academy may use  
 18 the funds it receives under this section to implement tier 1,  
 19 evidence-based practices in schoolwide reforms that are guided by  
 20 the district's comprehensive needs assessment and are included in  
 21 the district improvement plan. Schoolwide reforms must include  
 22 parent and community supports, activities, and services, that may  
 23 include the pathways to potential program created by the department  
 24 of health and human services or the communities in schools program.  
 25 As used in this subsection, "tier 1, evidence-based practices"  
 26 means research based instruction and classroom interventions that  
 27 are available to all learners and effectively meet the needs of  
 28 most pupils.

29       **(11)** ~~(12)~~—A district or public school academy that receives



1 funds under this section may use those funds to provide research  
 2 based professional development and to implement a coaching model  
 3 that supports the multi-tiered system of supports framework.  
 4 Professional development may be provided to district and school  
 5 leadership and teachers and must be aligned to professional  
 6 learning standards; integrated into district, school building, and  
 7 classroom practices; and solely related to the following:

8 (a) Implementing the multi-tiered system of supports required  
 9 in subsection ~~(3)~~ **(2)** with fidelity and utilizing the data from  
 10 that system to inform curriculum and instruction.

11 (b) Implementing section 1280f of the revised school code, MCL  
 12 380.1280f, as required under subsection ~~(3)~~ **(2)**, with fidelity.

13 **(12)** ~~(13) For 2021-2022, a district or public school academy~~  
 14 ~~that receives funds under subsection (4) or (17) may use funds~~  
 15 ~~received under subsection (4) or (17) for support staff providing~~  
 16 ~~services to at-risk pupils. For 2022-2023, 2023-2024 a district or~~  
 17 public school academy that receives funds under subsection ~~(4)~~ **(3)**  
 18 may use funds received under subsection ~~(4)~~ **(3)** for support staff  
 19 providing services to at-risk pupils.

20 **(13)** ~~(14)~~ A district or public school academy that receives  
 21 funds under this section may use up to 10% of the funds received  
 22 under this section to provide evidence-based instruction for pre-  
 23 kindergarten instructional and noninstructional services to  
 24 children who meet at least 1 of the criteria in subsection  
 25 ~~(20) (a) (i) to (x)~~ **(18) (a) (i) to (x)**.

26 **(14)** ~~(15)~~ If necessary, the department shall prorate payments  
 27 under this section, except payments under subsection ~~(7), (8), or,~~  
 28 ~~for 2021-2022, (17),~~ **(6) or (7)**, by reducing the amount of the  
 29 allocation as otherwise calculated under this section by an equal



1 percentage per district.

2 (15) ~~(16)~~—If a district is dissolved pursuant to section 12 of  
3 the revised school code, MCL 380.12, the intermediate district to  
4 which the dissolved district was constituent shall determine the  
5 estimated number of pupils that are economically disadvantaged and  
6 that are enrolled in each of the other districts within the  
7 intermediate district and provide that estimate to the department  
8 for the purposes of distributing funds under this section within 60  
9 days after the district is declared dissolved.

10 ~~(17) From the state school aid fund money allocated under~~  
11 ~~subsection (1), there is allocated for 2021-2022 an amount not to~~  
12 ~~exceed \$12,000,000.00 for payments to districts and public school~~  
13 ~~academies that otherwise received an allocation under this~~  
14 ~~subsection for 2020-2021 and whose allocation under this section~~  
15 ~~for 2020-2021, excluding any payments under subsection (7) or (8),~~  
16 ~~would have been more than the district's or public school academy's~~  
17 ~~allocation under this section for 2021-2022 as calculated under~~  
18 ~~subsection (4) only and as adjusted under subsection (15). The~~  
19 ~~allocation for each district or public school academy under this~~  
20 ~~subsection is an amount equal to its allocation under this section~~  
21 ~~for 2020-2021 minus its allocation as otherwise calculated under~~  
22 ~~subsection (4) for 2021-2022 as adjusted by subsection (15), using~~  
23 ~~in those calculations the 2017-2018 number of pupils determined to~~  
24 ~~be economically disadvantaged. However, if the allocation as~~  
25 ~~otherwise calculated under this subsection would have been less~~  
26 ~~than \$0.00, the allocation under this subsection is \$0.00. If~~  
27 ~~necessary, and before any proration required under section 296, the~~  
28 ~~department shall prorate payments under this subsection by reducing~~  
29 ~~the amount of the allocation as otherwise calculated under this~~



1 ~~subsection by an equal percentage per district or public school~~  
 2 ~~academy. Any unexpended funds under this subsection are to be~~  
 3 ~~distributed through payments made under subsection (4) as provided~~  
 4 ~~under subsection (4), but those funds must not be factored into~~  
 5 ~~calculating payments under this subsection. This subsection does~~  
 6 ~~not apply beginning in 2022-2023.~~

7       **(16)** ~~(18)~~—A district or public school academy that receives  
 8 funds under this section may use funds received under this section  
 9 to provide an anti-bullying or crisis intervention program.

10       **(17)** ~~(19)~~—The department shall collaborate with the department  
 11 of health and human services to prioritize assigning Pathways to  
 12 Potential success coaches to elementary schools that have a high  
 13 percentage of pupils in grades K to 3 who are not proficient in  
 14 English language arts, based upon state assessments for pupils in  
 15 those grades.

16       **(18)** ~~(20)~~—As used in this section:

17       (a) "At-risk pupil" means a pupil in grades pre-K to 12 for  
 18 whom the district has documentation that the pupil meets any of the  
 19 following criteria:

20       (i) The pupil is economically disadvantaged.

21       (ii) The pupil is an English language learner.

22       (iii) The pupil is chronically absent as defined by and reported  
 23 to the center.

24       (iv) The pupil is a victim of child abuse or neglect.

25       (v) The pupil is a pregnant teenager or teenage parent.

26       (vi) The pupil has a family history of school failure,  
 27 incarceration, or substance abuse.

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



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

4 (ix) For pupils for whom the results of the state summative  
5 assessment have been received, is a pupil who did not achieve  
6 proficiency on the English language arts, mathematics, science, or  
7 social studies content area assessment.

8 (x) Is a pupil who is at risk of not meeting the district's or  
9 public school academy's core academic curricular objectives in  
10 English language arts or mathematics, as demonstrated on local  
11 assessments.

12 (b) "Combined state and local revenue" means the aggregate of  
13 the district's state school aid received by or paid on behalf of  
14 the district under section 20 and the district's local school  
15 operating revenue.

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

19 (d) "Economically disadvantaged" means a pupil who has been  
20 determined eligible for free or reduced-price meals as determined  
21 under the Richard B. Russell national school lunch act, 42 USC 1751  
22 to 1769j; who is in a household receiving supplemental nutrition  
23 assistance program or temporary assistance for needy families  
24 assistance; or who is homeless, migrant, or in foster care, as  
25 reported to the center.

26 (e) "English language learner" means limited English  
27 proficient pupils who speak a language other than English as their  
28 primary language and have difficulty speaking, reading, writing, or  
29 understanding English as reported to the center.



1 (f) "Local school operating revenue" means that term as  
2 defined in section 22b.

3 Sec. 31d. (1) From the state school aid fund money  
4 appropriated in section 11, there is allocated an amount not to  
5 exceed \$24,553,400.00 for ~~2021-2022-2022-2023~~ and there is  
6 allocated an amount not to exceed ~~\$24,553,400.00~~ **\$25,290,400.00** for  
7 ~~2022-2023-2023-2024~~ for the purpose of making payments to districts  
8 and other eligible entities under this section.

9 (2) The amounts allocated from state sources under this  
10 section are used to pay the amount necessary to reimburse districts  
11 for 6.0127% of the necessary costs of the state mandated portion of  
12 lunch programs provided by those districts. The department shall  
13 calculate the amount due to each district under this section using  
14 the methods of calculation adopted by the Michigan supreme court in  
15 the consolidated cases known as *Durant v State of Michigan*, 456  
16 Mich 175 (1997).

17 (3) The payments made under this section include all state  
18 payments made to districts so that each district receives at least  
19 6.0127% of the necessary costs of operating the state mandated  
20 portion of the lunch program in a fiscal year.

21 (4) The payments made under this section to districts and  
22 other eligible entities that are not required under section 1272a  
23 of the revised school code, MCL 380.1272a, to provide a lunch  
24 program must be in an amount not to exceed \$10.00 per eligible  
25 pupil plus 5 cents for each free lunch and 2 cents for each reduced  
26 price lunch provided, as determined by the department.

27 (5) From the federal funds appropriated in section 11, there  
28 is allocated for ~~2021-2022-2022-2023~~ all available federal funding,  
29 estimated at ~~\$900,000,000.00,~~ **\$901,400,000.00**, and there is



1 allocated for ~~2022-2023~~ **2023-2024** all available federal funding,  
 2 estimated at ~~\$900,000,000.00,~~ **\$901,400,000.00**, for child nutrition  
 3 programs and, for ~~2021-2022,~~ **2022-2023**, all available federal  
 4 funding, estimated at ~~\$30,700,000.00,~~ **\$15,000,000.00**, and, for  
 5 ~~2022-2023,~~ **2023-2024**, all available federal funding, estimated at  
 6 \$15,000,000.00, for food distribution programs.

7 (6) Notwithstanding section 17b, the department shall make  
 8 payments to eligible entities other than districts under this  
 9 section on a schedule determined by the department.

10 (7) In purchasing food for a lunch program funded under this  
 11 section, a district or other eligible entity shall give preference  
 12 to food that is grown or produced by Michigan businesses if it is  
 13 competitively priced and of comparable quality.

14 Sec. 31f. (1) From the state school aid fund money  
 15 appropriated in section 11, there is allocated an amount not to  
 16 exceed ~~\$12,400,000.00~~ **\$11,900,000.00** for ~~2021-2022~~ and  
 17 ~~\$11,900,000.00~~ for ~~2022-2023~~ **2023-2024** for the purpose of making  
 18 payments to districts to reimburse for the cost of providing  
 19 breakfast.

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

23 (a) The district participates in the federal school breakfast  
 24 program and meets all standards as prescribed by 7 CFR parts 210,  
 25 220, 225, 226, and 245.

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

28 (3) The payment for a district under this section is at a per  
 29 meal rate equal to the lesser of the district's actual cost or 100%



1 of the statewide average cost of a meal served, as determined and  
 2 approved by the department, less federal reimbursement, participant  
 3 payments, and other state reimbursement. **breakfast reimbursements**  
 4 **received under section 30d.** The department shall determine the  
 5 statewide average cost using costs as reported in a manner approved  
 6 by the department for the preceding school year.

7 (4) Notwithstanding section 17b, the department may make  
 8 payments under this section pursuant to an agreement with the  
 9 department.

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

14 Sec. 31j. (1) From the general fund money appropriated in  
 15 section 11, there is allocated **for 2023-2024** an amount not to  
 16 exceed \$500,000.00, and from the state school aid fund money  
 17 appropriated in section 11, ~~there is allocated an amount not to~~  
 18 ~~exceed \$4,000,000.00 for 2021-2022, and from the general fund money~~  
 19 ~~appropriated in section 11, there is allocated an amount not to~~  
 20 ~~exceed \$500,000.00 and from the state school aid fund money~~  
 21 ~~appropriated in section 11, there is allocated an amount not to~~  
 22 exceed \$8,800,000.00 for ~~2022-2023~~ **2023-2024** for a program to  
 23 support districts and other non-school sponsors in the purchase of  
 24 locally grown fruits and vegetables as described in this section.  
 25 It is the intent of the legislature that, for ~~2023-2024,~~ **2024-2025,**  
 26 the allocation from the state school aid fund money appropriated in  
 27 section 11 for purposes described in this section will be  
 28 \$4,000,000.00.

29 (2) Funding under this section retained by the department for



1 administration must not exceed 5%. Funding under this section  
2 retained by project partners for data collection, outreach, and  
3 training must not exceed 1% for each partner.

4 (3) The department shall develop and implement a competitive  
5 grant program for districts and other non-school sponsors to assist  
6 in paying for the costs incurred by the district or other non-  
7 school sponsor to purchase or increase purchases of whole or  
8 minimally processed fruits, vegetables, and legumes grown in this  
9 state. The maximum amount that may be drawn down on a grant to a  
10 district or other non-school sponsor is based on the number of  
11 meals served by the district during the previous school year under  
12 the Richard B. Russell national school lunch act, 42 USC 1751 to  
13 1769j, or meals served by the other non-school sponsor in the  
14 previous school year. The department shall collaborate with the  
15 Michigan department of agriculture and rural development to provide  
16 training to newly participating schools and other non-school  
17 sponsors and electronic information on Michigan agriculture.

18 (4) The goals of the program under this section include  
19 improving daily nutrition and eating habits for children through  
20 the school and child care settings while investing in Michigan's  
21 agricultural and related food business economy.

22 (5) A district or other non-school sponsor that receives a  
23 grant under this section shall use those funds for the costs  
24 incurred by the district or the sponsor to purchase whole or  
25 minimally processed fruits, vegetables, and legumes that meet both  
26 of the following:

27 (a) For each fiscal year, were purchased for use in meals and  
28 supportive activities as part of the United States Department of  
29 Agriculture child nutrition programs provided between September 1



1 through August 30 of that fiscal year.

2 (b) Are grown in this state and, if minimally processed, are  
3 also processed in this state.

4 (6) For Michigan-grown fruits, vegetables, and legumes that  
5 satisfy the requirements of subsection (5), the department shall  
6 make matching reimbursements in an amount not to exceed 10 cents  
7 for every school meal that is served as part of the United States  
8 Department of Agriculture's child nutrition programs.

9 (7) In awarding grants under this section, the department  
10 shall work in consultation with Michigan-based farm to school  
11 resource organizations, to develop scoring criteria that assess an  
12 applicant's ability to procure Michigan-grown products, prepare and  
13 menu Michigan-grown products, promote and market Michigan-grown  
14 products, and submit letters of intent from districts or other non-  
15 school sponsors on plans for educational activities that promote  
16 the goals of the program.

17 (8) The department shall give preference to districts or other  
18 non-school sponsors that propose educational activities that meet 1  
19 or more of the following: promote healthy food activities; have  
20 clear educational objectives; involve parents or the community;  
21 connect to a school's or child care center's farm-to-school or  
22 farm-to-early-child-care procurement activities; and market and  
23 promote the program, leading to increased pupil knowledge and  
24 consumption of Michigan-grown products. The department shall give  
25 stronger weighting and consideration to applications with robust  
26 marketing and promotional activities.

27 (9) In awarding grants, the department shall also consider all  
28 of the following:

29 (a) The percentage of children who qualify for free or reduced



1 price school meals under the Richard B. Russell national school  
2 lunch act, 42 USC 1751 to 1769j.

3 (b) The variety of school or child care center sizes and  
4 geographic locations within the identified prosperity regions.

5 (c) Existing or planned collaboration between child care  
6 sponsors, between districts, or with agricultural businesses and  
7 essential local food infrastructure, such as farms, farm  
8 cooperatives, processors, distributors, and local food hubs.

9 (10) As a condition of receiving a grant under this section, a  
10 district or other non-school sponsor shall provide or direct its  
11 vendors to provide to the department copies of monthly receipts  
12 that show the quantity of different Michigan-grown fruits,  
13 vegetables, and legumes purchased, the amount of money spent on  
14 each of these products, the name and Michigan location of the farm  
15 that grew the products, and the methods or plans to market and  
16 promote the program. The district or other non-school sponsor also  
17 shall provide to the department monthly United States Department of  
18 Agriculture child nutrition reimbursable meal numbers and must  
19 retain monthly menus noting when and how Michigan-grown products  
20 were used in meals. The district or other non-school sponsor and  
21 school or non-school sponsor food service director or directors  
22 also shall agree to respond to brief online surveys and to provide  
23 a report that shows the percentage relationship of Michigan  
24 spending compared to total food spending. Not later than 60 days  
25 after the end of the period in which funds under this section were  
26 received, and in which federal child nutrition programs require  
27 submission of claims, each district or each non-school sponsor  
28 shall submit a report to the department on outcomes and related  
29 measurements for economic development and children's nutrition and



1 readiness to learn. The report must include at least both of the  
2 following:

3 (a) The extent to which farmers and related businesses,  
4 including distributors and processors, saw an increase in market  
5 opportunities and income generation through sales of Michigan or  
6 local products to districts and other non-school sponsors. All of  
7 the following apply for purposes of this subdivision:

8 (i) The data used to determine the amount of this increase are  
9 the total dollar amount of Michigan or local fruits, vegetables,  
10 and legumes purchased by schools and other non-school sponsors,  
11 along with the number of different types of products purchased;  
12 school and non-school sponsor food purchasing trends identified  
13 along with products that are of new and growing interest among food  
14 service directors; the number of businesses impacted; and the  
15 percentage of total food budget spent on Michigan-grown fruits,  
16 vegetables, and legumes.

17 (ii) The district or other non-school sponsor shall use  
18 purchasing data collected for the program and surveys of school and  
19 non-school sponsor food service directors on the impact and success  
20 of the program as the source for the data described in subparagraph  
21 (i).

22 (b) The ability to which pupils can access a variety of  
23 healthy Michigan-grown foods through schools and other non-school  
24 sponsor centers and increase their consumption of those foods. All  
25 of the following apply for purposes of this subdivision:

26 (i) The data used to determine whether this subdivision is met  
27 are the number of pupils exposed to Michigan-grown fruits,  
28 vegetables, and legumes at schools and non-school sponsor centers;  
29 the variety of products served; new items taste-tested or placed on



1 menus; and the increase in pupil willingness to try new local  
2 healthy foods.

3 (ii) The district or other non-school sponsor shall use  
4 purchasing data collected for the project, meal count and  
5 enrollment numbers, school menu calendars, and surveys of school  
6 and non-school sponsor food service directors as the source for the  
7 data described in subparagraph (i).

8 (11) **As a condition of receiving grants under this section, a**  
9 **district or other non-school sponsor shall offer meals that meet**  
10 **students' dietary restrictions, including the provision of gluten-**  
11 **free meals, vegetarian meals, vegan meals, and, upon request,**  
12 **kosher meals, halal meals, and meals meeting any allergy**  
13 **restrictions as confirmed by a doctor's note.**

14 (12) ~~(11)~~—The department shall compile the reports provided by  
15 districts and other non-school sponsors under subsection (10) into  
16 1 legislative report. The department shall provide this report not  
17 later than April 1 of each fiscal year following the fiscal year  
18 for which funding is allocated under this section to the house and  
19 senate subcommittees responsible for school aid, the house and  
20 senate fiscal agencies, and the state budget director.

21 (13) ~~(12)~~—Notwithstanding section 17b, the department shall  
22 make payments under this section on a schedule determined by the  
23 department.

24 **Sec. 31k. (1) From the state school aid fund money**  
25 **appropriated in section 11, there is allocated for 2022-2023 only**  
26 **an amount not to exceed \$2,500,000.00 for payments to eligible**  
27 **districts as described in this section.**

28 (2) **Notwithstanding section 17b, to receive funding under this**  
29 **section a district must apply for the funding in a form and manner**



1 prescribed by the department by, as a first-time applicant, not  
2 later than December 1, 2023, or, if applying through a second  
3 application as described in subsection (6), not later than May 1,  
4 2024.

5 (3) A district that demonstrates to the department that all  
6 outstanding student-meal debt has been forgiven is an eligible  
7 district under this section.

8 (4) Subject to subsection (8), the department shall provide  
9 payments to eligible districts in an amount necessary to reimburse  
10 the eligible districts for the cost of forgiving all outstanding  
11 student-meal debt.

12 (5) Notwithstanding section 17b, the department shall make  
13 reimbursement payments under this section as follows:

14 (a) Except as otherwise provided under subdivision (b),  
15 payments under subsection (4) to all eligible districts must be  
16 made by not later than 60 days after December 1, 2023.

17 (b) Payments under subsection (6) to all eligible districts  
18 must be made by not later than 60 days after May 1, 2024, as  
19 provided under subsection (6).

20 (6) Subject to subsection (8), if the amount paid to eligible  
21 districts under subsection (4) is less than the amount allocated  
22 under subsection (1), the department may distribute the remaining  
23 funds to eligible districts through a second application in an  
24 amount necessary to reimburse eligible districts for the cost of  
25 forgiving all outstanding student-meal debt. An eligible district  
26 receiving a reimbursement payment under subsection (4) is not  
27 eligible for a reimbursement payment through a second application  
28 under this subsection.

29 (7) An eligible district receiving payments under this section



1 shall adopt policies to prevent public identification or  
 2 stigmatization of pupils who cannot pay for a school meal. These  
 3 policies must prohibit all of the following:

4 (a) Requiring pupils who cannot pay for a school meal or who  
 5 owe a student-meal debt to wear a wristband or handstamp.

6 (b) Requiring pupils who cannot pay for a school meal or who  
 7 owe a student-meal debt to perform chores or other work to pay for  
 8 school meals.

9 (c) Requiring a pupil to dispose of a meal after it has been  
 10 served because the pupil is unable to pay for the meal or owes a  
 11 student-meal debt.

12 (d) Communicating directly with a pupil about a student-meal  
 13 debt unless the district has attempted to contact, but has been  
 14 unsuccessful in communicating with, a pupil's parent or legal  
 15 guardian through telephone, mail, and email.

16 (e) Discussing a pupil's student-meal debt in the presence of  
 17 other pupils.

18 (8) If the amount allocated under this section is insufficient  
 19 to fully reimburse the cost of student-meal debt forgiveness for  
 20 all eligible districts, the department shall prorate the  
 21 reimbursement on an equal percentage per district.

22 Sec. 31n. (1) From the state school aid fund money  
 23 appropriated in section 11, there is allocated for ~~2022-2023-2023-~~  
 24 ~~2024~~ for the purposes of this section an amount not to exceed  
 25 ~~\$77,600,000.00~~ ~~\$106,545,000.00~~ and from the general fund money  
 26 appropriated in section 11, there is allocated for ~~2022-2023-2023-~~  
 27 ~~2024~~ for the purposes of this section an amount not to exceed  
 28 \$1,300,000.00. The department and the department of health and  
 29 human services shall continue a program to distribute this funding



1 to add licensed behavioral health providers for general education  
2 pupils, and shall continue to seek federal Medicaid match funding  
3 for all eligible mental health and support services.

4 (2) The department and the department of health and human  
5 services shall maintain an advisory council for programs funded  
6 under this section. The advisory council shall define goals for  
7 implementation of programs funded under this section, and shall  
8 provide feedback on that implementation. At a minimum, the advisory  
9 council shall consist of representatives of state associations  
10 representing school health, school mental health, school  
11 counseling, education, health care, and other organizations,  
12 representatives from the department and the department of health  
13 and human services, and a representative from the school safety  
14 task force created under Executive Order No. 2018-5. The department  
15 and department of health and human services, working with the  
16 advisory council, shall determine an approach to increase capacity  
17 for mental health and support services in schools for general  
18 education pupils, and shall determine where that increase in  
19 capacity qualifies for federal Medicaid match funding.

20 (3) The advisory council shall develop a fiduciary agent  
21 checklist for intermediate districts to facilitate development of a  
22 plan to submit to the department and to the department of health  
23 and human services. The department and department of health and  
24 human services shall determine the requirements and format for  
25 intermediate districts to submit a plan for possible funding under  
26 subsection (6). The department shall make applications for funding  
27 for this program available to districts and intermediate districts  
28 not later than December 1 of each fiscal year for which funds are  
29 allocated under this section and shall award the funding not later



1 than February 1 of each fiscal year for which funds are allocated  
2 under this section.

3 (4) The department of health and human services shall seek to  
4 amend the state Medicaid plan or obtain appropriate Medicaid  
5 waivers as necessary for the purpose of generating additional  
6 Medicaid match funding for school mental health and support  
7 services for general education pupils. The intent is that a  
8 successful state plan amendment or other Medicaid match mechanisms  
9 will result in additional federal Medicaid match funding for both  
10 the new funding allocated under this section and for any expenses  
11 already incurred by districts and intermediate districts for mental  
12 health and support services for general education pupils.

13 (5) From the state school aid fund money allocated under  
14 subsection (1), there is allocated for ~~2022-2023~~**2023-2024** an  
15 amount not to exceed \$14,300,000.00 to be distributed to the  
16 network of child and adolescent health centers to place a licensed  
17 master's level behavioral health provider in schools that do not  
18 currently have services available to general education students.  
19 Child and adolescent health centers that are part of the network  
20 described in this subsection shall provide a commitment to maintain  
21 services and implement all available federal Medicaid match  
22 methodologies. The department of health and human services shall  
23 use all existing or additional federal Medicaid match opportunities  
24 to maximize funding allocated under this subsection. The department  
25 shall provide funds under this subsection to child and adolescent  
26 health centers that are part of the network described in this  
27 subsection in the same proportion that funding under section ~~31a(7)~~  
28 **31a(6)** is provided to child and adolescent health centers that are  
29 part of the network described in this subsection and that are



1 located and operating in those districts. A payment from funding  
 2 allocated under this subsection must not be paid to an entity that  
 3 is not part of the network described in this subsection.

4 (6) From the state school aid fund money allocated under  
 5 subsection (1), there is allocated for ~~2022-2023~~**2023-2024** an  
 6 amount not to exceed ~~\$62,800,000.00~~**\$91,745,000.00** to be  
 7 distributed to intermediate districts for the provision of mental  
 8 health and support services to general education students. If a  
 9 district or intermediate district is not able to procure the  
 10 services of a licensed master's level behavioral health provider,  
 11 the district or intermediate district shall notify the department  
 12 and the department of health and human services and, if the  
 13 department and department of health and human services verify that  
 14 the district or intermediate district attempted to procure services  
 15 from a master's level behavioral health provider and was not able  
 16 to do so, then the district or intermediate district may instead  
 17 procure services from a provider with less than a master's degree  
 18 in behavioral health. To be able to use the exemption in the  
 19 immediately preceding sentence, the district or intermediate  
 20 district must submit evidence satisfactory to the department and  
 21 department of health and human services demonstrating that the  
 22 district or intermediate district took measures to procure the  
 23 services of a licensed master's level behavioral health provider  
 24 but was unable to do so, and the department and department of  
 25 health and human services must be able to verify this evidence.  
 26 From the first ~~\$53,496,800.00~~**\$56,173,600.00** of the funds allocated  
 27 under this subsection, the department shall distribute ~~\$955,300.00~~  
 28 **\$1,003,100.00** for ~~2022-2023~~**2023-2024** to each intermediate district  
 29 that submits a plan approved by the department and the department



1 of health and human services. The department shall distribute the  
2 remaining ~~\$9,303,200.00~~ **\$35,571,400.00** of the funds allocated under  
3 this subsection for ~~2022-2023~~ **2023-2024** to intermediate districts  
4 on an equal per-pupil basis based on the combined total number of  
5 pupils in membership in the intermediate district and its  
6 constituent districts, including public school academies that are  
7 considered to be constituent districts under section 705(7) of the  
8 revised school code, MCL 380.705. The department and department of  
9 health and human services shall work cooperatively in providing  
10 oversight and assistance to intermediate districts during the plan  
11 submission process and shall monitor the program upon  
12 implementation. An intermediate district shall use funds awarded  
13 under this subsection to provide funding to its constituent  
14 districts, including public school academies that are considered to  
15 be constituent districts under section 705(7) of the revised school  
16 code, MCL 380.705, for the provision of mental health and support  
17 services to general education students. In addition to the criteria  
18 identified under subsection (7), an intermediate district shall  
19 consider geography, cost, or other challenges when awarding funding  
20 to its constituent districts. Districts receiving funding under  
21 this subsection are encouraged to provide suicide prevention and  
22 awareness education and counseling. If funding awarded to an  
23 intermediate district remains after funds are provided by the  
24 intermediate district to its constituent districts, the  
25 intermediate district may hire or contract for experts to provide  
26 mental health and support services to general education students  
27 residing within the boundaries of the intermediate district,  
28 including, but not limited to, expanding, hiring, or contracting  
29 for staff and experts to provide those services directly or to



1 increase access to those services through coordination with outside  
2 mental health agencies; the intermediate district may also contract  
3 with 1 or more other intermediate districts for coordination and  
4 the facilitation of activities related to providing mental health  
5 and support services to general education students residing within  
6 the boundaries of the intermediate district; and the intermediate  
7 district is encouraged to provide suicide prevention and awareness  
8 education and counseling.

9 (7) A district requesting funds under this section from the  
10 intermediate district in which it is located shall submit an  
11 application for funding for the provision of mental health and  
12 support services to general education pupils. A district receiving  
13 funding from the application process described in this subsection  
14 shall provide services to nonpublic students upon request. An  
15 intermediate district shall not discriminate against an application  
16 submitted by a public school academy simply on the basis of the  
17 applicant being a public school academy. The department shall  
18 approve grant applications based on the following criteria:

19 (a) The district's commitment to maintain mental health and  
20 support services delivered by licensed providers into future fiscal  
21 years.

22 (b) The district's commitment to work with its intermediate  
23 district to use funding it receives under this section that is  
24 spent by the district for general education pupils toward  
25 participation in federal Medicaid match methodologies. A district  
26 must provide a local match of at least 20% of the funding allocated  
27 to the district under section 31n.

28 (c) The district's commitment to adhere to any local funding  
29 requirements determined by the department and the department of



1 health and human services.

2 (d) The extent of the district's existing partnerships with  
3 community health care providers or the ability of the district to  
4 establish such partnerships.

5 (e) The district's documentation of need, including gaps in  
6 current mental health and support services for the general  
7 education population.

8 (f) The district's submission of a formal plan of action  
9 identifying the number of schools and students to be served.

10 (g) Whether the district will participate in ongoing  
11 trainings.

12 (h) Whether the district will submit an annual report to the  
13 state.

14 (i) Whether the district demonstrates a willingness to work  
15 with the state to establish program and service delivery  
16 benchmarks.

17 (j) Whether the district has developed a school safety plan or  
18 is in the process of developing a school safety plan.

19 (k) Any other requirements determined by the department or the  
20 department of health and human services.

21 (8) Funding under this section, including any federal Medicaid  
22 funds that are generated, must not be used to supplant existing  
23 services.

24 (9) Both of the following are allocated to the department of  
25 health and human services from the general fund money allocated  
26 under subsection (1):

27 (a) For ~~2022-2023~~, **2023-2024**, an amount not to exceed  
28 \$1,000,000.00 for the purpose of upgrading technology and systems  
29 infrastructure and other administrative requirements to support the



1 programs funded under this section.

2 (b) For ~~2022-2023~~, **2023-2024**, an amount not to exceed  
3 \$300,000.00 for the purpose of administering the programs under  
4 this section and working on generating additional Medicaid funds as  
5 a result of programs funded under this section.

6 (10) From the state school aid fund money allocated under  
7 subsection (1), there is allocated for ~~2022-2023~~ **2023-2024** an  
8 amount not to exceed \$500,000.00 to intermediate districts on an  
9 equal per intermediate district basis for the purpose of  
10 administering programs funded under this section.

11 (11) The department and the department of health and human  
12 services shall work with the advisory council to develop proposed  
13 measurements of outcomes and performance. Those measurements must  
14 include, at a minimum, the number of pupils served, the number of  
15 schools served, and where those pupils and schools were located.  
16 The department and the department of health and human services  
17 shall compile data necessary to measure outcomes and performance,  
18 and districts and intermediate districts receiving funding under  
19 this section shall provide data requested by the department and  
20 department of health and human services for the measurement of  
21 outcomes and performance. The department and department of health  
22 and human services shall provide an annual report not later than  
23 December 1 of each year to the house and senate appropriations  
24 subcommittees on school aid and health and human services, to the  
25 house and senate fiscal agencies, and to the state budget director.  
26 At a minimum, the report must include measurements of outcomes and  
27 performance, proposals to increase efficacy and usefulness,  
28 proposals to increase performance, and proposals to expand  
29 coverage.



1 (12) A district or intermediate district that receives funding  
2 directly or indirectly under this section may carry over any  
3 unexpended funds received under this section for up to 2 fiscal  
4 years beyond the fiscal year in which the funds were received.

5 Sec. 31o. (1) From the state school aid fund money  
6 appropriated in section 11, there is allocated for 2021-2022 an  
7 amount not to exceed \$240,000,000.00 for payments to eligible  
8 districts and intermediate districts for the purpose of increasing  
9 the number of school psychologists, school social workers, school  
10 counselors, and school nurses serving students in this state.

11 (2) Except as otherwise provided in this subsection, to  
12 receive funding under this section, a district or intermediate  
13 district must apply for the funding in a form and manner prescribed  
14 by the department. In its application for funding under this  
15 section, a district or intermediate district must pledge and  
16 provide assurances to the department that it will fully annually  
17 fund all staff that are supported with funding under this section  
18 in an ongoing manner after the district or intermediate district  
19 receives its final payment under this section.

20 (3) The department shall award funding to districts and  
21 intermediate districts with the greatest need for additional school  
22 psychologists, school social workers, school counselors, or school  
23 nurses. To determine the districts and intermediate districts with  
24 the greatest needs under this subsection, the department shall  
25 consider the physical and mental health services available at the  
26 district or intermediate district and how close an applicant  
27 district or intermediate district is to meeting the following  
28 recommended staff-to-student ratios:

29 (a) 1 school psychologist for every 500 full-time equated



1 pupils counted in the district or directly served by the  
2 intermediate district.

3 (b) 1 school social worker for every 250 full-time equated  
4 pupils counted in the district or directly served by the  
5 intermediate district.

6 (c) 1 school counselor for every 250 full-time equated pupils  
7 counted in the district or directly served by the intermediate  
8 district.

9 (d) 1 school nurse for every 750 full-time equated pupils  
10 counted in the district or directly served by the intermediate  
11 district.

12 (4) To be eligible for funding under this section, a district  
13 or intermediate district must hire additional school psychologists,  
14 school social workers, school counselors, or school nurses by March  
15 1, 2024 and must maintain support for the new staff **or, as**  
16 **determined by the department, staff hired to replace the new staff,**  
17 in an ongoing manner. As determined by the department, staff hired  
18 and supported by funding under this section must meet all  
19 applicable state and federal laws, rules, and license requirements  
20 to be considered a school psychologist, school social worker,  
21 school counselor, or school nurse.

22 (5) Subject to subsections (6) and (7), payments to eligible  
23 districts and intermediate districts must be made as follows:

24 (a) For staff hired before March 1, 2022, **or staff hired to**  
25 **replace that staff,** the department shall provide payments to  
26 eligible districts and intermediate districts equal to 100% of the  
27 annualized cost of newly hired school psychologists, school social  
28 workers, school counselors, or school nurses. The amount paid to  
29 the eligible district and intermediate district must be the lesser



1 of the actual annualized cost of the employee, as determined by the  
2 department, or the median wage for an equivalent employee working  
3 in a school setting, as determined by the department, using wage  
4 data from the United States Bureau of Labor Statistics that is  
5 specific to this state.

6 (b) For retained staff hired with funds under subdivision (a)  
7 or hired between March 1, 2022 and March 1, 2023, **or staff hired to**  
8 **replace that staff**, the department shall pay eligible districts and  
9 intermediate districts 66% of the annualized cost of newly hired  
10 school psychologists, school social workers, school counselors, or  
11 school nurses. The amount paid to the eligible district or  
12 intermediate district must be the lesser of 66% of the actual  
13 annualized cost of the employee, as determined by the department,  
14 or 66% of the median wage for an equivalent employee working in a  
15 school setting, as determined by the department, using wage data  
16 from the United States Bureau of Labor Statistics that are specific  
17 to this state.

18 (c) For retained staff hired or retained with funds under  
19 subdivision (a) or (b) or hired between March 1, 2023 and March 1,  
20 2024, **or staff hired to replace that staff**, the department shall  
21 pay eligible districts or intermediate districts 33% of the  
22 annualized cost of newly hired school psychologists, school social  
23 workers, school counselors, or school nurses. The amount paid to  
24 the eligible district or intermediate district must be the lesser  
25 of 33% of the actual annualized cost of the employee, as determined  
26 by the department, or 33% of the median wage for an equivalent  
27 employee working in a school setting, as determined by the  
28 department, using wage data from the United States Bureau of Labor  
29 Statistics that are specific to this state.



1 (6) If a district or intermediate district does not retain  
2 staff **or staff hired to replace that staff** hired with funds under  
3 subsection (5) (a), the district is not eligible to receive funding  
4 for that staff member under subsection (5) (b) or (c).

5 (7) If, after awarding funding under subsection (3) and  
6 calculating payment amounts under subsection (5), the department  
7 determines that the amount allocated in subsection (1) is  
8 insufficient to fully fund payments under this section, the  
9 department shall prorate payments to eligible districts and  
10 intermediate districts on an equal percentage basis.

11 (8) The funds allocated under this section for 2021-2022 are a  
12 work project appropriation, and any unexpended funds for 2021-2022  
13 are carried forward into 2022-2023. The purpose of the work project  
14 is to increase the number of school psychologists, school social  
15 workers, school counselors, and school nurses in school buildings.  
16 The estimated completion date of the work project is September 30,  
17 2024.

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

21 Sec. 31p. (1) From the federal funding appropriated under  
22 section 11, there is allocated for 2022-2023 only an amount not to  
23 exceed \$50,000,000.00 from the federal funding awarded to this  
24 state from the coronavirus state fiscal recovery fund under the  
25 American rescue plan act of 2021, title IX, subtitle M of Public  
26 Law 117-2, for grants to intermediate districts to implement a  
27 TRAILS program as described in subsection (2).

28 ~~(2) Intermediate districts receiving funding under this~~  
29 ~~section must use the funding to implement a TRAILS program within~~



1 ~~the boundaries of the intermediate district.~~ The TRAILS program  
2 described in this subsection must improve youth access to evidence-  
3 based mental health services by training school mental health  
4 professionals in effective practices, such as cognitive behavioral  
5 therapy and mindfulness.

6 (3) The department shall establish a grant process to  
7 distribute funds under this section.

8 (4) The department shall award, in an equal amount, grants  
9 under this section to each intermediate district that has an  
10 approved grant application for funding under this section.  
11 Intermediate districts must ~~use funds received under this section~~  
12 ~~for a direct partnership with the TRAILS program described in~~  
13 ~~subsection (2).~~ **contract with and forward to the TRAILS program**  
14 **described in subsection (2) an amount equal to the amount awarded**  
15 **to the intermediate district under this subsection. The TRAILS**  
16 **program must use funding received from intermediate districts under**  
17 **this subsection to satisfy the terms of the contracts with the**  
18 **intermediate districts on a statewide basis.**

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

22 (6) The funds allocated under this section for 2022-2023 are a  
23 work project appropriation, and any unexpended funds for 2022-2023  
24 are carried forward into 2023-2024. The purpose of the work project  
25 is to continue support for the TRAILS program. The estimated  
26 completion date of the work project is December 31, 2026.

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



1           Sec. 31aa. (1) From the state school aid fund money  
 2 appropriated in section 11, there is allocated ~~\$150,000,000.00~~  
 3 **\$300,000,000.00** for ~~2022-2023-2023-2024~~ only to provide payments to  
 4 districts for activities to improve student mental health. **Fifty**  
 5 **percent of the funds allocated in this section are distributed to**  
 6 **districts during 2023-2024 and 50% are distributed during 2024-**  
 7 **2025.** The allowable expenditures of funds under this section  
 8 include, but are not limited to, the following:

9           (a) Hiring or contracting for support staff for student mental  
 10 health needs, including, but not limited to, school psychologists,  
 11 social workers, counselors, and school nurses.

12           (b) Purchasing and implementing mental health screening tools.

13           (c) Providing school-based mental health personnel access to  
 14 consultation with behavioral health clinicians to respond to  
 15 complex student mental health needs.

16           (d) Any other mental health service or product necessary to  
 17 improve or maintain the mental health of students and staff.

18           (2) From the allocation under subsection (1), the department  
 19 shall make payments to districts in an equal amount per pupil based  
 20 on the total number of pupils in membership in each district.

21           (3) If funding remains after the distribution of funds as  
 22 described in subsection (2), the department may provide additional  
 23 per-pupil allocations to allocate remaining dollars, using for  
 24 those calculations the same requirements described in subsection  
 25 (2).

26           (4) Except as otherwise provided in this section, to receive  
 27 funding under this section, districts must apply for funding under  
 28 this section in a form and manner prescribed by the department. In  
 29 its application described in this subsection, a district or



1 intermediate district, as applicable, shall document how it or, if  
 2 an intermediate district is applying, its constituent district,  
 3 will use community input to guide the expenditure of the funds it  
 4 or the constituent district will receive under this section and it  
 5 shall pledge to host, or shall pledge on behalf of its constituent  
 6 district that the constituent district will host, at least 1  
 7 community conversation about student mental health and school  
 8 safety. With consent of its constituent districts, an intermediate  
 9 district may apply for funding under this section on behalf of its  
 10 constituent districts. As used in this section, "constituent  
 11 district" means that term as defined in section 3 of the revised  
 12 school code, MCL 380.3.

13 (5) Districts receiving funds under this section must  
 14 coordinate with intermediate school districts to avoid duplication  
 15 of services and to streamline delivery of mental health services to  
 16 students.

17 (6) **The funds allocated under this section for 2023-2024 are a**  
 18 **work project appropriation, and any unexpended funds for 2023-2024**  
 19 **are carried forward into 2024-2025. The purpose of the work project**  
 20 **is to continue the support of mental health programs described in**  
 21 **this section. The estimated completion date of the work project is**  
 22 **September 30, 2025.**

23 (7) ~~(6)~~ Notwithstanding section 17b, the department shall make  
 24 payments under this section on a schedule determined by the  
 25 department.

26 **Sec. 31ff. (1) From the state school aid fund money**  
 27 **appropriated in section 11, there is allocated \$2,000,000.00 for**  
 28 **2023-2024 only for districts to partner with an eligible nonprofit**  
 29 **organization to support delivery of high-dosage neighborhood-based**



1 tutoring and direct noninstructional services for at-risk pupils 3  
2 to 12 years of age. Funding under this section is intended to  
3 ensure that pupils are proficient in English language arts by the  
4 end of grade 3, that pupils are proficient in mathematics by the  
5 end of grade 8, that all participants are kindergarten ready, and  
6 that pupils are prepared to attend school regularly. Funding under  
7 this section is intended to support communities in meeting service  
8 gaps for children unable to access 21st century community learning  
9 center programs due to transportation barriers.

10 (2) Districts that receive funding under this section must use  
11 an amount equal to the amount awarded under this section to  
12 contract with an eligible nonprofit organization. A nonprofit  
13 organization is eligible for purposes of this section if it meets  
14 all of the following criteria:

15 (a) It operates in Detroit.

16 (b) It employs a community model that includes all of the  
17 following:

18 (i) It evaluates a kid success-ready neighborhood.

19 (ii) It invites community input.

20 (iii) It renovates a house in the neighborhood.

21 (iv) It holds goal-setting meetings with the family of each  
22 participating child.

