

## HOUSE BILL NO. 5507

A bill to amend 1979 PA 94, entitled  
"The state school aid act of 1979,"  
by amending sections 11, 11a, 11j, 11k, 11m, 11s, 11z, 12c, 15, 20,  
20d, 21h, 22a, 22b, 22c, 22d, 22l, 22m, 22p, 23g, 24, 24a, 25f, 25g,  
26a, 26b, 26c, 26d, 27a, 27c, 27d, 27g, 27j, 27k, 27l, 27n, 27o,  
27p, 28, 29, 30d, 31a, 31d, 31f, 31j, 31n, 31aa, 32d, 32n, 32p, 33,  
35a, 35d, 39, 39a, 41, 41b, 51a, 51c, 51d, 51e, 51g, 53a, 54, 54b,  
54d, 56, 61a, 61b, 61d, 61j, 62, 65, 67, 67f, 74, 81, 94, 94a, 97a,  
97j, 97k, 98, 98d, 99b, 99g, 99h, 99s, 99t, 99x, 99aa, 99ee, 99ff,  
99hh, 99jj, 104, 104h, 107, 147, 147a, 147c, 147e, 152a, 152b, 163,  
201, 205, 206, 207a, 207b, 207c, 217, 217b, 222, 223, 229, 229a,  
230, 236, 236c, 236j, 236n, 241, 241a, 241c, 244, 248, 248a, 250,  
251, 252, 253, 254, 255, 256, 258, 259, 260, 263, 263a, 263b, 264,  
268, 269, 270c, 275b, 275k, 276, 277, 278, 279, 280, 281, and 282

(MCL 388.1611, 388.1611a, 388.1611j, 388.1611k, 388.1611m, 388.1611s, 388.1611z, 388.1612c, 388.1615, 388.1620, 388.1620d, 388.1621h, 388.1622a, 388.1622b, 388.1622c, 388.1622d, 388.1622l, 388.1622m, 388.1622p, 388.1623g, 388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1626a, 388.1626b, 388.1626c, 388.1626d, 388.1627a, 388.1627c, 388.1627d, 388.1627g, 388.1627j, 388.1627k, 388.1627l, 388.1627n, 388.1627o, 388.1627p, 388.1628, 388.1629, 388.1630d, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631n, 388.1631aa, 388.1632d, 388.1632n, 388.1632p, 388.1633, 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, 388.1661d, 388.1661j, 388.1662, 388.1665, 388.1667, 388.1667f, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1697a, 388.1697j, 388.1697k, 388.1698, 388.1698d, 388.1699b, 388.1699g, 388.1699h, 388.1699s, 388.1699t, 388.1699x, 388.1699aa, 388.1699ee, 388.1699ff, 388.1699hh, 388.1699jj, 388.1704, 388.1704h, 388.1707, 388.1747, 388.1747a, 388.1747c, 388.1747e, 388.1752a, 388.1752b, 388.1763, 388.1801, 388.1805, 388.1806, 388.1807a, 388.1807b, 388.1807c, 388.1817, 388.1817b, 388.1822, 388.1823, 388.1829, 388.1829a, 388.1830, 388.1836, 388.1836c, 388.1836j, 388.1836n, 388.1841, 388.1841a, 388.1841c, 388.1844, 388.1848, 388.1848a, 388.1850, 388.1851, 388.1852, 388.1853, 388.1854, 388.1855, 388.1856, 388.1858, 388.1859, 388.1860, 388.1863, 388.1863a, 388.1863b, 388.1864, 388.1868, 388.1869, 388.1870c, 388.1875b, 388.1875k, 388.1876, 388.1877, 388.1878, 388.1879, 388.1880, 388.1881, and 388.1882), sections 11, 12c, 20, 22l, 31a, 41, 51a, 51c, 94a, 97k, 99jj, 147a, 201, 236, and 248 as amended by 2023 PA 320, sections 11a, 11j, 11k, 11m, 11s, 15, 20d, 21h, 22a, 22b, 22c, 22d, 22m, 22p, 24, 24a,