23 (v) It partners with organizations to collect data and  
24 facilitate a rigorous evaluation.

25 (c) It has the capacity to show evidence of improvements.

26 (d) It has systems to support early learning and K to 3 school  
27 referrals.

28 (e) It has an understanding of assessments and growth measures  
29 used in this state.



1           (3) Funding under this section must be spent on staffing to  
 2 support the delivery of support and wraparound services. Funding  
 3 under this section must not be used to supplant early learning or K  
 4 to 3 program staff.

5           (4) As used in this section, "at-risk pupil" means that term  
 6 as defined under section 31a.

7           Sec. 31gg. From the general fund money appropriated in section  
 8 11, there is allocated for 2023-2024 only an amount not to exceed  
 9 \$100.00 for the Kids Kicking Cancer Program.

10           Sec. 32d. (1) From the state school aid fund money  
 11 appropriated in section 11, there is allocated to eligible  
 12 intermediate districts and consortia of intermediate districts for  
 13 great start readiness programs an amount not to exceed  
 14 \$369,120,000.00 for 2022-2023 **and an amount not to exceed**  
 15 **\$529,820,000.00 for 2023-2024.** In addition, from the federal  
 16 funding appropriated in section 11, there is allocated for 2022-  
 17 2023 an amount not to exceed \$83,000,000.00, from the federal  
 18 funding awarded to this state from the coronavirus state fiscal  
 19 recovery fund under the American rescue plan act of 2021, title IX,  
 20 subtitle M of Public Law 117-2, to eligible intermediate districts  
 21 and consortia of intermediate districts for great start readiness  
 22 programs. An intermediate district or consortium shall use funds  
 23 allocated under this section for great start readiness programs to  
 24 provide part-day, school-day, or GSRP/Head Start blended  
 25 comprehensive free compensatory classroom programs designed to  
 26 improve the readiness and subsequent achievement of educationally  
 27 disadvantaged children who meet the participant eligibility and  
 28 prioritization guidelines as defined by the department. For a child  
 29 to be eligible to participate in a program under this section, the



1 child must be at least 4, but less than 5, years of age as of  
 2 September 1 of the school year in which the program is offered and  
 3 must meet those eligibility and prioritization guidelines. A child  
 4 who is not 4 years of age as of September 1, but who will be 4  
 5 years of age not later than December 1, is eligible to participate  
 6 if the child's parent or legal guardian seeks a waiver from the  
 7 September 1 eligibility date by submitting a request for enrollment  
 8 in a program to the responsible intermediate district, if the  
 9 program has capacity on or after September 1 of the school year,  
 10 and if the child meets eligibility and prioritization guidelines.

11 (2) From the state school aid fund money allocated under  
 12 subsection (1), an amount not to exceed \$367,120,000.00 **for 2022-**  
 13 **2023 and \$527,820,000.00 for 2023-2024**, and from the federal funds  
 14 allocated under subsection (1), an amount not to exceed  
 15 \$83,000,000.00 **for 2022-2023**, is allocated to intermediate  
 16 districts or consortia of intermediate districts based on the  
 17 formula in section 39. An intermediate district or consortium of  
 18 intermediate districts receiving funding under this section shall  
 19 act as the fiduciary for the great start readiness programs. An  
 20 intermediate district or consortium of intermediate districts  
 21 receiving funding under this section may collaborate with local  
 22 governments to identify children eligible for programs funded under  
 23 this section and may contract with local governments to provide  
 24 services. In order to be eligible to receive funds allocated under  
 25 this subsection from an intermediate district or consortium of  
 26 intermediate districts, a district, a consortium of districts, a  
 27 local government, or a public or private for-profit or nonprofit  
 28 legal entity or agency must comply with this section and section  
 29 39. ~~The funds allocated under this subsection for 2022-2023 are a~~



1 ~~work project appropriation, and any unexpended funds for 2022-2023~~  
 2 ~~are carried forward into 2023-2024. The purpose of the work project~~  
 3 ~~is to continue to improve access to preschool programming for~~  
 4 ~~economically disadvantaged children. The estimated completion date~~  
 5 ~~of the work project described in the immediately preceding sentence~~  
 6 ~~is September 30, 2024.~~

7 (3) In addition to the allocation under subsection (1), from  
 8 the general fund money appropriated under section 11, there is  
 9 allocated an amount not to exceed ~~\$350,000.00~~ **\$500,000.00** for 2022-  
 10 2023 **and \$600,000.00 for 2023-2024** for a competitive grant to  
 11 continue a longitudinal evaluation of children who have  
 12 participated in great start readiness programs.

13 (4) To be eligible for funding under this section, a program  
 14 must prepare children for success in school through comprehensive  
 15 part-day, school-day, or GSRP/Head Start blended programs that  
 16 contain all of the following program components, as determined by  
 17 the department:

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

22 (b) An age-appropriate educational curriculum that is in  
 23 compliance with the early childhood standards of quality for  
 24 prekindergarten children adopted by the state board, including, at  
 25 least, the Connect4Learning curriculum.

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

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



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

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

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

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

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

21 (j) Participation in this state's great start to quality  
22 process with a rating of at least, **for 2022-2023, 3 stars, and, for**  
23 **2023-2024, enhancing quality level.**

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

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

29 (b) Except as otherwise provided in this subdivision, ensure



1 that at least 85% of the children participating in an eligible  
2 great start readiness program for whom the intermediate district is  
3 receiving funds under this section are children who live with  
4 families with a household income that is equal to or less than, **for**  
5 **2022-2023, 250%, and, for 2023-2024, 275%**, of the federal poverty  
6 guidelines. If the intermediate district determines that all  
7 eligible children are being served and that there are no children  
8 on the waiting list who live with families with a household income  
9 that is equal to or less than, **for 2022-2023, 250%, and, for 2023-**  
10 **2024, 275%**, of the federal poverty guidelines, the intermediate  
11 district may then enroll children who live with families with a  
12 household income that is equal to or less than, **for 2022-2023, 300%**  
13 **and, for 2023-2024, 400%**, of the federal poverty guidelines. The  
14 enrollment process must consider income and risk factors, such that  
15 children determined with higher need are enrolled before children  
16 with lesser need. For purposes of this subdivision, all age-  
17 eligible children served in foster care or who are experiencing  
18 homelessness or who have individualized education programs  
19 recommending placement in an inclusive preschool setting are  
20 considered to live with families with household income equal to or  
21 less than, **for 2022-2023, 250%, and, for 2023-2024, 275%**, of the  
22 federal poverty guidelines regardless of actual family income and  
23 are prioritized for enrollment within the lowest quintile.

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

26 (i) Teachers possessing proper training. A lead teacher must  
27 have a valid Michigan teaching certificate with an early childhood  
28 or lower elementary endorsement or a bachelor's or higher degree in  
29 child development or early childhood education with specialization



1 in preschool teaching. However, if an applicant demonstrates to the  
 2 department that it is unable to fully comply with this subparagraph  
 3 after making reasonable efforts to comply, teachers or  
 4 paraprofessionals with at least 5 years of experience as a  
 5 paraprofessional in a great start readiness program classroom who  
 6 have significant but incomplete training in early childhood  
 7 education or child development may be used if the applicant  
 8 provides to the department, and the department approves, a plan for  
 9 each teacher to come into compliance with the standards in this  
 10 subparagraph. **Beginning 2023-2024, for purposes of the immediately**  
 11 **preceding sentence, individuals may also qualify with at least 3**  
 12 **years of experience based on the recommendation of the intermediate**  
 13 **district after a classroom observation.** A teacher's compliance plan  
 14 must be completed within 3 years of the date of employment.  
 15 Progress toward completion of the compliance plan consists of at  
 16 least 2 courses per calendar year.

17 (ii) Paraprofessionals possessing proper training in early  
 18 childhood education, including an associate degree in early  
 19 childhood education or child development or the equivalent, or a  
 20 child development associate (CDA) credential. However, if an  
 21 applicant demonstrates to the department that it is unable to fully  
 22 comply with this subparagraph after making reasonable efforts to  
 23 comply, the applicant may use paraprofessionals who have completed  
 24 at least 1 course that earns college credit in early childhood  
 25 education or child development **or, beginning 2023-2024, enrolls in**  
 26 **a child development associate credential with at least 6 months of**  
 27 **verified experience in early education and care,** if the applicant  
 28 provides to the department, and the department approves, a plan for  
 29 each paraprofessional to come into compliance with the standards in



1 this subparagraph. A paraprofessional's compliance plan must be  
2 completed within 3 years of the date of employment. Progress toward  
3 completion of the compliance plan consists of at least 2 courses or  
4 60 clock hours, **or, beginning 2023-2024, the equivalent,** of  
5 training per calendar year.

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

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

21 (7) For a grant recipient that enrolls pupils in a GSRP/Head  
22 Start blended program, the grant recipient shall ensure that all  
23 Head Start and GSRP policies and regulations are applied to the  
24 blended slots, with adherence to the highest standard from either  
25 program, to the extent allowable under federal law.

26 (8) An intermediate district or consortium of intermediate  
27 districts receiving a grant under this section shall designate an  
28 early childhood coordinator, and may provide services directly or  
29 may contract with 1 or more districts or public or private for-



1 profit or nonprofit providers that meet all requirements of  
2 subsections (4) and (5).

3 (9) An intermediate district or consortium of intermediate  
4 districts may retain for administrative services provided by the  
5 intermediate district or consortium of intermediate districts an  
6 amount not to exceed 4% of the grant amount. Expenses incurred by  
7 subrecipients engaged by the intermediate district or consortium of  
8 intermediate districts for directly running portions of the program  
9 are considered program costs or a contracted program fee for  
10 service. Subrecipients operating with a federally approved indirect  
11 rate for other early childhood programs may include indirect costs,  
12 not to exceed the federal 10% de minimis.

13 (10) An intermediate district or consortium of intermediate  
14 districts may expend not more than 2% of the total grant amount for  
15 outreach, recruiting, and public awareness of the program,  
16 **beginning 2023-2024, if they are also participating in related**  
17 **statewide marketing and outreach efforts.**

18 (11) Each grant recipient shall enroll children identified  
19 under subsection (5)(b) according to how far the child's household  
20 income is below, **for 2022-2023, 250%, and, for 2023-2024, 275%**, of  
21 the federal poverty guidelines by ranking each applicant child's  
22 household income from lowest to highest and dividing the applicant  
23 children into quintiles based on how far the child's household  
24 income is below, **for 2022-2023, 250%, and, for 2023-2024, 275%**, of  
25 the federal poverty guidelines, and then enrolling children in the  
26 quintile with the lowest household income before enrolling children  
27 in the quintile with the next lowest household income until slots  
28 are completely filled. If the grant recipient determines that all  
29 eligible children are being served and that there are no children



1 on the waiting list who live with families with a household income  
 2 that is equal to or less than, **for 2022-2023, 250%, and, for 2023-**  
 3 **2024, 275%**, of the federal poverty guidelines, the grant recipient  
 4 may then enroll children who live with families with a household  
 5 income that is equal to or less than, **for 2022-2023, 300%, and, for**  
 6 **2023-2024, 400%**, of the federal poverty guidelines. The enrollment  
 7 process must consider income and risk factors, such that children  
 8 determined with higher need are enrolled before children with  
 9 lesser need. For purposes of this subsection, all age-eligible  
 10 children served in foster care or who are experiencing homelessness  
 11 or who have individualized education programs recommending  
 12 placement in an inclusive preschool setting are considered to live  
 13 with families with household income equal to or less than, **for**  
 14 **2022-2023, 250%, and, for 2023-2024, 275%**, of the federal poverty  
 15 guidelines regardless of actual family income and are prioritized  
 16 for enrollment within the lowest quintile.

17 (12) An intermediate district or consortium of intermediate  
 18 districts receiving a grant under this section shall allow parents  
 19 of eligible children who are residents of the intermediate district  
 20 or within the consortium to choose a program operated by or  
 21 contracted with another intermediate district or consortium of  
 22 intermediate districts and shall enter into a written agreement  
 23 regarding payment, in a manner prescribed by the department.

24 (13) An intermediate district or consortium of intermediate  
 25 districts receiving a grant under this section shall conduct a  
 26 local process to contract with interested and eligible public and  
 27 private for-profit and nonprofit community-based providers that  
 28 meet all requirements of subsection (4) for at least 30% of its  
 29 total allocation. For the purposes of this 30% allocation, an



1 intermediate district or consortium of intermediate districts may  
2 count children served by a Head Start grantee or delegate in a  
3 blended Head Start and great start readiness school-day program.  
4 Children served in a program funded only through Head Start are not  
5 counted toward this 30% allocation. The intermediate district or  
6 consortium shall report to the department, in a manner prescribed  
7 by the department, a detailed list of community-based providers by  
8 provider type, including private for-profit, private nonprofit,  
9 community college or university, Head Start grantee or delegate,  
10 and district or intermediate district, and the number and  
11 proportion of its total allocation allocated to each provider as  
12 subrecipient. If the intermediate district or consortium is not  
13 able to contract for at least 30% of its total allocation, the  
14 grant recipient shall notify the department and, if the department  
15 verifies that the intermediate district or consortium attempted to  
16 contract for at least 30% of its total allocation and was not able  
17 to do so, then the intermediate district or consortium may retain  
18 and use all of its allocation as provided under this section. To be  
19 able to use this exemption, the intermediate district or consortium  
20 shall demonstrate to the department that the intermediate district  
21 or consortium increased the percentage of its total allocation for  
22 which it contracts with a community-based provider and the  
23 intermediate district or consortium shall submit evidence  
24 satisfactory to the department, and the department must be able to  
25 verify this evidence, demonstrating that the intermediate district  
26 or consortium took measures to contract for at least 30% of its  
27 total allocation as required under this subsection, including, but  
28 not limited to, at least all of the following measures:

29 (a) The intermediate district or consortium notified each



1 nonparticipating licensed child care center located in the service  
2 area of the intermediate district or consortium regarding the  
3 center's eligibility to participate, in a manner prescribed by the  
4 department.

5 (b) The intermediate district or consortium provided to each  
6 nonparticipating licensed child care center located in the service  
7 area of the intermediate district or consortium information  
8 regarding great start readiness program requirements and a  
9 description of the application and selection process for community-  
10 based providers.

11 (c) The intermediate district or consortium provided to the  
12 public and to participating families a list of community-based  
13 great start readiness program subrecipients with a great start to  
14 quality rating of at least, **for 2022-2023, 3 stars, and, for 2023-**  
15 **2024, enhancing quality level.**

16 (14) If an intermediate district or consortium of intermediate  
17 districts receiving a grant under this section fails to submit  
18 satisfactory evidence to demonstrate its effort to contract for at  
19 least 30% of its total allocation, as required under subsection  
20 (13), the department shall reduce the allocation to the  
21 intermediate district or consortium by a percentage equal to the  
22 difference between the percentage of an intermediate district's or  
23 consortium's total allocation awarded to community-based providers  
24 and 30% of its total allocation.

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

29 (a) Ensure that a great start resource center or the



1 department provides each intermediate district or consortium  
 2 receiving a grant under this section with the contact information  
 3 for each licensed child care center located in the service area of  
 4 the intermediate district or consortium by March 1 of each year.

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

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

17 (d) Not later than March 1 of each year, compile the results  
 18 of the information reported by each intermediate district or  
 19 consortium under subsection (13) and report to the legislature **and,**  
 20 **beginning 2023-2024, post on a publicly available website,** a list  
 21 by intermediate district or consortium with the number and  
 22 percentage of each intermediate district's or consortium's total  
 23 allocation allocated to community-based providers by provider type,  
 24 including private for-profit, private nonprofit, community college  
 25 or university, Head Start grantee or delegate, and district or  
 26 intermediate district.

27 (16) A recipient of funds under this section shall report to  
 28 the center in a form and manner prescribed by the center the  
 29 information necessary to derive the number of children



1 participating in the program who meet the program eligibility  
2 criteria under subsection (5) (b), the number of eligible children  
3 not participating in the program and on a waitlist, and the total  
4 number of children participating in the program by various  
5 demographic groups and eligibility factors necessary to analyze  
6 equitable and priority access to services for the purposes of  
7 subsection (3).

8 (17) As used in this section:

9 (a) "GSRP/Head Start blended program" means a part-day program  
10 funded under this section and a Head Start program, which are  
11 combined for a school-day program.

12 (b) "Federal poverty guidelines" means the guidelines  
13 published annually in the Federal Register by the United States  
14 Department of Health and Human Services under its authority to  
15 revise the poverty line under 42 USC 9902.

16 (c) "Part-day program" means a program that operates at least  
17 4 days per week, 30 weeks per year, for at least 3 hours of  
18 teacher-child contact time per day but for fewer hours of teacher-  
19 child contact time per day than a school-day program.

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

25 (18) An intermediate district or consortium of intermediate  
26 districts receiving funds under this section shall establish and  
27 charge tuition according to a sliding scale of tuition rates based  
28 upon household income for children participating in an eligible  
29 great start readiness program who live with families with a



1 household income that is more than, **for 2022-2023, 250%, and, for**  
2 **2023-2024, 275%**, of the federal poverty guidelines to be used by  
3 all of its providers, as approved by the department.

4 (19) From the amount allocated in subsection (2), there is  
5 allocated for 2022-2023 an amount not to exceed \$10,000,000.00 **and**  
6 **there is allocated for 2023-2024 an amount not to exceed**  
7 **\$28,000,000.00** for reimbursement of transportation costs for  
8 children attending great start readiness programs funded under this  
9 section. To receive reimbursement under this subsection, not later  
10 than November 1 of each year, a program funded under this section  
11 that provides transportation shall submit to the intermediate  
12 district that is the fiscal agent for the program a projected  
13 transportation budget. The amount of the reimbursement for  
14 transportation under this subsection is no more than the projected  
15 transportation budget or, **for 2022-2023, \$300.00, and, for 2023-**  
16 **2024, \$500.00**, multiplied by the number of children funded for the  
17 program under this section. If the amount allocated under this  
18 subsection is insufficient to fully reimburse the transportation  
19 costs for all programs that provide transportation and submit the  
20 required information, the department shall prorate the  
21 reimbursement in an equal amount per child funded. The department  
22 shall make payments to the intermediate district that is the fiscal  
23 agent for each program, and the intermediate district shall then  
24 reimburse the program provider for transportation costs as  
25 prescribed under this subsection.

26 (20) Subject to, and from the funds allocated under,  
27 subsection (19), the department shall reimburse a program for  
28 transportation costs related to parent- or guardian-accompanied  
29 transportation provided by transportation service companies, buses,



1 or other public transportation services. To be eligible for  
2 reimbursement under this subsection, a program must submit to the  
3 intermediate district or consortia of intermediate districts all of  
4 the following:

5 (a) The names of families provided with transportation support  
6 along with a documented reason for the need for transportation  
7 support and the type of transportation provided.

8 (b) Financial documentation of actual transportation costs  
9 incurred by the program, including, but not limited to, receipts  
10 and mileage reports, as determined by the department.

11 (c) Any other documentation or information determined  
12 necessary by the department.

13 (21) The department shall implement a process to review and  
14 approve age-appropriate comprehensive classroom level quality  
15 assessments for GSRP grantees that support the early childhood  
16 standards of quality for prekindergarten children adopted by the  
17 state board. The department shall make available to intermediate  
18 districts at least 2 classroom level quality assessments that were  
19 approved in 2018.

20 (22) An intermediate district that is a GSRP grantee may  
21 approve the use of a supplemental curriculum that aligns with and  
22 enhances the age-appropriate educational curriculum in the  
23 classroom. If the department objects to the use of a supplemental  
24 curriculum approved by an intermediate district, the superintendent  
25 shall establish a review committee independent of the department.  
26 The review committee shall meet within 60 days of the department  
27 registering its objection in writing and provide a final  
28 determination on the validity of the objection within 60 days of  
29 the review committee's first meeting.



1 (23) The department shall implement a process to evaluate and  
 2 approve age-appropriate educational curricula that are in  
 3 compliance with the early childhood standards of quality for  
 4 prekindergarten children adopted by the state board.

5 (24) From the funds allocated under subsection (1), there is  
 6 allocated for 2022-2023 an amount not to exceed \$2,000,000.00 **and**  
 7 **there is allocated for 2023-2024 an amount not to exceed**  
 8 **\$2,000,000.00** for payments to intermediate districts or consortia  
 9 of intermediate districts for professional development and training  
 10 materials for educators in programs implementing new curricula or  
 11 child assessment tools approved for use in the great start  
 12 readiness program.

13 (25) A great start readiness program or a GSRP/Head Start  
 14 blended program funded under this section is permitted to utilize  
 15 AmeriCorps Pre-K Reading Corps members in classrooms implementing  
 16 research-based early literacy intervention strategies.

17 (26) **In addition to the allocation under subsection (1), from**  
 18 **the state school aid fund money appropriated under section 11,**  
 19 **there is allocated an amount not to exceed \$63,500,000.00 for 2022-**  
 20 **2023 only for classroom start up grants to intermediate districts**  
 21 **and consortia of intermediate districts for new or expanding great**  
 22 **start readiness classrooms. All of the following apply to funding**  
 23 **allocated under this subsection:**

24 (a) **To receive funding under this subsection, intermediate**  
 25 **districts and consortia of intermediate districts must apply for**  
 26 **the funding in a form and manner prescribed by the department.**

27 (b) **The department shall pay an amount not to exceed**  
 28 **\$25,000.00 for each new or expanded classroom. If funding is not**  
 29 **sufficient to fully fund all eligible applicants, the department**



1 must prorate the per-classroom amount on an equal basis. If the  
2 allocation is not fully paid in the current fiscal year, the  
3 department may award any remaining funding during fiscal year 2023-  
4 2024 for each new or expanded classroom at an equal amount per  
5 classroom, based on remaining available funds, not to exceed  
6 \$25,000.00 per classroom.

7 (c) Funds received under this subsection by intermediate  
8 districts and consortia of intermediate districts must be paid in  
9 full to the entity operating the classroom and may be used for any  
10 of the following purposes:

11 (i) Costs associated with attracting, recruiting, retaining,  
12 and licensing required classroom education personnel to staff new  
13 or expanded classrooms.

14 (ii) Supporting facility improvements or purchasing facility  
15 space necessary to provide a safe, high-quality learning  
16 environment for children in each new or expanded classroom.

17 (iii) Outreach material necessary for public awareness that the  
18 great start readiness program has openings in the area and for  
19 costs associated with enrolling eligible children in new or  
20 expanded classrooms.

21 (iv) Supporting costs in each new or expanded classroom  
22 associated with improving a provider's great start to quality  
23 rating.

24 (d) The funds allocated under this subsection for 2022-2023  
25 are a work project appropriation, and any unexpended funds for  
26 2022-2023 do not lapse to the state school aid fund and are carried  
27 forward into 2023-2024. The purpose of the work project is to  
28 continue support for new or expanded great start readiness  
29 classrooms. The estimated completion date of the work project is



1 September 30, 2024.

2 (27) In addition to the funds allocated in subsection (1),  
3 from the state school aid fund money appropriated under section 11,  
4 there is allocated for 2022-2023 only an amount not to exceed  
5 \$75,000,000.00 to expand the hours and weeks of great start  
6 readiness program teacher-child contact time beyond the school-day  
7 program levels described in subsection (17). All of the following  
8 apply to the funding described in this subsection:

9 (a) To receive a grant under this subsection, great start  
10 readiness program providers must apply for the grant in a form and  
11 manner prescribed by the department. Eligible applicants must  
12 increase the program week from 4 days to 5 days and add additional  
13 weeks to the program year or establish partnerships with the child  
14 development and care program to create full-day, full-year  
15 programming.

16 (b) For each eligible expanded program described in this  
17 subsection, the department shall pay a 1-time expansion grant equal  
18 to \$75,000.00. If funding allocated in this subsection is not  
19 sufficient to fully fund all eligible applicants, the department  
20 shall prioritize funding toward programs in intermediate districts  
21 with the highest levels of poverty.

22 (c) The funds allocated under this subsection for 2022-2023  
23 are a work project appropriation, and any unexpended funds for  
24 2022-2023 are carried forward into 2023-2024. The purpose of the  
25 work project is to expand participation in preschool programming.  
26 The estimated completion date of the work project is September 30,  
27 2027.

28 (28) In addition to the funds allocated in subsection (1),  
29 there is allocated from the state school aid fund money



1 appropriated under section 11 for 2022-2023 only an amount not to  
2 exceed \$10,000,000.00 for a consortium of intermediate districts to  
3 partner with the department and community-based organizations to  
4 implement a multiyear statewide campaign to raise awareness about  
5 the availability of services through the great start readiness  
6 program, and to develop systems to identify and reach out to  
7 eligible families. All of the following apply to funding under this  
8 subsection:

9 (a) Funding under this section must be used for the following  
10 purposes:

11 (i) Implementing a statewide outreach campaign to make families  
12 aware of the availability of the great start readiness program.

13 (ii) Organizing community events and outreach activities to  
14 inform parents about the availability of the great start readiness  
15 program, the positive impacts of early childhood education, and  
16 additional early childhood programs available to families.

17 (iii) Developing and implementing a statewide website that  
18 allows providers to advertise available great start readiness slots  
19 and allows families to connect with providers to fill open slots.  
20 The website must include information about additional early  
21 childhood programs for families, including, but not limited to, the  
22 child development and care program and Head Start.

23 (b) The funds allocated under this subsection for 2022-2023  
24 are a work project appropriation, and any unexpended funds for  
25 2022-2023 are carried forward into 2023-2024. The purpose of the  
26 work project is to raise awareness of and participation in great  
27 start readiness programming. The estimated completion date of the  
28 work project is September 30, 2027.

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



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

3       Sec. 32n. (1) From the **state school aid fund money**  
4 **appropriated under section 11, there is allocated for 2023-2024**  
5 **only an amount not to exceed \$25,000,000.00, and from the** federal  
6 funding appropriated under section 11, there is allocated for ~~2022-~~  
7 ~~2023-~~**2023-2024** only an amount not to exceed \$25,000,000.00 from the  
8 federal funding awarded to this state from the coronavirus state  
9 fiscal recovery fund under the American rescue plan act of 2021,  
10 title IX, subtitle M of Public Law 117-2, for the purposes of this  
11 section. The department shall develop a competitive grant program  
12 to distribute this funding to eligible entities, as described in  
13 subsection (2), as prescribed under this section.

14       (2) The department shall establish competitive grant criteria  
15 for the grant program described in subsection (1) for eligible  
16 applicants to expand access to quality, affordable programming  
17 before and after the school day or during the summer for young  
18 people. To be eligible for a grant under this section, the  
19 applicant must meet, at a minimum, all of the following criteria:

20       (a) Serve children in any of grades K to 12.

21       (b) Be a community-based organization that is exempt from  
22 federal income tax under section 501(c)(3) of the internal revenue  
23 code, 26 USC 501, an institution of higher education, a community  
24 or adult education program, a public library, a local government,  
25 or an intermediate district.

26       (c) Provide before-school, after-school, before-and-after-  
27 school, or summer school programming to children described in  
28 subdivision (a). These programs must be used to support expanded  
29 learning opportunities, including, but not limited to, mentoring,



1 leadership, community engagement, agriculture, art, music,  
2 literacy, science, technology, engineering, mathematics, health,  
3 and recreation programming.

4 (d) Address measurable goals, including, but not limited to,  
5 improved school attendance, academic outcomes, positive behaviors,  
6 and skill acquisition, and include activities linked to research or  
7 quality practices.

8 (3) The department shall establish a competitive grant process  
9 for awarding funding under this section. The process must be posted  
10 publicly at least 30 days prior to the grant application period.  
11 The department shall develop the form and manner for applying for  
12 the grants. The application must include a request for information  
13 on the applicant's outreach to children, youth, and families who  
14 are eligible for free or reduced-price meals under the Richard B.  
15 Russell national school lunch act, 42 USC 1751 to 1769j. The  
16 application must be open for not less than 30 calendar days. At  
17 least 30 days before the application is opened, the department must  
18 publish on its public website the criteria that will be used in  
19 evaluating the application that must include, but are not limited  
20 to, priorities under subsection (5).

21 (4) Subject to subsection (8), in determining award amounts  
22 under this subsection, the department shall, to the extent  
23 practicable, ensure that eligible entities in all geographic  
24 regions of this state are represented in the distribution of grant  
25 funding under this section.

26 (5) Subject to subsection (8), the department shall prioritize  
27 the distribution of grant funding under this section based on, at a  
28 minimum, the following:

29 (a) An applicant's demonstrated need.



1 (b) The percentage of low-income families in the geographic  
2 area being served. Prioritization must be determined by the average  
3 percentage of pupils in the district who are eligible for free and  
4 reduced-priced meals as determined under the Richard B. Russell  
5 national school lunch act, 42 USC 1751 to 1769j, where eligible  
6 entities will provide before-and-after-school or summer school  
7 programs.

8 (c) Whether the application provides services for the full  
9 school year.

10 (d) The applicant's track record for providing quality,  
11 affordable before-and-after-school or summer school services.

12 (e) Whether an applicant serving children in any of grades K  
13 through 8 is licensed or is in the process of becoming licensed or  
14 has implemented the Michigan State Board of Education Michigan Out-  
15 of-School Time Standards of Quality. This does not preclude a  
16 nonlicensed entity from applying for funding under this section and  
17 being funded under this section.

18 (6) Subject to subsection (7), an eligible entity that  
19 receives grant funding under this section shall use the funding  
20 only to provide before-school, after-school, before-and-after-  
21 school, or summer school programming to children described in  
22 subsection (2) (a). The programming offered under this subsection  
23 must meet all of the following:

24 (a) Be provided to children in a manner in which the children  
25 are physically present at a building or location designated by the  
26 eligible entity.

27 (b) Provide educational programming in core subject areas,  
28 including, but not limited to, mathematics, reading, and science.

29 (c) Provide data to evaluate the program in a form and manner



1 as prescribed by the department.

2 (7) Subject to subsections (2), (4), and (5), up to 2% of  
 3 **federal** funding allocated under this section must be allocated to a  
 4 nonprofit entity with experience serving youth-serving  
 5 organizations to provide start-up grants and capacity building,  
 6 professional development, and technical assistance for  
 7 implementation of high-quality, evidence-based out-of-school time  
 8 learning opportunities.

9 (8) The department shall award no less than 60% of the **federal**  
 10 funding under this section to community-based organizations.

11 (9) Notwithstanding section 17b, the department shall make  
 12 payments under this section in full upon grant award. Grantees that  
 13 do not comply with reporting requirements, fail to provide the  
 14 services proposed in their grant application, or close during the  
 15 grant period may be required to repay the funding they received  
 16 under this section to the department.

17 (10) The federal funding allocated under this section is  
 18 intended to respond to the COVID-19 public health emergency and its  
 19 negative impacts.

20 **Sec. 32o. (1) From the state school aid fund money**  
 21 **appropriated under section 11, there is allocated for 2023-2024**  
 22 **only an amount not to exceed \$25,000,000.00, and from the general**  
 23 **fund money appropriated under section 11, there is allocated for**  
 24 **2023-2024 only an amount not to exceed \$500,000.00 as provided**  
 25 **under this section.**

26 (2) **From the state school aid fund money allocated in**  
 27 **subsection (1), \$25,000,000.00 must be paid to Clinton County RESA**  
 28 **to distribute to eligible applicants as directed by the MOST**  
 29 **Council.**



1 (3) From the general fund money allocated under subsection  
2 (1), \$300,000.00 must be utilized by the department to support the  
3 administration of the MOST Council and \$200,000.00 must be provided  
4 to the Michigan Association of United Ways for the Michigan  
5 Afterschool Partnership to administer quality supports, workforce  
6 participation, and evaluation, and to ensure family, youth, and  
7 parent or legal guardian engagement.

8 (4) The Michigan Out-of-School-Time Council is created within  
9 the department. All of the following apply with regard to the MOST  
10 Council:

11 (a) The MOST Council shall develop and adopt a statewide  
12 strategy and annually shall review and make recommendations  
13 concerning changes to the strategy to the governor, the  
14 legislature, and the department concerning the delivery of OST  
15 programs to K to 12 pupils.

16 (b) The MOST Council shall meet in public at least 4 times  
17 annually.

18 (c) The MOST Council shall include, at least, all of the  
19 following members, appointed by the governor:

20 (i) An intermediate district or district administrator.

21 (ii) An individual representing a statewide community-based  
22 organization that provides an OST program.

23 (iii) Two members representing a local or regional community-  
24 based organization that provides OST programs.

25 (iv) An individual representing a regional intermediary for OST  
26 programs.

27 (v) A parent or legal guardian of a child in an OST program.

28 (vi) A youth participant or former participant in an OST  
29 program.



1 (vii) An individual representing the business community.

2 (viii) An individual representing a philanthropic organization  
3 who is investing in OST programs.

4 (ix) A representative of the child care licensing bureau at the  
5 department of licensing and regulatory affairs.

6 (x) A representative of the MiSTEM Network or the department  
7 of labor and economic opportunity.

8 (xi) A representative of the department of health and human  
9 services.

10 (xii) A representative of the Michigan Economic Development  
11 Corporation or the Michigan Future Talent Council.

12 (xiii) The superintendent of public instruction or the  
13 superintendent's designee.

14 (xiv) The director of the Michigan After School Partnership  
15 (MASP) or the director's designee.

16 (xv) Two members of the house of representatives, recommended  
17 by the speaker of the house of representatives and the minority  
18 leader of the house of representatives, who will serve as ex-  
19 officio members without voting privileges.

20 (xvi) Two members of the senate, recommended by the majority  
21 and minority leaders of the senate, who will serve as ex-officio  
22 members without voting privileges.

23 (xvii) The governor or the governor's designee, who will serve  
24 as ex-officio members without voting privileges.

25 (d) Subject to subsection (6), the MOST Council shall make  
26 funding recommendations for the funds allocated under subsection  
27 (1) by December 1 of each fiscal year. Each funding recommendation  
28 must be for a program approved by the MOST Council.

29 (e) The MOST Council shall work with the Michigan After School



1 Partnership (MASP) to develop locally and regionally developed  
2 programs and professional learning experiences for the programs  
3 approved as described in subdivision (d).

4 (f) The MOST Council shall work with the department to  
5 implement the statewide strategy adopted by the MOST Council.

6 (5) If the MOST Council is unable to make funding  
7 recommendations by December 1 of a fiscal year as described in  
8 subsection (4)(d), the department shall work with the intermediate  
9 district identified in subsection (2) to allocate funds under  
10 subsection (1) on a competitive grant basis that at least follows  
11 the statewide strategy described in subsection (4). Each grant must  
12 provide for OST programs for pupils.

13 (6) The statewide strategy described in subsection (4) must  
14 include at least the following criteria:

15 (a) The development and annual updating of a statewide  
16 strategy for moving the state to universal access and equitable  
17 participation by youth in OST programs, including funding and  
18 statutory recommendations necessary to aid such efforts.

19 (b) The development of a process related to funding to be used  
20 for competitive grants, including creating an application process,  
21 setting funding priorities, determining criteria and a review  
22 process for evaluating applications and for awarding grants, and  
23 approving grant awards. For 2023-2024 only, the process described  
24 in this subdivision must include the following criteria:

25 (i) Establishing competitive grant criteria for eligible  
26 applicants to expand access to quality, affordable programming  
27 before and after the school day, and during the summer for young  
28 people. The grant criteria must require that an applicant meet, at  
29 a minimum, all of the following criteria:



1 (A) Serve children in any of grades K to 12.

2 (B) Be a community-based organization that is exempt from  
3 federal income tax under section 501(c) (3) of the internal revenue  
4 code, 26 USC 501, or a district, intermediate district, or  
5 partnership of districts or intermediate districts with a  
6 community-based organization or organizations, a statewide or  
7 regional intermediary entity, an institution of higher education, a  
8 community or adult education program, a public library, or a local  
9 government.

10 (C) Provide before-school, after-school, summer programming,  
11 or before-and-after-school and summer programming to children  
12 described in sub-subparagraph (A). These programs must be used to  
13 support expanded learning opportunities, including, but not limited  
14 to, mentoring, leadership, community engagement, agriculture, art,  
15 music, literacy, science, technology, engineering, mathematics,  
16 health, and recreation programming.

17 (ii) The process must be posted publicly at least 30 days  
18 before the opening of the grant application period and must include  
19 the form and manner for applying for the grants and the criteria  
20 that will be used for application review. The application must  
21 include a request for information on the applicant's outreach to  
22 children, youth, and families who qualify for free- or reduced-  
23 price lunch. The application must be open for at least 30 calendar  
24 days. The criteria for evaluating applications as described in this  
25 subparagraph must include, but are not limited to, priorities  
26 described in subparagraph (iv).

27 (iii) The process must provide that, in determining award  
28 amounts under this section, the MOST Council shall, to the extent  
29 practicable, ensure that eligible grant recipients in all



1 geographic regions of this state are represented in the  
2 distribution of grant funding under this section.

3 (iv) The process must provide that the MOST Council shall  
4 prioritize the distribution of grant funding under this section  
5 based on, at a minimum, the following:

6 (A) An applicant's demonstrated need.

7 (B) The percentage of low-income families in the geographic  
8 area being served. Prioritization under this sub-subparagraph must  
9 be determined by the average percentage of pupils in the district  
10 where eligible entities will provide before-and-after-school or  
11 summer programs who are eligible for free- and reduced-priced meals  
12 as determined under the Richard B. Russell national school lunch  
13 act, 42 USC 1751 to 1769j.

14 (C) Whether the application provides services for the full  
15 school year.

16 (D) The applicant's track record for providing quality,  
17 affordable before-and-after-school or summer services.

18 (v) The process must provide that an eligible grant recipient  
19 that receives grant funding under this section shall use the  
20 funding only to provide before-school, after-school, or before-and-  
21 after-school programming, or summer programming to children  
22 described in subparagraph (i) (A). The programming offered under this  
23 subparagraph must meet all of the following:

24 (A) Be provided to children in a manner in which the children  
25 are physically present at a building or location designated by the  
26 eligible entity.

27 (B) Provide educational programming in core subject areas,  
28 including, but not limited to, mathematics, reading, and science.

29 (C) Provide data to evaluate the program in a form and manner



1 as prescribed by the MOST Council.

2 (vi) The process must provide that the MOST Council shall  
3 ensure at least 60% of the funding is awarded to OST programs  
4 operated by community-based organizations.

5 (vii) The process must provide that, notwithstanding section  
6 17b, the intermediate district under subsection (2) shall make  
7 payments under this section in full, upon grant award, including  
8 reimbursing for pre-award expenses beginning October 1 of the  
9 fiscal year in which funding under this section is allocated.  
10 Grantees that do not comply with reporting requirements, fail to  
11 provide the services proposed in their grant application, or close  
12 during the grant period may be required to repay the funding they  
13 received under this section to the department.

14 (viii) Notwithstanding section 17b, the process must provide  
15 that payment must be made in full to the intermediate district  
16 under subsection (2), must be made in a manner determined by the  
17 department, and must be distributed by not later than November 30  
18 of the fiscal year in which funding under this section is  
19 allocated.

20 (c) Annual reporting of programs that received funding and the  
21 MOST Council's activities.

22 (d) With the department, monitoring the administration of  
23 funding usage and ensuring the implementation of funding is  
24 consistent with the terms of acceptance.

25 (7) As used in this section:

26 (a) "MOST Council" means the Michigan Out-of-School-Time  
27 Council created in subsection (4).

28 (b) "OST" means the out-of-school-time programs.

29 Sec. 32p. (1) From the state school aid fund money



1 appropriated in section 11, there is allocated an amount not to  
2 exceed ~~\$13,400,000.00~~ **\$31,900,000.00** to intermediate districts for  
3 ~~2022-2023~~ **2023-2024** for the purpose of providing early childhood  
4 funding to intermediate districts to support the goals and outcomes  
5 under ~~subsection~~ **subsections** (2) and ~~subsection~~ (4), **at the**  
6 **discretion of the intermediate district**, and to provide supports  
7 for early childhood programs for children from birth through age 8.  
8 **It is the intent of the legislature that the amount allocated under**  
9 **this section for 2024-2025 will be \$13,400,000.00.** The funding  
10 provided to each intermediate district under this section is  
11 determined by the distribution formula established by the  
12 department's office of great start to provide equitable funding  
13 statewide. In order to receive funding under this section, each  
14 intermediate district must provide an application to the office of  
15 great start not later than September 15 of the immediately  
16 preceding fiscal year indicating the strategies planned to be  
17 provided.

18 (2) Each intermediate district or consortium of intermediate  
19 districts that receives funding under this section shall convene a  
20 local great start collaborative and a ~~parent~~ **family** coalition that  
21 includes an active partnership with at least 1 community-based  
22 organization. The goal of each great start collaborative and ~~parent~~  
23 **family** coalition is to ensure the coordination and expansion of  
24 local early childhood systems and programs that allow every child  
25 in the community to achieve the following outcomes:

26 (a) Children born healthy.

27 (b) Children healthy, thriving, and developmentally on track  
28 from birth to grade 3.

29 (c) Children developmentally ready to succeed in school at the



1 time of school entry.

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

4 (3) Each local great start collaborative and ~~parent~~**family**  
5 coalition shall convene workgroups to make recommendations about  
6 community services designed to achieve the outcomes described in  
7 subsection (2) and to ensure that its local great start system  
8 includes the following supports for children from birth through age  
9 8:

10 (a) Physical **and social-emotional** health.

11 ~~(b) Social-emotional health.~~

12 (b) ~~(e)~~Family supports, including, but not limited to, the  
13 provision of basic needs and economic self-sufficiency.

14 (c) ~~(d)~~Parent leadership and family engagement.

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

17 (e) **Community infrastructure.**

18 (4) From the funds allocated in subsection (1), at least  
19 ~~\$2,500,000.00~~**\$4,500,000.00** must be used for the purpose of  
20 providing home visits to at-risk children and their families. **It is**  
21 **the intent of the legislature that the amount allocated under this**  
22 **subsection for 2024-2025 will be \$2,500,000.00.** The home visits  
23 must be conducted as part of a locally coordinated, family-  
24 centered, evidence-based, data-driven home visit strategic plan  
25 that is approved by the department. The goals of the home visits  
26 funded under this subsection are to improve school readiness using  
27 evidence-based methods, including a focus on developmentally  
28 appropriate outcomes for early literacy, to improve positive  
29 parenting practices, and to improve family economic self-



1 sufficiency while reducing the impact of high-risk factors through  
2 community resources and referrals. The department shall coordinate  
3 the goals of the home visit strategic plans approved under this  
4 subsection with other state agency home visit programs in a way  
5 that strengthens Michigan's home visiting infrastructure and  
6 maximizes federal funds available for the purposes of at-risk  
7 family home visits. The coordination among departments and agencies  
8 is intended to avoid duplication of state services and spending,  
9 and should emphasize efficient service delivery of home visiting  
10 programs.

11 (5) Not later than December 1 of each year, each intermediate  
12 district shall provide a report to the department detailing the  
13 strategies actually implemented during the immediately preceding  
14 school year and the families and children actually served. At a  
15 minimum, the report must include an evaluation of the services  
16 provided with additional funding under subsection (4) for home  
17 visits, using the goals identified in subsection (4) as the basis  
18 for the evaluation, including the degree to which school readiness  
19 was improved, the degree to which positive parenting practices were  
20 improved, the degree to which there was improved family economic  
21 self-sufficiency, and the degree to which community resources and  
22 referrals were utilized. The department shall compile and summarize  
23 these reports and submit its summary to the house and senate  
24 appropriations subcommittees on school aid and to the house and  
25 senate fiscal agencies not later than February 15 of each year.

26 (6) **From the funds allocated in subsection (1), at least**  
27 **\$4,000,000.00 must be used for 2023-2024 only for the purpose of**  
28 **improving access to books and other literacy materials for children**  
29 **ages birth to age 5. The amount of funding allocated to each**



1 intermediate district must utilize the distribution formula  
 2 described in subsection (1). An intermediate district may use the  
 3 funding to support programs, including, but not limited to, the  
 4 Dolly Parton Imagination Library, Reach Out and Read Michigan, or  
 5 any other program that provides books and literacy materials to  
 6 children ages birth to age 5. If funding under this subsection is  
 7 not sufficient to enroll all interested families in the service,  
 8 each intermediate district must prioritize enrollment to those  
 9 families with the highest levels of economic need. If an  
 10 intermediate district will not fully utilize funding under this  
 11 subsection, those funds must be returned to the department for  
 12 redistribution for the purposes under this subsection. This  
 13 subsection does not apply after the 2023-2024 fiscal year.

14 (7) ~~(6)~~—An intermediate district or consortium of intermediate  
 15 districts that receives funding under this section may carry over  
 16 any unexpended funds received under this section into the next  
 17 fiscal year and may expend those unused funds through June 30 of  
 18 the next fiscal year. However, an intermediate district or  
 19 consortium of intermediate districts that receives funding for the  
 20 purposes described in subsection (2) in ~~fiscal year 2022-2023~~**the**  
 21 **current fiscal year** shall not carry over into the next fiscal year  
 22 any amount exceeding 15% of the amount awarded to the intermediate  
 23 district or consortium in the ~~2022-2023~~**current** fiscal year. **The**  
 24 **immediately preceding sentence does not apply for funding received**  
 25 **under this section that was allocated under this section in the**  
 26 **2023-2024 fiscal year.** A recipient of a grant shall return any  
 27 unexpended grant funds to the department in the manner prescribed  
 28 by the department not later than September 30 of the next fiscal  
 29 year after the fiscal year in which the funds are received.



1       Sec. 32t. **(1)** From the ~~state school aid fund money~~  
2 ~~appropriated in section 11, there is allocated for 2022-2023 only~~  
3 ~~an amount not to exceed \$2,200,000.00~~ **federal funding appropriated**  
4 **under section 11, there is allocated for 2023-2024 only an amount**  
5 **not to exceed \$18,000,000.00 from the federal funding awarded to**  
6 **this state from the coronavirus state fiscal recovery fund under**  
7 **the American rescue plan act of 2021, title IX, subtitle M of**  
8 **Public Law 117-2, to the department for payments** to Clinton County  
9 RESA (CCRESA) for the ~~Strong Beginnings Program~~ **3-year-old**  
10 **preschool pilot program** to provide services to children who **do not**  
11 **meet the age eligibility criteria for the great start readiness**  
12 **program, but** meet ~~the all other~~ eligibility criteria for the great  
13 start readiness program. ~~, but do not meet the age eligibility~~  
14 ~~criteria for the great start readiness program.~~ These services must  
15 be designed for children who are age 3 and must be similar to the  
16 services provided through the great start readiness program. The  
17 program described in this section must be administered by CCRESA  
18 Strong Beginnings Implementation Team under the direction of the  
19 department, office of great start, with assessment, data, and  
20 collection analysis for the program being provided by Michigan  
21 State University.

22       **(2)** The department must pay the funding under this section to  
23 Clinton County RESA in installments over 3 years. The department  
24 must obligate funds received under this section before December 31,  
25 2024. Clinton County RESA must expend funds received under this  
26 section before December 31, 2026. The federal funds allocated under  
27 this section must be allocated and expended in a manner consistent  
28 with federal rules and regulations.

29       **(3)** The funding allocated under this section must be used with



1 the intent to serve at least 1,000 children over the next 3 school  
2 years, evaluate outcomes, and create a scalable 3-year-old  
3 preschool model. At the end of the pilot program described in this  
4 section, Clinton County RESA must provide both of the following to  
5 the department:

6 (a) A report detailing how the pilot program was conducted,  
7 demographics of the children served, outcomes achieved, challenges  
8 faced in the implementation of the pilot program, and how the  
9 Implementation Team responded to the challenges.

10 (b) A model this state could use to scale the pilot program  
11 statewide, if funding were available.

12 (4) The funds allocated under this section for 2023-2024 are a  
13 work project appropriation, and any unexpended funds for 2023-2024  
14 are carried forward into 2024-2025. The purpose of the work project  
15 is to pilot the expansion of great start readiness program  
16 opportunities to 3-year-old children. The estimated completion date  
17 of the work project is September 30, 2027.

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

21 Sec. 32w. (1) From the federal funding appropriated under  
22 section 11, there is allocated for 2023-2024 only an amount not to  
23 exceed \$6,000,000.00 from the federal funding awarded to this state  
24 from the coronavirus state fiscal recovery fund under the American  
25 rescue plan act of 2021, title IX, subtitle M of Public Law 117-2,  
26 to the department to grant funding to GOAL Line Detroit. This  
27 project is intended to respond to the COVID-19 public health  
28 emergency and its impact on student development, including  
29 academic, mental, behavioral, and social-emotional development. To



1 receive funding under this section, GOAL Line Detroit must apply  
2 for funding in a form and manner determined by the department.

3 (2) Funds awarded by the department to GOAL Line Detroit must  
4 be obligated by the department before December 31, 2024. GOAL Line  
5 Detroit must expend funds received under this section before  
6 December 31, 2026. The federal funds allocated under this section  
7 must be allocated and expended in a manner consistent with federal  
8 rules and regulations, as determined by the department.

9 (3) GOAL Line Detroit must use funds allocated under this  
10 section to expand capacity to provide eligible children with access  
11 to high-quality, engaging after-school enrichment leading to  
12 increased skill acquisition, positive behaviors, and improved  
13 academic outcomes and school attendance. It is intended that funds  
14 received under this section be used over 3 years.

15 (4) The funds allocated under this section for 2023-2024 are a  
16 work project appropriation, and any unexpended funds for 2023-2024  
17 are carried forward into 2024-2025. The purpose of the work project  
18 is to continue to provide after-school supports to mitigate the  
19 impact of the COVID-19 public health emergency on student  
20 development. The estimated completion date of the work project is  
21 September 30, 2027.

22 Sec. 32x. (1) From the state school aid fund money  
23 appropriated in section 11, there is allocated for 2023-2024 only  
24 \$3,200,000.00 to be paid in installments over 4 fiscal years to  
25 Wayne State University Law School's Levin Center for Oversight and  
26 Democracy for statewide implementation of the Learning by Hearings  
27 civic education program. The Learning by Hearings program is a  
28 civics education curriculum and after-school program that does all  
29 of the following:



1 (a) Immerses students in United States history and government  
2 as they analyze facts and roleplay a legislative oversight hearing.

3 (b) Teaches critical thinking, primary source research,  
4 writing, and public speaking.

5 (c) Exposes students to diverse viewpoints and opportunities  
6 to practice civic discourse.

7 (d) Reaches students in class and after school to maximize  
8 impact.

9 (2) Funds allocated under this section for 2023-2024 are a  
10 work project appropriation, and any unexpended funds for 2023-2024  
11 are carried forward into 2024-2025. The purpose of the work project  
12 is to continue providing funding to support the Learning by  
13 Hearings civic education program throughout this state. The  
14 estimated completion date of the work project is September 30,  
15 2027.

16 (3) Notwithstanding section 17b, the department shall make  
17 payments under this section not later than November 1, 2023.

18 Sec. 35a. (1) From the appropriations in section 11, there is  
19 allocated for ~~2022-2023-2023-2024~~ for the purposes of this section  
20 an amount not to exceed ~~\$67,400,000.00~~ **\$88,400,000.00** from the  
21 state school aid fund and there is allocated for ~~2022-2023-2023-~~  
22 **2024 only** for the purposes of subsection (8) an amount not to  
23 exceed ~~\$5,000,000.00~~ **\$4,500,000.00** from the general fund. **It is the**  
24 **intent of the legislature that the state school aid fund money**  
25 **allocated under this section for 2024-2025 will be \$51,400,000.00.**  
26 Excluding staff or contracted employees funded under subsection  
27 (8), the superintendent shall designate staff or contracted  
28 employees funded under this section as critical shortage. Programs  
29 funded under this section are intended to ensure that this state



1 will be a top 10 state in grade 4 reading proficiency by 2025  
 2 according to the National Assessment of Educational Progress  
 3 (NAEP). By December 31 of each fiscal year in which funding is  
 4 allocated under this section, the superintendent of public  
 5 instruction shall do both of the following:

6 (a) Report in person to the house and senate appropriations  
 7 subcommittees on school aid regarding progress on the goal  
 8 described in this subsection and be available for questioning as  
 9 prescribed through a process developed by the chairs of the house  
 10 and senate appropriations subcommittees on school aid.

11 (b) Submit a written report to the house and senate  
 12 appropriations subcommittees on school aid regarding progress on  
 13 the goal described in this subsection.

14 (2) A district that receives funds under subsection (5) may  
 15 spend up to 5% of those funds for professional development for  
 16 educators in a department-approved research-based training program  
 17 related to current state literacy standards for pupils in grades  
 18 pre-K to 3. The professional development must also include training  
 19 in the use of screening and diagnostic tools, progress monitoring,  
 20 and intervention methods used to address barriers to learning and  
 21 delays in learning that are diagnosed through the use of these  
 22 tools.

23 (3) A district that receives funds under subsection (5) may  
 24 use up to 5% of those funds to administer department-approved  
 25 screening and diagnostic tools to monitor the development of early  
 26 literacy and early reading skills, and risk factors for word-level  
 27 reading difficulties of pupils in grades pre-K to 3 ~~and to support~~  
 28 ~~evidence-based professional learning described in subsection (11)~~  
 29 for educators in administering and using screening, progress



1 monitoring, and diagnostic assessment data to inform instruction  
 2 through prevention and intervention in a multi-tiered system of  
 3 supports framework. A department-approved screening and diagnostic  
 4 tool administered by a district using funding under this section  
 5 must include all of the following components: phonemic awareness,  
 6 phonics, fluency, rapid automatized naming (RAN), and  
 7 comprehension. Further, all of the following sub-skills must be  
 8 assessed within each of these components:

9 (a) Phonemic awareness - segmentation, blending, and sound  
 10 manipulation (deletion and substitution).

11 (b) Phonics - decoding (reading) and encoding (spelling).

12 (c) Fluency.

13 (d) Comprehension - making meaning of text.

14 (4) From the allocation under subsection (1), there is  
 15 allocated an amount not to exceed ~~\$31,500,000.00~~ **\$42,000,000.00** for  
 16 ~~2022-2023~~ **2023-2024** for the purpose of providing early literacy  
 17 coaches at intermediate districts to assist teachers in developing  
 18 and implementing instructional strategies for pupils in grades pre-  
 19 K to 3 so that pupils are reading at grade level by the end of  
 20 grade 3. **It is the intent of the legislature that the amount**  
 21 **allocated under this subsection for 2024-2025 will be**  
 22 **\$31,500,000.00.** All of the following apply to funding under this  
 23 subsection:

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

28 (i) Current state literacy standards for pupils in grades pre-K  
 29 to 3.



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

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

10           (b) From the allocation under this subsection, the department  
11 shall award grants to intermediate districts for the support of  
12 early literacy coaches. The department shall provide this funding  
13 in the following manner:

14           (i) The department shall award each intermediate district grant  
15 funding to support the cost of ~~1-2~~ early literacy ~~coach~~**coaches** in  
16 an equal amount per early literacy coach, not to exceed  
17 ~~\$112,500.00.~~**\$125,000.00.**

18           (ii) After distribution of the grant funding under subparagraph  
19 (i), the department shall distribute the remainder of grant funding  
20 for additional early literacy coaches in an amount not to exceed  
21 ~~\$112,500.00~~**\$125,000.00** per early literacy coach. The number of  
22 funded early literacy coaches for each intermediate district is  
23 based on the percentage of the total statewide number of pupils in  
24 grades K to 3 who meet the income eligibility standards for the  
25 federal free and reduced-price lunch programs who are enrolled in  
26 districts in the intermediate district.

27           (c) If an intermediate district that receives funding under  
28 this subsection uses an assessment tool that screens for  
29 characteristics of dyslexia, the intermediate district shall use



1 the assessment results from that assessment tool to identify pupils  
2 who demonstrate characteristics of dyslexia.

3 (5) From the allocation under subsection (1), there is  
4 allocated an amount not to exceed ~~\$19,900,000.00~~ **\$34,400,000.00** for  
5 ~~2022-2023~~ **2023-2024** to districts that provide additional  
6 instructional time to those pupils in grades pre-K to 3 who have  
7 been identified by using department-approved screening and  
8 diagnostic tools as needing additional supports and interventions  
9 in order to be reading at grade level by the end of grade 3. **It is**  
10 **the intent of the legislature that the amount allocated under this**  
11 **subsection for 2024-2025 will be \$19,900,000.00.** Additional  
12 instructional time may be provided before, during, and after  
13 regular school hours or as part of a year-round balanced school  
14 calendar. All of the following apply to funding under this  
15 subsection:

16 (a) In order to be eligible to receive funding, a district  
17 must demonstrate to the satisfaction of the department that the  
18 district has done all of the following:

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

26 (A) Team-based leadership.

27 (B) A tiered delivery system.

28 (C) Selection and implementation of instruction,  
29 interventions, and supports.



1 (D) A comprehensive screening and assessment system.

2 (E) Continuous data-based decision making.

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

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

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

13 (v) Complied with the requirements under section 1280f of the  
14 revised school code, MCL 380.1280f.

15 (b) The department shall distribute funding allocated under  
16 this subsection to eligible districts on an equal per-first-grade-  
17 pupil basis.

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

22 (6) Not later than September 1 of each year, a district that  
23 receives funding under subsection (5) in conjunction with the  
24 Michigan student data system, if possible, shall provide to the  
25 department a report that includes at least both of the following,  
26 in a form and manner prescribed by the department:

27 (a) For pupils in grades pre-K to 3, the teachers, pupils,  
28 schools, and grades served with funds under this section and the  
29 categories of services provided.



1 (b) For pupils in grades pre-K to 3, pupil proficiency and  
 2 growth data that allows analysis both in the aggregate and by each  
 3 of the following subgroups, as applicable:

4 (i) School.

5 (ii) Grade level.

6 (iii) Gender.

7 (iv) Race.

8 (v) Ethnicity.

9 (vi) Economically disadvantaged status.

10 (vii) Disability.

11 (viii) Pupils identified as having reading deficiencies.

12 (7) From the allocation under subsection (1), there is  
 13 allocated an amount not to exceed ~~\$6,000,000.00~~ **\$12,000,000.00** for  
 14 ~~2022-2023~~ **2023-2024 only** to an intermediate district in which the  
 15 combined total number of pupils in membership of all of its  
 16 constituent districts is the fewest among all intermediate  
 17 districts. All of the following apply to the funding under this  
 18 subsection:

19 (a) Funding under this subsection must be used by the  
 20 intermediate district, in partnership with an association that  
 21 represents intermediate district administrators in this state, to  
 22 implement all of the following:

23 (i) Literacy essentials teacher and principal training modules.

24 (ii) Face-to-face and online professional learning of literacy  
 25 essentials teacher and principal training modules for literacy  
 26 coaches, principals, and teachers.

27 (iii) The placement of regional lead literacy coaches to  
 28 facilitate professional learning for early literacy coaches. These  
 29 regional lead literacy coaches shall provide support for new



1 literacy coaches, building teachers, and administrators and shall  
2 facilitate regional data collection to evaluate the effectiveness  
3 of statewide literacy coaches funded under this section.

4 (iv) Provide \$500,000.00 from this subsection for literacy  
5 training, modeling, coaching, and feedback for district principals  
6 or chief administrators, as applicable. The training described in  
7 this subparagraph must use the pre-K and K to 3 essential  
8 instructional practices in literacy created by the general  
9 education leadership network as the framework for all training  
10 provided under this subparagraph.

11 (v) Job-embedded professional learning opportunities for  
12 mathematics teachers through mathematics instructional coaching.  
13 Funding must be used for professional learning for coaches,  
14 professional developers, administrators, and teachers; coaching for  
15 early mathematics educators; the development of statewide and  
16 regional professional learning networks in mathematics  
17 instructions; and the development and support of digital  
18 professional learning modules.

19 (b) Not later than September 1 of each year, the intermediate  
20 district described in this subsection, in consultation with grant  
21 recipients, shall submit a report to the chairs of the senate and  
22 house appropriations subcommittees on school aid, the chairs of the  
23 senate and house standing committees responsible for education  
24 legislation, the house and senate fiscal agencies, and the state  
25 budget director. The report described under this subdivision must  
26 include student achievement results in English language arts and  
27 mathematics and survey results with feedback from parents and  
28 teachers regarding the initiatives implemented under this  
29 subsection.



1 (c) Up to 2% of funds allocated under this subsection may be  
2 used by the association representing intermediate district  
3 administrators that is in partnership with the intermediate  
4 district specified in this subsection to administer this  
5 subsection.

6 (d) Funds allocated under this subsection for 2023-2024 are a  
7 work project appropriation, and any unexpended funds for 2023-2024  
8 are carried forward into 2024-2025. The purpose of the work project  
9 is to continue providing funding for the purposes under this  
10 subsection. The estimated completion date of the work project is  
11 September 30, 2025.

12 (8) From the general fund money allocated in subsection (1),  
13 the department shall allocate the amount of ~~\$5,000,000.00~~  
14 **\$4,500,000.00** for ~~2022-2023-2023-2024~~ only to the Michigan  
15 Education Corps for the PreK Reading Corps, the K3 Reading Corps,  
16 and the Math Corps. All of the following apply to funding under  
17 this subsection:

18 (a) By September 1 of the current fiscal year, the Michigan  
19 Education Corps shall provide a report concerning its use of the  
20 funding to the senate and house appropriations subcommittees on  
21 school aid, the senate and house fiscal agencies, and the senate  
22 and house caucus policy offices on outcomes and performance  
23 measures of the Michigan Education Corps, including, but not  
24 limited to, the degree to which the Michigan Education Corps'  
25 replication of the PreK Reading Corps, the K3 Reading Corps, and  
26 the Math Corps programs is demonstrating sufficient efficacy and  
27 impact. The report must include data pertaining to at least all of  
28 the following:

29 (i) The current impact of the programs on this state in terms



1 of numbers of children and schools receiving support. This portion  
2 of the report must specify the number of children tutored,  
3 including dosage and completion, and the demographics of those  
4 children.

5 (ii) Whether the assessments and interventions are implemented  
6 with fidelity. This portion of the report must include details on  
7 the total number of assessments and interventions completed and the  
8 range, mean, and standard deviation.

9 (iii) Whether the literacy or math improvement of children  
10 participating in the programs is consistent with expectations. This  
11 portion of the report must detail at least all of the following:

12 (A) Growth rate by grade or age level, in comparison to  
13 targeted growth rate.

14 (B) Average linear growth rates.

15 (C) Exit rates.

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

18 (iv) The impact of the programs on organizations and  
19 stakeholders, including, but not limited to, school administrators,  
20 internal coaches, and AmeriCorps members.

21 (b) If the department determines that the Michigan Education  
22 Corps has misused the funds allocated under this subsection, the  
23 Michigan Education Corps shall reimburse this state for the amount  
24 of state funding misused.

25 (c) The department may not reserve any portion of the  
26 allocation provided under this subsection for an evaluation of the  
27 Michigan Education Corps, the Michigan Education Corps' funding, or  
28 the Michigan Education Corps' programming unless agreed to in  
29 writing by the Michigan Education Corps. The department shall award



1 the entire \$5,000,000.00 allocated under this subsection to the  
2 Michigan Education Corps and shall not condition the awarding of  
3 this funding on the implementation of an independent evaluation.

4 (9) If a district or intermediate district expends any funding  
5 received under subsection (4) or (5) for professional development  
6 in research-based effective reading instruction, the district or  
7 intermediate district shall select a professional development  
8 program from the list described under subdivision (a). All of the  
9 following apply to the requirement under this subsection:

10 (a) The department shall issue a request for proposals for  
11 professional development programs in research-based effective  
12 reading instruction to develop an initial approved list of  
13 professional development programs in research-based effective  
14 reading instruction. The department shall make the initial approved  
15 list public and shall determine if it will, on a rolling basis,  
16 approve any new proposals submitted for addition to its initial  
17 approved list.

18 (b) To be included as an approved professional development  
19 program in research-based effective reading instruction under  
20 subdivision (a), an applicant must demonstrate to the department in  
21 writing the program's competency in all of the following topics:

22 (i) Understanding of phonemic awareness, phonics, fluency,  
23 vocabulary, and comprehension.

24 (ii) Appropriate use of assessments and differentiated  
25 instruction.

26 (iii) Selection of appropriate instructional materials.

27 (iv) Application of research-based instructional practices.

28 (c) As used in this subsection, "effective reading  
29 instruction" means reading instruction scientifically proven to



1 result in improvement in pupil reading skills.

2 ~~(10) From the allocation under subsection (1), there is~~  
 3 ~~allocated an amount not to exceed \$10,000,000.00 for 2022-2023 only~~  
 4 ~~for the provision of professional learning by the approved provider~~  
 5 ~~described in subsection (11), first to educators in pre-K,~~  
 6 ~~kindergarten, and grade 1 next to educators in grade 2 and grade 3;~~  
 7 ~~and then to additional elementary school educators and pre-K to~~  
 8 ~~grade 12 certificated special education personnel with endorsements~~  
 9 ~~in learning disabilities, emotional impairments, or speech and~~  
 10 ~~language impairments. For purposes of this subsection, the~~  
 11 ~~department must establish and manage professional learning~~  
 12 ~~opportunities that are open to all school personnel described in~~  
 13 ~~this subsection as follows:~~

14 ~~(a) The department must first open voluntary enrollment for~~  
 15 ~~any pre K through grade 3 teacher on a first come, first served~~  
 16 ~~basis, with voluntary enrollment prioritized for pre-K,~~  
 17 ~~kindergarten, and grade 1 teachers. The department shall then open~~  
 18 ~~voluntary enrollment for the remaining school personnel described~~  
 19 ~~in this subsection.~~

20 ~~(b) The department must maintain open enrollment until all~~  
 21 ~~funds are expended.~~

22 ~~(11) For the provision of professional learning to the school~~  
 23 ~~personnel described in subsection (10), the department shall~~  
 24 ~~approve LETRS as the approved provider of professional learning, if~~  
 25 ~~LETRS continues to meet all of the following:~~

26 ~~(a) Be offered through a system of training that provides~~  
 27 ~~educators with the knowledge base to effectively implement any~~  
 28 ~~class-wide, supplemental, or intervention reading approach and to~~  
 29 ~~determine why some students struggle with reading, writing,~~



1 ~~spelling, and language.~~

2 ~~(b) Provide training activities that direct educators to~~  
 3 ~~implement effective reading and spelling instruction supported by~~  
 4 ~~scientifically based research and foster a direct explicit~~  
 5 ~~instructional sequence that uses techniques to support teachers'~~  
 6 ~~independence in using their newly-learned skills with students in~~  
 7 ~~the classroom.~~

8 ~~(c) Include integrated components for educators and~~  
 9 ~~administrators in pre-K to grade 3 with embedded evaluation or~~  
 10 ~~assessment of knowledge. Evaluation or assessment of knowledge~~  
 11 ~~under this subdivision must incorporate evaluations of learning~~  
 12 ~~throughout each unit and include a summative assessment that must~~  
 13 ~~be completed to demonstrate successful course completion.~~

14 ~~(d) Build teacher content knowledge and pedagogical knowledge~~  
 15 ~~of the critical components of literacy including how the brain~~  
 16 ~~learns to read, phonological and phonemic awareness; letter~~  
 17 ~~knowledge; phonics; advanced phonics; vocabulary and oral language;~~  
 18 ~~fluency; comprehension; spelling and writing; and the organization~~  
 19 ~~of language.~~

20 ~~(e) Support educators in understanding how to effectively use~~  
 21 ~~screening, progress monitoring, and diagnostic assessment data to~~  
 22 ~~improve literacy outcomes through prevention and intervention for~~  
 23 ~~reading difficulties in a multi-tiered system of supports. The~~  
 24 ~~multi-tiered system of supports must include at least all of the~~  
 25 ~~following essential components:~~

26 ~~(i) Team-based leadership.~~

27 ~~(ii) A tiered delivery system.~~

28 ~~(iii) Selection and implementation of instruction,~~  
 29 ~~interventions, and supports.~~



1 ~~(iv) A comprehensive screening and assessment system.~~

2 ~~(v) Continuous data-based decision making.~~

3 **(10)** ~~(12)~~ Notwithstanding section 17b, the department shall  
4 make payments made under subsections (7) and (8) on a schedule  
5 determined by the department.

6 **(11)** ~~(13)~~ As used in this section:

7 (a) "Dyslexia" means both of the following:

8 (i) A specific learning disorder that is neurobiological in  
9 origin and characterized by difficulties with accurate or fluent  
10 word recognition and by poor spelling and decoding abilities that  
11 typically result from a deficit in the phonological component of  
12 language that is often unexpected in relation to other cognitive  
13 abilities and the provision of effective classroom instruction.

14 (ii) A specific learning disorder that may include secondary  
15 consequences, such as problems in reading comprehension and a  
16 reduced reading experience that can impede the growth of vocabulary  
17 and background knowledge and lead to social, emotional, and  
18 behavioral difficulties.

19 (b) "Evidence-based" means an activity, program, process,  
20 service, strategy, or intervention that demonstrates statistically  
21 significant effects on improving pupil outcomes or other relevant  
22 outcomes and that meets at least both of the following:

23 (i) At least 1 of the following:

24 (A) Is based on strong evidence from at least 1 well-designed  
25 and well-implemented experimental study.

26 (B) Is based on moderate evidence from at least 1 well-  
27 designed and well-implemented quasi-experimental study.

28 (C) Is based on promising evidence from at least 1 well-  
29 designed and well-implemented correlational study with statistical



1 controls for selection bias.

2 (D) Demonstrates a rationale based on high-quality research  
3 findings or positive evaluation that the activity, program,  
4 process, service, strategy, or intervention is likely to improve  
5 pupil outcomes or other relevant outcomes.

6 (ii) Includes ongoing efforts to examine the effects of the  
7 activity, program, process, service, strategy, or intervention.

8 ~~(c) "Explicit" means direct and deliberate instruction through~~  
9 ~~continuous pupil-teacher interaction that includes teacher~~  
10 ~~modeling, guided practice, and independent practice.~~

11 (c) ~~(d)~~ "Fluency" means the ability to read with speed,  
12 accuracy, and proper expression.

13 (d) ~~(e)~~ "Multi-tiered system of supports" means a  
14 comprehensive framework that includes 3 distinct tiers of  
15 instructional support and is composed of a collection of evidence-  
16 based strategies designed to meet the individual needs and assets  
17 of a whole pupil at all achievement levels.

18 (e) ~~(f)~~ "Phonemic awareness" means the conscious awareness of  
19 all of the following:

20 (i) Individual speech sounds, including, but not limited to,  
21 consonants and vowels, in spoken syllables.

22 (ii) The ability to consciously manipulate through, including,  
23 but not limited to, matching, blending, segmenting, deleting, or  
24 substituting, individual speech sounds described in subparagraph

25 (i).

26 (iii) All levels of the speech sound system, including, but not  
27 limited to, word boundaries, rhyme recognition, stress patterns,  
28 syllables, onset-rime units, and phonemes.

29 (f) ~~(g)~~ "Phonological" means relating to the system of



1 contrastive relationships among the speech sounds that constitute  
2 the fundamental components of a language.

3 (g) ~~(h)~~—"Progress monitoring" means the assessing of students'  
4 academic performance, quantifying students' rates of improvement or  
5 progress toward goals, and determining how students are responding  
6 to instruction.

7 (h) ~~(i)~~—"Rapid automatized naming (RAN)" means a task that  
8 measures how quickly individuals can name objects; pictures;  
9 colors; or symbols, including letters and digits, aloud, which can  
10 predict later reading abilities for preliterate children.

11 Sec. 35d. (1) From the ~~general~~**state school aid** fund money  
12 appropriated under section 11, for ~~2022-2023~~**2023-2024** only, there  
13 is allocated an amount not to exceed ~~\$1,000,000.00~~**\$3,000,000.00**  
14 for the department to provide grants to districts and intermediate  
15 districts for the purchase of 1 or more components or trainings  
16 through an eligible teacher training program for children with  
17 dyslexia from a provider of an eligible teacher training program  
18 for children with dyslexia as provided under this section.

19 (2) A provider that provides programming that meets all of the  
20 following is considered to be a provider of an eligible teacher  
21 training program for purposes of this section:

22 (a) Allows teachers to incorporate the 5 components essential  
23 to an effective reading program into their daily lessons. The 5  
24 components described in this subdivision are phonemic awareness,  
25 phonics, vocabulary, fluency, and comprehension.

26 (b) Trains educators to teach reading using a proven,  
27 multisensory approach.

28 (c) Educates teachers on how to explicitly and effectively  
29 teach reading to beginning readers.



1 (d) Breaks reading and spelling down into smaller skills  
 2 involving letters and sounds, and then builds on these skills over  
 3 time.

4 (e) Uses multisensory teaching strategies to teach reading by  
 5 using sight, hearing, touch, and movement to help students connect  
 6 and learn the concepts being taught.

7 (3) Districts and intermediate districts may apply to the  
 8 department for grants to purchase components or training through an  
 9 eligible teacher training program from a provider of an eligible  
 10 teacher training program, and, upon receiving an application but  
 11 except as otherwise provided in this subsection, the department  
 12 shall make payments to districts and intermediate districts for  
 13 those purchases. The department shall make payments under this  
 14 section on a first-come, first-served basis until funds are  
 15 depleted.

16 (4) Funds allocated under this section for 2023-2024 are a  
 17 work project appropriation, and any unexpended funds for 2023-2024  
 18 are carried forward into 2024-2025. The purpose of the work project  
 19 is to continue providing funding for the purposes under this  
 20 section. The estimated completion date of the work project is  
 21 September 30, 2025.

22 Sec. 35i. (1) From the state school aid fund money  
 23 appropriated in section 11, there is allocated for 2023-2024 only  
 24 an amount not to exceed \$2,400,000.00 to support the network of  
 25 early literacy hubs across this state and to build an equitable and  
 26 aligned system of early literacy supports for children ages birth  
 27 through age 5.

28 (2) The department must distribute funds allocated under  
 29 subsection (1) to intermediate districts or consortia of



1 intermediate districts to support 10 regional literacy hubs. The  
2 regional literacy hubs must use this funding to develop a network  
3 designed to increase equitable access to literacy supports and  
4 improve early literacy outcomes by allowing providers, children,  
5 and families to seek and receive specific and developmentally  
6 appropriate early literacy supports.

7 (3) Funds received under subsection (2) by regional literacy  
8 hubs may be used for any of the following:

9 (a) Eligible literacy network development and training costs,  
10 as determined by the department.

11 (b) Literacy supplies and curriculum.

12 (c) Materials necessary for improving early literacy outcomes.

13 (d) Marketing, outreach, and website development.

14 (4) In addition to the funds allocated in subsection (1), from  
15 the federal funding appropriated under section 11, there is  
16 allocated for 2023-2024 only an amount not to exceed \$2,000,000.00  
17 from the federal funding awarded to this state from the coronavirus  
18 state fiscal recovery fund under the American rescue plan act of  
19 2021, title IX, subtitle M of Public Law 117-2, to implement a  
20 statewide campaign to share how parents and legal guardians can  
21 support early literacy for children birth to age 5. All of the  
22 following apply to funding allocated under this subsection:

23 (a) Funding under this subsection must be allocated by the  
24 department to each literacy hub receiving funding under subsection  
25 (2).

26 (b) Each literacy hub must use this funding to expand parental  
27 and legal guardian knowledge regarding literacy instruction  
28 practices; to raise awareness of and participation in local great  
29 start collaborative and family coalitions; to raise awareness of



1 the availability of before-, during-, and after-school literacy  
2 support programs; and to build on the existing practices of the  
3 literacy hubs.

4 (c) The department must obligate funds received under this  
5 subsection before December 31, 2024, and literacy hubs must expend  
6 funds received under this subsection before December 31, 2026. The  
7 federal funds allocated under this section must be allocated and  
8 expended in a manner consistent with federal rules and regulations.

9 (d) Funds under this subsection are intended to respond to the  
10 COVID-19 public health emergency and its impact on childhood  
11 literacy.

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

15 (6) Funds allocated under subsection (1) for 2023-2024 are a  
16 work project appropriation, and any unexpended funds for 2023-2024  
17 are carried forward into 2024-2025. The purpose of the work project  
18 is to continue to support the network of early literacy hubs across  
19 this state and to build an equitable and aligned system of early  
20 literacy supports for children ages birth through age 5. The  
21 estimated completion date of the work project is September 30,  
22 2025.

23 Sec. 35j. (1) From the state school aid fund money  
24 appropriated in section 11, there is allocated for 2023-2024 only  
25 an amount not to exceed \$300,000,000.00 for payments to districts  
26 and intermediate districts to improve literacy instructional  
27 practices by investing in quality, research-based best practices,  
28 and professional learning.

29 (2) Subject to subsection (4), to be eligible to receive



1 funding under this section, a district or intermediate district  
2 must apply for the funding in a form and manner prescribed by the  
3 department. Intermediate districts may apply for funding under this  
4 section on behalf of their constituent districts.

5 (3) From the allocation under subsection (1), the department  
6 shall make payments to eligible districts and intermediate  
7 districts in an equal amount per pupil based on the number of  
8 pupils in the district or intermediate district in grades pre-K to  
9 grade 5. Districts and intermediate districts receiving funding  
10 under this section must use that funding for all of the following  
11 purposes:

12 (a) Providing professional learning for all pre-K to grade 5  
13 teachers, administrators, and instructional coaches in literacy  
14 instruction best practices.

15 (b) Complementing existing efforts to improve literacy  
16 instruction.

17 (c) Developing and implementing a comprehensive literacy  
18 system.

19 (4) For a district or intermediate district to be eligible for  
20 funding under this section, the district or intermediate district  
21 must do all of the following:

22 (a) Use a valid screening tool, as determined by the  
23 department, to identify gaps in current literacy practices and  
24 complete a needs assessment.

25 (b) Submit a plan to the department targeting identified focus  
26 areas to address gaps in literacy practices.

27 (c) Ensure 100% of current pre-K to grade 5 teachers complete  
28 selected training.

29 (d) Report to the department and post on its website which



1 pre-K to grade 5 literacy curriculum and benchmark assessment the  
2 district or intermediate districts utilized.

3 (5) From the funds allocated in subsection (1), there is  
4 allocated an amount not to exceed \$20,000,000.00 for the provision  
5 of professional learning by the approved provider described in  
6 subsection (6), first to educators in pre-K, kindergarten, and  
7 grade 1 next to educators in grade 2 and grade 3 and then to  
8 additional elementary school educators and pre-K to grade 12  
9 certificated special education personnel with endorsements in  
10 learning disabilities, emotional impairments, or speech and  
11 language impairments. The department must not pay more than 50% of  
12 the amount allocated in this subsection in 2023-2024 and must pay  
13 remaining eligible payments during 2024-2025. For purposes of this  
14 subsection, the department must establish and manage professional  
15 learning opportunities that are open to all school personnel  
16 described in this subsection as follows:

17 (a) The department must first open voluntary enrollment for  
18 any pre-K through grade 3 teacher on a first-come, first-served  
19 basis, with voluntary enrollment prioritized for pre-K,  
20 kindergarten, and grade 1 teachers. The department shall then open  
21 voluntary enrollment for the remaining school personnel described  
22 in this subsection.

23 (b) The department must maintain open enrollment until all  
24 funds are expended.

25 (6) For the provision of professional learning to the school  
26 personnel described in subsection (5), the department shall approve  
27 LETRS as the approved provider of professional learning, if LETRS  
28 continues to meet all of the following:

29 (a) Is offered through a system of training that provides



1 educators with the knowledge base to effectively implement any  
2 class-wide, supplemental, or intervention reading approach and to  
3 determine why some students struggle with reading, writing,  
4 spelling, and language.

5 (b) Provides training activities that direct educators to  
6 implement effective reading and spelling instruction supported by  
7 scientifically based research and foster a direct explicit  
8 instructional sequence that uses techniques to support teachers'  
9 independence in using their newly learned skills with students in  
10 the classroom.

11 (c) Includes integrated components for educators and  
12 administrators in pre-K to grade 3 with embedded evaluation or  
13 assessment of knowledge. Evaluation or assessment of knowledge  
14 under this subdivision must incorporate evaluations of learning  
15 throughout each unit and include a summative assessment that must  
16 be completed to demonstrate successful course completion.

17 (d) Builds teacher content knowledge and pedagogical knowledge  
18 of the critical components of literacy including how the brain  
19 learns to read, phonological and phonemic awareness, letter  
20 knowledge, phonics, advanced phonics, vocabulary and oral language,  
21 fluency, comprehension, spelling and writing, and the organization  
22 of language.

23 (e) Supports educators in understanding how to effectively use  
24 screening, progress monitoring, and diagnostic assessment data to  
25 improve literacy outcomes through prevention and intervention for  
26 reading difficulties in a multi-tiered system of supports. The  
27 multi-tiered system of supports must include at least all of the  
28 following essential components:

29 (i) Team-based leadership.



1 (ii) A tiered delivery system.

2 (iii) Selection and implementation of instruction,  
3 interventions, and supports.

4 (iv) A comprehensive screening and assessment system.

5 (v) Continuous data-based decision making.

6 (7) Except as otherwise provided in this subsection and  
7 notwithstanding section 17b, the department shall make payments  
8 under this section on a schedule determined by the department. The  
9 department must not pay more than 50% of the amount allocated in  
10 subsection (1) in 2023-2024 and must pay remaining eligible  
11 payments during 2024-2025.

12 (8) Funds allocated under this section for 2023-2024 are a  
13 work project appropriation, and any unexpended funds for 2023-2024  
14 are carried forward into 2024-2025. The purpose of the work project  
15 is to improve literacy instructional practices. The estimated  
16 completion date of the work project is September 30, 2026.

17 Sec. 35k. (1) From the federal funding appropriated under  
18 section 11, there is allocated for 2023-2024 only an amount not to  
19 exceed \$3,000,000.00 from the federal funding awarded to this state  
20 from the coronavirus state fiscal recovery fund under the American  
21 rescue plan act of 2021, title IX, subtitle M of Public Law 117-2,  
22 to the department to grant funding to the Detroit Parent Network.  
23 This project is intended to respond to the COVID-19 public health  
24 emergency and its impact on the academic, social, behavioral, and  
25 physical well-being of children, parents, and families. To receive  
26 funding under this section, the Detroit Parent Network must apply  
27 for funding in a form and manner determined by the department.

28 (2) Funds awarded by the department to the Detroit Parent  
29 Network must be obligated by the department before December 31,



1 2024. The Detroit Parent Network must expend funds received under  
2 this section before December 31, 2026. The federal funds allocated  
3 under this section must be allocated and expended in a manner  
4 consistent with federal rules and regulations, as determined by the  
5 department.

6 (3) The Detroit Parent Network must use funds allocated under  
7 this section to expand capacity to provide parental training  
8 programs, parental support groups, early literacy and family  
9 education programs, programs that support healthy families, and  
10 programs supporting civic engagement and community advocacy. The  
11 Detroit Parent Network must plan to provide programming to at least  
12 5,000 families, parents, caregivers, and children in at least 10  
13 counties in this state experiencing economic, educational, and  
14 social indicators that adversely impact the well-being of children  
15 and adults.

16 (4) The funds allocated under this section for 2023-2024 are a  
17 work project appropriation, and any unexpended funds for 2023-2024  
18 are carried forward into 2024-2025. The purpose of the work project  
19 is to support the academic, social, behavioral, and physical well-  
20 being of children, parents, and families to mitigate the negative  
21 impacts of the COVID-19 public health emergency. The estimated  
22 completion date of the work project is September 30, 2027.

23 Sec. 39. (1) An eligible applicant receiving funds under  
24 section 32d shall submit an application, in a form and manner  
25 prescribed by the department, by a date specified by the department  
26 in the immediately preceding fiscal year. An eligible applicant is  
27 not required to amend the applicant's current accounting cycle or  
28 adopt this state's fiscal year accounting cycle in accounting for  
29 financial transactions under this section. The application must



1 include all of the following:

2 (a) The estimated total number of children in the community  
3 who meet the criteria of section 32d **and the total number of age-**  
4 **eligible children in the community**, as provided to the applicant by  
5 the department utilizing the most recent population data available  
6 from the American Community Survey conducted by the United States  
7 Census Bureau. The department shall ensure that it provides updated  
8 American Community Survey population data at least once every 3  
9 years.

10 (b) The estimated number of children in the community who meet  
11 the criteria of section 32d and are being served exclusively by  
12 Head Start programs operating in the community.

13 (c) The number of children whom the applicant has the capacity  
14 to serve who meet the criteria of section 32d including a  
15 verification of physical facility and staff resources capacity.

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

22 (3) The initial allocation to each eligible applicant under  
23 section 32d is the lesser of the following:

24 (a) The sum of the number of children served in a school-day  
25 program in the preceding school year multiplied by ~~\$9,150.00~~  
26 **\$9,516.00** and the number of children served in a GSRP/Head Start  
27 blended program or a part-day program in the preceding school year  
28 multiplied by ~~\$4,575.00~~ **\$4,758.00**.

29 (b) The sum of the number of children the applicant has the



1 capacity to serve in the current school year in a school-day  
2 program multiplied by ~~\$9,150.00~~ **\$9,516.00** and the number of  
3 children served in a GSRP/Head Start blended program or a part-day  
4 program the applicant has the capacity to serve in the current  
5 school year multiplied by ~~\$4,575.00~~ **\$4,758.00**.