25f, 25g, 26a, 26b, 26c, 26d, 27a, 27c, 28, 31d, 31f, 31j, 31n, 31aa, 32d, 32n, 32p, 35a, 35d, 39, 39a, 41b, 51d, 51e, 51g, 53a, 54, 54b, 54d, 56, 61a, 61b, 61d, 62, 65, 67, 74, 81, 94, 97a, 98, 99h, 99s, 99t, 99x, 99aa, 99ee, 104, 104h, 107, 147, 147c, 147e, 152a, 152b, 163, 206, 207a, 207b, 207c, 223, 229a, 230, 236c, 236j, 241, 248a, 251, 252, 254, 256, 259, 260, 263, 263a, 264, 268, 269, 270c, 276, 277, 278, 279, 280, 281, and 282 as amended and sections 11z, 23g, 27g, 27j, 27k, 27l, 27n, 27o, 27p, 29, 30d, 33, 61j, 67f, 97j, 98d, 99b, 99g, 99ff, 99hh, 217b, 236n, 241a, 241c, 263b, and 275k as added by 2023 PA 103, section 27d as added and sections 229 and 275b as amended by 2022 PA 144, sections 205 and 217 as amended by 2020 PA 165, section 222 as amended by 2021 PA 86, section 244 as amended and section 250 as added by 2017 PA 108, sections 253 and 255 as amended by 2012 PA 201, and section 258 as amended by 2013 PA 60, and by adding sections 11bb, 12d, 22e, 25l, 27f, 27r, 27s, 31g, 35m, 35n, 51h, 55, 67a, 67b, 67d, 94d, 94e, 97m, 99, 99c, 99i, 147g, 164j, 201f, 201g, 201h, 216e, 217c, 236d, 236f, 236r, 241e, 247, 270, 275m, and 287; and to repeal acts and parts of acts.

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

1        Sec. 11. (1) ~~For the fiscal year ending September 30, 2023,~~  
 2 ~~there is appropriated for the public schools of this state and~~  
 3 ~~certain other state purposes relating to education the sum of~~  
 4 ~~\$17,290,268,900.00 from the state school aid fund, the sum of~~  
 5 ~~\$124,350,000.00 from the general fund, an amount not to exceed~~  
 6 ~~\$72,000,000.00 from the community district education trust fund~~  
 7 ~~created under section 12 of the Michigan trust fund act, 2000 PA~~  
 8 ~~489, MCL 12.262, an amount not to exceed \$200,000.00 from the~~  
 9 ~~school transportation fund created under section 22k, an amount not~~



~~1 to exceed \$25,000,000.00 from the school meals reserve fund created~~  
~~2 under section 30e, and an amount not to exceed \$140,400,000.00 from~~  
~~3 the MPSERS retirement obligation reform reserve fund created under~~  
~~4 section 147b. For the fiscal year ending September 30, 2024, there~~  
~~5 is appropriated for the public schools of this state and certain~~  
~~6 other state purposes relating to education the sum of~~  
~~7 \$18,364,157,800.00~~ **\$18,418,357,800.00** from the state school aid  
~~8 fund, the sum of \$87,900,000.00~~ **\$87,900,000.00** from the general  
~~9 fund, an amount not to exceed \$72,000,000.00 from the community~~  
~~10 district education trust fund created under section 12 of the~~  
~~11 Michigan trust fund act, 2000 PA 489, MCL 12.262, an amount not to~~  
~~12 exceed \$245,000,000.00 from the school consolidation and~~  
~~13 infrastructure fund created under section 11x, an amount not to~~  
~~14 exceed \$125,000,000.00 from the school transportation fund created~~  
~~15 under section 22k, an amount not to exceed \$71,000,000.00 from the~~  
~~16 enrollment stabilization fund created under section 29, an amount~~  
~~17 not to exceed \$60,000,000.00~~ **\$90,000,000.00** from the school meals  
~~18 reserve fund created under section 30e, an amount not to exceed~~  
~~19 \$18,000,000.00 from the great start readiness program reserve fund~~  
~~20 created under section 32e, and an amount not to exceed~~  
~~21 \$215,800,000.00~~ **\$240,650,000.00** from the MPSERS retirement  
~~22 obligation reform reserve fund created under section 147b. For the~~  
~~23 fiscal year ending September 30, 2025, there is appropriated for~~  
~~24 the public schools of this state and certain other state purposes~~  
~~25 relating to education the sum of \$17,643,551,300.00 from the state~~  
~~26 school aid fund, the sum of \$78,830,600.00 from the general fund,~~  
~~27 an amount not to exceed \$41,000,000.00 from the community district~~  
~~28 education trust fund created under section 12 of the Michigan trust~~  
~~29 fund act, 2000 PA 489, MCL 12.262, an amount not to exceed~~



\$125,000,000.00 from the school transportation fund created under section 22k, an amount not to exceed \$71,000,000.00 from the enrollment stabilization fund created under section 29, an amount not to exceed \$30,000,000.00 from the school meals reserve fund created under section 30e, an amount not to exceed \$18,000,000.00 from the great start readiness program reserve fund created under section 32e, an amount not to exceed \$334,100,000.00 from the MPSERS retirement obligation reform reserve fund created under section 147b, and an amount not to exceed \$30,000,000.00 from the educator fellowship public provider fund created in section 27d. In addition, all available federal funds are only appropriated as allocated in this article for the fiscal years ending September 30, ~~2023-2024~~ and September 30, ~~2024-2025~~.