6 (4) If funds remain after the allocations under subsection  
7 (3), the department shall distribute the remaining funds to each  
8 intermediate district or consortium of intermediate districts that  
9 serves less than the state percentage benchmark determined under  
10 subsection (5). The department shall distribute these remaining  
11 funds to each eligible applicant based upon each applicant's  
12 proportionate share of the remaining unserved children necessary to  
13 meet the statewide percentage benchmark in intermediate districts  
14 or consortia of intermediate districts serving less than the  
15 statewide percentage benchmark. When all applicants have been given  
16 the opportunity to reach the statewide percentage benchmark, the  
17 statewide percentage benchmark may be reset, as determined by the  
18 department, until greater equity of opportunity to serve eligible  
19 children across all intermediate school districts has been  
20 achieved.

21 (5) For the purposes of subsection (4), the department shall  
22 calculate a percentage of children served by each intermediate  
23 district or consortium of intermediate districts by adding the  
24 number of children served in the immediately preceding year by that  
25 intermediate district or consortium with the number of eligible  
26 children under section 32d served exclusively by ~~head start~~, **Head**  
27 **Start**, as reported in a form and manner prescribed by the  
28 department, within the intermediate district or consortia service  
29 area and dividing that total by the total number of children within



1 the intermediate district or consortium of intermediate districts  
 2 who meet the criteria of section 32d as determined by the  
 3 department utilizing the most recent population data available from  
 4 the American Community Survey conducted by the United States Census  
 5 Bureau. The department shall compare the resulting percentage of  
 6 eligible children served to a statewide percentage benchmark to  
 7 determine if the intermediate district or consortium is eligible  
 8 for additional funds under subsection (4). The statewide percentage  
 9 benchmark is 100%.

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

17 (7) The department shall review the program components under  
 18 section 32d and under this section at least biennially. The  
 19 department also shall convene a committee of internal and external  
 20 stakeholders at least once every 5 years to ensure that the funding  
 21 structure under this section reflects current system needs under  
 22 section 32d.

23 (8) As used in this section, "GSRP/Head Start blended  
 24 program", "part-day program", and "school-day program" mean those  
 25 terms as defined in section 32d.

26 Sec. 39a. (1) From the federal funds appropriated in section  
 27 11, there is allocated for 2022-2023 to districts, intermediate  
 28 districts, and other eligible entities all available federal  
 29 funding, estimated at ~~\$780,200,000.00~~, **\$782,600,000.00 and there is**



1 allocated for 2023-2024 to districts, intermediate districts, and  
2 other eligible entities all available federal funding, estimated at  
3 \$754,700,000.00, for the federal programs under the no child left  
4 behind act of 2001, Public Law 107-110, or the every student  
5 succeeds act, Public Law 114-95. These funds are allocated as  
6 follows:

7 (a) An amount estimated at \$1,200,000.00 for 2022-2023 and  
8 \$1,200,000.00 for 2023-2024 to provide students with drug- and  
9 violence-prevention programs and to implement strategies to improve  
10 school safety, funded from DED-OESE, drug-free schools and  
11 communities funds.

12 (b) An amount estimated at \$100,000,000.00 for 2022-2023 and  
13 \$100,000,000.00 for 2023-2024 for the purpose of preparing,  
14 training, and recruiting high-quality teachers and class size  
15 reduction, funded from DED-OESE, improving teacher quality funds.

16 (c) An amount estimated at \$13,000,000.00 for 2022-2023 and  
17 \$13,000,000.00 for 2023-2024 for programs to teach English to  
18 limited English proficient (LEP) children, funded from DED-OESE,  
19 language acquisition state grant funds.

20 (d) An amount estimated at \$2,800,000.00 for 2022-2023 and  
21 \$2,800,000.00 for 2023-2024 for rural and low-income schools,  
22 funded from DED-OESE, rural and low income school funds.

23 (e) An amount estimated at \$535,000,000.00 for 2022-2023 and  
24 \$535,000,000.00 for 2023-2024 to provide supplemental programs to  
25 enable educationally disadvantaged children to meet challenging  
26 academic standards, funded from DED-OESE, title I, disadvantaged  
27 children funds.

28 (f) An amount estimated at \$9,200,000.00 for 2022-2023 and  
29 \$9,200,000.00 for 2023-2024 for the purpose of identifying and



1 serving migrant children, funded from DED-OESE, title I, migrant  
2 education funds.

3 (g) An amount estimated at ~~\$39,000,000.00~~ **\$40,400,000.00** for  
4 2022-2023 **and \$40,400,000.00 for 2023-2024** for the purpose of  
5 providing high-quality extended learning opportunities, after  
6 school and during the summer, for children in low-performing  
7 schools, funded from DED-OESE, twenty-first century community  
8 learning center funds.

9 (h) An amount estimated at \$14,000,000.00 for 2022-2023 **and**  
10 **\$14,000,000.00 for 2023-2024** to help support local school  
11 improvement efforts, funded from DED-OESE, title I, local school  
12 improvement grants.

13 (i) An amount estimated at \$35,000,000.00 for 2022-2023 **and**  
14 **\$35,000,000.00 for 2023-2024** to improve the academic achievement of  
15 students, funded from DED-OESE, title IV, student support and  
16 academic enrichment grants.

17 (j) An amount estimated at \$3,100,000.00 for 2022-2023 **and**  
18 **\$3,100,000.00 for 2023-2024** for literacy programs that advance  
19 literacy skills for students from birth through grade 12,  
20 including, but not limited to, English-proficient students and  
21 students with disabilities, funded from DED-OESE, striving readers  
22 comprehensive literacy program.

23 (k) An amount estimated at \$27,900,000.00 for 2022-2023 **only**  
24 to establish safer and healthier learning environments, and to  
25 prevent and respond to acts of bullying, violence, and hate that  
26 impact school communities at individual and systemic levels, funded  
27 from DED-OESE, stronger connections grant program.

28 (l) **An amount estimated at \$1,000,000.00 for 2022-2023 and an**  
29 **amount estimated at \$1,000,000.00 for 2023-2024 for grants to**



1 support and demonstrate innovative partnerships to train school-  
2 based mental health service providers, funded from DED-OESE, mental  
3 health service professional demonstration grant program.

4 (2) From the federal funds appropriated in section 11, there  
5 is allocated to districts, intermediate districts, and other  
6 eligible entities all available federal funding, estimated at  
7 ~~\$56,500,000.00~~ **\$60,500,000.00** for 2022-2023 **and estimated at**  
8 **\$60,500,000.00 for 2023-2024** for the following programs that are  
9 funded by federal grants:

10 (a) An amount estimated at \$3,000,000.00 for 2022-2023 **and**  
11 **\$3,000,000.00 for 2023-2024** to provide services to homeless  
12 children and youth, funded from DED-OVAE, homeless children and  
13 youth funds.

14 (b) An amount estimated at \$24,000,000.00 for 2022-2023 **and**  
15 **\$24,000,000.00 for 2023-2024** for providing career and technical  
16 education services to pupils, funded from DED-OVAE, basic grants to  
17 states.

18 (c) An amount estimated at \$14,000,000.00 for 2022-2023 **and**  
19 **\$14,000,000.00 for 2023-2024** for the Michigan charter school  
20 subgrant program, funded from DED-OII, public charter schools  
21 program funds.

22 (d) An amount estimated at ~~\$14,000,000.00~~ **\$18,000,000.00** for  
23 2022-2023 **and \$18,000,000.00 for 2023-2024** for the purpose of  
24 promoting and expanding high-quality preschool services, funded  
25 from HHS-OCC, preschool development funds.

26 (e) An amount estimated at \$1,500,000.00 for 2022-2023 **and**  
27 **\$1,500,000.00 for 2023-2024** for the purpose of addressing priority  
28 substance abuse treatment, prevention, and mental health needs,  
29 funded from HHS-SAMHSA.



1 (3) The department shall distribute all federal funds  
2 allocated under this section in accordance with federal law and  
3 with flexibility provisions outlined in Public Law 107-116, and in  
4 the education flexibility partnership act of 1999, Public Law 106-  
5 25. Notwithstanding section 17b, the department shall make payments  
6 of federal funds to districts, intermediate districts, and other  
7 eligible entities under this section on a schedule determined by  
8 the department.

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

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

22 (6) As used in this section:

23 (a) "DED" means the United States Department of Education.

24 (b) "DED-OESE" means the DED Office of Elementary and  
25 Secondary Education.

26 (c) "DED-OII" means the DED Office of Innovation and  
27 Improvement.

28 (d) "DED-OVAE" means the DED Office of Vocational and Adult  
29 Education.



1 (e) "HHS" means the United States Department of Health and  
2 Human Services.

3 (f) "HHS-OCC" means the HHS Office of Child Care.

4 (g) "HHS-SAMHSA" means the HHS Substance Abuse and Mental  
5 Health Services Project.

6 Sec. 41. (1) For a district to be eligible to receive funding  
7 under this section, the district must administer to English  
8 language learners the English language proficiency assessment known  
9 as the "WIDA ACCESS for English language learners" or the "WIDA  
10 Alternate ACCESS". From the state school aid fund money  
11 appropriated in section 11, there is allocated an amount not to  
12 exceed ~~\$26,511,000.00~~ **\$32,760,300.00** for ~~2022-2023~~ **2023-2024** for  
13 payments to eligible districts for services for English language  
14 learners who have been administered the WIDA ACCESS for English  
15 language learners.

16 (2) The department shall distribute funding allocated under  
17 subsection (1) to eligible districts based on the number of full-  
18 time equivalent English language learners as follows:

19 (a) ~~\$984.00~~ **75% of the target foundation allowance as**  
20 **described in section 20(1)** per full-time equivalent English  
21 language learner who has been assessed under the WIDA ACCESS for  
22 English language learners or the WIDA Alternate ACCESS with a WIDA  
23 ACCESS or WIDA Alternate ACCESS composite score between 1.0 and  
24 1.9, or less, as applicable to each assessment.

25 (b) ~~\$679.00~~ **50% of the target foundation allowance as**  
26 **described in section 20(1)** per full-time equivalent English  
27 language learner who has been assessed under the WIDA ACCESS for  
28 English language learners or the WIDA Alternate ACCESS with a WIDA  
29 ACCESS or WIDA Alternate ACCESS composite score between 2.0 and



1 2.9, or less, as applicable to each assessment.

2 (c) ~~§111.00~~ **35% of the target foundation allowance as**  
3 **described in section 20(1)** per full-time equivalent English  
4 language learner who has been assessed under the WIDA ACCESS for  
5 English language learners or the WIDA Alternate ACCESS with a WIDA  
6 ACCESS or WIDA Alternate ACCESS composite score between 3.0 and  
7 3.9, or less, as applicable to each assessment.

8 (3) If funds allocated under subsection (1) are insufficient  
9 to fully fund the payments as prescribed under subsection (2), the  
10 department shall prorate payments on an equal percentage basis,  
11 with the same percentage proration applied to all funding  
12 categories.

13 (4) Each district receiving funds under subsection (1) shall  
14 submit to the department by July 15 of each fiscal year a report,  
15 not to exceed 10 pages, on the usage by the district of funds under  
16 subsection (1) in a form and manner determined by the department,  
17 including a brief description of each program conducted or services  
18 performed by the district using funds under subsection (1) and the  
19 amount of funds under subsection (1) allocated to each of those  
20 programs or services. If a district does not comply with this  
21 subsection, the department shall withhold an amount equal to the  
22 August payment due under this section until the district complies  
23 with this subsection. If the district does not comply with this  
24 subsection by the end of the fiscal year, the withheld funds are  
25 forfeited to the state school aid fund.

26 (5) In order to receive funds under subsection (1), a district  
27 must allow access for the department or the department's designee  
28 to audit all records related to the program for which it receives  
29 those funds. The district shall reimburse this state for all



1 disallowances found in the audit.

2 (6) Beginning July 1, 2020, and every 3 years thereafter, the  
3 department shall review the per-pupil distribution under subsection  
4 (2), to ensure that funding levels are appropriate and make  
5 recommendations for adjustments to the members of the senate and  
6 house subcommittees on K-12 school aid appropriations.

7 Sec. 41b. From the state school aid fund money appropriated in  
8 section 11, there is allocated for ~~2022-2023~~ **2023-2024** only an  
9 amount not to exceed ~~\$1,250,000.00~~ **\$1,500,000.00** for KEYS Grace  
10 Academy to, in partnership with Kalasho Education and Youth  
11 Services, provide English-as-a-second-language services, provide  
12 early childhood learning, improve progress toward high school  
13 graduation attainment, and provide K to 12 education-support  
14 services to legal immigrants, including, but not limited to, those  
15 individuals who recently arrived to the United States from  
16 Afghanistan with an application before the United States Department  
17 of Homeland Security for temporary protected status or federal  
18 humanitarian parole.

19 Sec. 51a. (1) From the state school aid fund money in section  
20 11, there is allocated an amount not to exceed ~~\$1,134,196,100.00~~  
21 **\$1,573,096,100.00** for ~~2021-2022~~ **2022-2023** and there is allocated an  
22 amount not to exceed ~~\$1,460,503,100.00~~ **\$1,800,196,100.00** for ~~2022-~~  
23 ~~2023~~ **2023-2024** from state sources and all available federal funding  
24 under sections 1411 to 1419 of part B of the individuals with  
25 disabilities education act, 20 USC 1411 to 1419, estimated at  
26 ~~\$380,000,000.00~~ **\$390,000,000.00** for ~~2021-2022~~ **2022-2023** and  
27 \$390,000,000.00 for ~~2022-2023~~ **2023-2024** plus any carryover federal  
28 funds from previous year appropriations. The allocations under this  
29 subsection are for the purpose of reimbursing districts and



1 intermediate districts for special education programs, services,  
 2 and special education personnel as prescribed in article 3 of the  
 3 revised school code, MCL 380.1701 to 380.1761; net tuition payments  
 4 made by intermediate districts to the Michigan Schools for the Deaf  
 5 and Blind; and special education programs and services for pupils  
 6 who are eligible for special education programs and services  
 7 according to statute or rule. For meeting the costs of special  
 8 education programs and services not reimbursed under this article,  
 9 a district or intermediate district may use money in general funds  
 10 or special education funds, not otherwise restricted, or  
 11 contributions from districts to intermediate districts, tuition  
 12 payments, gifts and contributions from individuals or other  
 13 entities, or federal funds that may be available for this purpose,  
 14 as determined by the intermediate district plan prepared under  
 15 article 3 of the revised school code, MCL 380.1701 to 380.1761.  
 16 Notwithstanding section 17b, the department shall make payments of  
 17 federal funds to districts, intermediate districts, and other  
 18 eligible entities under this section on a schedule determined by  
 19 the department.

20 (2) From the funds allocated under subsection (1), there is  
 21 allocated the amount necessary, estimated at ~~\$324,000,000.00~~  
 22 **\$350,500,000.00** for ~~2021-2022-2022-2023~~ and estimated at  
 23 ~~\$323,300,000.00~~ **\$368,000,000.00** for ~~2022-2023,~~ **2023-2024**, for  
 24 payments toward reimbursing districts and intermediate districts  
 25 for 28.6138% of total approved costs of special education,  
 26 excluding costs reimbursed under section 53a, and 70.4165% of total  
 27 approved costs of special education transportation. Allocations  
 28 under this subsection are made as follows:

29 (a) ~~For 2021-2022, the department shall calculate the initial~~



~~1 amount allocated to a district under this subsection toward~~  
~~2 fulfilling the specified percentages by multiplying the district's~~  
~~3 special education pupil membership, excluding pupils described in~~  
~~4 subsection (11), times the foundation allowance under section 20 of~~  
~~5 the pupil's district of residence, plus the amount of the~~  
~~6 district's per-pupil allocation under section 20m, not to exceed~~  
~~7 the target foundation allowance for the current fiscal year, or,~~  
~~8 for a special education pupil in membership in a district that is a~~  
~~9 public school academy, times an amount equal to the amount per~~  
~~10 membership pupil calculated under section 20(6). For an~~  
~~11 intermediate district, the amount allocated under this subdivision~~  
~~12 toward fulfilling the specified percentages is an amount per~~  
~~13 special education membership pupil, excluding pupils described in~~  
~~14 subsection (11), and is calculated in the same manner as for a~~  
~~15 district, using the foundation allowance under section 20 of the~~  
~~16 pupil's district of residence, not to exceed the target foundation~~  
~~17 allowance for the current fiscal year, and that district's per-~~  
~~18 pupil allocation under section 20m.~~**For 2022-2023, the department**  
~~19 shall calculate the initial amount allocated to a district under~~  
~~20 this subsection toward fulfilling the specified percentages by~~  
~~21 multiplying the district's special education pupil membership,~~  
~~22 excluding pupils described in subsection (11), times 25% of the~~  
~~23 foundation allowance under section 20 of the pupil's district of~~  
~~24 residence, plus 25% of the amount of the district's per-pupil~~  
~~25 allocation under section 20m, not to exceed 25% of the target~~  
~~26 foundation allowance for the current fiscal year, or, for a special~~  
~~27 education pupil in membership in a district that is a public school~~  
~~28 academy, times an amount equal to 25% of the amount per membership~~  
~~29 pupil calculated under section 20(6). For an intermediate district,~~



1 the amount allocated under this subdivision toward fulfilling the  
 2 specified percentages is an amount per special education membership  
 3 pupil, excluding pupils described in subsection (11), and is  
 4 calculated in the same manner as for a district, using 25% of the  
 5 foundation allowance under section 20 of the pupil's district of  
 6 residence, not to exceed 25% of the target foundation allowance for  
 7 the current fiscal year, and that district's per-pupil allocation  
 8 under section 20m.

9 (b) For ~~2022-2023~~, **2023-2024**, the department shall calculate  
 10 the initial amount allocated to a district under this subsection  
 11 toward fulfilling the specified percentages by multiplying the  
 12 district's special education pupil membership, excluding pupils  
 13 described in subsection (11), times ~~25%-0%~~ of the foundation  
 14 allowance under section 20 of the pupil's district of residence,  
 15 plus ~~25%-0%~~ of the amount of the district's per-pupil allocation  
 16 under section 20m, not to exceed ~~25%-0%~~ of the target foundation  
 17 allowance for the current fiscal year, or, for a special education  
 18 pupil in membership in a district that is a public school academy,  
 19 times an amount equal to ~~25%-0%~~ of the amount per membership pupil  
 20 calculated under section 20(6). For an intermediate district, the  
 21 amount allocated under this subdivision toward fulfilling the  
 22 specified percentages is an amount per special education membership  
 23 pupil, excluding pupils described in subsection (11), and is  
 24 calculated in the same manner as for a district, using ~~25%-0%~~ of  
 25 the foundation allowance under section 20 of the pupil's district  
 26 of residence, not to exceed ~~25%-0%~~ of the target foundation  
 27 allowance for the current fiscal year, and that district's per-  
 28 pupil allocation under section 20m.

29 (c) After the allocations under subdivision (a) or (b), as



1 applicable, the department shall pay a district or intermediate  
 2 district for which the payments calculated under subdivision (a) or  
 3 (b), as applicable, do not fulfill the specified percentages the  
 4 amount necessary to achieve the specified percentages for the  
 5 district or intermediate district.

6 (3) From the funds allocated under subsection (1), there is  
 7 allocated for ~~2021-2022~~**2022-2023** an amount not to exceed  
 8 \$1,000,000.00 and there is allocated for ~~2022-2023~~**2023-2024 only**  
 9 an amount not to exceed \$1,000,000.00 to make payments to districts  
 10 and intermediate districts under this subsection. If the amount  
 11 allocated to a district or intermediate district for the fiscal  
 12 year under subsection (2)(c) is less than the sum of the amounts  
 13 allocated to the district or intermediate district for 1996-97  
 14 under sections 52 and 58, there is allocated to the district or  
 15 intermediate district for the fiscal year an amount equal to that  
 16 difference, adjusted by applying the same proration factor that was  
 17 used in the distribution of funds under section 52 in 1996-97 as  
 18 adjusted to the district's or intermediate district's necessary  
 19 costs of special education used in calculations for the fiscal  
 20 year. This adjustment is to reflect reductions in special education  
 21 program operations or services between 1996-97 and subsequent  
 22 fiscal years. The department shall make adjustments for reductions  
 23 in special education program operations or services in a manner  
 24 determined by the department and shall include adjustments for  
 25 program or service shifts.

26 (4) If the department determines that the sum of the amounts  
 27 allocated for a fiscal year to a district or intermediate district  
 28 under subsection (2) is not sufficient to fulfill the specified  
 29 percentages in subsection (2), then the department shall pay the



1 shortfall to the district or intermediate district during the  
 2 fiscal year beginning on the October 1 following the determination  
 3 and shall adjust payments under subsection (3) as necessary. If the  
 4 department determines that the sum of the amounts allocated for a  
 5 fiscal year to a district or intermediate district under subsection  
 6 (2) exceeds the sum of the amount necessary to fulfill the  
 7 specified percentages in subsection (2), then the department shall  
 8 deduct the amount of the excess from the district's or intermediate  
 9 district's payments under this article for the fiscal year  
 10 beginning on the October 1 following the determination and shall  
 11 adjust payments under subsection (3) as necessary. ~~However, for~~  
 12 ~~2021-2022 only, if the amount allocated under subsection (2) (a) in~~  
 13 ~~itself exceeds the amount necessary to fulfill the specified~~  
 14 ~~percentages in subsection (2), there is no deduction under this~~  
 15 ~~subsection. Beginning in 2022-2023, if~~ **If** the amount allocated  
 16 under subsection (2) (b) in itself exceeds the amount necessary to  
 17 fulfill the specified percentages in subsection (2), there is no  
 18 deduction under this subsection.

19 (5) State funds are allocated on a total approved cost basis.  
 20 Federal funds are allocated under applicable federal requirements.

21 (6) From the amount allocated in subsection (1), there is  
 22 allocated an amount not to exceed \$2,200,000.00 for ~~2021-2022-2022-~~  
 23 **2023** and there is allocated an amount not to exceed \$2,200,000.00  
 24 for ~~2022-2023-2023-2024~~ to reimburse 100% of the net increase in  
 25 necessary costs incurred by a district or intermediate district in  
 26 implementing the revisions in the administrative rules for special  
 27 education that became effective on July 1, 1987. As used in this  
 28 subsection, "net increase in necessary costs" means the necessary  
 29 additional costs incurred solely because of new or revised



1 requirements in the administrative rules minus cost savings  
2 permitted in implementing the revised rules. The department shall  
3 determine net increase in necessary costs in a manner specified by  
4 the department.

5 (7) For purposes of this section and sections 51b to 58, all  
6 of the following apply:

7 (a) "Total approved costs of special education" are determined  
8 in a manner specified by the department and may include indirect  
9 costs, but must not exceed 115% of approved direct costs for  
10 section 52 and section 53a programs. The total approved costs  
11 include salary and other compensation for all approved special  
12 education personnel for the program, including payments for Social  
13 Security and Medicare and public school employee retirement system  
14 contributions. The total approved costs do not include salaries or  
15 other compensation paid to administrative personnel who are not  
16 special education personnel as that term is defined in section 6 of  
17 the revised school code, MCL 380.6. Costs reimbursed by federal  
18 funds, other than those federal funds included in the allocation  
19 made under this article, are not included. Special education  
20 approved personnel not utilized full time in the evaluation of  
21 students or in the delivery of special education programs,  
22 ancillary, and other related services are reimbursed under this  
23 section only for that portion of time actually spent providing  
24 these programs and services, with the exception of special  
25 education programs and services provided to youth placed in child  
26 caring institutions or juvenile detention programs approved by the  
27 department to provide an on-grounds education program.

28 (b) A district or intermediate district that employed special  
29 education support services staff to provide special education



1 support services in 2003-2004 or in a subsequent fiscal year and  
2 that in a fiscal year after 2003-2004 receives the same type of  
3 support services from another district or intermediate district  
4 shall report the cost of those support services for special  
5 education reimbursement purposes under this article. This  
6 subdivision does not prohibit the transfer of special education  
7 classroom teachers and special education classroom aides if the  
8 pupils counted in membership associated with those special  
9 education classroom teachers and special education classroom aides  
10 are transferred and counted in membership in the other district or  
11 intermediate district in conjunction with the transfer of those  
12 teachers and aides.

13 (c) If the department determines before bookclosing for a  
14 fiscal year that the amounts allocated for that fiscal year under  
15 subsections (2), (3), (6), and (11) and sections 53a, 54, and 56  
16 will exceed expenditures for that fiscal year under subsections  
17 (2), (3), (6), and (11) and sections 53a, 54, and 56, then for a  
18 district or intermediate district whose reimbursement for that  
19 fiscal year would otherwise be affected by subdivision (b),  
20 subdivision (b) does not apply to the calculation of the  
21 reimbursement for that district or intermediate district and the  
22 department shall calculate reimbursement for that district or  
23 intermediate district in the same manner as it was for 2003-2004.  
24 If the amount of the excess allocations under subsections (2), (3),  
25 (6), and (11) and sections 53a, 54, and 56 is not sufficient to  
26 fully fund the calculation of reimbursement to those districts and  
27 intermediate districts under this subdivision, then the department  
28 shall prorate calculations and resulting reimbursement under this  
29 subdivision on an equal percentage basis. The amount of



1 reimbursement under this subdivision for a fiscal year must not  
2 exceed \$2,000,000.00 for any district or intermediate district.

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

15 (e) If an intermediate district purchases a special education  
16 pupil transportation service from a constituent district that was  
17 previously purchased from a private entity; if the purchase from  
18 the constituent district is at a lower cost, adjusted for changes  
19 in fuel costs; and if the cost shift from the intermediate district  
20 to the constituent does not result in any net change in the revenue  
21 the constituent district receives from payments under sections 22b  
22 and 51c, then upon application by the intermediate district, the  
23 department shall direct the intermediate district to continue to  
24 report the cost associated with the specific identified special  
25 education pupil transportation service and shall adjust the costs  
26 reported by the constituent district to remove the cost associated  
27 with that specific service.

28 (8) A pupil who is enrolled in a full-time special education  
29 program conducted or administered by an intermediate district or a



1 pupil who is enrolled in the Michigan Schools for the Deaf and  
2 Blind is not included in the membership count of a district, but is  
3 counted in membership in the intermediate district of residence.

4 (9) Special education personnel transferred from 1 district to  
5 another to implement the revised school code are entitled to the  
6 rights, benefits, and tenure to which the individual would  
7 otherwise be entitled had that individual been employed by the  
8 receiving district originally.

9 (10) If a district or intermediate district uses money  
10 received under this section for a purpose other than the purpose or  
11 purposes for which the money is allocated, the department may  
12 require the district or intermediate district to refund the amount  
13 of money received. The department shall deposit money that is  
14 refunded in the state treasury to the credit of the state school  
15 aid fund.

16 (11) From the funds allocated in subsection (1), there is  
17 allocated the amount necessary, estimated at ~~\$1,600,000.00~~  
18 **\$1,700,000.00** for ~~2021-2022~~**2022-2023** and estimated at  
19 ~~\$1,500,000.00~~**\$1,700,000.00** for ~~2022-2023,~~**2023-2024**, to pay the  
20 foundation allowances for pupils described in this subsection. The  
21 department shall calculate the allocation to a district under this  
22 subsection by multiplying the number of pupils described in this  
23 subsection who are counted in membership in the district times the  
24 sum of the foundation allowance under section 20 of the pupil's  
25 district of residence, plus the amount of the district's per-pupil  
26 allocation under section 20m, not to exceed the target foundation  
27 allowance for the current fiscal year, or, for a pupil described in  
28 this subsection who is counted in membership in a district that is  
29 a public school academy, times an amount equal to the amount per



1 membership pupil under section 20(6). The department shall  
2 calculate the allocation to an intermediate district under this  
3 subsection in the same manner as for a district, using the  
4 foundation allowance under section 20 of the pupil's district of  
5 residence not to exceed the target foundation allowance for the  
6 current fiscal year and that district's per-pupil allocation under  
7 section 20m. This subsection applies to all of the following  
8 pupils:

9 (a) Pupils described in section 53a.

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

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

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

25 (a) One hundred percent of the reimbursement required under  
26 section 53a.

27 (b) One hundred percent of the reimbursement required under  
28 subsection (6).

29 (c) One hundred percent of the payment required under section



1 54.

2 (d) One hundred percent of the payment required under  
3 subsection (3).

4 (e) One hundred percent of the payments under section 56.

5 (13) The allocations under subsections (2), (3), and (11) are  
6 allocations to intermediate districts only and are not allocations  
7 to districts, but instead are calculations used only to determine  
8 the state payments under section 22b.

9 (14) If a public school academy that is not a cyber school, as  
10 that term is defined in section 551 of the revised school code, MCL  
11 380.551, enrolls under this section a pupil who resides outside of  
12 the intermediate district in which the public school academy is  
13 located and who is eligible for special education programs and  
14 services according to statute or rule, or who is a child with a  
15 disability, as that term is defined under the individuals with  
16 disabilities education act, Public Law 108-446, the intermediate  
17 district in which the public school academy is located and the  
18 public school academy shall enter into a written agreement with the  
19 intermediate district in which the pupil resides for the purpose of  
20 providing the pupil with a free appropriate public education, and  
21 the written agreement must include at least an agreement on the  
22 responsibility for the payment of the added costs of special  
23 education programs and services for the pupil. If the public school  
24 academy that enrolls the pupil does not enter into an agreement  
25 under this subsection, the public school academy shall not charge  
26 the pupil's resident intermediate district or the intermediate  
27 district in which the public school academy is located the added  
28 costs of special education programs and services for the pupil, and  
29 the public school academy is not eligible for any payouts based on



1 the funding formula outlined in the resident or nonresident  
2 intermediate district's plan. If a pupil is not enrolled in a  
3 public school academy under this subsection, the provision of  
4 special education programs and services and the payment of the  
5 added costs of special education programs and services for a pupil  
6 described in this subsection are the responsibility of the district  
7 and intermediate district in which the pupil resides.

8 (15) For the purpose of receiving its federal allocation under  
9 part B of the individuals with disabilities education act, Public  
10 Law 108-446, a public school academy that is a cyber school, as  
11 that term is defined in section 551 of the revised school code, MCL  
12 380.551, and is in compliance with section 553a of the revised  
13 school code, MCL 380.553a, directly receives the federal allocation  
14 under part B of the individuals with disabilities education act,  
15 Public Law 108-446, from the intermediate district in which the  
16 cyber school is located, as the subrecipient. If the intermediate  
17 district does not distribute the funds described in this subsection  
18 to the cyber school by the part B application due date of July 1,  
19 the department may distribute the funds described in this  
20 subsection directly to the cyber school according to the formula  
21 prescribed in 34 CFR 300.705 and 34 CFR 300.816. Beginning July 1,  
22 2021, this subsection is subject to section 8c. It is the intent of  
23 the legislature that the immediately preceding sentence apply  
24 retroactively and is effective July 1, 2021.

25 (16) For a public school academy that is a cyber school, as  
26 that term is defined in section 551 of the revised school code, MCL  
27 380.551, and is in compliance with section 553a of the revised  
28 school code, MCL 380.553a, that enrolls a pupil under this section,  
29 the intermediate district in which the cyber school is located



1 shall ensure that the cyber school complies with sections 1701a,  
 2 1703, 1704, 1751, 1752, 1756, and 1757 of the revised school code,  
 3 MCL 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756,  
 4 and 380.1757; applicable rules; and the individuals with  
 5 disabilities education act, Public Law 108-446. Beginning July 1,  
 6 2021, this subsection is subject to section 8c. It is the intent of  
 7 the legislature that the immediately preceding sentence apply  
 8 retroactively and is effective July 1, 2021.

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

13 Sec. 51c. As required by the court in the consolidated cases  
 14 known as *Durant v State of Michigan*, 456 Mich 175 (1997), from the  
 15 allocation under section 51a(1), there is allocated for ~~2021-2022~~  
 16 **2022-2023** and for ~~2022-2023, 2023-2024~~, the amount necessary,  
 17 estimated at ~~\$719,000,000.00~~ **\$779,600,000.00** for ~~2021-2022-2022-~~  
 18 **2023** and ~~\$709,900,000.00~~ **\$819,200,000.00** for ~~2022-2023, 2023-2024~~,  
 19 for payments to reimburse districts for 28.6138% of total approved  
 20 costs of special education excluding costs reimbursed under section  
 21 53a, and 70.4165% of total approved costs of special education  
 22 transportation. Funds allocated under this section that are not  
 23 expended in the fiscal year for which they were allocated, as  
 24 determined by the department, may be used to supplement the  
 25 allocations under sections 22a and 22b to fully fund those  
 26 allocations for the same fiscal year. ~~For each fund transfer as~~  
 27 ~~described in the immediately preceding sentence that occurs, the~~  
 28 ~~state budget director shall send notification of the transfer to~~  
 29 ~~the house and senate appropriations subcommittees on state school~~



1 ~~aid and the house and senate fiscal agencies by not later than 14~~  
 2 ~~calendar days after the transfer occurs.~~

3       Sec. 51d. (1) From the federal funds appropriated in section  
 4 11, there is allocated for ~~2022-2023~~ **2023-2024** all available  
 5 federal funding, estimated at \$71,000,000.00, for special education  
 6 programs and services that are funded by federal grants. The  
 7 department shall distribute all federal funds allocated under this  
 8 section in accordance with federal law. Notwithstanding section  
 9 17b, the department shall make payments of federal funds to  
 10 districts, intermediate districts, and other eligible entities  
 11 under this section on a schedule determined by the department.

12       (2) From the federal funds allocated under subsection (1), the  
 13 following amounts are allocated:

14       (a) For ~~2022-2023~~, **2023-2024**, an amount estimated at  
 15 \$14,000,000.00 for handicapped infants and toddlers, funded from  
 16 DED-OSERS, handicapped infants and toddlers funds.

17       (b) For ~~2022-2023~~, **2023-2024**, an amount estimated at  
 18 \$14,000,000.00 for preschool grants under Public Law 94-142, funded  
 19 from DED-OSERS, handicapped preschool incentive funds.

20       (c) For ~~2022-2023~~, **2023-2024**, an amount estimated at  
 21 \$43,000,000.00 for special education programs funded by DED-OSERS,  
 22 handicapped program, individuals with disabilities act funds.

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

26       Sec. 51e. (1) From the allocation under section 51a(1), there  
 27 is allocated for 2022-2023 the amount necessary, estimated at  
 28 ~~\$336,207,000.00~~ **\$351,700,000.00** for 2022-2023 **and there is**  
 29 **allocated for 2023-2024 the amount necessary, estimated at**



1 **\$487,500,000.00 for 2023-2024** for payments to districts and  
 2 intermediate districts for **2022-2023, 75%, and for 2023-2024, 100%**  
 3 of foundation allowance costs associated with special education  
 4 pupils.

5 (2) The department shall calculate the amount allocated to a  
 6 district under this section by multiplying the district's special  
 7 education pupil membership, excluding pupils described in section  
 8 51a(11), times, **for 2022-2023, 75%, and for 2023-2024, 100%** of the  
 9 foundation allowance under section 20 of the pupil's district of  
 10 residence, plus, **for 2022-2023, 75%, and for 2023-2024, 100%** of the  
 11 amount of the district's per-pupil allocation under section 20m,  
 12 not to exceed, **for 2022-2023, 75%, and for 2023-2024, 100%** of the  
 13 target foundation allowance for the current fiscal year, or, for a  
 14 special education pupil in membership in a district that is a  
 15 public school academy, times an amount equal to, **for 2022-2023,**  
 16 **75%, and for 2023-2024, 100%** of the amount per membership pupil  
 17 calculated under section 20(6). For an intermediate district, the  
 18 amount allocated under this subsection is an amount per special  
 19 education membership pupil, excluding pupils described in section  
 20 51a(11), and is calculated in the same manner as for a district,  
 21 using, **for 2022-2023, 75%, and for 2023-2024, 100%** of the  
 22 foundation allowance under section 20 of the pupil's district of  
 23 residence, not to exceed, **for 2022-2023, 75%, and for 2023-2024,**  
 24 **100%** of the target foundation allowance for the current fiscal  
 25 year, and, **for 2022-2023, 75%, and for 2023-2024, 100%** of that  
 26 district's per-pupil allocation under section 20m.

27 (3) In addition to the amount calculated in subsection (2) **for**  
 28 **2022-2023**, there is allocated **for 2022-2023** the difference between  
 29 the amount received under section 51f in the 2021-2022 fiscal year



1 and the amount calculated under subsection (2) **for 2022-2023**. If  
2 the calculated amount under subsection (2) **for 2022-2023** exceeds  
3 the amount received by the district or intermediate district under  
4 section 51f for the 2021-2022 fiscal year, there is no payment  
5 calculated under this subsection.

6 Sec. 51g. From the general fund money appropriated in section  
7 11, \$3,000,000.00 is allocated for ~~2022-2023~~**2023-2024** to an  
8 association for administrators of special education services to  
9 develop content for use by special education students, teachers,  
10 and others. Any content that is developed as described in this  
11 section must be accessible throughout this state. Funds received by  
12 an association under this section may be used to support the  
13 development of assessment tools to measure the needs of students  
14 with special education needs in remote learning environments and  
15 the effectiveness of various educational methods and tools, in  
16 collaboration with the department. Funds under this section may  
17 also be utilized to identify any available federal funds for  
18 research related to special education in remote learning.

19 Sec. 53a. (1) For districts, reimbursement for pupils  
20 described in subsection (2) is 100% of the total approved costs of  
21 operating special education programs and services approved by the  
22 department and included in the intermediate district plan adopted  
23 under article 3 of the revised school code, MCL 380.1701 to  
24 380.1761, minus the district's foundation allowance calculated  
25 under section 20 and minus the district's per-pupil allocation  
26 under section 20m. For intermediate districts, the department shall  
27 calculate reimbursement for pupils described in subsection (2) in  
28 the same manner as for a district, using the foundation allowance  
29 under section 20 of the pupil's district of residence, not to



1 exceed the target foundation allowance under section 20 for the  
2 current fiscal year plus the amount of the district's per-pupil  
3 allocation under section 20m.

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

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

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

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

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

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

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

29 (4) The costs of transportation are funded under this section



1 and are not reimbursed under section 58.

2 (5) ~~The department shall not allocate more than \$10,500,000.00~~  
3 ~~of the allocation for 2021-2022 in section 51a(1) under this~~  
4 ~~section.~~ The department shall not allocate more than \$10,500,000.00  
5 of the allocation for ~~2022-2023~~ **2023-2024** in section 51a(1) under  
6 this section.

7 Sec. 54. Each intermediate district receives an amount per  
8 pupil for each pupil in attendance at the Michigan Schools for the  
9 Deaf and Blind. The amount is proportionate to the total  
10 instructional cost at each school. ~~The department shall not~~  
11 ~~allocate more than \$1,688,000.00 of the allocation for 2021-2022 in~~  
12 ~~section 51a(1) under this section.~~ The department shall not  
13 allocate more than \$1,688,000.00 of the allocation for ~~2022-2023~~  
14 **2023-2024** in section 51a(1) under this section.

15 Sec. 54b. (1) From the general fund money appropriated in  
16 section 11, there is allocated an amount not to exceed  
17 \$1,600,000.00 for ~~2022-2023~~ **2023-2024** to continue the  
18 implementation of the recommendations of the special education  
19 reform task force published in January 2016.

20 (2) The department shall use funds allocated under this  
21 section for the purpose of piloting statewide implementation of the  
22 MiMTSS Center, a nationally recognized program that includes  
23 positive behavioral intervention and supports and provides a  
24 statewide structure to support local initiatives for an integrated  
25 behavior and reading program. With the assistance of the  
26 intermediate districts involved in the MiMTSS Center, the  
27 department shall identify a number of intermediate districts to  
28 participate in the pilot that is sufficient to ensure that the  
29 MiMTSS Center can be implemented statewide with fidelity and



1 sustainability. In addition, the department shall identify an  
2 intermediate district to act as a fiscal agent for these funds.

3 (3) As used in this section, "MiMTSS Center" means the  
4 Michigan Multi-Tiered System of Supports Center.

5 Sec. 54d. (1) From the state school aid fund money  
6 appropriated in section 11, there is allocated an amount not to  
7 exceed ~~\$21,250,000.00~~ **\$22,313,000.00** for ~~2022-2023~~ **2023-2024** to  
8 intermediate districts for the purpose of providing state early on  
9 services programs for children from birth to 3 years of age with a  
10 developmental delay or a disability, or both, and their families,  
11 as described in the early on Michigan state plan, as approved by  
12 the department.

13 (2) To be eligible to receive grant funding under this  
14 section, each intermediate district must apply in a form and manner  
15 determined by the department.

16 (3) The grant funding allocated under this section must be  
17 used to increase early on services and resources available to  
18 children that demonstrate developmental delays to help prepare them  
19 for success as they enter school. State early on services include  
20 evaluating and providing early intervention services for eligible  
21 infants and toddlers and their families to address developmental  
22 delays, including those affecting physical, cognitive,  
23 communication, adaptive, social, or emotional development. Grant  
24 funds must not be used to supplant existing services that are  
25 currently being provided.

26 (4) The department shall distribute the funds allocated under  
27 subsection (1) to intermediate districts according to the  
28 department's early on funding formula utilized to distribute the  
29 federal award to Michigan under part C of the individuals with



1 disabilities education act, Public Law 108-446. Funds received  
2 under this section must not supplant existing funds or resources  
3 allocated for early on early intervention services. An intermediate  
4 district receiving funds under this section shall maximize the  
5 capture of Medicaid funds to support early on early intervention  
6 services to the extent possible.

7 (5) Each intermediate district that receives funds under this  
8 section shall report data and other information to the department  
9 in a form, manner, and frequency prescribed by the department to  
10 allow for monitoring and evaluation of the program and to ensure  
11 that the children described in subsection (1) received appropriate  
12 levels and types of services delivered by qualified personnel,  
13 based on the individual needs of the children and their families.

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

17 (7) Grant funds awarded and allocated to an intermediate  
18 district under this section must be expended by the grant recipient  
19 before June 30 of the fiscal year immediately following the fiscal  
20 year in which the funds were received.

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

22 (a) "Membership" means for a particular fiscal year the total  
23 membership of the intermediate district and the districts  
24 constituent to the intermediate district, except that if a district  
25 has elected not to come under part 30 of the revised school code,  
26 MCL 380.1711 to 380.1741, membership of the district is not  
27 included in the membership of the intermediate district.

28 (b) "Millage levied" means the millage levied for special  
29 education under part 30 of the revised school code, MCL 380.1711 to



1 380.1741, including a levy for debt service obligations.

2 (c) "Taxable value" means the total taxable value of the  
3 districts constituent to an intermediate district, except that if a  
4 district has elected not to come under part 30 of the revised  
5 school code, MCL 380.1711 to 380.1741, taxable value of the  
6 district is not included in the taxable value of the intermediate  
7 district.