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

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

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

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

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



1 the bookclosing for that fiscal year.

2 (b) Money statutorily dedicated to the school aid  
3 stabilization fund.

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

5 (3) Money available in the school aid stabilization fund may  
6 not be expended without a specific appropriation from the school  
7 aid stabilization fund. Money in the school aid stabilization fund  
8 must be expended only for purposes for which state school aid fund  
9 money may be expended.

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

14 (5) Money in the school aid stabilization fund at the close of  
15 a fiscal year remains in the school aid stabilization fund and does  
16 not lapse to the unreserved school aid fund balance or the general  
17 fund.

18 (6) If the maximum amount appropriated under section 11 from  
19 the state school aid fund for a fiscal year exceeds the amount  
20 available for expenditure from the state school aid fund for that  
21 fiscal year, there is appropriated from the school aid  
22 stabilization fund to the state school aid fund an amount equal to  
23 the projected shortfall as determined by the department of  
24 treasury, but not to exceed available money in the school aid  
25 stabilization fund. If the money in the school aid stabilization  
26 fund is insufficient to fully fund an amount equal to the projected  
27 shortfall, the state budget director shall notify the legislature  
28 as required under section 296(2) and state payments in an amount  
29 equal to the remainder of the projected shortfall must be prorated



in the manner provided under section 296(3).

(7) For ~~2023-2024~~, **2024-2025**, in addition to the appropriations in section 11, there is appropriated from the school aid stabilization fund to the state school aid fund the amount necessary to fully fund the allocations under this article.

Sec. 11j. From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$111,000,000.00~~ **\$23,000,000.00** for ~~2023-2024~~ **2024-2025** for payments to the school loan bond redemption fund in the department of treasury on behalf of districts and intermediate districts. Notwithstanding section 296 or any other provision of this act, funds allocated under this section are not subject to proration and must be paid in full.

Sec. 11k. For ~~2023-2024~~, **2024-2025**, there is appropriated from the general fund to the school loan revolving fund an amount equal to the amount of school bond loans assigned to the Michigan finance authority, not to exceed the total amount of school bond loans held in reserve as long-term assets. As used in this section, "school loan revolving fund" means that fund created in section 16c of the shared credit rating act, 1985 PA 227, MCL 141.1066c.

Sec. 11m. From the state school aid fund money appropriated in section 11, there is allocated for ~~2022-2023 an amount not to exceed \$1,000,000.00 and there is allocated for 2023-2024~~ **2024-2025** an amount not to exceed \$1,000,000.00 for fiscal year cash-flow borrowing costs solely related to the state school aid fund established under section 11 of article IX of the state constitution of 1963.

Sec. 11s. (1) From the state school aid fund money appropriated in section 11, there is allocated \$5,000,000.00 for



1 ~~2022-2023 and 2023-2024~~ **2024-2025** and from the general fund money  
 2 appropriated in section 11, there is allocated \$3,075,000.00 for  
 3 ~~2022-2023 and 2023-2024~~ **2024-2025** for the purpose of providing  
 4 services and programs to children who reside within the boundaries  
 5 of a district with the majority of its territory located within the  
 6 boundaries of a city for which an executive proclamation of  
 7 emergency concerning drinking water is issued in the current or  
 8 immediately preceding ~~8-9~~ fiscal years under the emergency  
 9 management act, 1976 PA 390, MCL 30.401 to 30.421, and that has at  
 10 least 4,500 pupils in membership for the 2016-2017 fiscal year or  
 11 has at least ~~2,800~~ **2,700** pupils in membership for a fiscal year  
 12 after 2016-2017.

13 (2) From the general fund money allocated in subsection (1),  
 14 there is allocated to a district with the majority of its territory  
 15 located within the boundaries of a city for which an executive  
 16 proclamation of emergency concerning drinking water is issued in  
 17 the current or immediately preceding ~~8-9~~ fiscal years under the  
 18 emergency management act, 1976 PA 390, MCL 30.401 to 30.421, and  
 19 that has at least 4,500 pupils in membership for the 2016-2017  
 20 fiscal year or has at least ~~2,800~~ **2,700** pupils in membership for a  
 21 fiscal year after 2016-2017, an amount not to exceed \$2,425,000.00  
 22 for ~~2022-2023 and 2023-2024~~ **2024-2025** for the purpose of employing  
 23 school nurses, classroom aides, school social workers, and  
 24 community health workers; for the provision of behavioral or mental  
 25 health supports, parental engagement activities, community  
 26 coordination activities, and other support services; and for  
 27 purchasing program supplies. The district shall provide a report to  
 28 the department in a form, manner, and frequency prescribed by the  
 29 department. The department shall provide a copy of that report to