8 (2) From the allocation under section 51a(1), there is  
9 allocated an amount not to exceed \$40,008,100.00 for ~~2021-2022~~  
10 **2022-2023** and an amount not to exceed \$40,008,100.00 for ~~2022-2023~~  
11 **2023-2024** to reimburse intermediate districts levying millages for  
12 special education under part 30 of the revised school code, MCL  
13 380.1711 to 380.1741. The purpose, use, and expenditure of the  
14 reimbursement are limited as if the funds were generated by these  
15 millages and governed by the intermediate district plan adopted  
16 under article 3 of the revised school code, MCL 380.1701 to  
17 380.1761. As a condition of receiving funds under this section, an  
18 intermediate district distributing any portion of special education  
19 millage funds to its constituent districts must submit for  
20 departmental approval and implement a distribution plan.

21 (3) Except as otherwise provided in this subsection,  
22 reimbursement for those millages levied in ~~2020-2021-2021-2022~~ is  
23 made in ~~2021-2022-2022-2023~~ at an amount per ~~2020-2021-2021-2022~~  
24 membership pupil computed by subtracting from ~~\$218,200.00~~  
25 **\$230,000.00** the ~~2020-2021-2021-2022~~ taxable value behind each  
26 membership pupil and multiplying the resulting difference by the  
27 2020-2021 millage levied, and then subtracting from that amount the  
28 ~~2020-2021-2021-2022~~ local community stabilization share revenue for  
29 special education purposes behind each membership pupil for



1 reimbursement of personal property exemption loss under the local  
 2 community stabilization authority act, 2014 PA 86, MCL 123.1341 to  
 3 123.1362. Reimbursement in ~~2021-2022-2022-2023~~ for an intermediate  
 4 district whose 2017-2018 allocation was affected by the operation  
 5 of subsection (5) is an amount equal to 102.5% of the 2017-2018  
 6 allocation to that intermediate district.

7 (4) Except as otherwise provided in this subsection,  
 8 reimbursement for those millages levied in ~~2021-2022-2022-2023~~ is  
 9 made in ~~2022-2023-2023-2024~~ at an amount per ~~2021-2022-2022-2023~~  
 10 membership pupil computed by subtracting from ~~\$229,600.00~~  
 11 **\$241,100.00** the ~~2021-2022-2022-2023~~ taxable value behind each  
 12 membership pupil and multiplying the resulting difference by the  
 13 ~~2021-2022-2022-2023~~ millage levied, and then subtracting from that  
 14 amount the ~~2021-2022-2022-2023~~ local community stabilization share  
 15 revenue for special education purposes and ~~2021-2022-2022-2023~~ tax  
 16 increment revenues captured by a brownfield redevelopment authority  
 17 created under the brownfield redevelopment financing act, 1996 PA  
 18 381, MCL 125.2651 to 125.2670, behind each membership pupil for  
 19 reimbursement of personal property exemption loss under the local  
 20 community stabilization authority act, 2014 PA 86, MCL 123.1341 to  
 21 123.1362, and reimbursements paid under section 26d for tax  
 22 increment revenues captured by a brownfield redevelopment authority  
 23 under the brownfield redevelopment financing act, 1996 PA 381, MCL  
 24 125.2651 to 125.2670. Reimbursement in ~~2022-2023-2023-2024~~ for an  
 25 intermediate district whose 2017-2018 allocation was affected by  
 26 the operation of subsection (5) is an amount equal to 102.5% of the  
 27 2017-2018 allocation to that intermediate district.

28 (5) The department shall ensure that the amount paid to a  
 29 single intermediate district under subsection (2) does not exceed



1 62.9% of the total amount allocated under subsection (2).

2 (6) The department shall ensure that the amount paid to a  
3 single intermediate district under subsection (2) is not less than  
4 75% of the amount allocated to the intermediate district under  
5 subsection (2) for the immediately preceding fiscal year.

6 (7) From the allocation under section 51a(1), there is  
7 allocated an amount not to exceed \$34,200,000.00 for ~~2021-2022~~  
8 **2022-2023** and an amount not to exceed ~~\$34,200,000.00~~ **\$68,400,000.00**  
9 for ~~2022-2023, 2023-2024 only~~, to provide payments to intermediate  
10 districts levying millages for special education under part 30 of  
11 the revised school code, MCL 380.1711 to 380.1741. **The funds**  
12 **allocated under this subsection for 2023-2024 are to be spent over**  
13 **2 fiscal years.** The purpose, use, and expenditure of the payments  
14 under this subsection are limited as if the funds were generated by  
15 these millages and governed by the intermediate district plan  
16 adopted under article 3 of the revised school code, MCL 380.1701 to  
17 380.1761. The department shall provide a payment under this  
18 subsection to each intermediate district described in this  
19 subsection as follows:

20 (a) For ~~2021-2022, 2022-2023~~, except as otherwise provided in  
21 this subsection, for an intermediate district with a 3-year average  
22 special education millage revenue per pupil in the immediately  
23 preceding fiscal year that is less than \$251.00 and that is levying  
24 at least 46.2% but less than 60.0% of its maximum millage rate  
25 allowed under section 1724a of the revised school code, MCL  
26 380.1724a, an amount computed by subtracting from \$251.00 the 3-  
27 year average special education millage revenue per pupil in the  
28 immediately preceding fiscal year and, only if the millage levied  
29 by the intermediate district is less than 1, multiplying that



1 amount by the number of mills levied divided by 1, and then  
2 multiplying that amount by the 3-year average membership in the  
3 immediately preceding fiscal year, and then subtracting from that  
4 amount the amount allocated under subsection (2) for the current  
5 fiscal year. If the calculation under this subdivision results in  
6 an amount below zero, there is no payment under this subdivision.

7 (b) For ~~2021-2022,~~ **2022-2023**, except as otherwise provided in  
8 this subsection, for an intermediate district with a 3-year average  
9 special education millage revenue per pupil in the immediately  
10 preceding fiscal year that is less than ~~\$281.00~~ **\$296.00** and that is  
11 levying at least 60.0% of its maximum millage rate allowed under  
12 section 1724a of the revised school code, MCL 380.1724a, an amount  
13 computed by subtracting from ~~\$281.00~~ **\$296.00** the 3-year average  
14 special education millage revenue per pupil in the immediately  
15 preceding fiscal year, and, only if the millage levied by the  
16 intermediate district is less than 1, multiplying that amount by  
17 the number of mills levied divided by 1, and then multiplying that  
18 amount by the 3-year average membership in the immediately  
19 preceding fiscal year, and then subtracting from that amount the  
20 amount allocated under subsection (2) for the current fiscal year.  
21 If the calculation under this subdivision results in an amount  
22 below zero, there is no payment under this subdivision.

23 (c) For ~~2022-2023,~~ **2023-2024**, except as otherwise provided in  
24 this subsection, for an intermediate district with a 3-year average  
25 special education millage revenue per pupil in the immediately  
26 preceding fiscal year that is less than \$251.00 and that is levying  
27 at least 46.2% but less than 60.0% of its maximum millage rate  
28 allowed under section 1724a of the revised school code, MCL  
29 380.1724a, an amount computed by subtracting from \$251.00 the 3-



1 year average special education millage revenue per pupil in the  
 2 immediately preceding fiscal year and, only if the millage levied  
 3 by the intermediate district is less than 1, multiplying that  
 4 amount by the number of mills levied divided by 1, and then  
 5 multiplying that amount by the 3-year average membership in the  
 6 immediately preceding fiscal year, and then subtracting from that  
 7 amount the amount allocated under subsection (2) for the current  
 8 fiscal year. If the calculation under this subdivision results in  
 9 an amount below zero, there is no payment under this subdivision.

10 (d) For ~~2022-2023~~, **2023-2024**, except as otherwise provided in  
 11 this subsection, for an intermediate district with a 3-year average  
 12 special education millage revenue per pupil in the immediately  
 13 preceding fiscal year that is less than \$296.00 and that is levying  
 14 at least 60.0% of its maximum millage rate allowed under section  
 15 1724a of the revised school code, MCL 380.1724a, an amount computed  
 16 by subtracting from \$296.00 the 3-year average special education  
 17 millage revenue per pupil in the immediately preceding fiscal year,  
 18 and, only if the millage levied by the intermediate district is  
 19 less than 1, multiplying that amount by the number of mills levied  
 20 divided by 1, and then multiplying that amount by the 3-year  
 21 average membership in the immediately preceding fiscal year, and  
 22 then subtracting from that amount the amount allocated under  
 23 subsection (2) for the current fiscal year. If the calculation  
 24 under this subdivision results in an amount below zero, there is no  
 25 payment under this subdivision.

26 **(8) The funds allocated under subsection (7) for 2023-2024 are**  
 27 **a work project appropriation, and any unexpended funds for 2023-**  
 28 **2024 are carried forward into 2024-2025. The purpose of the work**  
 29 **project is to continue to provide a special education millage**



1 **incentive. The estimated completion date of the work project is**  
2 **September 30, 2025.**

3 (9) ~~(8)~~—As used in subsection (7):

4 (a) "3-year average membership" means the 3-year average pupil  
5 membership for each of the 3 most recent fiscal years.

6 (b) "3-year average special education millage revenue per  
7 pupil" means the 3-year average taxable value per mill levied  
8 behind each membership pupil for each of the 3 most recent fiscal  
9 years multiplied by the millage levied in the most recent fiscal  
10 year.

11 (10) **After making allocations to eligible intermediate**  
12 **districts under subsections (3), (4), and (7), if funds remain**  
13 **unallocated from the allocation under subsections (2), the**  
14 **department must allocate remaining funds to intermediate districts**  
15 **proportional to the amounts allocated to intermediate districts**  
16 **under subsections (3) and (4).**

17 Sec. 61a. (1) From the state school aid fund money  
18 appropriated in section 11, there is allocated an amount not to  
19 exceed \$47,611,300.00 for ~~2022-2023~~**2023-2024** only to reimburse on  
20 an added cost basis districts, except for a district that served as  
21 the fiscal agent for a vocational education consortium in the 1993-  
22 94 school year and that has a foundation allowance as calculated  
23 under section 20 greater than the target foundation allowance under  
24 that section, and secondary area vocational-technical education  
25 centers for secondary-level career and technical education programs  
26 according to rules approved by the superintendent. It is the intent  
27 of the legislature that, for ~~2023-2024~~**2024-2025**, the allocation  
28 from the state school aid fund money appropriated in section 11 for  
29 purposes described in this subsection will be \$37,611,300.00.



1 Applications for participation in the programs must be submitted in  
2 the form prescribed by the department. The department shall  
3 determine the added cost for each career and technical education  
4 program area. The department shall prioritize the allocation of  
5 added cost funds based on the capital and program expenditures  
6 needed to operate the career and technical education programs  
7 provided; the number of pupils enrolled; the advancement of pupils  
8 through the instructional program; the existence of an articulation  
9 agreement with at least 1 postsecondary institution that provides  
10 pupils with opportunities to earn postsecondary credit during the  
11 pupil's participation in the career and technical education program  
12 and transfers those credits to the postsecondary institution upon  
13 completion of the career and technical education program; and the  
14 program rank in student placement, job openings, and wages, and  
15 shall ensure that the allocation does not exceed 75% of the added  
16 cost of any program. Notwithstanding any rule or department  
17 determination to the contrary, when determining a district's  
18 allocation or the formula for making allocations under this  
19 section, the department shall include the participation of pupils  
20 in grade 9 in all of those determinations and in all portions of  
21 the formula. With the approval of the department, the board of a  
22 district maintaining a secondary career and technical education  
23 program may offer the program for the period from the close of the  
24 school year until September 1. The program shall use existing  
25 facilities and must be operated as prescribed by rules promulgated  
26 by the superintendent.

27 (2) Except for a district that served as the fiscal agent for  
28 a vocational education consortium in the 1993-94 school year, the  
29 department shall reimburse districts and intermediate districts for



1 local career and technical education administration, shared time  
2 career and technical education administration, and career education  
3 planning district career and technical education administration.  
4 The superintendent shall adopt guidelines for the definition of  
5 what constitutes administration and shall make reimbursement  
6 pursuant to those guidelines. The department shall not distribute  
7 more than \$800,000.00 of the allocation in subsection (1) under  
8 this subsection.

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

14 Sec. 61b. (1) From the state school aid fund money  
15 appropriated under section 11, there is allocated for ~~2022-2023~~  
16 **2023-2024** an amount not to exceed \$8,000,000.00 for CTE early  
17 middle college and CTE dual enrollment programs authorized under  
18 this section and for planning grants for the development or  
19 expansion of CTE early middle college programs. The purpose of  
20 these programs is to increase the number of Michigan residents with  
21 high-quality degrees or credentials, and to increase the number of  
22 students who are college and career ready upon high school  
23 graduation.

24 (2) From the funds allocated under subsection (1), the  
25 department shall allocate an amount as determined under this  
26 subsection to each intermediate district serving as a fiscal agent  
27 for state-approved CTE early middle college and CTE dual enrollment  
28 programs in each of the career education planning districts  
29 identified by the department. An intermediate district shall not



1 use more than 5% of the funds allocated under this subsection for  
2 administrative costs for serving as the fiscal agent.

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

6 (a) Distribute funds to eligible CTE early middle college and  
7 CTE dual enrollment programs in a career education planning  
8 district as described in this section.

9 (b) Collaborate with the career and educational advisory  
10 council in the workforce development board service delivery area to  
11 develop 1 regional strategic plan under subsection (4) that aligns  
12 CTE programs and services into an efficient and effective delivery  
13 system for high school students. The department will align career  
14 education planning districts, workforce development board service  
15 delivery areas, and intermediate districts for the purpose of  
16 creating 1 regional strategic plan for each workforce development  
17 board service delivery area.

18 (c) Implement a regional process to rank career clusters in  
19 the workforce development board service delivery area as described  
20 under subsection (4). Regional processes must be approved by the  
21 department before the ranking of career clusters.

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

25 (e) The local education agency responsible for student  
26 reporting in the Michigan student data system (MSDS) will report  
27 the total number of college credits the student earned, at the time  
28 of high school graduation, as determined by the department and the  
29 center.



1 (f) The local education agency will report each award outcome  
2 in the Michigan student data system (MSDS) that the CTE early  
3 middle college student attained. For purposes of this subsection,  
4 an on-track CTE early middle college graduate is a graduate who  
5 obtained their high school diploma and at least 1 of the following:

6 (i) An associate's degree.

7 (ii) 60 transferrable college credits.

8 (iii) Professional certification.

9 (iv) A Michigan Early Middle College Association certificate.

10 (v) Participation in a registered apprenticeship.

11 (4) A regional strategic plan must be approved by the career  
12 and educational advisory council before submission to the  
13 department. A regional strategic plan must include, but is not  
14 limited to, the following:

15 (a) An identification of regional employer need based on a  
16 ranking of all career clusters in the workforce development board  
17 service delivery area ranked by 10-year projections of annual job  
18 openings and median wage for each standard occupational code in  
19 each career cluster as obtained from the United States Bureau of  
20 Labor Statistics. Standard occupational codes within high-ranking  
21 clusters also may be further ranked by median wage and annual job  
22 openings. The career and educational advisory council located in  
23 the workforce development board service delivery area shall review  
24 the rankings and modify them if necessary to accurately reflect  
25 employer demand for talent in the workforce development board  
26 service delivery area. A career and educational advisory council  
27 shall document that it has conducted this review and certify that  
28 it is accurate. These career cluster rankings must be determined  
29 and updated once every 4 years.



1 (b) An identification of educational entities in the workforce  
2 development board service delivery area that will provide eligible  
3 CTE early middle college and CTE dual enrollment programs including  
4 districts, intermediate districts, postsecondary institutions, and  
5 noncredit occupational training programs leading to an industry-  
6 recognized credential.

7 (c) A strategy to inform parents and students of CTE early  
8 middle college and CTE dual enrollment programs in the workforce  
9 development board service delivery area.

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

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

13 (a) Has been identified in the highest 5 career cluster  
14 rankings in any of the 16 workforce development board service  
15 delivery area strategic plans jointly approved by the department of  
16 labor and economic opportunity and the department.

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

20 (i) For CTE early middle college, outcomes as defined in  
21 subsection (3)(f).

22 (ii) For CTE dual enrollment, 1 of the following:

23 (A) An associate degree.

24 (B) An industry-recognized technical certification approved by  
25 the department of labor and economic opportunity.

26 (C) Up to 60 transferable college credits.

27 (D) Participation in a registered apprenticeship, pre-  
28 apprenticeship, or apprentice readiness program.

29 (c) Is aligned with the Michigan merit curriculum.



1 (d) Has an articulation or a college credit agreement with at  
2 least 1 postsecondary institution that provides students with  
3 opportunities to receive postsecondary credits during the student's  
4 participation in the CTE early middle college or CTE dual  
5 enrollment program and transfers those credits to the postsecondary  
6 institution upon completion of the CTE early middle college or CTE  
7 dual enrollment program.

8 (e) Provides instruction that is supervised, directed, or  
9 coordinated by an appropriately certificated CTE teacher or, for  
10 concurrent enrollment courses, a postsecondary faculty member.

11 (f) Provides for highly integrated student support services  
12 that include at least the following:

13 (i) Teachers as academic advisors.

14 (ii) Supervised course selection.

15 (iii) Monitoring of student progress and completion.

16 (iv) Career planning services provided by a local one-stop  
17 service center as described in the Michigan works one-stop service  
18 center system act, 2006 PA 491, MCL 408.111 to 408.135, or by a  
19 high school counselor or advisor.

20 (g) Has courses that are taught on a college campus, are  
21 college courses offered at the high school and taught by college  
22 faculty, or are courses taught in combination with online  
23 instruction.

24 (6) The department shall distribute funds to eligible CTE  
25 early middle college and CTE dual enrollment programs as follows:

26 (a) The department shall determine statewide average CTE costs  
27 per pupil for each CIP code program by calculating statewide  
28 average costs for each CIP code program for the 3 most recent  
29 fiscal years.



1 (b) The distribution to each eligible CTE early middle college  
2 or CTE dual enrollment program is the product of 50% of CTE costs  
3 per pupil times the pupil enrollment of each eligible CTE early  
4 middle college or CTE dual enrollment program in the immediately  
5 preceding school year.

6 (7) In order to receive funds under this section, a CTE early  
7 middle college or CTE dual enrollment program shall furnish to the  
8 intermediate district that is the fiscal agent identified in  
9 subsection (2), in a form and manner determined by the department,  
10 all information needed to administer this program and meet federal  
11 reporting requirements; shall allow the department or the  
12 department's designee to review all records related to the program  
13 for which it receives funds; and shall reimburse the state for all  
14 disallowances found in the review, as determined by the department.

15 (8) There is allocated for ~~2022-2023~~**2023-2024** from the funds  
16 under subsection (1) an amount not to exceed \$500,000.00 from the  
17 state school aid fund allocation for grants to intermediate  
18 districts or consortia of intermediate districts for the purpose of  
19 planning for new or expanded early middle college programs.  
20 Applications for grants must be submitted in a form and manner  
21 determined by the department. The amount of a grant under this  
22 subsection must not exceed \$50,000.00. To be eligible for a grant  
23 under this subsection, an intermediate district or consortia of  
24 intermediate districts must provide matching funds equal to the  
25 grant received under this subsection. Notwithstanding section 17b,  
26 the department shall make payments under this subsection in the  
27 manner determined by the department.

28 (9) Funds distributed under this section may be used to fund  
29 program expenditures that would otherwise be paid from foundation



1 allowances. A program receiving funding under section 61a may  
2 receive funding under this section for allowable costs that exceed  
3 the reimbursement the program received under section 61a. The  
4 combined payments received by a program under section 61a and this  
5 section must not exceed the total allowable costs of the program. A  
6 program provider shall not use more than 5% of the funds allocated  
7 under this section to the program for administrative costs.

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

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

18 (12) As used in this section:

19 (a) "Allowable costs" means those costs directly attributable  
20 to the program as jointly determined by the department of labor and  
21 economic opportunity and the department.

22 (b) "Career and educational advisory council" means an  
23 advisory council to the local workforce development boards located  
24 in a workforce development board service delivery area consisting  
25 of educational, employer, labor, and parent representatives.

26 (c) "CIP" means classification of instructional programs.

27 (d) "CTE" means career and technical education programs.

28 (e) "CTE dual enrollment program" means a 4-year high school  
29 program of postsecondary courses offered by eligible postsecondary



1 educational institutions that leads to an industry-recognized  
2 certification or degree.

3 (f) "Early middle college program" means a 5-year high school  
4 program.

5 (g) "Eligible postsecondary educational institution" means  
6 that term as defined in section 3 of the career and technical  
7 preparation act, 2000 PA 258, MCL 388.1903.

8 Sec. 61c. (1) From the state school aid fund money  
9 appropriated in section 11, there is allocated for ~~2022-2023~~**2023-**  
10 **2024** only an amount not to exceed ~~\$7,500,000.00~~**\$15,000,000.00** to  
11 ~~eligible-career~~ education planning districts for the purposes  
12 described in this section. ~~To be eligible to receive funding under~~  
13 ~~this section, at least 50% of the area served by a CEPD must be~~  
14 ~~located in an intermediate district that did not levy a vocational~~  
15 ~~education millage in 2022.~~

16 (2) To receive funding under subsection (1), each ~~eligible~~  
17 CEPD must apply in a form and manner prescribed by the department.  
18 Funding to each ~~eligible~~ CEPD must be equal to the ~~quotient of the~~  
19 ~~allocation under subsection (1) and the sum of the number of career~~  
20 ~~education planning districts applying for funding under subsection~~  
21 ~~(1) that are located in an intermediate district that did not levy~~  
22 ~~a vocational education millage in 2022.~~**proportionate to the number**  
23 **of state-approved CTE programs, based on program serial numbers,**  
24 **excluding early middle college programs, within the CEPD in 2023,**  
25 **except that a CEPD for which at least 50% of the area served by the**  
26 **CEPD is located in an intermediate district that did not levy a**  
27 **millage for area vocational-technical education in 2023 must**  
28 **receive twice the allocation as otherwise calculated under this**  
29 **subsection.**



1           (3) At least 50% of the funding allocated to each ~~eligible~~  
2 CEPD **under this section** must be used to update equipment in current  
3 **state-approved** CTE programs that have been identified in the  
4 highest 5 career cluster rankings **in any of the prosperity regions**  
5 in the most recent CEPD regional strategic plans jointly approved  
6 by ~~the Michigan talent investment agency in the~~ department of labor  
7 and economic opportunity and the department; ~~for~~ training on new  
8 equipment; ~~for~~ professional development relating to computer  
9 science or coding **or new equipment purchases; for the replacement**  
10 **of old or outdated equipment or new equipment in existing state-**  
11 **approved CTE programs that align with new technology used in**  
12 **industries;** or for new and emerging certified **state-approved** CTE  
13 programs to allow CEPD administrators to provide programming in  
14 communities that will enhance economic development. The funding for  
15 equipment should be used to support and enhance community areas  
16 that have sustained job growth, and act as a commitment to build a  
17 more qualified and skilled workforce. In addition, each CEPD is  
18 encouraged to explore the option of leasing equipment from local  
19 private industry to encourage the use of the most advanced  
20 equipment.

21           (4) The allocation of funds **under this section** at the local  
22 level must be determined by CEPD administrators using data from the  
23 state, region, and local sources to make well-informed decisions on  
24 program equipment improvements. Grants awarded by CEPD  
25 administrators for capital infrastructure **costs related to the**  
26 **purchase of new equipment** must be used to ensure that **state-**  
27 **approved** CTE programs can deliver educational programs in high-  
28 wage, high-skill, and high-demand occupations. Each CEPD shall  
29 continue to ensure that program advisory boards make



1 recommendations on needed improvements for equipment that support  
2 job growth and job skill development and retention for both the  
3 present and the future.

4 (5) Not later than ~~September~~**December** 15 of each fiscal year,  
5 each CEPD receiving funding shall annually report to the  
6 department, the senate and house appropriations subcommittees on  
7 school aid, the senate and house fiscal agencies, and **the**  
8 legislature on equipment purchased under subsection (1). In  
9 addition, the report must identify growth data on program  
10 involvement, retention, and development of student skills.

11 (6) As used in this section:

12 (a) "CEPD" means a career education planning district  
13 described in this section.

14 (b) "CTE" means career and technical education.

15 Sec. 61d. (1) From the appropriation in section 11, there is  
16 allocated for ~~2022-2023~~**2023-2024** an amount not to exceed  
17 \$5,000,000.00 from the state school aid fund for additional  
18 payments to districts for career and technical education programs  
19 for the purpose of increasing the number of Michigan residents with  
20 high-quality degrees or credentials, and to increase the number of  
21 pupils who are college- and career-ready upon high school  
22 graduation.

23 (2) The department shall calculate payments to districts under  
24 this section in the following manner:

25 (a) A payment of \$35.00 multiplied by the number of pupils in  
26 grades 9 to 12 who are counted in membership in the district and  
27 are enrolled in at least 1 career and technical education program.

28 (b) An additional payment of \$35.00 multiplied by the number  
29 of pupils in grades 9 to 12 who are counted in membership in the



1 district and are enrolled in at least 1 career and technical  
2 education program that provides instruction in critical skills and  
3 high-demand career fields.

4 (3) If the allocation under subsection (1) is insufficient to  
5 fully fund payments under subsection (2), the department shall  
6 prorate payments under this section on an equal per-pupil basis.

7 ~~(4) If a student attends a career and technical education~~  
8 ~~program at an intermediate district, the payment under subsection~~  
9 ~~(2) attributable to that student must be split equally between the~~  
10 ~~intermediate district providing the program and the district that~~  
11 ~~counts the student in membership.~~

12 (4) ~~(5)~~As used in this section:

13 (a) "Career and technical education program" means a state-  
14 approved career and technical education program, as determined by  
15 the department.

16 (b) "Career and technical education program that provides  
17 instruction in critical skills and high-demand career field" means  
18 a career and technical education program classified under any of  
19 the following 2-digit classification of instructional programs  
20 (CIP) codes:

21 (i) 01, which refers to "agriculture, agriculture operations,  
22 and related sciences".

23 (ii) 03, which refers to "natural resources and conservation".

24 (iii) 10 through 11, which refers to "communications  
25 technologies/technicians and support services" and "computer and  
26 information sciences and support services".

27 (iv) 14 through 15, which refers to "engineering" and  
28 "engineering technologies and engineering-related fields".

29 (v) 26, which refers to "biological and biomedical sciences".



1 (vi) 46 through 48, which refers to "construction trades",  
2 "mechanic and repair technologies/technicians", and "precision  
3 production".

4 (vii) 51, which refers to "health professions and related  
5 programs".

6 Sec. 62. (1) For the purposes of this section:

7 (a) "Membership" means for a particular fiscal year the total  
8 membership of the intermediate district and the districts  
9 constituent to the intermediate district or the total membership of  
10 the area vocational-technical program, except that if a district  
11 has elected not to come under sections 681 to 690 of the revised  
12 school code, MCL 380.681 to 380.690, the membership of that  
13 district are not included in the membership of the intermediate  
14 district. However, the membership of a district that has elected  
15 not to come under sections 681 to 690 of the revised school code,  
16 MCL 380.681 to 380.690, is included in the membership of the  
17 intermediate district if the district meets both of the following:

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

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

26 (b) "Millage levied" means the millage levied for area  
27 vocational-technical education under sections 681 to 690 of the  
28 revised school code, MCL 380.681 to 380.690, including a levy for  
29 debt service obligations incurred as the result of borrowing for



1 capital outlay projects and in meeting capital projects fund  
2 requirements of area vocational-technical education.

3 (c) "Taxable value" means the total taxable value of the  
4 districts constituent to an intermediate district or area  
5 vocational-technical education program, except that if a district  
6 has elected not to come under sections 681 to 690 of the revised  
7 school code, MCL 380.681 to 380.690, the taxable value of that  
8 district is not included in the taxable value of the intermediate  
9 district. However, the taxable value of a district that has elected  
10 not to come under sections 681 to 690 of the revised school code,  
11 MCL 380.681 to 380.690, is included in the taxable value of the  
12 intermediate district if the district meets both of the following:

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

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

21 (2) From the appropriation in section 11, there is allocated  
22 an amount not to exceed \$9,190,000.00 each fiscal year for ~~2021-~~  
23 ~~2022-2022-2023~~ and for ~~2022-2023-2023-2024~~ to reimburse  
24 intermediate districts and area vocational-technical education  
25 programs established under section 690(3) of the revised school  
26 code, MCL 380.690, levying millages for area vocational-technical  
27 education under sections 681 to 690 of the revised school code, MCL  
28 380.681 to 380.690. The purpose, use, and expenditure of the  
29 reimbursement are limited as if the funds were generated by those



1 millages.

2 (3) Reimbursement for those millages levied in ~~2020-2021-2021-~~  
 3 ~~2022~~ is made in ~~2021-2022-2022-2023~~ at an amount per ~~2020-2021~~  
 4 ~~2021-2022~~ membership pupil computed by subtracting from ~~\$227,300.00~~  
 5 ~~\$238,000.00~~ the ~~2020-2021-2021-2022~~ taxable value behind each  
 6 membership pupil and multiplying the resulting difference by the  
 7 ~~2020-2021-2021-2022~~ millage levied, and then subtracting from that  
 8 amount the ~~2020-2021-2021-2022~~ local community stabilization share  
 9 revenue for area vocational technical education behind each  
 10 membership pupil for reimbursement of personal property exemption  
 11 loss under the local community stabilization authority act, 2014 PA  
 12 86, MCL 123.1341 to 123.1362.

13 (4) Reimbursement for those millages levied in ~~2021-2022-2022-~~  
 14 ~~2023~~ is made in ~~2022-2023-2023-2024~~ at an amount per ~~2021-2022~~  
 15 ~~2022-2023~~ membership pupil computed by subtracting from ~~\$237,500.00~~  
 16 ~~\$249,300.00~~ the ~~2021-2022-2022-2023~~ taxable value behind each  
 17 membership pupil and multiplying the resulting difference by the  
 18 ~~2021-2022-2022-2023~~ millage levied, and then subtracting from that  
 19 amount the ~~2021-2022-2022-2023~~ local community stabilization share  
 20 revenue for area vocational technical education and ~~2021-2022-2022-~~  
 21 ~~2023~~ tax increment revenues captured by a brownfield redevelopment  
 22 authority created under the brownfield redevelopment financing act,  
 23 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil  
 24 for reimbursement of personal property exemption loss under the  
 25 local community stabilization authority act, 2014 PA 86, MCL  
 26 123.1341 to 123.1362, and reimbursements paid under section 26d for  
 27 tax increment revenues captured by a brownfield redevelopment  
 28 authority under the brownfield redevelopment financing act, 1996 PA  
 29 381, MCL 125.2651 to 125.2670.



1 (5) The department shall ensure that the amount paid to a  
2 single intermediate district under this section does not exceed  
3 38.4% of the total amount allocated under subsection (2).

4 (6) The department shall ensure that the amount paid to a  
5 single intermediate district under this section is not less than  
6 75% of the amount allocated to the intermediate district under this  
7 section for the immediately preceding fiscal year.

8 Sec. 65. (1) From the appropriation under section 11, there is  
9 allocated an amount not to exceed \$900,000.00 for ~~2022-2023-2023-~~  
10 **2024** only for a pre-college engineering K-12 educational program  
11 that is focused on the development of a diverse future Michigan  
12 workforce, that serves multiple communities within southeast  
13 Michigan, that enrolls pupils from multiple districts, and that  
14 received funds appropriated for this purpose in the appropriations  
15 act that provided the Michigan strategic fund budget for 2014-2015.  
16 ~~It is the intent of the legislature that, for 2023-2024, the~~  
17 ~~allocation from the state school aid fund money appropriated in~~  
18 ~~section 11 for purposes described in this section will be~~  
19 ~~\$400,000.00.~~

20 (2) To be eligible for funding under this section, a program  
21 must have the ability to expose pupils to, and motivate and prepare  
22 pupils for, science, technology, engineering, and mathematics  
23 careers and postsecondary education with special attention given to  
24 groups of pupils who are at-risk and underrepresented in technical  
25 professions and careers.

26 Sec. 67. (1) From the general fund money appropriated in  
27 section 11, there is allocated an amount not to exceed  
28 \$3,000,000.00 for ~~2022-2023-2023-~~**2024** for college access programs.  
29 The programs funded under this section are intended to inform



1 students of college and career options and to provide resources  
2 intended to increase the number of pupils who are adequately  
3 prepared with the information needed to make informed decisions on  
4 college and career. The funds appropriated under this section are  
5 intended to be used to increase the number of Michigan residents  
6 with high-quality degrees or credentials. Funds appropriated under  
7 this section must not be used to supplant funding for counselors  
8 already funded by districts.

9 (2) The department of labor and economic opportunity shall  
10 administer funds allocated under this section in collaboration with  
11 the Michigan college access network. These funds may be used for  
12 any of the following purposes:

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

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

19 (c) The Michigan college advising program, a program intended  
20 to place trained, recently graduated college advisors in high  
21 schools that serve significant numbers of low-income and first-  
22 generation college-going pupils. State funds used for this purpose  
23 may not exceed 33% of the total funds available under this  
24 subsection.

25 (d) Subgrants of up to \$5,000.00 to districts with  
26 comprehensive high schools that establish a college access team and  
27 implement specific strategies to create a college-going culture in  
28 a high school in a form and manner approved by the Michigan college  
29 access network and the department of labor and economic



1 opportunity.

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

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

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

13 (3) For the purposes of this section, "college" means any  
14 postsecondary educational opportunity that leads to a career,  
15 including, but not limited to, a postsecondary degree, industry-  
16 recognized technical certification, or registered apprenticeship.

17 **Sec. 67f. (1) From the state school aid fund money**  
18 **appropriated in section 11, there is allocated for 2023-2024 only**  
19 **an amount not to exceed \$15,000,000.00 for the FAFSA completion**  
20 **challenge. Funds allocated under this section must be distributed**  
21 **to districts to improve FAFSA completion rates.**

22 (2) To be eligible to receive funding under this section, each  
23 district must apply in a form and manner prescribed by the  
24 department. As part of the application, the district must  
25 demonstrate to the department that each high school from the  
26 applying district receiving funds under this section has a data-use  
27 agreement on file with the department of treasury naming at least 1  
28 data receiver designee to access student-level data regarding FAFSA  
29 completion.



1 (3) By not later than November 30, 2023, the department must  
2 pay, from funds allocated under this section, each eligible  
3 district an amount not to exceed \$50.00 multiplied by the number of  
4 students enrolled and attending grade 12 in the district. The  
5 receiving district must use funds received under this subsection  
6 for participation in and implementation of activities that are  
7 known to drive FAFSA completion, as determined by the department,  
8 in collaboration with the Michigan College Access Network.  
9 Districts may use funds under this subsection to purchase gift  
10 cards of \$50.00 to be disbursed for students who have submitted  
11 their FAFSA on or prior to May 1, 2024.

12 (4) By not later than May 31, 2024, the department must pay,  
13 from funds allocated under this section, each eligible district an  
14 amount not to exceed \$50.00 multiplied by the number of students  
15 enrolled and attending grade 12 in the district who submitted a  
16 FAFSA on or prior to May 1, 2024. The district must use funds  
17 received under this subsection for the purchase and distribution of  
18 gift cards for grade 12 students who submitted their FAFSA on or  
19 prior to May 1, 2024. For purposes of this subsection, the amount  
20 of funding a district used from subsection (3) to purchase gift  
21 cards up to \$50.00 for each student who submitted their FAFSA on or  
22 prior to May 1, 2024 must be used for participation in and  
23 implementation of activities that are known to drive FAFSA  
24 completion, as determined by the department, in collaboration with  
25 the Michigan College Access Network.

26 (5) By not later than August 1, 2024, the department must pay,  
27 from funds allocated under this section, each eligible district an  
28 amount not to exceed \$50.00 multiplied by the number of students  
29 enrolled and attending grade 12 in the district who submitted a



1 FAFSA prior to June 30, 2024. Funds received under this subsection  
 2 may be used for discretionary purposes, as determined by the  
 3 districts, though districts are encouraged to use funds received  
 4 under this subsection to continue work to improve FAFSA completion  
 5 rates.

6 (6) The department must collaborate with the department of  
 7 treasury to verify eligible FAFSA completion counts for the  
 8 purposes of calculating payments under subsections (4) and (5).

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

12 (8) As used in the section, "FAFSA" means the free application  
 13 for federal student aid form.

14 Sec. 74. (1) From the state school aid fund money appropriated  
 15 in section 11, there is allocated an amount not to exceed  
 16 ~~\$3,964,800.00~~ **\$3,842,700.00** for ~~2021-2022~~ and there is allocated an  
 17 ~~amount not to exceed \$3,844,200.00 for 2022-2023~~ **2023-2024** for the  
 18 purposes of this section.

19 (2) From the allocation in subsection (1), there is allocated  
 20 for ~~2021-2022~~ and for ~~2022-2023~~ **2023-2024** the amount necessary for  
 21 payments to state supported colleges or universities and  
 22 intermediate districts providing school bus driver safety  
 23 instruction under section 51 of the pupil transportation act, 1990  
 24 PA 187, MCL 257.1851. The department shall make payments in an  
 25 amount determined by the department not to exceed the actual cost  
 26 of instruction and driver compensation for each public or nonpublic  
 27 school bus driver attending a course of instruction. For the  
 28 purpose of computing compensation, the hourly rate allowed each  
 29 school bus driver must not exceed the hourly rate received for



1 driving a school bus. The department shall make reimbursement  
 2 compensating the driver during the course of instruction to the  
 3 college or university or intermediate district providing the course  
 4 of instruction.

5 (3) From the allocation in subsection (1), there is allocated  
 6 for ~~2021-2022 and for 2022-2023~~ **2023-2024** the amount necessary to  
 7 pay the reasonable costs of nonspecial education auxiliary services  
 8 transportation provided under section 1323 of the revised school  
 9 code, MCL 380.1323. Districts funded under this subsection do not  
 10 receive funding under any other section of this article for  
 11 nonspecial education auxiliary services transportation.

12 (4) From the funds allocated in subsection (1), there is  
 13 allocated an amount not to exceed ~~\$1,780,800.00~~ **\$1,817,700.00** for  
 14 ~~2021-2022 and there is allocated an amount not to exceed~~  
 15 ~~\$1,819,200.00 for 2022-2023~~ **2023-2024** for reimbursement to  
 16 districts and intermediate districts for costs associated with the  
 17 inspection of school buses and pupil transportation vehicles by the  
 18 department of state police as required under section 715a of the  
 19 Michigan vehicle code, 1949 PA 300, MCL 257.715a, and section 39 of  
 20 the pupil transportation act, 1990 PA 187, MCL 257.1839. The  
 21 department of state police shall prepare a statement of costs  
 22 attributable to each district for which bus inspections are  
 23 provided and submit it to the department and to an intermediate  
 24 district serving as fiduciary in a time and manner determined  
 25 jointly by the department and the department of state police. Upon  
 26 review and approval of the statement of cost, the department shall  
 27 forward to the designated intermediate district serving as  
 28 fiduciary the amount of the reimbursement on behalf of each  
 29 district and intermediate district for costs detailed on the



1 statement within 45 days after receipt of the statement. The  
 2 designated intermediate district shall make payment in the amount  
 3 specified on the statement to the department of state police within  
 4 45 days after receipt of the statement. The total reimbursement of  
 5 costs under this subsection must not exceed the amount allocated  
 6 under this subsection. Notwithstanding section 17b, the department  
 7 shall make payments to eligible entities under this subsection on a  
 8 schedule prescribed by the department.

9       **Sec. 74b. (1) From the state school aid fund money**  
 10 **appropriated in section 11, there is allocated for 2023-2024 only**  
 11 **an amount not to exceed \$150,000,000.00 for grants under the clean**  
 12 **school bus grant program as described in this section. Funds under**  
 13 **this section must be administered through the department's MI Clean**  
 14 **Fleet Initiative, which supports the conversion of vehicular fleets**  
 15 **to low or no greenhouse gas emissions operations as determined by**  
 16 **the department.**

17       **(2) To receive funding under this section, qualified**  
 18 **recipients must apply for funding in a form and manner prescribed**  
 19 **by the department. Qualified recipients must agree to be responsive**  
 20 **to legitimate and reasonable requests from this state to support**  
 21 **the promotion, education, and operation of EV school buses,**  
 22 **including participating in and offering ride events for the public**  
 23 **and drive events for other school bus drivers as allowed by**  
 24 **insurance.**

25       **(3) The department must award funding under this section on a**  
 26 **prioritization basis, with funds covering 90% of the cost for**  
 27 **prioritized qualified recipients and 70% of costs for**  
 28 **nonprioritized qualified recipients. The department may cap total**  
 29 **funding amounts per qualified recipient. Funding under this section**



1 must not be used for maintenance or operational costs of new or  
2 existing vehicles.

3 (4) The department must establish eligibility standards for  
4 replacement and new bus purchases, including eligibility standards  
5 for which types of buses are eligible for purchase with funds under  
6 this section. For a qualified recipient that is a privately owned  
7 school bus company, the qualified recipient must agree to repay a  
8 portion of amounts received from funds under this section if the  
9 qualified recipient does not maintain a service contract with a  
10 public school district for the useful life of vehicles purchased  
11 with funds under this section. The department must determine a  
12 repayment amount based on the projected useful life of the vehicle  
13 purchased, the number of years in which the privately owned school  
14 bus company maintained a service contract with a public school  
15 district, and the total amount of funding received under this  
16 section.

17 (5) The department must create and publicly post selection  
18 criteria and prioritization of qualified recipients. The department  
19 shall utilize federal Justice40 parameters for this process.  
20 Criteria must give preference to school districts in:

21 (a) National Ambient Air Quality Standards (NAAQS)  
22 nonattainment zones.

23 (b) Environmental justice communities as identified by the  
24 state's MiEJScreen Environmental Justice Screening Tool.

25 (c) Small Area Income and Poverty Estimates (SAIPE) Program  
26 areas.

27 (d) Rural areas as defined by locale codes "43-Rural: Remote"  
28 and "42-Rural: Distant" by the National Center for Education  
29 Statistics.



1 (e) Communities with high free and reduced lunch participation  
2 rates.

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

6 (7) The funds allocated under this section for 2023-2024 are a  
7 work project appropriation, and any unexpended funds for 2023-2024  
8 are carried forward into 2024-2025. The purpose of the work project  
9 is to provide support for qualified recipients to transition to  
10 environmentally friendly transportation vehicles. The estimated  
11 completion date of the work project is September 30, 2027.

12 (8) As used in this section:

13 (a) "Department" means the department of environment, Great  
14 Lakes, and energy.

15 (b) "Qualified recipient" means a district, an intermediate  
16 district, or a privately owned school bus company under contract  
17 with a public school district.

18 Sec. 81. (1) From the state school aid fund money appropriated  
19 in section 11, there is allocated for ~~2022-2023~~**2023-2024** to the  
20 intermediate districts the sum necessary, but not to exceed  
21 ~~\$75,642,600.00~~**\$79,424,700.00** to provide state aid to intermediate  
22 districts under this section.

23 (2) The amount allocated under this section for ~~2022-2023~~  
24 **2023-2024** to each intermediate district is an amount equal to  
25 ~~105.2%~~**105.0%** of the amount allocated to the intermediate district  
26 under this section for ~~2021-2022~~**2022-2023**. An intermediate  
27 district shall use funding provided under this section to comply  
28 with requirements of this article and the revised school code that  
29 are applicable to intermediate districts, and for which funding is



1 not provided elsewhere in this article, and to provide technical  
2 assistance to districts as authorized by the intermediate school  
3 board.

4 (3) Intermediate districts receiving funds under this section  
5 shall collaborate with the department to develop expanded  
6 professional development opportunities for teachers to update and  
7 expand their knowledge and skills needed to support the Michigan  
8 merit curriculum.

9 (4) From the allocation in subsection (1), there is allocated  
10 to an intermediate district, formed by the consolidation or  
11 annexation of 2 or more intermediate districts or the attachment of  
12 a total intermediate district to another intermediate district or  
13 the annexation of all of the constituent K-12 districts of a  
14 previously existing intermediate district which has disorganized,  
15 an additional allotment of \$3,500.00 each fiscal year for each  
16 intermediate district included in the new intermediate district for  
17 3 years following consolidation, annexation, or attachment.

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

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

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

29 (c) Comply with sections 1278a and 1278b of the revised school



1 code, MCL 380.1278a and 380.1278b.

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

5 (e) Comply with section 1230g of the revised school code, MCL  
6 380.1230g.

7 ~~(f) Provide advice, guidance, and leadership to assist all  
8 districts located within its geographic boundaries to assist in the  
9 preparedness and response efforts toward addressing COVID-19. At a  
10 minimum, this must include the coordination and collaboration with  
11 any local public health agency that has jurisdiction within the  
12 intermediate district's geographic boundaries and may include the  
13 coordination of bulk purchasing of personal protective equipment,  
14 technology, or other products or services necessary for students to  
15 return to school.~~

16 ~~(g) Ensure that all districts located within its geographic  
17 boundaries have equitable access to the intermediate district's  
18 coordination activities and services, intermediate district-wide or  
19 regional meetings, regularly scheduled superintendent meetings,  
20 programming, events, email distribution lists, listservs, or other  
21 coordination or collaboration activities organized by or hosted at  
22 the intermediate district. In ensuring that all districts located  
23 within the geographic boundaries of the intermediate district have  
24 equitable access to services, meetings, programming, events, email  
25 distribution lists, listservs, or activities as described in the  
26 immediately preceding sentence, the intermediate district shall  
27 ensure that districts that are public school academies that are  
28 located within its geographic boundaries are not excluded from said  
29 services, meetings, programming, events, email distribution lists,~~



1 ~~listservs, or activities organized by or hosted at the intermediate~~  
2 ~~district if districts that are not public school academies that are~~  
3 ~~located within the geographic boundaries of the intermediate~~  
4 ~~district are not excluded.~~

5       Sec. 94. (1) From the general fund money appropriated in  
6 section 11, there is allocated to the department for ~~2022-2023~~  
7 **2023-2024** an amount not to exceed \$1,200,000.00 for efforts to  
8 increase the number of pupils who participate and succeed in  
9 advanced placement **programs, and** international baccalaureate  
10 programs, **and career and technical education programs,** and to  
11 support the college-level examination program (CLEP).

12       (2) From the funds allocated under this section, the  
13 department shall award funds to cover all or part of the costs of  
14 ~~advanced placement test fees or international baccalaureate test~~  
15 ~~fees and international baccalaureate registration fees~~ **any of the**  
16 **following** for low-income pupils: ~~who take an advanced placement or~~  
17 ~~an international baccalaureate test and CLEP fees for low income~~  
18 ~~pupils who take a CLEP test.~~

- 19       (a) **Advanced placement test fees.**
- 20       (b) **International baccalaureate test fees.**
- 21       (c) **International baccalaureate registration fees.**
- 22       (d) **CLEP fees.**
- 23       (e) **Fees for assessments required by this state as a**  
24 **prerequisite for obtaining a professional certification or locally**  
25 **and state-recognized industry certifications.**
- 26       (f) **Fees for career and technical skills assessments necessary**  
27 **to achieve completer status in a career and technical education**  
28 **program.**
- 29       (g) **Fees for assessments that enable students to earn credit**



1 for introductory level courses that count toward completion of a  
2 postsecondary credential.

3 (h) Fees for any other assessment determined by the department  
4 to be capable of generating postsecondary credentials for high  
5 school students.

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

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

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

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

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

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

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

27 (a) Coordinate the collection of all data required by state  
28 and federal law from districts, intermediate districts, and  
29 postsecondary institutions.



1 (b) Create, maintain, and enhance this state's P-20  
 2 longitudinal data system and ensure that it meets the requirements  
 3 of subsection (4).

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

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

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

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

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

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

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

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

27 (2) Each state department, officer, or agency that collects  
 28 information from districts, intermediate districts, or  
 29 postsecondary institutions as required under state or federal law



1 shall make arrangements with the center to ensure that the state  
2 department, officer, or agency is in compliance with subsection  
3 (1). This subsection does not apply to information collected by the  
4 department of treasury under the uniform budgeting and accounting  
5 act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal  
6 finance act, 2001 PA 34, MCL 141.2101 to 141.2821; the school bond  
7 qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to  
8 388.1939; or section 1351a of the revised school code, MCL  
9 380.1351a.

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

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

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

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

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

24 (d) Enables the matching of individual teachers with  
25 information about their certification and the institutions that  
26 prepared and recommended those teachers for state certification.

27 (e) Enables data to be easily generated for continuous  
28 improvement and decision-making, including timely reporting to  
29 parents, teachers, and school leaders on student achievement.



1 (f) Ensures the reasonable quality, validity, and reliability  
2 of data contained in the system.

3 (g) Provides this state with the ability to meet federal and  
4 state reporting requirements.

5 (h) For data elements related to preschool through grade 12  
6 and postsecondary, meets all of the following:

7 (i) Contains a unique statewide student identifier that does  
8 not permit a student to be individually identified by users of the  
9 system, except as allowed by federal and state law.

10 (ii) Contains student-level enrollment, demographic, and  
11 program participation information **including data associated with**  
12 **students who have been identified as having an affiliation to 1 or**  
13 **more federally recognized Indian tribes and student participation**  
14 **in federal programs funded under 20 USC 7401 to 7546 and**  
15 **participation in federal programs funded under the Johnson-O'Malley**  
16 **Supplemental Indian Education Program Modernization Act, Public Law**  
17 **115-404.**

18 (iii) Contains student-level information about the points at  
19 which students exit, transfer in, transfer out, drop out, or  
20 complete education programs.

21 (iv) Has the capacity to communicate with higher education data  
22 systems.

23 (i) For data elements related to preschool through grade 12  
24 only, meets all of the following:

25 (i) Contains yearly test records of individual students for  
26 assessments approved by DED-OESE for accountability purposes under  
27 section 1111(b) of the elementary and secondary education act of  
28 1965, 20 USC 6311, including information on individual students not  
29 tested, by grade and subject.



1 (ii) Contains student-level transcript information, including  
2 information on courses completed and grades earned.

3 (iii) Contains student-level college readiness test scores.

4 (j) For data elements related to postsecondary education only:

5 (i) Contains data that provide information regarding the extent  
6 to which individual students transition successfully from secondary  
7 school to postsecondary education, including, but not limited to,  
8 all of the following:

9 (A) Enrollment in remedial coursework.

10 (B) Completion of 1 year's worth of college credit applicable  
11 to a degree within 2 years of enrollment.

12 (ii) Contains data that provide other information determined  
13 necessary to address alignment and adequate preparation for success  
14 in postsecondary education.

15 (5) From the general fund money appropriated in section 11,  
16 there is allocated an amount not to exceed ~~\$19,032,300.00~~  
17 **\$18,988,600.00** for ~~2022-2023-2023-2024~~ to the department of  
18 technology, management, and budget to support the operations of the  
19 center. In addition, from the federal funds appropriated in section  
20 11, there is allocated for ~~2022-2023-2023-2024~~ the amount  
21 necessary, estimated at \$193,500.00, to support the operations of  
22 the center and to establish a P-20 longitudinal data system  
23 necessary for state and federal reporting purposes. The center  
24 shall cooperate with the department to ensure that this state is in  
25 compliance with federal law and is maximizing opportunities for  
26 increased federal funding to improve education in this state.

27 (6) From the funds allocated in subsection (5), the center may  
28 use an amount determined by the center for competitive grants for  
29 ~~2022-2023-2023-2024~~ to support collaborative efforts on the P-20



1 longitudinal data system. All of the following apply to grants  
2 awarded under this subsection:

3 (a) The center shall award competitive grants to eligible  
4 intermediate districts or a consortium of intermediate districts  
5 based on criteria established by the center.

6 (b) Activities funded under the grant must support the P-20  
7 longitudinal data system portal and may include portal hosting,  
8 hardware and software acquisition, maintenance, enhancements, user  
9 support and related materials, and professional learning tools and  
10 activities aimed at improving the utility of the P-20 longitudinal  
11 data system.

12 (c) An applicant that received a grant under this subsection  
13 for the immediately preceding fiscal year has priority for funding  
14 under this section. However, after 3 fiscal years of continuous  
15 funding, an applicant is required to compete openly with new  
16 applicants.

17 (7) Funds allocated under this section that are not expended  
18 in the fiscal year in which they were allocated may be carried  
19 forward to a subsequent fiscal year and are appropriated for the  
20 purposes for which the funds were originally allocated.

21 (8) The center may bill departments as necessary in order to  
22 fulfill reporting requirements of state and federal law. The center  
23 may also enter into agreements to supply custom data, analysis, and  
24 reporting to other principal executive departments, state agencies,  
25 local units of government, and other individuals and organizations.  
26 The center may receive and expend funds in addition to those  
27 authorized in subsection (5) to cover the costs associated with  
28 salaries, benefits, supplies, materials, and equipment necessary to  
29 provide such data, analysis, and reporting services.



1 (9) As used in this section, "DED-OESE" means the United  
 2 States Department of Education Office of Elementary and Secondary  
 3 Education.

4 Sec. 97. (1) From the state school aid fund money appropriated  
 5 in section 11, there is allocated ~~\$150,000,000.00~~ **\$300,000,000.00**  
 6 for ~~2022-2023~~ **2023-2024** only, and from the general fund money  
 7 appropriated in section 11, there is allocated \$18,000,000.00 for  
 8 ~~2022-2023~~ **2023-2024** only, to provide payments to districts,  
 9 **intermediate districts**, and nonpublic schools for activities to  
 10 improve student safety. **It is intended that 50% of the state school**  
 11 **aid fund money allocated in this section is distributed to**  
 12 **districts and intermediate districts during 2023-2024 and 50% is**  
 13 **distributed during 2024-2025.** Allowable expenditures of funds  
 14 allocated under this section include, but are not limited to, the  
 15 following:

- 16 (a) Coordination with local law enforcement.  
 17 (b) Training for school staff on threat assessment.  
 18 (c) Training for school staff and students on threat response.  
 19 (d) Training for school staff on crisis communication.  
 20 (e) Safety infrastructure, including, but not limited to,  
 21 cameras, door blocks, hardened vestibules, window screening, and  
 22 technology necessary to operate buzzer systems. This may also  
 23 include firearm detection software that integrates to existing  
 24 security cameras to detect and alert school personnel and first  
 25 responders to visible firearms on school property. The software  
 26 described in the immediately preceding sentence must be organically  
 27 developed and proprietary to the company it is purchased from and  
 28 should not include any third-party or open-source data.  
 29 (f) Age-appropriate training for students and families on



1 responsible gun ownership.

2 (g) Providing professional development to school resource  
3 officers that includes training on the best practices for serving  
4 in a school setting.

5 (h) **School resource officers.**

6 (i) ~~(h)~~ Any other school safety service or product necessary  
7 to improve or maintain security in buildings.

8 (2) From the state school aid fund money allocated in  
9 subsection (1), the department shall make payments to districts **and**  
10 **intermediate districts** in an equal amount per pupil based on the  
11 total number of pupils in membership in each district **or**  
12 **intermediate district**. From the general fund money allocated in  
13 subsection (1), the department shall make payments to nonpublic  
14 schools in an equal amount per pupil, using pupil counts determined  
15 by the department. The department shall ensure that the amount per  
16 pupil paid to nonpublic schools does not exceed the amount per  
17 pupil paid to districts **and intermediate districts**.

18 (3) If funding remains after the distribution of funds  
19 described in subsection (2), the department may provide additional  
20 per-pupil allocations to allocate remaining funding, using for  
21 those calculations the same requirements described in subsection  
22 (2).

23 (4) To receive funding under this section, districts,  
24 **intermediate districts**, and nonpublic schools must apply for the  
25 funding in a form and manner prescribed by the department. As part  
26 of the application process described in this subsection, districts,  
27 **intermediate districts**, and nonpublic schools must document how  
28 they will use community input to guide the expenditure of these  
29 funds and must commit to hosting at least 1 community conversation



1 about school safety and student mental health.

2 (5) The funds allocated under this section for 2023-2024 are a  
3 work project appropriation, and any unexpended funds for 2023-2024  
4 are carried forward into 2024-2025. The purpose of the work project  
5 is to increase school safety as described in this section. The  
6 estimated completion date of the work project is September 30,  
7 2025.

8 (6) ~~(5)~~Notwithstanding section 17b, the department shall make  
9 payments under this section on a schedule determined by the  
10 department.

11 Sec. 97a. From the general fund money appropriated in section  
12 11, there is allocated an amount not to exceed ~~\$1,947,000.00~~  
13 \$100.00 for ~~2022-2023~~2023-2024 only for Michigan Virtual  
14 University to support Navigate 360.

15 Sec. 97g. (1) From the state school aid fund money  
16 appropriated in section 11, there is allocated for 2023-2024 only  
17 an amount not to exceed \$9,000,000.00 for grants to districts and  
18 intermediate districts for the purposes of this section.

19 (2) To receive payments under this section, a district or  
20 intermediate district must apply for the grant in a form and manner  
21 prescribed by the department.

22 (3) The department shall make grant payments from funding  
23 under this section in an amount not to exceed \$10,000.00 per  
24 eligible district or intermediate district for the purpose of  
25 contracting with eligible cybersecurity risk assessment providers  
26 to perform a cybersecurity risk assessment for the district or  
27 intermediate district. Risk assessments funded under this section  
28 must, at a minimum, include all of the following:

29 (a) An identification of information technologies operated by



1 the district or intermediate district and the various risks that  
2 could affect those assets.

3 (b) An assessment of the levels of risks affecting the assets  
4 identified in subdivision (a).

5 (c) An identification of controls that should be implemented  
6 by the district or intermediate district to mitigate the risks  
7 described in subdivision (b).

8 (4) If, after awarding funding under subsection (3), funding  
9 remains from the allocation under subsection (1), the department  
10 may award additional payments to districts and intermediate  
11 districts on a competitive basis for the purposes of implementing  
12 cybersecurity controls identified under subsection (3)(c), and for  
13 training to avoid phishing attacks, for implementation of multi-  
14 factor authentication, and for deployment of off-site backup  
15 options. A district or intermediate district is only eligible for  
16 funding under this subsection if it was awarded funding under  
17 subsection (3). The department must prioritize funding under this  
18 subsection toward districts or intermediate districts based on the  
19 projected costs of implementing controls identified in subsection  
20 (3)(c) and the ability of the district or intermediate district to  
21 pay for these costs based on the available fund balance of the  
22 district or intermediate district.

23 (5) The funds allocated under this section for 2023-2024 are a  
24 work project appropriation, and any unexpended funds for 2023-2024  
25 are carried forward into 2024-2025. The purpose of the work project  
26 is to increase cybersecurity in districts and intermediate  
27 districts. The estimated completion date of the work project is  
28 September 30, 2025.

29 (6) For the purposes of this section, the department, in



1 consultation with the department of technology, management, and  
 2 budget, shall determine a list of eligible cybersecurity risk  
 3 assessment providers for the purposes of this section.

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

7 Sec. 98. (1) From the general fund money appropriated in  
 8 section 11, there is allocated an amount not to exceed  
 9 ~~\$8,000,000.00~~ **\$9,300,000.00** for ~~2022-2023~~ **2023-2024** for the  
 10 purposes described in this section. ~~It is the intent of the~~  
 11 ~~legislature that, for 2023-2024, the allocation from the general~~  
 12 ~~fund money appropriated in section 11 for purposes described in~~  
 13 ~~this section will be \$7,500,000.00.~~ The Michigan Virtual University  
 14 shall provide a report to the legislature not later than November 1  
 15 of each fiscal year for which funding is allocated under this  
 16 section that includes its mission, its plans, and proposed  
 17 benchmarks it must meet, including a plan to achieve the  
 18 organizational priorities identified in this section, in order to  
 19 receive full funding for the next fiscal year for which funding is  
 20 allocated under this section. Not later than March 1 of each fiscal  
 21 year for which funding is allocated under this section, the  
 22 Michigan Virtual University shall provide an update to the house  
 23 and senate appropriations subcommittees on school aid to show the  
 24 progress being made to meet the benchmarks identified.

25 (2) The Michigan Virtual University shall operate the Michigan  
 26 Virtual Learning Research Institute. The Michigan Virtual Learning  
 27 Research Institute shall do all of the following:

28 (a) Support and accelerate innovation in education through the  
 29 following activities:



1 (i) Test, evaluate, and recommend as appropriate new  
2 technology-based instructional tools and resources.

3 (ii) Research, design, and recommend virtual education delivery  
4 models for use by pupils and teachers that include age-appropriate  
5 multimedia instructional content.

6 (iii) Research, develop, and recommend annually to the  
7 department criteria by which cyber schools and virtual course  
8 providers should be monitored and evaluated to ensure a quality  
9 education for their pupils.

10 (iv) Based on pupil completion and performance data reported to  
11 the department or the center from cyber schools and other virtual  
12 course providers operating in this state, analyze the effectiveness  
13 of virtual learning delivery models in preparing pupils to be  
14 college- and career-ready and publish a report that highlights  
15 enrollment totals, completion rates, and the overall impact on  
16 pupils. The Michigan Virtual Learning Research Institute shall  
17 submit the report to the house and senate appropriations  
18 subcommittees on school aid, the state budget director, the house  
19 and senate fiscal agencies, the department, districts, and  
20 intermediate districts not later than March 31 of each fiscal year  
21 for which funding is allocated under this section.

22 (v) Provide an extensive professional development program to  
23 at least 30,000 educational personnel, including teachers, school  
24 administrators, and school board members, that focuses on the  
25 effective integration of virtual learning into curricula and  
26 instruction. The Michigan Virtual Learning Research Institute is  
27 encouraged to work with the MiSTEM council described in section 99s  
28 to coordinate professional development of teachers in applicable  
29 fields. In addition, the Michigan Virtual Learning Research



1 Institute and external stakeholders are encouraged to coordinate  
 2 with the department for professional development in this state,  
 3 **including professional development for employees in child care**  
 4 **facilities, early childhood facilities, and after-school programs.**

5 Not later than December 1 of each fiscal year for which funding is  
 6 allocated under this section, the Michigan Virtual Learning  
 7 Research Institute shall submit a report to the house and senate  
 8 appropriations subcommittees on school aid, the state budget  
 9 director, the house and senate fiscal agencies, and the department  
 10 on the number of teachers, school administrators, and school board  
 11 members who have received professional development services from  
 12 the Michigan Virtual University. The report must also include both  
 13 of the following:

14 (A) The identification of barriers and other opportunities to  
 15 encourage the adoption of virtual learning in the public education  
 16 system.

17 (B) A link to, and explanation of, the Michigan Virtual  
 18 University's online course standards for professional development  
 19 programming. The standards described in this sub-subparagraph must  
 20 inform learners how to file a complaint about course content and  
 21 detail the steps that will be taken for the review and resolution  
 22 of complaints.

23 (vi) Identify and share best practices for planning,  
 24 implementing, and evaluating virtual and blended education delivery  
 25 models with intermediate districts, districts, and public school  
 26 academies to accelerate the adoption of innovative education  
 27 delivery models statewide.

28 (b) Provide leadership for this state's system of virtual  
 29 learning education by doing the following activities:



1 (i) Develop and report policy recommendations to the governor  
2 and the legislature that accelerate the expansion of effective  
3 virtual learning in this state's schools.

4 (ii) Provide a clearinghouse for research reports, academic  
5 studies, evaluations, and other information related to virtual  
6 learning.

7 (iii) Promote and distribute the most current instructional  
8 design standards and guidelines for virtual teaching.

9 (iv) In collaboration with the department and interested  
10 colleges and universities in this state, support implementation and  
11 improvements related to effective virtual learning instruction.

12 (v) Pursue public/private partnerships that include districts  
13 to study and implement competency-based technology-rich virtual  
14 learning models.

15 (vi) Create a statewide network of school-based mentors serving  
16 as liaisons between pupils, virtual instructors, parents, and  
17 school staff, as provided by the department or the center, and  
18 provide mentors with research-based training and technical  
19 assistance designed to help more pupils be successful virtual  
20 learners.

21 (vii) Convene focus groups and conduct annual surveys of  
22 teachers, administrators, pupils, parents, and others to identify  
23 barriers and opportunities related to virtual learning.

24 (viii) Produce an annual consumer awareness report for schools  
25 and parents about effective virtual education providers and  
26 education delivery models, performance data, cost structures, and  
27 research trends.

28 (ix) Provide an internet-based platform that educators can use  
29 to create student-centric learning tools and resources for sharing



1 in the state's open educational resource repository and facilitate  
2 a user network that assists educators in using the content creation  
3 platform and state repository for open educational resources. As  
4 part of this initiative, the Michigan Virtual University shall work  
5 collaboratively with districts and intermediate districts to  
6 establish a plan to make available virtual resources that align to  
7 Michigan's K-12 curriculum standards for use by students,  
8 educators, and parents.

9 (x) Create and maintain a public statewide catalog of virtual  
10 learning courses being offered by all public schools and community  
11 colleges in this state. The Michigan Virtual Learning Research  
12 Institute shall identify and develop a list of nationally  
13 recognized best practices for virtual learning and use this list to  
14 support reviews of virtual course vendors, courses, and  
15 instructional practices. The Michigan Virtual Learning Research  
16 Institute shall also provide a mechanism for intermediate districts  
17 to use the identified best practices to review content offered by  
18 constituent districts. The Michigan Virtual Learning Research  
19 Institute shall review the virtual course offerings of the Michigan  
20 Virtual University, and make the results from these reviews  
21 available to the public as part of the statewide catalog. The  
22 Michigan Virtual Learning Research Institute shall ensure that the  
23 statewide catalog is made available to the public on the Michigan  
24 Virtual University website and shall allow the ability to link it  
25 to each district's website as provided for in section 21f. The  
26 statewide catalog must also contain all of the following:

27 (A) The number of enrollments in each virtual course in the  
28 immediately preceding school year.

29 (B) The number of enrollments that earned 60% or more of the



1 total course points for each virtual course in the immediately  
2 preceding school year.

3 (C) The pass rate for each virtual course.

4 (xi) Support registration, payment services, and transcript  
5 functionality for the statewide catalog and train key stakeholders  
6 on how to use new features.

7 (xii) Collaborate with key stakeholders to examine district  
8 level accountability and teacher effectiveness issues related to  
9 virtual learning under section 21f and make findings and  
10 recommendations publicly available.

11 (xiii) Provide a report on the activities of the Michigan  
12 Virtual Learning Research Institute.

13 (3) To further enhance its expertise and leadership in virtual  
14 learning, the Michigan Virtual University shall continue to operate  
15 the Michigan Virtual School as a statewide laboratory and quality  
16 model of instruction by implementing virtual and blended learning  
17 solutions for Michigan schools in accordance with the following  
18 parameters:

19 (a) The Michigan Virtual School must maintain its  
20 accreditation status from recognized national and international  
21 accrediting entities.

22 (b) The Michigan Virtual University shall use no more than  
23 \$1,000,000.00 of the amount allocated under this section to  
24 subsidize the cost paid by districts for virtual courses.

25 (c) In providing educators responsible for the teaching of  
26 virtual courses as provided for in this section, the Michigan  
27 Virtual School shall follow the requirements to request and assess,  
28 and the department of state police shall provide, a criminal  
29 history check and criminal records check under sections 1230 and



1 1230a of the revised school code, MCL 380.1230 and 380.1230a, in  
2 the same manner as if the Michigan Virtual School were a school  
3 district under those sections.

4 (4) From the funds allocated under subsection (1), the  
5 Michigan Virtual University shall allocate up to \$500,000.00 to  
6 support the expansion of new online and blended educator  
7 professional development programs.

8 (5) If the course offerings are included in the statewide  
9 catalog of virtual courses under subsection (2)(b)(x), the Michigan  
10 Virtual School operated by the Michigan Virtual University may  
11 offer virtual course offerings, including, but not limited to, all  
12 of the following:

13 (a) Information technology courses.

14 (b) College level equivalent courses, as that term is defined  
15 in section 1471 of the revised school code, MCL 380.1471.

16 (c) Courses and dual enrollment opportunities.

17 (d) Programs and services for at-risk pupils.

18 (e) High school equivalency test preparation courses for  
19 adjudicated youth.

20 (f) Special interest courses.

21 (g) Professional development programs for teachers, school  
22 administrators, other school employees, and school board members.

23 (6) If a home-schooled or nonpublic school student is a  
24 resident of a district that subscribes to services provided by the  
25 Michigan Virtual School, the student may use the services provided  
26 by the Michigan Virtual School to the district without charge to  
27 the student beyond what is charged to a district pupil using the  
28 same services.

29 (7) Not later than December 1 of each fiscal year for which



1 funding is allocated under this section, the Michigan Virtual  
 2 University shall provide a report to the house and senate  
 3 appropriations subcommittees on school aid, the state budget  
 4 director, the house and senate fiscal agencies, and the department  
 5 that includes at least all of the following information related to  
 6 the Michigan Virtual School for the preceding fiscal year:

7 (a) A list of the districts served by the Michigan Virtual  
 8 School.

9 (b) A list of virtual course titles available to districts.

10 (c) The total number of virtual course enrollments and  
 11 information on registrations and completions by course.

12 (d) The overall course completion rate percentage.

13 (8) In addition to the information listed in subsection (7),  
 14 the report under subsection (7) must also include a plan to serve  
 15 at least 600 schools with courses from the Michigan Virtual School  
 16 or with content available through the internet-based platform  
 17 identified in subsection (2) (b) (ix).

18 (9) The governor may appoint an advisory group for the  
 19 Michigan Virtual Learning Research Institute established under  
 20 subsection (2). The members of the advisory group serve at the  
 21 pleasure of the governor and without compensation. The purpose of  
 22 the advisory group is to make recommendations to the governor, the  
 23 legislature, and the president and board of the Michigan Virtual  
 24 University that will accelerate innovation in this state's  
 25 education system in a manner that will prepare elementary and  
 26 secondary students to be career and college ready and that will  
 27 promote the goal of increasing the percentage of residents of this  
 28 state with high-quality degrees and credentials to at least 60% by  
 29 2025.



1 (10) Not later than November 1 of each fiscal year for which  
2 funding is allocated under this section, the Michigan Virtual  
3 University shall submit to the house and senate appropriations  
4 subcommittees on school aid, the state budget director, and the  
5 house and senate fiscal agencies a detailed budget for that fiscal  
6 year that includes a breakdown on its projected costs to deliver  
7 virtual educational services to districts and a summary of the  
8 anticipated fees to be paid by districts for those services. Not  
9 later than March 1 each fiscal year for which funding is allocated  
10 under this section, the Michigan Virtual University shall submit to  
11 the house and senate appropriations subcommittees on school aid,  
12 the state budget director, and the house and senate fiscal agencies  
13 a breakdown on its actual costs to deliver virtual educational  
14 services to districts and a summary of the actual fees paid by  
15 districts for those services based on audited financial statements  
16 for the immediately preceding fiscal year.

17 (11) As used in this section:

18 (a) "Blended learning" means a hybrid instructional delivery  
19 model where pupils are provided content, instruction, and  
20 assessment, in part at a supervised educational facility away from  
21 home where the pupil and a teacher with a valid Michigan teaching  
22 certificate are in the same physical location and in part through  
23 internet-connected learning environments with some degree of pupil  
24 control over time, location, and pace of instruction.

25 (b) "Cyber school" means a full-time instructional program of  
26 virtual courses for pupils that may or may not require attendance  
27 at a physical school location.

28 (c) "Virtual course" means a course of study that is capable  
29 of generating a credit or a grade and that is provided in an



1 interactive learning environment in which the majority of the  
2 curriculum is delivered using the internet and in which pupils are  
3 separated from their instructor or teacher of record by time or  
4 location, or both.

5       **Sec. 98d. (1) From the state school aid fund money**  
6 **appropriated under section 11, there is allocated for 2023-2024**  
7 **only an amount not to exceed \$5,000,000.00 to Northern Michigan**  
8 **University to support the MLC as described in this section.**  
9 **Northern Michigan University shall not retain any portion of the**  
10 **funding received under this section for administrative purposes and**  
11 **shall provide funding to support the MLC. All of the following**  
12 **apply to the MLC:**

13       (a) The MLC must expand literacy programming over the air,  
14 online, and in communities that is aligned with this state's pre-K  
15 to 12 educational standards.

16       (b) The MLC shall provide over-the-air broadcasts 24 hours  
17 each day for 7 days each week of quality instructional content that  
18 is aligned with this state's pre-K to 12 educational standards.  
19 Over-the-air broadcasts as described in this subdivision must be  
20 streamed live and must be archived for on-demand viewing on a  
21 companion website, along with additional learning materials  
22 relevant to lessons.

23       (c) The MLC must be managed and operated by DPTV, and DPTV  
24 shall assume all risk, liability, and responsibility for the MLC in  
25 accordance with regulations by the United States Federal  
26 Communications Commission, PBS broadcast standards, and standard  
27 nonprofit business standards. DPTV shall serve as the fiduciary  
28 agent and service manager for the MLC. The MLC shall originate from  
29 a central operations center that is responsible for providing the



1 infrastructure, content, and engagement of the MLC in partnership  
2 with this state's educational leadership organizations.

3 (d) The MLC shall require that DPTV provide technology,  
4 funding, staff training, and central management of the MLC to  
5 station partners to insert additional channels into each station's  
6 broadcast streams and to support staffing and engagement as  
7 outlined in a memorandum of understanding among the stations.

8 (e) The MLC shall require that DPTV partner with at least 5  
9 other Michigan public television stations, including, but not  
10 limited to, WKAR, WGVU, WDCQ, WCMU, and WNMU, to deliver the over-  
11 the-air MLC broadcasts described in this section and to support  
12 engagement with local educators. Stations described in this  
13 subdivision must be able to use the infrastructure provided by the  
14 MLC to develop their own local content that best serves their  
15 communities.

16 (f) The MLC shall not use the funds received from Northern  
17 Michigan University under this section in support of the MLC for  
18 any purposes fully funded by the governor's emergency education  
19 relief fund grant.

20 (2) Not later than February 1, 2024, the MLC shall provide a  
21 report to the house and senate appropriations subcommittees  
22 responsible for school aid, the house and senate fiscal agencies,  
23 and the state budget director detailing the MLC's compliance with  
24 ensuring that conditions listed under subsection (1) were met.

25 (3) Notwithstanding section 17b, the department shall make  
26 payments under this section not later than December 1, 2023.

27 (4) As used in this section:

28 (a) "DPTV" means Detroit public television.

29 (b) "MLC" means the Michigan learning channel.



1           Sec. 99h. (1) From the state school aid fund money  
 2 appropriated in section 11, there is allocated an amount not to  
 3 exceed ~~\$5,223,200.00~~ **\$5,323,200.00** for ~~2022-2023~~ **2023-2024** for  
 4 competitive grants to districts and intermediate districts, ~~and~~  
 5 ~~from the general fund money appropriated in section 11, there is~~  
 6 ~~allocated \$600,000.00 for 2022-2023 for competitive grants to~~  
 7 ~~nonpublic schools,~~ that provide pupils in grades pre-K to 12 with  
 8 expanded opportunities to improve mathematics, science, and  
 9 technology skills by participating in competitions hosted by a  
 10 science and technology development program known as FIRST (for  
 11 inspiration and recognition of science and technology) Robotics,  
 12 including JR FIRST Lego League, FIRST Lego League, FIRST Tech  
 13 challenge, and FIRST Robotics competition, or other competitive  
 14 robotics programs or equipment vendors, including VEX, Square One,  
 15 and those hosted by the Robotics Education and Competition (REC)  
 16 Foundation. It is the intent of the legislature that, for ~~2023-~~  
 17 ~~2024,~~ **2024-2025**, the allocation from the state school aid fund  
 18 money appropriated in section 11 for purposes described in this  
 19 section will be \$4,723,200.00. Programs funded under this section  
 20 are intended to increase the number of pupils demonstrating  
 21 proficiency in science and mathematics on the state assessments and  
 22 to increase the number of pupils who are college- and career-ready  
 23 upon high school graduation. Notwithstanding section 17b, the  
 24 department shall make grant payments to districts, ~~nonpublic~~  
 25 ~~schools,~~ and intermediate districts under this section on a  
 26 schedule determined by the department. The department shall set  
 27 maximum grant awards for each different level of programming and  
 28 competition in a manner that both maximizes the number of teams  
 29 that will be able to receive funds and expands the geographical



1 distribution of teams. **Districts and intermediate districts that**  
 2 **receive funds under this section must provide relevant student**  
 3 **participation information, as determined by the department, to**  
 4 **program competition providers described in this section. For a**  
 5 **district or intermediate district to count a program competition**  
 6 **provider for purposes of payments under this section, the program**  
 7 **competition providers must agree to aggregate data received by**  
 8 **districts and intermediate districts and provide this information**  
 9 **to the department in a form and manner prescribed by the**  
 10 **department.**

11 (2) The department shall do all of the following for purposes  
 12 of this section:

13 (a) Both of the following by not later than 60 days after the  
 14 K to 12 appropriations bill for the current fiscal year is enacted  
 15 into law or October 1 of the current fiscal year, whichever is  
 16 later:

17 (i) Open applications for funding under this section to all  
 18 districts ~~, nonpublic schools,~~ and intermediate districts.

19 (ii) Publish a list of approved programs and vendors for  
 20 purposes of this section in a manner that is accessible to all  
 21 applicants. To obtain approval under this subparagraph, a program  
 22 or vendor must do both of the following:

23 (A) Submit to the department registration information,  
 24 including any fees; pledge that it will post this information on  
 25 its website; and, by not later than January 1, 2023, ~~and January 1~~  
 26 ~~each year thereafter,~~ **of the fiscal year in which funds are**  
 27 **allocated under this section,** submit this information to the  
 28 department for publication on the department's website.

29 (B) Pledge that it will not require a payment of any team



1 described in this section, including, but not limited to,  
 2 registration fees, if the team does not receive a grant under this  
 3 section.

4 (b) By not later than 30 days after applications are opened as  
 5 described in subdivision (a), close applications under this  
 6 section.

7 (c) By not later than 60 days after applications are closed as  
 8 described in subdivision (b), make all determinations concerning  
 9 funding under this section.

10 (d) By not later than July 1, ~~2023~~, **of the fiscal year in**  
 11 **which funds are allocated under this section**, and by not later than  
 12 July 1 each year thereafter, publish a document listing the  
 13 requirements for becoming an approved program or vendor under  
 14 subdivision (a).

15 (3) Except as otherwise provided under this subsection, if  
 16 funding under this section is insufficient to fulfill all funding  
 17 requests by qualified applicants under this section, the department  
 18 shall prorate the total funding allocated under this section  
 19 equally among all qualified applicants. However, for funding under  
 20 this section toward grants under subsection (5) (b), in its  
 21 proration under this subsection, the department shall ensure that  
 22 each district is paid in an amount equal to the percentage the  
 23 department would have paid the district in grant funding under  
 24 subsection (5) (b), but for proration under this subsection, with no  
 25 district receiving a grant under subsection (5) (b) in an amount  
 26 that is greater than the district's total accrued costs under  
 27 subsection (5) (b).

28 (4) A district ~~, nonpublic school,~~ or intermediate district  
 29 applying for a grant under this section must submit an application



1 in a form and manner prescribed by the department. To be eligible  
2 for a grant, a district ~~, nonpublic school,~~ or intermediate  
3 district must demonstrate in its application that the district ~~,~~  
4 ~~nonpublic school,~~ or intermediate district has established a  
5 partnership for the purposes of the robotics program with at least  
6 1 sponsor, business entity, higher education institution, or  
7 technical school, shall submit a spending plan, and shall provide a  
8 local in-kind or cash match from other private or local funds of at  
9 least 25% of the cost of the robotics program award.

10 (5) The department shall distribute the grant funding under  
11 this section for the following purposes:

12 (a) Grants to districts ~~, nonpublic schools,~~ or intermediate  
13 districts to pay for stipends not to exceed \$1,500.00 per building  
14 for coaching.

15 (b) Grants to districts ~~, nonpublic schools,~~ or intermediate  
16 districts for event registrations, materials, travel costs, and  
17 other expenses associated with the preparation for and attendance  
18 at robotics events and competitions. **Expenses under this**  
19 **subdivision are allowable for up to 10 teams per building.**

20 (c) Grants to districts ~~, nonpublic schools,~~ or intermediate  
21 districts for awards to teams that advance to the next levels of  
22 competition as determined by the department. The department shall  
23 determine an equal amount per team for those teams that advance.

24 ~~(6) The funds allocated under this section for 2022-2023 are a~~  
25 ~~work project appropriation, and any unexpended funds for 2022-2023~~  
26 ~~are carried forward into 2023-2024. The purpose of the work project~~  
27 ~~is to continue support of programs under this section. The~~  
28 ~~estimated completion date of the work project is September 30,~~  
29 ~~2024.~~



1 ~~(7) A nonpublic school that receives a grant under this~~  
2 ~~section may use the funds for either robotics or Science Olympiad~~  
3 ~~programs.~~

4 ~~(8) To be eligible to receive funds under this section, a~~  
5 ~~nonpublic school must be a nonpublic school registered with the~~  
6 ~~department and must meet all applicable state reporting~~  
7 ~~requirements for nonpublic schools.~~

8 (6) ~~(9)~~ For purposes of this section, an approved program or  
9 vendor under this section that provides a program under this  
10 section shall not work with the department to set prices or  
11 policies for the program.

12 (7) ~~(10)~~ As used in this section, "current fiscal year" means  
13 the fiscal year for which an allocation is made under this section.

14 Sec. 99s. (1) From state school aid fund money appropriated  
15 under section 11, there is allocated for ~~2022-2023~~ **2023-2024 only**  
16 an amount not to exceed \$7,634,300.00 for Michigan science,  
17 technology, engineering, and mathematics (MiSTEM) programs. The  
18 MiSTEM network may receive funds from private sources. If the  
19 MiSTEM network receives funds from private sources, the MiSTEM  
20 network shall expend those funds in alignment with the statewide  
21 STEM strategy. Programs funded under this section are intended to  
22 increase the number of pupils demonstrating proficiency in science  
23 and mathematics on the state assessments, to increase the number of  
24 pupils who are college- and career-ready upon high school  
25 graduation, and to promote certificate and degree attainment in  
26 STEM fields. Notwithstanding section 17b, the department shall make  
27 payments under this section on a schedule determined by the  
28 department.

29 (2) The MiSTEM council annually shall review and make



1 recommendations to the governor, the legislature, and the  
2 department concerning changes to the statewide strategy adopted by  
3 the council for delivering STEM education-related opportunities to  
4 pupils. The MiSTEM council shall use funds received under this  
5 subsection to ensure that its members or their designees are  
6 trained in the Change the Equation STEMworks rating system program  
7 for the purpose of rating STEM programs.

8 (3) The MiSTEM council shall make specific funding  
9 recommendations for the funds allocated under subsection (4) by  
10 December 15 of each fiscal year. Each specific funding  
11 recommendation must be for a program approved by the MiSTEM  
12 council. All of the following apply:

13 (a) To be eligible for MiSTEM council approval as described in  
14 this subsection, a program must satisfy all of the following:

15 (i) Align with this state's academic standards.

16 (ii) Have STEMworks certification.

17 (iii) Provide project-based experiential learning, student  
18 programming, or educator professional learning experiences.

19 (iv) Focus predominantly on classroom-based STEM experiences or  
20 professional learning experiences.

21 (b) The MiSTEM council shall approve programs that represent  
22 all network regions and include a diverse array of options for  
23 students and educators and at least 1 program in each of the  
24 following areas:

25 (i) Robotics.

26 (ii) Computer science or coding.

27 (iii) Engineering or bioscience.

28 (c) The MiSTEM council is encouraged to work with the MiSTEM  
29 network to develop locally and regionally developed programs and



1 professional learning experiences for the programs on the list of  
2 approved programs.

3 (d) If the MiSTEM council is unable to make specific funding  
4 recommendations by December 15 of a fiscal year, the department  
5 shall award and distribute the funds allocated under subsection (4)  
6 on a competitive grant basis that at least follows the statewide  
7 STEM strategy plan and rating system recommended by the MiSTEM  
8 council. Each grant must provide STEM education-related  
9 opportunities for pupils.

10 (e) The MiSTEM council shall work with the department of labor  
11 and economic opportunity to implement the statewide STEM strategy  
12 adopted by the MiSTEM council.

13 (4) From the state school aid fund money allocated under  
14 subsection (1), there is allocated for ~~2022-2023~~**2023-2024** an  
15 amount not to exceed \$3,050,000.00 for the purpose of funding  
16 programs under this section for ~~2022-2023~~**2023-2024** as recommended  
17 by the MiSTEM council.

18 (5) From the state school aid fund money allocated under  
19 subsection (1), there is allocated an amount not to exceed  
20 \$3,834,300.00 for ~~2022-2023~~**2023-2024** to support the activities and  
21 programs of the MiSTEM network regions. From the money allocated  
22 under this subsection, the department shall award the fiscal agent  
23 for each MiSTEM network region \$200,000.00 for the base operations  
24 of each region. The department shall distribute the remaining funds  
25 to each fiscal agent in an equal amount per pupil, based on the  
26 number of K to 12 pupils enrolled in districts within each region  
27 in the immediately preceding fiscal year.

28 (6) A MiSTEM network region shall do all of the following:

29 (a) Collaborate with the career and educational advisory



1 council that is located in the MiSTEM region to develop a regional  
2 strategic plan for STEM education that creates a robust regional  
3 STEM culture, that empowers STEM teachers, that integrates business  
4 and education into the STEM network, and that ensures high-quality  
5 STEM experiences for pupils. At a minimum, a regional STEM  
6 strategic plan should do all of the following:

7 (i) Identify regional employer need for STEM.

8 (ii) Identify processes for regional employers and educators to  
9 create guided pathways for STEM careers that include internships or  
10 externships, apprenticeships, and other experiential engagements  
11 for pupils.

12 (iii) Identify educator professional learning opportunities,  
13 including internships or externships and apprenticeships, that  
14 integrate this state's science standards into high-quality STEM  
15 experiences that engage pupils.

16 (b) Facilitate regional STEM events such as educator and  
17 employer networking and STEM career fairs to raise STEM awareness.

18 (c) Contribute to the MiSTEM website and engage in other  
19 MiSTEM network functions to further the mission of STEM in this  
20 state in coordination with the MiSTEM council and the department of  
21 labor and economic opportunity.

22 (d) Facilitate application and implementation of state and  
23 federal funds under this subsection and any other grants or funds  
24 for the MiSTEM network region.

25 (e) Work with districts to provide STEM programming and  
26 professional learning.

27 (f) Coordinate recurring discussions and work with the career  
28 and educational advisory council to ensure that feedback and best  
29 practices are being shared, including funding, program,



1 professional learning opportunities, and regional strategic plans.

2 (7) From the state school aid fund money allocated under  
 3 subsection (1), the department shall distribute for ~~2022-2023-2023-~~  
 4 **2024** an amount not to exceed \$750,000.00, in a form and manner  
 5 determined by the department, to those network regions able to  
 6 further the statewide STEM strategy recommended by the MiSTEM  
 7 council.

8 (8) In order to receive state or federal funds under  
 9 subsection (5) or (7), or to receive funds from private sources as  
 10 authorized under subsection (1), a grant recipient must allow  
 11 access for the department or the department's designee to audit all  
 12 records related to the program for which it receives those funds.  
 13 The grant recipient shall reimburse the state for all disallowances  
 14 found in the audit.

15 (9) In order to receive state funds under subsection (5) or  
 16 (7), a grant recipient must provide at least a 10% local match from  
 17 local public or private resources for the funds received under this  
 18 subsection.

19 (10) Not later than July 1 of each fiscal year for which  
 20 funding is allocated under this section, a MiSTEM network region  
 21 that receives funds under subsection (5) shall report to the  
 22 executive director of the MiSTEM network in a form and manner  
 23 prescribed by the executive director on performance measures  
 24 developed by the MiSTEM network regions and approved by the  
 25 executive director. The performance measures must be designed to  
 26 ensure that the activities of the MiSTEM network are improving  
 27 student academic outcomes.

28 (11) Not more than 5% of a MiSTEM network region grant under  
 29 subsection (5) or (7) may be retained by a fiscal agent for serving



1 as the fiscal agent of a MiSTEM network region.

2 (12) As used in this section:

3 (a) "Career and educational advisory council" means an  
4 advisory council to the local workforce development boards located  
5 in a prosperity region consisting of educational, employer, labor,  
6 and parent representatives.

7 (b) "DED" means the United States Department of Education.

8 (c) "DED-OESE" means the DED Office of Elementary and  
9 Secondary Education.

10 (d) "MiSTEM Council" means the Michigan Science, Technology,  
11 Engineering, and Mathematics Education Advisory Council created as  
12 an advisory body within the department of labor and economic  
13 opportunity by Executive Reorganization Order No. 2019-3, MCL  
14 125.1998.

15 (e) "STEM" means science, technology, engineering, and  
16 mathematics delivered in an integrated fashion using cross-  
17 disciplinary learning experiences that can include language arts,  
18 performing and fine arts, and career and technical education.

19 Sec. 99t. (1) From the general fund appropriation under  
20 section 11, there is allocated an amount not to exceed  
21 ~~\$3,000,000.00~~ **\$100.00** for ~~2022-2023~~ **2023-2024** only to purchase  
22 statewide access to an online algebra tool that meets all of the  
23 following:

24 (a) Provides students statewide with complete access to videos  
25 aligned with state standards including study guides and workbooks  
26 that are aligned with the videos.

27 (b) Provides students statewide with access to a personalized  
28 online algebra learning tool including adaptive diagnostics.

29 (c) Provides students statewide with dynamic algebra practice



1 assessments that emulate the state assessment with immediate  
2 feedback and help solving problems.

3 (d) Provides students statewide with online access to algebra  
4 help 24 hours a day and 7 days a week from study experts, teachers,  
5 and peers on a moderated social networking platform.

6 (e) Provides an online algebra professional development  
7 network for teachers.

8 (f) Is already provided under a statewide contract in at least  
9 1 other state that has a population of at least 18,000,000 but not  
10 more than 19,000,000 according to the most recent decennial census  
11 and is offered in that state in partnership with a public  
12 university.

13 (2) The department shall purchase the online algebra tool that  
14 was chosen under this section in 2016-2017.

15 (3) A grantee receiving funding under this section shall  
16 comply with the requirements of section 19b.

17 ~~Sec. 99x. (1) From the federal funding appropriated under~~  
18 ~~section 11, there is allocated for 2022-2023 only an amount not to~~  
19 ~~exceed \$20,000,000.00 from the federal funding awarded to this~~  
20 ~~state from the coronavirus state fiscal recovery fund under the~~  
21 ~~American rescue plan act of 2021, title IX, subtitle M of Public~~  
22 ~~Law 117-2, for, subject to subsection (2), Teach for America to~~  
23 ~~lead and support teacher recruitment, training, development, and~~  
24 ~~retention efforts for high performing educators in at risk schools~~  
25 ~~in this state, which includes, but is not limited to, the operation~~  
26 ~~of educator fellowship programs in at least 3 regions in this~~  
27 ~~state, including rural regions; the provision of support to~~  
28 ~~educator-led innovation in this state; and investment in a broad~~  
29 ~~educator workforce campaign to recruit and retain high performing~~



1 ~~educators and educator candidates in this state.~~

2 ~~(2) Teach for America must have recruited or invested in the~~  
3 ~~retention and development of 100 teachers in this state in~~  
4 ~~fulfilling the purposes under subsection (1) since December 15,~~  
5 ~~2021 to be eligible for the first \$10,000,000.00 of the funding~~  
6 ~~allocated under this section. Teach for America must have recruited~~  
7 ~~or invested in the retention and development of a total of 450~~  
8 ~~teachers in this state in fulfilling the purposes under subsection~~  
9 ~~(1) since December 15, 2021 to be eligible for the remaining~~  
10 ~~\$10,000,000.00 of the funding allocated under this section.~~

11 ~~(3) Teach for America shall engage with an external evaluator~~  
12 ~~and produce semi-annual reports to the legislature that provide~~  
13 ~~information concerning the recruitment, development, and retention~~  
14 ~~of high-performing educators that can be scaled or shared with~~  
15 ~~other similar programs.~~

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

19 ~~(5) The department shall not make payments under this section~~  
20 ~~on a reimbursement basis.~~

21 ~~(6) The funds allocated under this section for 2022-2023 are a~~  
22 ~~work project appropriation, and any unexpended funds for 2022-2023~~  
23 ~~are carried forward into 2023-2024. The purpose of the work project~~  
24 ~~is to continue to provide support to Teach for America as~~  
25 ~~prescribed in this section. The estimated completion date of the~~  
26 ~~work project is December 31, 2026.~~

27 ~~(7) The federal funding allocated under this section is~~  
28 ~~intended to respond to the COVID-19 public health emergency and its~~  
29 ~~negative impacts.~~**From the general fund money appropriated under**



1 section 11, there is allocated for 2023-2024 only an amount not to  
 2 exceed \$100.00 to support Teach for America's efforts to recruit,  
 3 develop, and retain teachers in Michigan. Teach For America shall  
 4 invest in at least 100 educators in 2023-2024, host a summer  
 5 development program for teachers in this state, and operate teacher  
 6 and school leadership fellowship programs, with the goal of  
 7 retaining highly effective teachers in Title 1 schools based in  
 8 this state.

9 Sec. 99cc. (1) From the state school aid fund money  
 10 appropriated in section 11, there is allocated for ~~2022-2023~~**2023-**  
 11 **2024** only an amount not to exceed \$253,000.00 for competitive  
 12 grants to eligible districts and eligible intermediate districts to  
 13 provide pupils in grades 9 to 12 with expanded opportunities  
 14 through programs for work-based learning that are hosted in  
 15 partnership with NAF. It is the intent of the legislature that the  
 16 programs described in this subsection increase the number of pupils  
 17 who are college- and career-ready after high school graduation.

18 (2) To receive grant funding under this section, a district or  
 19 intermediate district must apply for the grant in a form and manner  
 20 prescribed by the department.

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

24 (a) It has an established partnership with NAF.

25 (b) As part of its partnership described in subdivision (a),  
 26 it implements an advisory board that includes at least 1 business  
 27 entity.

28 (c) As part of its partnership described in subdivision (a),  
 29 it implements an advisory board that includes an institution of



1 higher education or a technical school.

2 (d) In its application described in subsection (2), it submits  
3 a spending plan for its intended spending of funding under this  
4 section.

5 (4) The department shall prioritize awarding grant funding  
6 under this section to eligible districts and eligible intermediate  
7 districts that demonstrate partnership with local businesses that  
8 target disciplines that have been identified as critical shortage  
9 disciplines by the superintendent of public instruction under  
10 section 61 of the public school employees retirement act of 1979,  
11 1980 PA 300, MCL 38.1361.

12 (5) The department shall award grant funding under this  
13 section as follows:

14 (a) In an amount not to exceed \$12,000.00 to each eligible  
15 district or eligible intermediate district to be used for purposes  
16 of planning in carrying out the programs described in subsection  
17 (1).

18 (b) An amount not to exceed \$3,500.00 to each eligible  
19 district or eligible intermediate district to be used toward  
20 expenses related to the partnership described in subsection (3)(a).

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

24 **Sec. 99ff. From the general fund money appropriated under**  
25 **section 11, there is allocated an amount not to exceed \$100.00 for**  
26 **2023-2024 only for Junior Achievement to create curricula,**  
27 **educational programs, and professional development for each**  
28 **district, intermediate district, and the Michigan School for the**  
29 **Deaf to support the implementation of the personal finance high**



1 school graduation credit requirements under section 1278a of the  
2 revised school code, MCL 380.1278a.

3       Sec. 99gg. (1) From the state school aid fund money  
4 appropriated in section 11, there is allocated an amount not to  
5 exceed \$6,000,000.00 for 2023-2024 only to districts to develop and  
6 implement teacher professional learning programs for computer  
7 science and computational thinking courses and content.

8       (2) Funding received under subsection (1) may be used only for  
9 the following purposes:

10       (a) High-quality professional learning for K to 12 computer  
11 science content. The costs associated with professional learning as  
12 described in this subdivision include, but are not limited to,  
13 travel to workshops. As used in this subdivision, "high-quality  
14 profession learning" means learning that is sustained, intensive,  
15 collaborative, job embedded, data driven, and classroom focused.

16       (b) Supports for K to 12 computer science professional  
17 learning, including, but not limited to, mentoring and coaching.

18       (c) Creation of resources to support implementation of  
19 professional learning described in subdivisions (a) and (b).

20       (d) Professional learning offerings that identify strategies  
21 to include underrepresented groups.

22       (e) Participation in the Strategic CSforALL Resource and  
23 Implementation Planning Tool (SCRIPT) process with a trained  
24 facilitator of this state.

25       (3) To be eligible to receive funding under this section, a  
26 district must apply for funding in a form and manner prescribed by  
27 the department. The application must, at a minimum, address how the  
28 district will do all of the following:

29       (a) Reach new and existing teachers with little to no computer



1 science background.

2 (b) Use research- or evidence-based practices for high-quality  
3 professional learning.

4 (c) Focus the professional learning on the mastery of all  
5 areas of computer science standards as approved by the state board  
6 of education in 2019.

7 (d) Reach and support marginalized racial and ethnic groups  
8 underrepresented in computer science.

9 (e) Provide teachers with concrete experience with hands-on,  
10 inquiry-based practices.

11 (f) Accommodate the particular teacher and student needs in  
12 each district and school.

13 (g) Ensure that participating districts shall begin offering  
14 the courses or content within the same or next school year after  
15 the teacher receives the professional learning.

16 (h) Commit to completing the SCRIPT process.

17 (4) The funds allocated under this section for 2023-2024 are a  
18 work project appropriation, and any unexpended funds for 2023-2024  
19 are carried forward into 2024-2025. The purpose of the work project  
20 is to continue to support computer science implementation. The  
21 estimated completion date of the work project is September 30,  
22 2025.

23 (5) A district that receives funding under this section shall  
24 submit a report to the department by June 30 of the fiscal year in  
25 which funds under this section are received. The report must  
26 include all of the following:

27 (a) The number of teachers prepared.

28 (b) Students reached, including the number and percentage of  
29 students reached disaggregated by gender, race, ethnicity, and



1 socioeconomic status.

2 (c) The number and percentage of students with passing AP exam  
3 scores for high school AP courses, by gender, race, and ethnicity,  
4 once that data is available.

5 (d) The number of teachers that started implementing computer  
6 science compared to the number of prepared teachers that attended  
7 professional learning.

8 (e) The number of elementary students who are provided  
9 integrated computer science opportunities.

10 (f) Progress in building a systematic K to 12 computer science  
11 plan using the SCRIPT rubric.

12 (g) Any agreements to provide preassessments and  
13 postassessments of teacher readiness for teaching computational  
14 thinking and computer science and any data related to those  
15 assessments.

16 (6) The department shall make the report submitted under  
17 subsection (5) publicly available.

18 Sec. 99hh. (1) From the state school aid fund money  
19 appropriated in section 11, there is allocated an amount not to  
20 exceed \$3,000,000.00 for 2023-2024 only for a district to partner  
21 with a nonprofit entity to support student success coach AmeriCorps  
22 service members to provide academic interventions in mathematics  
23 and English language arts and social-emotional support to K to 12  
24 students enrolled in a community district.

25 (2) A district that receives funding under this section must  
26 use the funds to deploy student success coach AmeriCorps service  
27 members to, at a minimum, 8 schools within the district. Student  
28 success coaches described in this subsection shall do all of the  
29 following:



1 (a) Provide small-group intervention support in mathematics  
2 and English language arts to at-risk students for 10 months. For  
3 purposes of this subdivision, students must be selected based on  
4 academic diagnostic data and be placed on a focus list for year-  
5 round support.

6 (b) Provide whole school, whole child support to partner  
7 schools in the district.

8 (c) Provide social-emotional support to a subset of focus-list  
9 students for 10 months. For purposes of this subdivision, students  
10 must be selected based on district behavior and climate or culture  
11 data and placed on a focus list for year-round support.

12 (d) Provide individualized attendance supports to improve  
13 daily attendance rates for 10 months. For purposes of this  
14 subdivision, students must be selected based on district attendance  
15 data and placed on a focus list for year-round support.

16 (3) A district receiving funding under this section must  
17 provide the following for student success coaches:

18 (a) Evidence-based training in TRAILS, Mental Health First  
19 Aid, Magnetic Reading, LETRS, and other relevant training necessary  
20 to implement academic, social, and attendance strategies.

21 (b) Ongoing career development training and coaching,  
22 including support with applying to teacher preparation programs,  
23 school social work preparation programs, and guidance counseling  
24 preparation programs.

25 (4) By not later than January 1 of each fiscal year, the  
26 center shall prepare a summary report of information provided by  
27 each recipient district under this section that includes measurable  
28 outcomes based on the objectives described in this section and a  
29 summary of compiled data from each recipient district in order to



1 evaluate the effectiveness of the project. The center shall submit  
 2 the report to the house and senate appropriations subcommittees on  
 3 school aid and to the house and senate fiscal agencies.

4 Sec. 99ii. From the general fund money appropriated in section  
 5 11, there is allocated for 2023-2024 only an amount not to exceed  
 6 \$100.00 to a nonprofit 501(c)(3) corporation that was founded prior  
 7 to 1997, that began operating in this state after 2009, that  
 8 provides low-income schools with year-round support services and  
 9 conducts professional development workshops for schools and youth  
 10 organizations, and that is located in a city with a population  
 11 greater than 600,000 to expand current programming.

12 Sec. 101. (1) To be eligible to receive state aid under this  
 13 article, not later than the fifth Wednesday after the pupil  
 14 membership count day and not later than the fifth Wednesday after  
 15 the supplemental count day, each district superintendent shall  
 16 submit and certify to the center and the intermediate  
 17 superintendent, in the form and manner prescribed by the center,  
 18 the number of pupils enrolled and in regular daily attendance,  
 19 including identification of tuition-paying pupils, in the district  
 20 as of the pupil membership count day and as of the supplemental  
 21 count day, as applicable, for the current school year. In addition,  
 22 a district maintaining school during the entire year shall submit  
 23 and certify to the center and the intermediate superintendent, in  
 24 the form and manner prescribed by the center, the number of pupils  
 25 enrolled and in regular daily attendance in the district for the  
 26 current school year pursuant to rules promulgated by the  
 27 superintendent. Not later than the sixth Wednesday after the pupil  
 28 membership count day and not later than the sixth Wednesday after  
 29 the supplemental count day, the district shall resolve any pupil



1 membership conflicts with another district, correct any data  
2 issues, and recertify the data in a form and manner prescribed by  
3 the center and file the certified data with the intermediate  
4 superintendent. If a district fails to submit and certify the  
5 attendance data, as required under this subsection, the center  
6 shall notify the department and the department shall withhold state  
7 aid due to be distributed under this article from the defaulting  
8 district immediately, beginning with the next payment after the  
9 failure and continuing with each payment until the district  
10 complies with this subsection. If a district does not comply with  
11 this subsection by the end of the fiscal year, the district  
12 forfeits the amount withheld. A person who willfully falsifies a  
13 figure or statement in the certified and sworn copy of enrollment  
14 is subject to penalty as prescribed by section 161.

15 (2) To be eligible to receive state aid under this article,  
16 not later than the twenty-fourth Wednesday after the pupil  
17 membership count day and not later than the twenty-fourth Wednesday  
18 after the supplemental count day, an intermediate district shall  
19 submit to the center, in a form and manner prescribed by the  
20 center, the audited enrollment and attendance data as described in  
21 subsection (1) for the pupils of its constituent districts and of  
22 the intermediate district. If an intermediate district fails to  
23 submit the audited data as required under this subsection, the  
24 department shall withhold state aid due to be distributed under  
25 this article from the defaulting intermediate district immediately,  
26 beginning with the next payment after the failure and continuing  
27 with each payment until the intermediate district complies with  
28 this subsection. If an intermediate district does not comply with  
29 this subsection by the end of the fiscal year, the intermediate



1 district forfeits the amount withheld.

2 (3) Except as otherwise provided in subsections (11) and (12)  
3 all of the following apply to the provision of pupil instruction:

4 (a) Except as otherwise provided in this section, each  
5 district shall provide at least 1,098 hours and 180 days of pupil  
6 instruction. If a collective bargaining agreement that provides a  
7 complete school calendar was in effect for employees of a district  
8 as of June 24, 2014, and if that school calendar is not in  
9 compliance with this subdivision, then this subdivision does not  
10 apply to that district until after the expiration of that  
11 collective bargaining agreement. A district may apply for a waiver  
12 under subsection (9) from the requirements of this subdivision.

13 (b) Except as otherwise provided in this article, a district  
14 failing to comply with the required minimum hours and days of pupil  
15 instruction under this subsection forfeits from its total state aid  
16 allocation an amount determined by applying a ratio of the number  
17 of hours or days the district was in noncompliance in relation to  
18 the required minimum number of hours and days under this  
19 subsection. Not later than the first business day in August, the  
20 board of each district shall either certify to the department that  
21 the district was in full compliance with this section regarding the  
22 number of hours and days of pupil instruction in the previous  
23 school year, or report to the department, in a form and manner  
24 prescribed by the center, each instance of noncompliance. If the  
25 district did not provide at least the required minimum number of  
26 hours and days of pupil instruction under this subsection, the  
27 department shall make the deduction of state aid in the following  
28 fiscal year from the first payment of state school aid. A district  
29 is not subject to forfeiture of funds under this subsection for a



1 fiscal year in which a forfeiture was already imposed under  
2 subsection (6).

3 (c) Hours or days lost because of strikes or teachers'  
4 conferences are not counted as hours or days of pupil instruction.

5 (d) Except as otherwise provided in subdivisions (e) and (f),  
6 if a district does not have at least 75% of the district's  
7 membership in attendance on any day of pupil instruction, the  
8 department shall pay the district state aid in that proportion of  
9  $1/180$  that the actual percent of attendance bears to 75%.

10 (e) If a district adds 1 or more days of pupil instruction to  
11 the end of its instructional calendar for a school year to comply  
12 with subdivision (a) because the district otherwise would fail to  
13 provide the required minimum number of days of pupil instruction  
14 even after the operation of subsection (4) due to conditions not  
15 within the control of school authorities, then subdivision (d) does  
16 not apply for any day of pupil instruction that is added to the end  
17 of the instructional calendar. Instead, for any of those days, if  
18 the district does not have at least 60% of the district's  
19 membership in attendance on that day, the department shall pay the  
20 district state aid in that proportion of  $1/180$  that the actual  
21 percentage of attendance bears to 60%. For any day of pupil  
22 instruction added to the instructional calendar as described in  
23 this subdivision, the district shall report to the department the  
24 percentage of the district's membership that is in attendance, in  
25 the form and manner prescribed by the department.

26 (f) At the request of a district that operates a department-  
27 approved alternative education program and that does not provide  
28 instruction for pupils in all of grades K to 12, the superintendent  
29 shall grant a waiver from the requirements of subdivision (d). The



1 waiver must provide that an eligible district is subject to the  
 2 proration provisions of subdivision (d) only if the district does  
 3 not have at least 50% of the district's membership in attendance on  
 4 any day of pupil instruction. In order to be eligible for this  
 5 waiver, a district must maintain records to substantiate its  
 6 compliance with the following requirements:

7 (i) The district offers the minimum hours of pupil instruction  
 8 as required under this section.

9 (ii) For each enrolled pupil, the district uses appropriate  
 10 academic assessments to develop an individual education plan that  
 11 leads to a high school diploma.

12 (iii) The district tests each pupil to determine academic  
 13 progress at regular intervals and records the results of those  
 14 tests in that pupil's individual education plan.

15 (g) All of the following apply to a waiver granted under  
 16 subdivision (f):

17 (i) If the waiver is for a blended model of delivery, a waiver  
 18 that is granted for the 2011-2012 fiscal year or a subsequent  
 19 fiscal year remains in effect unless it is revoked by the  
 20 superintendent.

21 (ii) If the waiver is for a 100% online model of delivery and  
 22 the educational program for which the waiver is granted makes  
 23 educational services available to pupils for a minimum of at least  
 24 1,098 hours during a school year and ensures that each pupil  
 25 participates in the educational program for at least 1,098 hours  
 26 during a school year, a waiver that is granted for the 2011-2012  
 27 fiscal year or a subsequent fiscal year remains in effect unless it  
 28 is revoked by the superintendent.

29 (iii) A waiver that is not a waiver described in subparagraph



1 (i) or (ii) is valid for 3 fiscal years, unless it is revoked by the  
 2 superintendent, and must be renewed at the end of the 3-year period  
 3 to remain in effect.

4 (h) The superintendent shall promulgate rules for the  
 5 implementation of this subsection.

6 (4) **All of the following apply to the counting of days and**  
 7 **hours of pupil instruction under this section:**

8 (a) Except as otherwise provided in this subsection, the first  
 9 6 days or the equivalent number of hours for which pupil  
 10 instruction is not provided because of conditions not within the  
 11 control of school authorities, such as severe storms, fires,  
 12 epidemics, utility power unavailability, water or sewer failure, or  
 13 health conditions as defined by the city, county, or state health  
 14 authorities, are counted as hours and days of pupil instruction.

15 (b) With the approval of the superintendent of public  
 16 instruction, the department shall count as hours and days of pupil  
 17 instruction for a fiscal year not more than 3 additional days or  
 18 the equivalent number of additional hours for which pupil  
 19 instruction is not provided in a district due to unusual and  
 20 extenuating occurrences resulting from conditions not within the  
 21 control of school authorities such as those conditions described in  
 22 this subsection. ~~Subsequent such hours or days are not counted as~~  
 23 ~~hours or days of pupil instruction.~~

24 (c) **A district that counts hours or days of professional**  
 25 **development for teachers as hours or days of pupil instruction, as**  
 26 **provided under subsection (10), is eligible to have additional**  
 27 **hours or days counted as hours and days of pupil instruction under**  
 28 **subdivision (b) to the same extent as a district that does not**  
 29 **count hours or days of professional development for teachers as**



1 hours or days of pupil instruction.

2 (d) In deciding whether or not to approve the counting of  
3 additional hours or days of pupil instruction under subdivision (b)  
4 for a district, the superintendent of public instruction shall not  
5 take into account whether or not the district counts hours or days  
6 of professional development for teachers as hours or days of pupil  
7 instruction, as provided under subsection (10).

8 (e) Subsequent hours or days beyond those described in  
9 subdivisions (a) and (b) are not counted as hours or days of pupil  
10 instruction.

11 (5) A district does not forfeit part of its state aid  
12 appropriation because it adopts or has in existence an alternative  
13 scheduling program for pupils in kindergarten if the program  
14 provides at least the number of hours required under subsection (3)  
15 for a full-time equated membership for a pupil in kindergarten as  
16 provided under section 6(4).

17 (6) In addition to any other penalty or forfeiture under this  
18 section, if at any time the department determines that 1 or more of  
19 the following have occurred in a district, the district forfeits in  
20 the current fiscal year beginning in the next payment to be  
21 calculated by the department a proportion of the funds due to the  
22 district under this article that is equal to the proportion below  
23 the required minimum number of hours and days of pupil instruction  
24 under subsection (3), as specified in the following:

25 (a) The district fails to operate its schools for at least the  
26 required minimum number of hours and days of pupil instruction  
27 under subsection (3) in a school year, including hours and days  
28 counted under subsection (4).

29 (b) The board of the district takes formal action not to



1 operate its schools for at least the required minimum number of  
2 hours and days of pupil instruction under subsection (3) in a  
3 school year, including hours and days counted under subsection (4).

4 (7) In providing the minimum number of hours and days of pupil  
5 instruction required under subsection (3), a district shall use the  
6 following guidelines, and a district shall maintain records to  
7 substantiate its compliance with the following guidelines:

8 (a) Except as otherwise provided in this subsection, a pupil  
9 must be scheduled for at least the required minimum number of hours  
10 of instruction, excluding study halls, or at least the sum of 90  
11 hours plus the required minimum number of hours of instruction,  
12 including up to 2 study halls.

13 (b) The time a pupil is assigned to any tutorial activity in a  
14 block schedule may be considered instructional time, unless that  
15 time is determined in an audit to be a study hall period.

16 (c) Except as otherwise provided in this subdivision, a pupil  
17 in grades 9 to 12 for whom a reduced schedule is determined to be  
18 in the individual pupil's best educational interest must be  
19 scheduled for a number of hours equal to at least 80% of the  
20 required minimum number of hours of pupil instruction to be  
21 considered a full-time equivalent pupil. A pupil in grades 9 to 12  
22 who is scheduled in a 4-block schedule may receive a reduced  
23 schedule under this subsection if the pupil is scheduled for a  
24 number of hours equal to at least 75% of the required minimum  
25 number of hours of pupil instruction to be considered a full-time  
26 equivalent pupil.

27 (d) If a pupil in grades 9 to 12 who is enrolled in a  
28 cooperative education program or a special education pupil cannot  
29 receive the required minimum number of hours of pupil instruction



1 solely because of travel time between instructional sites during  
2 the school day, that travel time, up to a maximum of 3 hours per  
3 school week, is considered to be pupil instruction time for the  
4 purpose of determining whether the pupil is receiving the required  
5 minimum number of hours of pupil instruction. However, if a  
6 district demonstrates to the satisfaction of the department that  
7 the travel time limitation under this subdivision would create  
8 undue costs or hardship to the district, the department may  
9 consider more travel time to be pupil instruction time for this  
10 purpose.

11 (e) In grades 7 through 12, instructional time that is part of  
12 a Junior Reserve Officer Training Corps (JROTC) program is  
13 considered to be pupil instruction time regardless of whether the  
14 instructor is a certificated teacher if all of the following are  
15 met:

16 (i) The instructor has met all of the requirements established  
17 by the United States Department of Defense and the applicable  
18 branch of the armed services for serving as an instructor in the  
19 Junior Reserve Officer Training Corps program.

20 (ii) The board of the district or intermediate district  
21 employing or assigning the instructor complies with the  
22 requirements of sections 1230 and 1230a of the revised school code,  
23 MCL 380.1230 and 380.1230a, with respect to the instructor to the  
24 same extent as if employing the instructor as a regular classroom  
25 teacher.

26 (8) Except as otherwise provided in subsections (11) and (12),  
27 the department shall apply the guidelines under subsection (7) in  
28 calculating the full-time equivalency of pupils.

29 (9) Upon application by the district for a particular fiscal



1 year, the superintendent shall waive for a district the minimum  
2 number of hours and days of pupil instruction requirement of  
3 subsection (3) for a department-approved alternative education  
4 program or another innovative program approved by the department,  
5 including a 4-day school week. If a district applies for and  
6 receives a waiver under this subsection and complies with the terms  
7 of the waiver, the district is not subject to forfeiture under this  
8 section for the specific program covered by the waiver. If the  
9 district does not comply with the terms of the waiver, the amount  
10 of the forfeiture is calculated based upon a comparison of the  
11 number of hours and days of pupil instruction actually provided to  
12 the minimum number of hours and days of pupil instruction required  
13 under subsection (3). A district shall report pupils enrolled in a  
14 department-approved alternative education program under this  
15 subsection to the center in a form and manner determined by the  
16 center. All of the following apply to a waiver granted under this  
17 subsection:

18 (a) If the waiver is for a blended model of delivery, a waiver  
19 that is granted for the 2011-2012 fiscal year or a subsequent  
20 fiscal year remains in effect unless it is revoked by the  
21 superintendent.

22 (b) If the waiver is for a 100% online model of delivery and  
23 the educational program for which the waiver is granted makes  
24 educational services available to pupils for a minimum of at least  
25 1,098 hours during a school year and ensures that each pupil is on  
26 track for course completion at proficiency level, a waiver that is  
27 granted for the 2011-2012 fiscal year or a subsequent fiscal year  
28 remains in effect unless it is revoked by the superintendent.

29 (c) A waiver that is not a waiver described in subdivision (a)



1 or (b) is valid for 3 fiscal years, unless it is revoked by the  
2 superintendent, and must be renewed at the end of the 3-year period  
3 to remain in effect.

4 (10) A district may count up to 38 hours of professional  
5 development for teachers as hours of pupil instruction. All of the  
6 following apply to the counting of professional development as  
7 pupil instruction under this subsection:

8 (a) If the professional development exceeds 5 hours in a  
9 single day, that day may be counted as a day of pupil instruction.

10 (b) At least 8 hours of the professional development counted  
11 as hours of pupil instruction under this subsection must be  
12 recommended by a districtwide professional development advisory  
13 committee appointed by the district board. The advisory committee  
14 must be composed of teachers employed by the district who represent  
15 a variety of grades and subject matter specializations, including  
16 special education; nonteaching staff; parents; and administrators.  
17 The majority membership of the committee must be composed of  
18 teaching staff.

19 (c) Professional development provided online is allowable and  
20 encouraged, as long as the instruction has been approved by the  
21 district. The department shall issue a list of approved online  
22 professional development providers that must include the Michigan  
23 Virtual School.

24 (d) Professional development may only be counted as hours of  
25 pupil instruction under this subsection for the pupils of those  
26 teachers scheduled to participate in the professional development.

27 (e) The professional development must meet all of the  
28 following to be counted as pupil instruction under this subsection:

29 (i) Be aligned to the school or district improvement plan for



1 the school or district in which the professional development is  
2 being provided.

3 (ii) Be linked to 1 or more criteria in the evaluation tool  
4 developed or adopted by the district or intermediate district under  
5 section 1249 of the revised school code, MCL 380.1249.

6 (iii) Has been approved by the department as counting for state  
7 continuing education clock hours. The number of hours of  
8 professional development counted as hours of pupil instruction  
9 under this subsection may not exceed the number of state continuing  
10 education clock hours for which the professional development was  
11 approved.

12 (iv) Not more than a combined total of 10 hours of the  
13 professional development takes place before the first scheduled day  
14 of school for the school year ending in the fiscal year and after  
15 the last scheduled day of school for that school year.

16 (v) Not more than 10 hours of the professional development  
17 takes place in a single month.

18 (vi) At least 75% of teachers scheduled to participate in the  
19 professional development are in attendance.

20 (11) Subsections (3) and (8) do not apply to a school of  
21 excellence that is a cyber school, as that term is defined in  
22 section 551 of the revised school code, MCL 380.551, and is in  
23 compliance with section 553a of the revised school code, MCL  
24 380.553a. Beginning July 1, 2021, this subsection is subject to  
25 section 8c. It is the intent of the legislature that the  
26 immediately preceding sentence apply retroactively and is effective  
27 July 1, 2021.

28 (12) Subsections (3) and (8) do not apply to eligible pupils  
29 enrolled in a dropout recovery program that meets the requirements



1 of section 23a. As used in this subsection, "eligible pupil" means  
2 that term as defined in section 23a.

3 (13) At least every 2 years the superintendent shall review  
4 the waiver standards set forth in the pupil accounting and auditing  
5 manuals to ensure that the waiver standards and waiver process  
6 continue to be appropriate and responsive to changing trends in  
7 online learning. The superintendent shall solicit and consider  
8 input from stakeholders as part of this review.

9 Sec. 104. (1) In order to receive state aid under this  
10 article, a district shall comply with sections 1249, 1278a, 1278b,  
11 1279g, and 1280b of the revised school code, MCL 380.1249,  
12 380.1278a, 380.1278b, 380.1279g, and 380.1280b, and 1970 PA 38, MCL  
13 388.1081 to 388.1086. Subject to subsection (2), from the state  
14 school aid fund money appropriated in section 11, there is  
15 allocated for ~~2022-2023~~**2023-2024** an amount not to exceed  
16 \$37,509,400.00 for payments on behalf of districts for costs  
17 associated with complying with those provisions of law. In  
18 addition, from the federal funds appropriated in section 11, there  
19 is allocated for ~~2022-2023~~**2023-2024** an amount estimated at  
20 \$6,250,000.00 funded from DED-OESE, title VI, state assessment  
21 funds, and from DED-OSERS, part B of the individuals with  
22 disabilities education act, 20 USC 1411 to 1419, plus any carryover  
23 federal funds from previous year appropriations, for the purposes  
24 of complying with the every student succeeds act, Public Law 114-  
25 95.

26 (2) The results of each test administered as part of the  
27 Michigan student test of educational progress (M-STEP), including  
28 tests administered to high school students, must include an item  
29 analysis that lists all items that are counted for individual pupil



1 scores and the percentage of pupils choosing each possible  
2 response. The department shall work with the center to identify the  
3 number of students enrolled at the time assessments are given by  
4 each district. In calculating the percentage of pupils assessed for  
5 a district's scorecard, the department shall use only the number of  
6 pupils enrolled in the district at the time the district  
7 administers the assessments and shall exclude pupils who enroll in  
8 the district after the district administers the assessments.

9 (3) The department shall distribute federal funds allocated  
10 under this section in accordance with federal law and with  
11 flexibility provisions outlined in Public Law 107-116, and in the  
12 education flexibility partnership act of 1999, Public Law 106-25.

13 (4) The department may recommend, but may not require,  
14 districts to allow pupils to use an external keyboard with tablet  
15 devices for online M-STEP testing, including, but not limited to,  
16 open-ended test items such as constructed response or equation  
17 builder items.

18 (5) Notwithstanding section 17b, the department shall make  
19 payments on behalf of districts, intermediate districts, and other  
20 eligible entities under this section on a schedule determined by  
21 the department.

22 (6) From the allocation in subsection (1), there is allocated  
23 an amount not to exceed \$500,000.00 for ~~2022-2023~~**2023-2024** for the  
24 operation of an online reporting tool to provide student-level  
25 assessment data in a secure environment to educators, parents, and  
26 pupils immediately after assessments are scored. The department and  
27 the center shall ensure that any data collected by the online  
28 reporting tool do not provide individually identifiable student  
29 data to the federal government.



1 (7) As used in this section:

2 (a) "DED" means the United States Department of Education.

3 (b) "DED-OESE" means the DED Office of Elementary and  
4 Secondary Education.

5 (c) "DED-OSERS" means the DED Office of Special Education and  
6 Rehabilitative Services.

7 Sec. 107. (1) From the appropriation in section 11, there is  
8 allocated an amount not to exceed \$30,000,000.00 for ~~2022-2023~~  
9 **2023-2024** for adult education programs authorized under this  
10 section. Except as otherwise provided under subsections (14) and  
11 (15), funds allocated under this section are restricted for adult  
12 education programs as authorized under this section only. A  
13 recipient of funds under this section shall not use those funds for  
14 any other purpose.

15 (2) To be eligible for funding under this section, an eligible  
16 adult education provider shall employ certificated teachers and  
17 qualified administrative staff and shall offer continuing education  
18 opportunities for teachers to allow them to maintain certification.

19 (3) To be eligible to be a participant funded under this  
20 section, an individual must be enrolled in an adult basic education  
21 program, an adult secondary education program, an adult English as  
22 a second language program, a high school equivalency test  
23 preparation program, or a high school completion program, that  
24 meets the requirements of this section, and for which instruction  
25 is provided, and the individual must be at least 18 years of age by  
26 July 1 of the program year and the individual's graduating class  
27 must have graduated.

28 (4) By April 1 of each fiscal year for which funding is  
29 allocated under this section, the intermediate districts within a



1 prosperity region or subregion shall determine which intermediate  
2 district will serve as the prosperity region's or subregion's  
3 fiscal agent for the next fiscal year and shall notify the  
4 department in a form and manner determined by the department. The  
5 department shall approve or disapprove of the prosperity region's  
6 or subregion's selected fiscal agent. From the funds allocated  
7 under subsection (1), an amount as determined under this subsection  
8 is allocated to each intermediate district serving as a fiscal  
9 agent for adult education programs in each of the prosperity  
10 regions or subregions identified by the department. An intermediate  
11 district shall not use more than 5% of the funds allocated under  
12 this subsection for administration costs for serving as the fiscal  
13 agent. The allocation provided to each intermediate district  
14 serving as a fiscal agent must be calculated as follows:

15 (a) Sixty percent of this portion of the funding must be  
16 distributed based upon the proportion of the state population of  
17 individuals between the ages of 18 and 24 that are not high school  
18 graduates that resides in each of the prosperity regions or  
19 subregions located within the intermediate district, as reported by  
20 the most recent 5-year estimates from the American Community Survey  
21 (ACS) from the United States Census Bureau.

22 (b) Thirty-five percent of this portion of the funding must be  
23 distributed based upon the proportion of the state population of  
24 individuals age 25 or older who are not high school graduates that  
25 resides in each of the prosperity regions or subregions located  
26 within the intermediate district, as reported by the most recent 5-  
27 year estimates from the ACS from the United States Census Bureau.

28 (c) Five percent of this portion of the funding must be  
29 distributed based upon the proportion of the state population of



1 individuals age 18 or older who lack basic English language  
2 proficiency that resides in each of the prosperity regions or  
3 subregions located within the intermediate district, as reported by  
4 the most recent 5-year estimates from the ACS from the United  
5 States Census Bureau.

6 (5) To be an eligible fiscal agent, an intermediate district  
7 must agree to do the following in a form and manner determined by  
8 the department:

9 (a) Distribute funds to adult education programs in a  
10 prosperity region or subregion as described in this section.

11 (b) Collaborate with the career and educational advisory  
12 council, which is an advisory council of the workforce development  
13 boards located in the prosperity region or subregion, or its  
14 successor, to develop a regional strategy that aligns adult  
15 education programs and services into an efficient and effective  
16 delivery system for adult education learners, with special  
17 consideration for providing contextualized learning and career  
18 pathways and addressing barriers to education and employment.

19 (c) Collaborate with the career and educational advisory  
20 council, which is an advisory council of the workforce development  
21 boards located in the prosperity region or subregion, or its  
22 successor, to create a local process and criteria that will  
23 identify eligible adult education providers to receive funds  
24 allocated under this section based on location, demand for  
25 services, past performance, quality indicators as identified by the  
26 department, and cost to provide instructional services. The fiscal  
27 agent shall determine all local processes, criteria, and provider  
28 determinations. However, the local processes, criteria, and  
29 provider services must be approved by the department before funds



1 may be distributed to the fiscal agent.

2 (d) Provide oversight to its adult education providers  
3 throughout the program year to ensure compliance with the  
4 requirements of this section.

5 (e) Report adult education program and participant data and  
6 information as prescribed by the department.

7 (6) An adult basic education program, an adult secondary  
8 education program, or an adult English as a second language program  
9 operated on a year-round or school year basis may be funded under  
10 this section, subject to all of the following:

11 (a) The program enrolls adults who are determined by a  
12 department-approved assessment, in a form and manner prescribed by  
13 the department, to be below twelfth grade level in reading or  
14 mathematics, or both, or to lack basic English proficiency.

15 (b) The program tests individuals for eligibility under  
16 subdivision (a) before enrollment and upon completion of the  
17 program in compliance with the state-approved assessment policy.

18 (c) A participant in an adult basic education program is  
19 eligible for reimbursement until 1 of the following occurs:

20 (i) The participant's reading and mathematics proficiency are  
21 assessed at or above the ninth grade level.

22 (ii) The participant fails to show progress on 2 successive  
23 assessments after having completed at least 450 hours of  
24 instruction.

25 (d) A participant in an adult secondary education program is  
26 eligible for reimbursement until 1 of the following occurs:

27 (i) The participant's reading and mathematics proficiency are  
28 assessed above the twelfth grade level.

29 (ii) The participant fails to show progress on 2 successive



1 assessments after having at least 450 hours of instruction.

2 (e) A funding recipient enrolling a participant in an English  
3 as a second language program is eligible for funding according to  
4 subsection (9) until the participant meets 1 of the following:

5 (i) The participant is assessed as having attained basic  
6 English proficiency as determined by a department-approved  
7 assessment.

8 (ii) The participant fails to show progress on 2 successive  
9 department-approved assessments after having completed at least 450  
10 hours of instruction. The department shall provide information to a  
11 funding recipient regarding appropriate assessment instruments for  
12 this program.

13 (7) A high school equivalency test preparation program  
14 operated on a year-round or school year basis may be funded under  
15 this section, subject to all of the following:

16 (a) The program enrolls adults who do not have a high school  
17 diploma or a high school equivalency certificate.

18 (b) The program administers a pre-test approved by the  
19 department before enrolling an individual to determine the  
20 individual's literacy levels, administers a high school equivalency  
21 practice test to determine the individual's potential for success  
22 on the high school equivalency test, and administers a post-test  
23 upon completion of the program in compliance with the state-  
24 approved assessment policy.

25 (c) A funding recipient receives funding according to  
26 subsection (9) for a participant, and a participant may be enrolled  
27 in the program until 1 of the following occurs:

28 (i) The participant achieves a high school equivalency  
29 certificate.



1           (ii) The participant fails to show progress on 2 successive  
2 department-approved assessments used to determine readiness to take  
3 a high school equivalency test after having completed at least 450  
4 hours of instruction.

5           (8) A high school completion program operated on a year-round  
6 or school year basis may be funded under this section, subject to  
7 all of the following:

8           (a) The program enrolls adults who do not have a high school  
9 diploma.

10           (b) The program tests participants described in subdivision  
11 (a) before enrollment and upon completion of the program in  
12 compliance with the state-approved assessment policy.

13           (c) A funding recipient receives funding according to  
14 subsection (9) for a participant in a course offered under this  
15 subsection until 1 of the following occurs:

16           (i) The participant passes the course and earns a high school  
17 diploma.

18           (ii) The participant fails to earn credit in 2 successive  
19 semesters or terms in which the participant is enrolled after  
20 having completed at least 900 hours of instruction.

21           (9) The department shall make payments to a funding recipient  
22 under this section in accordance with all of the following:

23           (a) Statewide allocation criteria, including 3-year average  
24 enrollments, census data, and local needs.

25           (b) Participant completion of the adult basic education  
26 objectives by achieving an educational gain as determined by the  
27 national reporting system levels; for achieving basic English  
28 proficiency, as determined by the department; for achieving a high  
29 school equivalency certificate or passage of 1 or more individual



1 high school equivalency tests; for attainment of a high school  
2 diploma or passage of a course required for a participant to attain  
3 a high school diploma; for enrollment in a postsecondary  
4 institution, or for entry into or retention of employment, as  
5 applicable.

6 (c) Participant completion of core indicators as identified in  
7 the **workforce** innovation and opportunity act.

8 (d) Allowable expenditures.

9 (10) An individual who is not eligible to be a participant  
10 funded under this section may receive adult education services upon  
11 the payment of tuition. In addition, an individual who is not  
12 eligible to be served in a program under this section due to the  
13 program limitations specified in subsection (6), (7), or (8) may  
14 continue to receive adult education services in that program upon  
15 the payment of tuition. The local or intermediate district  
16 conducting the program shall determine the tuition amount.

17 (11) An individual who is an inmate in a state correctional  
18 facility is not counted as a participant under this section.

19 (12) A funding recipient shall not commingle money received  
20 under this section or from another source for adult education  
21 purposes with any other funds and shall establish a separate ledger  
22 account for funds received under this section. This subsection does  
23 not prohibit a district from using general funds of the district to  
24 support an adult education or community education program.

25 (13) A funding recipient receiving funds under this section  
26 may establish a sliding scale of tuition rates based upon a  
27 participant's family income. A funding recipient may charge a  
28 participant tuition to receive adult education services under this  
29 section from that sliding scale of tuition rates on a uniform



1 basis. The amount of tuition charged per participant must not  
 2 exceed the actual operating cost per participant minus any funds  
 3 received under this section per participant. A funding recipient  
 4 may not charge a participant tuition under this section if the  
 5 participant's income is at or below 200% of the federal poverty  
 6 guidelines published by the United States Department of Health and  
 7 Human Services.

8 (14) In order to receive funds under this section, a funding  
 9 recipient shall furnish to the department, in a form and manner  
 10 determined by the department, all information needed to administer  
 11 this program and meet federal reporting requirements; shall allow  
 12 the department or the department's designee to review all records  
 13 related to the program for which it receives funds; and shall  
 14 reimburse the state for all disallowances found in the review, as  
 15 determined by the department. In addition, a funding recipient  
 16 shall agree to pay to a career and technical education program  
 17 under section 61a the amount of funding received under this section  
 18 in the proportion of career and technical education coursework used  
 19 to satisfy adult basic education programming, as billed to the  
 20 funding recipient by programs operating under section 61a. In  
 21 addition to the funding allocated under subsection (1), there is  
 22 allocated for ~~2022-2023~~**2023-2024** an amount not to exceed  
 23 \$500,000.00 to reimburse funding recipients for administrative and  
 24 instructional expenses associated with commingling programming  
 25 under this section and section 61a. The department shall make  
 26 payments under this subsection to each funding recipient in the  
 27 same proportion as funding calculated and allocated under  
 28 subsection (4).

29 (15) From the amount appropriated in subsection (1), an amount



1 not to exceed \$4,000,000.00 is allocated for ~~2022-2023~~**2023-2024**  
2 for grants to adult education or state-approved career technical  
3 center programs that connect adult education participants with  
4 employers as provided under this subsection. The department shall  
5 determine the amount of the grant to each program under this  
6 subsection, not to exceed \$350,000.00. To be eligible for funding  
7 under this subsection, a program must provide a collaboration  
8 linking adult education programs within the county, the area career  
9 technical center, and local employers. To receive funding under  
10 this subsection, an eligible program must satisfy all of the  
11 following:

12 (a) Connect adult education participants directly with  
13 employers by linking adult education, career and technical skills,  
14 and workforce development.

15 (b) Require adult education staff to work with Michigan Works!  
16 agency to identify a cohort of participants who are most prepared  
17 to successfully enter the workforce. Except as otherwise provided  
18 under this subdivision, participants identified under this  
19 subsection must be dually enrolled in adult education programming  
20 and in at least 1 state-approved technical course at the area  
21 career and technical center. A program that links participants  
22 identified under this subsection with adult education programming  
23 and commercial driver license courses does not need to enroll the  
24 participants in at least 1 state-approved technical course at the  
25 area career and technical center to be considered an eligible  
26 program under this subsection.

27 (c) Employ an individual staffed as an adult education  
28 navigator who will serve as a caseworker for each participant  
29 identified under subdivision (b). The navigator shall work with



1 adult education staff and potential employers to design an  
2 educational program best suited to the personal and employment  
3 needs of the participant and shall work with human service agencies  
4 or other entities to address any barrier in the way of participant  
5 access.

6 (16) Each program funded under subsection (15) will receive  
7 funding for 3 years. After 3 years of operations and funding, a  
8 program must reapply for funding.

9 (17) Not later than December 1 of each year, a program funded  
10 under subsection (15) shall provide a report to the senate and  
11 house appropriations subcommittees on school aid, to the senate and  
12 house fiscal agencies, and to the state budget director identifying  
13 the number of participants, graduation rates, and a measure of  
14 transition to employment.

15 (18) Except as otherwise provided in this subsection,  
16 participants under subsection (15) must be concurrently enrolled  
17 and actively working toward obtaining a high school diploma or a  
18 high school equivalency certificate. Concurrent enrollment is not  
19 required under this subsection for a participant that was enrolled  
20 in adult education during the same program year and obtained a high  
21 school diploma or a high school equivalency certificate prior to  
22 enrollment in an eligible career and technical skills program under  
23 subsection (15). Up to 15% of adult education participants served  
24 under subsection (15) may already have a high school diploma or a  
25 high school equivalency certificate at the time of enrollment in an  
26 eligible career and technical skills program under subsection (15)  
27 and receive remediation services. It is intended that the cap  
28 described in the immediately preceding sentence is continually  
29 lowered on an annual basis until it eventually is 0%.



1 (19) The department shall approve at least ~~3~~<sup>2</sup> high school  
 2 equivalency tests and determine whether a high school equivalency  
 3 certificate meets the requisite standards for high school  
 4 equivalency in this state.

5 (20) As used in this section:

6 (a) "Career and educational advisory council" means an  
 7 advisory council to the local workforce development boards located  
 8 in a prosperity region consisting of educational, employer, labor,  
 9 and parent representatives.

10 (b) "Career pathway" means a combination of rigorous and high-  
 11 quality education, training, and other services that comply with  
 12 all of the following:

13 (i) Aligns with the skill needs of industries in the economy of  
 14 this state or in the regional economy involved.

15 (ii) Prepares an individual to be successful in any of a full  
 16 range of secondary or postsecondary education options, including  
 17 apprenticeships registered under the act of August 16, 1937,  
 18 commonly referred to as the national apprenticeship act, 29 USC 50  
 19 et seq.

20 (iii) Includes counseling to support an individual in achieving  
 21 the individual's education and career goals.

22 (iv) Includes, as appropriate, education offered concurrently  
 23 with and in the same context as workforce preparation activities  
 24 and training for a specific occupation or occupational cluster.

25 (v) Organizes education, training, and other services to meet  
 26 the particular needs of an individual in a manner that accelerates  
 27 the educational and career advancement of the individual to the  
 28 extent practicable.

29 (vi) Enables an individual to attain a secondary school diploma



1 or its recognized equivalent, and at least 1 recognized  
2 postsecondary credential.

3 (vii) Helps an individual enter or advance within a specific  
4 occupation or occupational cluster.

5 (c) "Department" means the department of labor and economic  
6 opportunity.

7 (d) "Eligible adult education provider" means a district,  
8 intermediate district, a consortium of districts, a consortium of  
9 intermediate districts, or a consortium of districts and  
10 intermediate districts that is identified as part of the local  
11 process described in subsection (5)(c) and approved by the  
12 department.

13 **Sec. 107a. (1) From the state school aid fund money**  
14 **appropriated in section 11, there is allocated for 2023-2024 only**  
15 **an amount not to exceed \$15,000,000.00 to the department of labor**  
16 **and economic opportunity to create adult education innovation**  
17 **programs. Programs funded under this section are intended to**  
18 **improve enrollment in and completion of adult basic education**  
19 **programs, including, but not limited to, synchronous and**  
20 **asynchronous program delivery methods, wraparound support,**  
21 **alignment between high school completion with postsecondary**  
22 **education, co-locating adult education with Michigan Works! or**  
23 **community colleges, and high-quality professional development.**

24 (2) The department of labor and economic opportunity must  
25 award competitive funds under this section to eligible adult  
26 education providers, community colleges, and organizations with  
27 experience serving adult learners for the purposes described in  
28 subsection (1).

29 (3) Adult education providers must apply for funding in a form



1 and manner determined by the department of labor and economic  
2 opportunity. Adult education providers that are not a district,  
3 intermediate district, or community college must identify in their  
4 application a partnership with a district, intermediate district,  
5 or community college to serve as a fiscal agent for funds received  
6 under this section.

7 (4) In a form and manner determined by the department of labor  
8 and economic opportunity, for pilot programs funded under this  
9 section, each adult education provider must perform a program  
10 evaluation, facilitation of communities of practice, and  
11 identification of best practices to scale pilot programs statewide.  
12 Adult education providers may use up to 5% of the funds received  
13 for these purposes.

14 (5) By not later than September 30 of each fiscal year funds  
15 allocated under subsection (1) are spent by adult education  
16 providers, the department of labor and economic opportunity must  
17 provide a report to the chairs of the house and senate  
18 appropriations subcommittees on school aid, to the house and senate  
19 fiscal agencies, and to the state budget director indicating how  
20 funds received under this section are being spent, and detailing  
21 the amounts spent, the services being provided with the funding,  
22 adult learners being reached with the funding, outcomes metrics,  
23 and recommendations for how programs could be scaled statewide.

24 (6) The funds allocated under this section for 2023-2024 are a  
25 work project appropriation, and any unexpended funds for 2023-2024  
26 are carried forward into 2024-2025. The purpose of the work project  
27 is to improve enrollment in and completion of adult basic education  
28 programs. The estimated completion date of the work project is  
29 September 30, 2026.



1           Sec. 121. (1) The valuation of a whole or fractional district  
 2 shall be the total taxable value of the property contained in the  
 3 whole or fractional district as last determined by the state tax  
 4 commission and placed on the ad valorem tax roll. For purposes of  
 5 computations made under this act, except as provided in section 26,  
 6 the taxable value of a district or intermediate district shall  
 7 include the value of property used to calculate the tax imposed on  
 8 lessees or users of tax-exempt property under 1953 PA 189, MCL  
 9 211.181 to 211.182, and the value of property used to calculate the  
 10 state payment in lieu of taxes on state purchased property under  
 11 section 2153 of the natural resources and environmental protection  
 12 act, 1994 PA 451, MCL 324.2153. Adjustments to this taxable value  
 13 shall be made for all of the following:

14           (a) State tax tribunal decisions.

15           (b) Court decisions.

16           (c) Local board of review adjustments made after the state tax  
 17 commission determination.

18           (d) Lands deeded to the state for jurisdictions without  
 19 delinquent tax revolving funds or for jurisdictions that have  
 20 required repayment to the delinquent tax revolving funds.

21           (e) The requirements of this act.

22           (2) ~~Adjustments under subsection (1) shall not be made for~~  
 23 ~~more than the 6 state fiscal years immediately preceding the state~~  
 24 ~~fiscal year in which the adjustment is made, except that an~~ **An**  
 25 adjustment pursuant to a state tax tribunal decision or court  
 26 decision shall be made for the tax years involved in the decision  
 27 and any subsequent years affected by the decision.

28           Sec. 147. (1) The allocation for ~~2022-2023~~ **2023-2024** for the  
 29 public school employees' retirement system pursuant to the public



1 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301  
 2 to 38.1437, is made using the individual projected benefit entry  
 3 age normal cost method of valuation and risk assumptions adopted by  
 4 the public school employees retirement board and the department of  
 5 technology, management, and budget.

6 (2) The annual level percentage of payroll contribution rates  
 7 for the ~~2022-2023~~**2023-2024** fiscal year, as determined by the  
 8 retirement system, are estimated as follows:

9 (a) For public school employees who first worked for a public  
 10 school reporting unit before July 1, 2010 and who are enrolled in  
 11 the health premium subsidy, the annual level percentage of payroll  
 12 contribution rate is estimated at ~~44.88%~~**48.23%** with ~~28.23%~~**31.34%**  
 13 paid directly by the employer.

14 (b) For public school employees who first worked for a public  
 15 school reporting unit on or after July 1, 2010 and who are enrolled  
 16 in the health premium subsidy, the annual level percentage of  
 17 payroll contribution rate is estimated at ~~41.96%~~**44.37%** with ~~25.31%~~  
 18 **27.48%** paid directly by the employer.

19 (c) For public school employees who first worked for a public  
 20 school reporting unit on or after July 1, 2010 and who participate  
 21 in the personal healthcare fund, the annual level percentage of  
 22 payroll contribution rate is estimated at ~~41.10%~~**43.12%** with ~~24.45%~~  
 23 **26.23%** paid directly by the employer.

24 (d) For public school employees who first worked for a public  
 25 school reporting unit on or after September 4, 2012, who elect  
 26 defined contribution, and who participate in the personal  
 27 healthcare fund, the annual level percentage of payroll  
 28 contribution rate is estimated at ~~37.61%~~**37.85%** with 20.96% paid  
 29 directly by the employer.



1 (e) For public school employees who first worked for a public  
 2 school reporting unit before July 1, 2010, who elect defined  
 3 contribution, and who are enrolled in the health premium subsidy,  
 4 the annual level percentage of payroll contribution rate is  
 5 estimated at ~~38.47%~~**39.10%** with ~~21.82%~~**22.21%** paid directly by the  
 6 employer.

7 (f) For public school employees who first worked for a public  
 8 school reporting unit before July 1, 2010, who elect defined  
 9 contribution, and who participate in the personal healthcare fund,  
 10 the annual level percentage of payroll contribution rate is  
 11 estimated at ~~37.61%~~**37.85%** with 20.96% paid directly by the  
 12 employer.

13 (g) For public school employees who first worked for a public  
 14 school reporting unit before July 1, 2010 and who participate in  
 15 the personal healthcare fund, the annual level percentage of  
 16 payroll contribution rate is estimated at ~~44.02%~~**46.98%** with ~~27.37%~~  
 17 **30.09%** paid directly by the employer.

18 (h) For public school employees who first worked for a public  
 19 school reporting unit after January 31, 2018 and who elect to  
 20 become members of the MPSERS plan, the annual level percentage of  
 21 payroll contribution rate is estimated at ~~43.81%~~**44.05%** with 27.16%  
 22 paid directly by the employer.

23 (3) In addition to the employer payments described in  
 24 subsection (2), the employer shall pay the applicable contributions  
 25 to the Tier 2 plan, as determined by the public school employees  
 26 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

27 (4) The contribution rates in subsection (2) reflect an  
 28 amortization period of ~~16~~**15** years for ~~2022-2023~~**2023-2024**. The  
 29 public school employees' retirement system board shall notify each



1 district and intermediate district by February 28 of each fiscal  
2 year of the estimated contribution rate for the next fiscal year.

3       Sec. 147a. (1) From the state school aid fund money  
4 appropriated in section 11, there is allocated for ~~2021-2022-2023-~~  
5 **2024** an amount not to exceed \$100,000,000.00 ~~and for 2022-2023 an~~  
6 ~~amount not to exceed \$100,000,000.00~~ for payments to participating  
7 districts. A participating district that receives money under this  
8 subsection shall use that money solely for the purpose of  
9 offsetting a portion of the retirement contributions owed by the  
10 district for the fiscal year in which it is received. The amount  
11 allocated to each participating district under this subsection is  
12 based on each participating district's percentage of the total  
13 statewide payroll for all participating districts for the  
14 immediately preceding fiscal year. As used in this subsection,  
15 "participating district" means a district that is a reporting unit  
16 of the Michigan public school employees' retirement system under  
17 the public school employees retirement act of 1979, 1980 PA 300,  
18 MCL 38.1301 to 38.1437, and that reports employees to the Michigan  
19 public school employees' retirement system for the applicable  
20 fiscal year.

21       (2) In addition to the allocation under subsection (1), from  
22 the state school aid fund money appropriated under section 11,  
23 there is allocated an amount not to exceed ~~\$197,000,000.00~~  
24 **\$357,700,000.00** for ~~2021-2022 and an amount not to exceed~~  
25 ~~\$191,700,000.00 for 2022-2023-2023-2024~~ for payments to  
26 participating districts and intermediate districts and from the  
27 general fund money appropriated under section 11, there is  
28 allocated an amount not to exceed ~~\$60,000.00~~ **\$100,000.00** for ~~2021-~~  
29 ~~2022 and an amount not to exceed \$50,000.00 for 2022-2023-2023-2024~~



1 for payments to participating district libraries. The amount  
 2 allocated to each participating entity under this subsection is  
 3 based on each participating entity's reported quarterly payroll for  
 4 members that became tier 1 prior to February 1, 2018 for the  
 5 current fiscal year. A participating entity that receives money  
 6 under this subsection shall use that money solely for the purpose  
 7 of offsetting a portion of the normal cost contribution rate. As  
 8 used in this subsection:

9 (a) "District library" means a district library established  
 10 under the district library establishment act, 1989 PA 24, MCL  
 11 397.171 to 397.196.

12 (b) "Participating entity" means a district, intermediate  
 13 district, or district library that is a reporting unit of the  
 14 Michigan public school employees' retirement system under the  
 15 public school employees retirement act of 1979, 1980 PA 300, MCL  
 16 38.1301 to 38.1437, and that reports employees to the Michigan  
 17 public school employees' retirement system for the applicable  
 18 fiscal year.

19 (3) **In addition to the allocations under subsections (1) and**  
 20 **(2), from the state school aid fund money appropriated in section**  
 21 **11, there is allocated for 2023-2024 only an amount not to exceed**  
 22 **\$23,878,000.00 for payments to participating intermediate districts**  
 23 **and participating district libraries. The payments described in**  
 24 **this subsection must be made over a 2-year period. A participating**  
 25 **intermediate district or participating district library shall use**  
 26 **that money solely for the purpose of offsetting a portion of the**  
 27 **retirement contributions owed by the participating intermediate**  
 28 **district or participating district library for the fiscal year in**  
 29 **which it is received. The amount allocated to each participating**



1 intermediate district or participating district library under this  
2 subsection is calculated as follows for each fiscal year:

3 (a) For each participating intermediate district,  
4 \$11,912,000.00 multiplied by each participating intermediate  
5 district's percentage of the total statewide payroll for all  
6 participating intermediate districts.

7 (b) For each participating district library, \$27,000.00  
8 multiplied by each participating district library's percentage of  
9 the total statewide payroll for all participating district  
10 libraries.

11 (4) The funds allocated under subsection (3) for 2023-2024 are  
12 a work project appropriation, and any unexpended funds for 2023-  
13 2024 are carried forward into 2024-2025. The purpose of the work  
14 project is to continue payments to participating intermediate  
15 districts and participating district libraries. The estimated  
16 completion date of the work project is September 30, 2025.

17 (5) As used in subsections (3) and (4):

18 (a) "Participating district library" means a district library  
19 that is a reporting unit of the Michigan public school employees'  
20 retirement system under the public school employees retirement act  
21 of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports  
22 employees to the Michigan public school employees' retirement  
23 system for the applicable fiscal year.

24 (b) "Participating intermediate district" means an  
25 intermediate district that is a reporting unit of the Michigan  
26 public school employees' retirement system under the public school  
27 employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to  
28 38.1437, and that reports employees to the Michigan public school  
29 employees' retirement system for the applicable fiscal year.



1           Sec. 147b. (1) The MPSERS retirement obligation reform reserve  
2 fund is created as a separate account within the state school aid  
3 fund.

4           (2) The state treasurer may receive money or other assets from  
5 any source for deposit into the MPSERS retirement obligation reform  
6 reserve fund. The state treasurer shall direct the investment of  
7 the MPSERS retirement obligation reform reserve fund. The state  
8 treasurer shall credit to the MPSERS retirement obligation reform  
9 reserve fund interest and earnings from the MPSERS retirement  
10 obligation reform reserve fund.

11           (3) Money available in the MPSERS retirement obligation reform  
12 reserve fund must not be expended without a specific appropriation.

13           (4) Money in the MPSERS retirement obligation reform reserve  
14 fund at the close of the fiscal year remains in the MPSERS  
15 retirement obligation reform reserve fund and does not lapse to the  
16 state school aid fund or to the general fund. The department of  
17 treasury is the administrator of the MPSERS retirement obligation  
18 reform reserve fund for auditing purposes.

19           (5) For 2022-2023, ~~\$425,000,000.00~~ **\$925,000,000.00** from the  
20 state school aid fund is deposited into the MPSERS retirement  
21 obligation reform reserve fund. It is the intent of the legislature  
22 that **\$425,000,000.00 of the** funds deposited under this subsection  
23 are used to offset costs associated with accelerating the reduction  
24 of the payroll growth assumption for reporting units that are not  
25 university reporting units until that rate is zero by October 1,  
26 2026.

27           Sec. 147c. (1) From the state school aid fund money  
28 appropriated in section 11, there is allocated for ~~2022-2023~~ **2023-**  
29 **2024** an amount not to exceed ~~\$1,478,000,000.00,~~ **\$1,647,200,000.00**



1 and from the MPSERS retirement obligation reform reserve fund money  
 2 appropriated in section 11, there is allocated for ~~2022-2023-2023-~~  
 3 ~~2024~~ only an amount needed, estimated at ~~\$140,400,000.00,~~  
 4 ~~\$202,000,000.00,~~ for payments to districts and intermediate  
 5 districts that are participating entities of the Michigan public  
 6 school employees' retirement system. In addition, from the general  
 7 fund money appropriated in section 11, there is allocated for ~~2022-~~  
 8 ~~2023-2023-2024~~ an amount not to exceed \$500,000.00 for payments to  
 9 district libraries that are participating entities of the Michigan  
 10 public school employees' retirement system. It is the intent of the  
 11 legislature that money allocated from the MPSERS retirement  
 12 obligation reform reserve fund under this subsection for ~~2022-2023-~~  
 13 ~~2023-2024~~ represents the amount necessary to reduce the payroll  
 14 growth assumption to ~~1.75%.~~ **0.75%**. All of the following apply to  
 15 funding under this subsection:

16 (a) Except as otherwise provided in this subdivision, for  
 17 ~~2022-2023,~~ ~~2023-2024,~~ the amounts allocated under this subsection  
 18 are estimated to provide an average MPSERS rate cap per pupil  
 19 amount of ~~\$1,042.00~~ **\$1,157.00** and are estimated to provide a rate  
 20 cap per pupil for districts ranging between ~~\$5.00~~ **\$4.00** and  
 21 ~~\$3,700.00.~~ ~~For 2022-2023, if the retirement system determines the~~  
 22 ~~average MPSERS rate cap per pupil amount and rate cap per pupil for~~  
 23 ~~districts estimated in the immediately preceding sentence need to~~  
 24 ~~be adjusted, the estimated average MPSERS rate cap per pupil amount~~  
 25 ~~and estimated rate cap per pupil for districts under this~~  
 26 ~~subdivision are the estimations determined by the retirement~~  
 27 ~~system. If the retirement system makes a determination as described~~  
 28 ~~in the immediately preceding sentence, it shall issue its~~  
 29 ~~estimations publicly and describe the need for the adjustment~~



1 ~~described in the immediately preceding sentence.~~ **\$5,020.00.**

2 (b) Payments made under this subsection are equal to the  
3 difference between the unfunded actuarial accrued liability  
4 contribution rate as calculated under section 41 of the public  
5 school employees retirement act of 1979, 1980 PA 300, MCL 38.1341,  
6 as calculated without taking into account the maximum employer rate  
7 of 20.96% included in section 41 of the public school employees  
8 retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum  
9 employer rate of 20.96% included in section 41 of the public school  
10 employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

11 (c) The amount allocated to each participating entity under  
12 this subsection is based on each participating entity's proportion  
13 of the total covered payroll for the immediately preceding fiscal  
14 year for the same type of participating entities. A participating  
15 entity that receives funds under this subsection shall use the  
16 funds solely for the purpose of retirement contributions as  
17 specified in subdivision (d).

18 (d) Each participating entity receiving funds under this  
19 subsection shall forward an amount equal to the amount allocated  
20 under subdivision (c) to the retirement system in a form, manner,  
21 and time frame determined by the retirement system.

22 (e) Funds allocated under this subsection should be considered  
23 when comparing a district's growth in total state aid funding from  
24 1 fiscal year to the next.

25 (f) Not later than December 20 of each fiscal year for which  
26 funding is allocated under this subsection, the department shall  
27 publish and post on its website an estimated MPERS rate cap per  
28 pupil for each district.

29 (g) The office of retirement services shall first apply funds



1 allocated under this subsection to pension contributions and, if  
 2 any funds remain after that payment, shall apply those remaining  
 3 funds to other postemployment benefit contributions.

4 ~~(2) In addition to the funds allocated under subsection (1),~~  
 5 ~~from the state school aid fund money appropriated in section 11,~~  
 6 ~~there is allocated for 2022-2023 only \$1,000,000,000.00 for~~  
 7 ~~payments to participating entities of the Michigan public school~~  
 8 ~~employees' retirement system. The amount allocated to each~~  
 9 ~~participating entity under this subsection must be based on each~~  
 10 ~~participating entity's proportion of the total covered payroll for~~  
 11 ~~the immediately preceding fiscal year. A participating entity that~~  
 12 ~~receives funds under this subsection shall use the funds solely for~~  
 13 ~~purposes of this subsection. Each participating entity receiving~~  
 14 ~~funds under this subsection shall forward an amount equal to the~~  
 15 ~~amount allocated under this subsection to the retirement system in~~  
 16 ~~a form, manner, and time frame determined by the retirement system.~~  
 17 ~~The retirement system shall recognize funds received under this~~  
 18 ~~subsection as additional assets being contributed to the system and~~  
 19 ~~shall not categorize them as unfunded actuarial liability~~  
 20 ~~contributions or normal cost contributions.~~ **In addition to the funds**  
 21 **allocated under subsection (1), from the state school aid fund**  
 22 **money appropriated in section 11, there is allocated for 2023-2024**  
 23 **only \$97,000,000.00 for payments to districts and intermediate**  
 24 **districts that are participating entities of the Michigan public**  
 25 **school employees' retirement system. The amount allocated to each**  
 26 **participating entity under this subsection must be based on each**  
 27 **participating entity's proportion of the total covered payroll for**  
 28 **the immediately preceding fiscal year.**

29 (3) As used in this section:



1 (a) "Community college" means a community college created  
2 under the community college act of 1966, 1966 PA 331, MCL 389.1 to  
3 389.195.

4 (b) "District library" means a district library established  
5 under the district library establishment act, 1989 PA 24, MCL  
6 397.171 to 397.196.

7 (c) "MPERS rate cap per pupil" means an amount equal to the  
8 quotient of the district's payment under this section divided by  
9 the district's pupils in membership.

10 (d) "Participating entity" means:

11 (i) As used in subsection (1) only, a district, intermediate  
12 district, or district library that is a reporting unit of the  
13 Michigan public school employees' retirement system under the  
14 public school employees retirement act of 1979, 1980 PA 300, MCL  
15 38.1301 to 38.1437, and that reports employees to the Michigan  
16 public school employees' retirement system for the applicable  
17 fiscal year.

18 (ii) As used in subsection (2) only, a district, intermediate  
19 district, community college, or district library that is a  
20 reporting unit of the Michigan public school employees' retirement  
21 system under the public school employees retirement act of 1979,  
22 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to  
23 the Michigan public school employees' retirement system for the  
24 applicable fiscal year.

25 (e) "Retirement system" means the Michigan public school  
26 employees' retirement system under the public school employees  
27 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

28 Sec. 147e. (1) From the state school aid fund money  
29 appropriated in section 11, there is allocated for ~~2021-2022-2023-~~



1 **2024** an amount not to exceed ~~\$50,000,000.00~~ and there is allocated  
 2 for ~~2022-2023~~ an amount not to exceed ~~\$54,000,000.00~~ **\$82,400,000.00**  
 3 for payments to participating entities.

4 (2) The payment to each participating entity under this  
 5 section is the sum of the amounts under this subsection as follows:

6 (a) An amount equal to the contributions made by a  
 7 participating entity for the additional contribution made to a  
 8 qualified participant's Tier 2 account in an amount equal to the  
 9 contribution made by the qualified participant not to exceed 3% of  
 10 the qualified participant's compensation as provided for under  
 11 section 131(6) of the public school employees retirement act of  
 12 1979, 1980 PA 300, MCL 38.1431.

13 (b) Beginning October 1, 2017, an amount equal to the  
 14 contributions made by a participating entity for a qualified  
 15 participant who is only a Tier 2 qualified participant under  
 16 section 81d of the public school employees retirement act of 1979,  
 17 1980 PA 300, MCL 38.1381d, not to exceed 4%, and, beginning  
 18 February 1, 2018, not to exceed 1%, of the qualified participant's  
 19 compensation.

20 (c) An amount equal to the increase in employer normal cost  
 21 contributions under section 41b(2) of the public school employees  
 22 retirement act of 1979, 1980 PA 300, MCL 38.1341b, for a member  
 23 that was hired after February 1, 2018 and chose to participate in  
 24 Tier 1, compared to the employer normal cost contribution for a  
 25 member under section 41b(1) of the public school employees  
 26 retirement act of 1979, 1980 PA 300, MCL 38.1341b.

27 (3) As used in this section:

28 (a) "Member" means that term as defined under the public  
 29 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301



1 to 38.1437.

2 (b) "Participating entity" means a district, intermediate  
3 district, or community college that is a reporting unit of the  
4 Michigan public school employees' retirement system under the  
5 public school employees retirement act of 1979, 1980 PA 300, MCL  
6 38.1301 to 38.1437, and that reports employees to the Michigan  
7 public school employees' retirement system for the applicable  
8 fiscal year.

9 (c) "Qualified participant" means that term as defined under  
10 section 124 of the public school employees retirement act of 1979,  
11 1980 PA 300, MCL 38.1424.

12 Sec. 152a. (1) As required by the court in the consolidated  
13 cases known as *Adair v State of Michigan*, 486 Mich 468 (2010), from  
14 the state school aid fund money appropriated in section 11, there  
15 is allocated for ~~2022-2023-2023-2024~~ an amount not to exceed  
16 ~~\$38,000,500.00~~ **\$42,300,500.00** to be used solely for the purpose of  
17 paying necessary costs related to the state-mandated collection,  
18 maintenance, and reporting of data to this state. **From this**  
19 **allocation, \$1,300,000.00 is allocated for the purpose of**  
20 **supporting the Michigan data hub network and the collection,**  
21 **aggregation, and reporting of data collected by the state, and**  
22 **\$3,000,000.00 is allocated for costs associated with collecting**  
23 **data necessary to provide reporting to tribal governments on the**  
24 **status of students affiliated with their particular tribe and data**  
25 **necessary to determine student participation in federal programs**  
26 **funded under 20 USC 7401 to 7546 and participation in federal**  
27 **programs funded under the Johnson-O'Malley Supplemental Indian**  
28 **Education Program Modernization Act, Public Law 115-404.**

29 (2) From the allocation in subsection (1), the department



1 shall **make payments of the \$1,300,000.00 allocated for supporting**  
 2 **the Michigan data hub network in the same manner as under section**  
 3 **22m(2) and shall** make **the remaining** payments to districts and  
 4 intermediate districts in an equal amount per pupil based on the  
 5 total number of pupils in membership in each district and  
 6 intermediate district. The department shall not make any adjustment  
 7 to these payments after the final installment payment under section  
 8 17b is made.

9       Sec. 163. (1) Except as otherwise provided in the revised  
 10 school code, the board of a district or intermediate district shall  
 11 not permit any of the following:

12       (a) An individual who is not appropriately placed under a  
 13 valid certificate, valid substitute permit, authorization, or  
 14 approval issued under rules promulgated by the department to teach  
 15 in an elementary or secondary school.

16       (b) An individual who does not satisfy the requirements of  
 17 section 1233 of the revised school code, MCL 380.1233, and rules  
 18 promulgated by the department to provide school counselor services  
 19 to pupils in an elementary or secondary school.

20       (c) An individual who does not satisfy the requirements of  
 21 section 1246 of the revised school code, MCL 380.1246, ~~or who is~~  
 22 ~~not~~ **and rules promulgated by the department to be employed as a**  
 23 **superintendent, principal, or assistant principal, or as an**  
 24 **individual whose primary responsibility is to administer**  
 25 **instructional programs in an elementary or secondary school or in a**  
 26 **district or intermediate district, unless the individual is** working  
 27 under a valid substitute permit issued under rules promulgated by  
 28 the department. ~~, to be employed as a superintendent, principal, or~~  
 29 ~~assistant principal, or as an individual whose primary~~



1 ~~responsibility is to administer instructional programs in an~~  
2 ~~elementary or secondary school or in a district or intermediate~~  
3 ~~district.~~

4 (2) Except as otherwise provided in the revised school code,  
5 this subsection, or subsection (4) or (7), a district or  
6 intermediate district employing an individual in violation of this  
7 section before July 1, 2021 must have deducted an amount equal to  
8 the amount paid to the individual for the period of employment that  
9 is in violation of this section. Except as otherwise provided under  
10 subsection (4) or (7), a district or intermediate district  
11 employing an individual in violation of this section on or after  
12 July 1, 2021 must have deducted an amount equal to 50% of the  
13 amount paid to the individual for the period of employment that is  
14 in violation of this section. Except as otherwise provided under  
15 subsection (4), beginning July 1, 2021, if a district or  
16 intermediate district is notified by the department that it is  
17 employing an individual in violation of this section and it  
18 continues to employ the individual in violation of this section 10  
19 business days after receiving the notification, both of the  
20 following apply:

21 (a) The district or intermediate district must have deducted  
22 an amount equal to 50% of the amount paid to the individual for the  
23 period of employment that is in violation of this section that  
24 occurs before the expiration of the 10-day period described in this  
25 subsection.

26 (b) The district or intermediate district must have deducted  
27 an amount equal to 100% of the amount paid to the individual for  
28 the period of employment that is in violation of this section that  
29 occurs after the 10-day period described in this subsection.



1 (3) For purposes of subsection (2), if a district or  
2 intermediate district on behalf of an individual or an individual  
3 successfully completes the credential application process through  
4 the department, including the submission of an appropriate  
5 application, required fees, and all required supporting  
6 documentation, the individual's employment with the district or  
7 intermediate district after this completion is not considered a  
8 period of employment that is in violation of this section.

9 (4) A deduction under subsection (2) for employment in  
10 violation of this section that occurs on or after July 1, 2021, may  
11 be less than the amount required under that subsection if the  
12 superintendent of public instruction finds that the district or  
13 intermediate district was hindered in its ability to obtain a  
14 substitute credential to enable the district or intermediate  
15 district to employ the individual in compliance with this section  
16 due to unusual and extenuating circumstances resulting from  
17 conditions not within the control of school authorities, including,  
18 but not limited to, a natural disaster, death or serious illness of  
19 the individual or another employee, an emergency school closure,  
20 fraud or other intentional wrongdoing of the individual or another  
21 employee, or an emergency health condition as defined by city,  
22 county, or state health authorities.

23 (5) For employment of an individual in violation of this  
24 section that occurs on or after July 1, 2021, upon request by a  
25 district or intermediate district, the department shall credit the  
26 amount of an adjustment in payments under section 15 that is based  
27 on the employment of the individual that gave rise to the deduction  
28 under subsection (2) or (4) against the amount of the deduction  
29 under subsection (2) or (4). The amount of the credit under this



1 subsection must not be in an amount that is greater than the  
2 deduction assessed under subsection (2) or (4).

3 (6) If a school official is notified by the department that he  
4 or she is employing an individual in violation of this section and  
5 knowingly continues to employ that individual, the school official  
6 is guilty of a misdemeanor punishable by a fine of \$1,500.00 for  
7 each ~~incidence~~—**incident**. This penalty is in addition to all other  
8 financial penalties otherwise specified in this article.

9 (7) There must be no deduction under subsection (2) for a  
10 period of employment in violation of this section that occurs  
11 between July 1, 2020 and June 30, 2021.

12 **Sec. 164i. (1) No money appropriated under this act must be**  
13 **used for any of the following:**

14 (a) **The restriction of or interference with actions related to**  
15 **diversity, equity, and inclusion.**

16 (b) **The restriction or impeding of a marginalized community's**  
17 **access to government resources, programs, or facilities.**

18 (c) **The diminishment of, interference with, or restriction of**  
19 **an individual's ability to exercise the right to reproductive**  
20 **freedom.**

21 (2) **From the funds appropriated in this act, districts,**  
22 **intermediate districts, and public institutions of higher education**  
23 **shall report to the department any action or policy that attempts**  
24 **to restrict or interfere with the duties of local health officers.**

25 (3) **As used in this section, "local health officer" means that**  
26 **term as defined in section 1105 of the public health code, 1978 PA**  
27 **368, MCL 333.1105.**

28 **Sec. 164j. (1) In order for a public school academy to receive**  
29 **funding under section 22b, all of the following conditions must be**



1 met:

2 (a) It must conduct an annual audit and post an annual  
3 financial statement online.

4 (b) Its education management organization, if applicable, must  
5 comply with all of the requirements under the freedom of  
6 information act, 1976 PA 442, MCL 15.231 to 15.246, as if it is a  
7 district that is not a public school academy.

8 (c) It must hold monthly meetings for its board of directors  
9 that meet all requirements that apply to school board meetings for  
10 a district that is not a public school academy under the open  
11 meetings act, 1976 PA 267, MCL 15.261 to 15.275.

12 (2) As used in this section, "education management  
13 organization" means, as applicable, that term as defined in section  
14 503c, 523c, or 553c of the revised school code, MCL 380.503c,  
15 380.523c, and 380.553c.

16 Enacting section 1. In accordance with section 30 of article  
17 IX of the state constitution of 1963, total state spending on  
18 school aid under article I of the state school aid act of 1979,  
19 1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2022 PA 144,  
20 2022 PA 212, 2023 PA 3, and by this amendatory act, from state  
21 sources for fiscal year 2022-2023 is estimated at  
22 \$18,074,715,900.00 and state appropriations for school aid to be  
23 paid to local units of government for fiscal year 2022-2023 are  
24 estimated at \$16,479,068,400.00. In accordance with section 30 of  
25 article IX of the state constitution of 1963, total state spending  
26 on school aid under article I of the state school aid act of 1979,  
27 1979 PA 94, MCL 388.1601 to 388.1772, as amended by this amendatory  
28 act, from state sources for fiscal year 2023-2024 is estimated at  
29 \$19,250,284,300.00 and state appropriations for school aid to be



1 paid to local units of government for fiscal year 2023-2024 are  
2 estimated at \$17,612,963,800.00.

3 Enacting section 2. Sections 11w, 11y, 20f, 23f, 27b, 27f,  
4 30c, 31c, 31m, 31o, 31p, 31q, 31bb, 31cc, 31dd, 31ee, 32u, 35f,  
5 35g, 35h, 55, 61i, 67a, 67c, 67d, 67e, 95b, 97b, 97c, 97d, 97e,  
6 97f, 98a, 98b, 98c, 99i, 99j, 99u, 99aa, 99dd, 99ee, 104f, 104h,  
7 152b, 164g, 164h, 166, 166a of the state school aid act of 1979,  
8 1979 PA 94, MCL 388.1611w, 388.1611y, 388.1620f, 388.1623f,  
9 388.1627b, 388.1627f, 388.1630c, 388.1631c, 388.1631m, 388.1631o,  
10 388.1631p, 388.1631q, 388.1631bb, 388.1631cc, 388.1631dd,  
11 388.1631ee, 388.1632u, 388.1635f, 388.1635g, 388.1635h, 388.1655,  
12 388.1661i, 388.1667a, 388.1667c, 388.1667d, 388.1667e, 388.1695b,  
13 388.1697b, 388.1697c, 388.1697d, 388.1697e, 388.1697f, 388.1698a,  
14 388.1698b, 388.1698c, 388.1699i, 388.1699j, 388.1699u, 388.1699aa,  
15 388.1699dd, 388.1699ee, 388.1704f, 388.1704h, 388.1752b, 388.1764g,  
16 388.1764h, 388.1766, and 388.1766a, are repealed effective October  
17 1, 2023.

18 Enacting section 3. (1) Sections 11m, 11w, 11x, 22a, 22b, 26c,  
19 27b, 27d, 31d, 31o, 31p, 32d, 39a, 51a, 51c, 51e, 56, 62, 104i,  
20 121, 147b of the state school aid act of 1979, 1979 PA 94, MCL  
21 388.1611m, 388.1611w, 388.1611x, 388.1622a, 388.1622b, 388.1626c,  
22 388.1627b, 388.1627d, 388.1631d, 388.1631o, 388.1631p, 388.1632d,  
23 388.1639a, 388.1651a, 388.1651c, 388.1651e, 388.1656, 388.1662,  
24 388.1704i, 388.1721, and 388.1747b as amended and sections 11v,  
25 12a, 23g, 27g, 30d, 30e, 31k of the state school aid act of 1979,  
26 1979 PA 94, as added by this amendatory act, if granted immediate  
27 effect pursuant to section 27 of article IV of the state  
28 constitution of 1963, take effect on enactment of this amendatory  
29 act.



1           (2) Except as otherwise provided for those sections listed in  
2 subsection (1), the remaining sections of this amendatory act take  
3 effect October 1, 2023.