1 the governor, the house and senate school aid subcommittees, the  
2 house and senate fiscal agencies, and the state budget director  
3 within 5 days after receipt. The report must provide at least the  
4 following information:

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

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

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

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

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

23 ~~(4) From the state school aid fund money allocated in~~  
24 ~~subsection (1), there is allocated an amount not to exceed~~  
25 ~~\$1,000,000.00 for 2022-2023 to the intermediate district described~~  
26 ~~in subsection (3) to enroll children described in subsection (1) in~~  
27 ~~school-day great start readiness programs, regardless of household~~  
28 ~~income eligibility requirements contained in section 32d. The~~  
29 ~~department shall administer this funding consistent with all other~~



~~provisions that apply to great start readiness programs under sections 32d and 39.~~

~~(3) (5) For 2022-2023 and 2023-2024,~~ **2024-2025**, from the general fund money allocated in subsection (1), there is allocated an amount not to exceed \$650,000.00 for nutritional services to children described in subsection (1).

~~(4) (6) For 2022-2023,~~ **2024-2025**, from the state school aid fund money allocated in subsection (1), ~~there is allocated an amount not to exceed \$2,000,000.00 and for 2023-2024,~~ there is allocated an amount not to exceed \$5,000,000.00 to an intermediate district that has a constituent district described in subsection (2) for interventions and supports for students in **grades** K to 12 who were impacted by an executive proclamation of emergency described in subsection (1) concerning drinking water. Funds under this subsection must be used for behavioral supports, social workers, counselors, psychologists, nursing services, including, but not limited to, vision and hearing services, transportation services, parental engagement, community coordination, and other support services.

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

~~(8) In addition to other funding allocated and appropriated in~~



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

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

Sec. 11z. (1) The school aid countercyclical budget and foundation stabilization fund is created as a separate account in the state school aid fund.

(2) The state treasurer may receive money or other assets from any source for deposit into the school aid countercyclical budget and foundation stabilization fund.

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

(4) Money in the school aid countercyclical budget and foundation stabilization fund at the close of a fiscal year remains in the school aid countercyclical budget and foundation stabilization fund and does not lapse to the state school aid fund or the general fund.

(5) Except as provided in subsections (6) and (7), money available in the school aid countercyclical budget and foundation stabilization fund may not be expended without a specific appropriation from the school aid countercyclical budget and



1 foundation stabilization fund.

2 (6) If, for a given fiscal year, the department of treasury  
3 determines that proration of payments under this article will be  
4 required under section 296, the amount necessary to avoid  
5 proration, or an amount necessary to reduce proration, may be  
6 deposited from the school aid countercyclical budget and foundation  
7 stabilization fund into the state school aid fund. The state budget  
8 director shall notify the legislature of a deposit under this  
9 subsection at least 30 calendar days or 6 legislative session days,  
10 whichever is more, before a deposit is made. Funds deposited into  
11 the state school aid fund under this subsection must be used only  
12 to eliminate or reduce proration under this article, as required  
13 under section 296. If, after making final calculations under  
14 section 296, the amount deposited into the state school aid fund  
15 under this section exceeds the amount actually necessary to  
16 eliminate or reduce proration, the excess amount must be deposited  
17 back into the school aid countercyclical budget and foundation  
18 stabilization fund.

19 (7) If year-over-year revenues for the state school aid fund  
20 are projected to decline, as determined during the final revenue  
21 estimating conference of a given fiscal year, the gross year-over-  
22 year decline in state school aid fund revenue may be deposited from  
23 the school aid countercyclical budget and foundation stabilization  
24 fund into the state school aid fund. The state budget director  
25 shall notify the legislature of a deposit under this subsection at  
26 least 30 calendar days or 6 legislative session days, whichever is  
27 more, before a deposit is made.

28 (8) Funds deposited into the state school aid fund under this  
29 section must be appropriated only for purposes under article I.



(9) For the fiscal year ending September 30, ~~2023~~**2025** only, ~~\$450,000,000.00~~**\$25,000,000.00** from the state school aid fund is deposited into the school aid countercyclical budget and foundation stabilization fund.

(10) As used in this section:

(a) "Revenue estimating conference" means a revenue estimating conference occurring in May as described in section 367b of the management and budget act, MCL 18.1367b.

(b) "Year-over-year" means a comparison of the fiscal year in which calculations are being made to the fiscal year immediately preceding the fiscal year in which calculations are being made.

**Sec. 11bb. (1) From the federal fund money appropriated under section 11, there is allocated for 2023-2024 the amount remaining, estimated at \$13,300,000.00, from the federal funding awarded to this state that has reverted to the governor's emergency education relief fund under provisions of section 2002 of the American rescue plan act of 2021, Public Law 117-2, for the purposes described in this section.**

**(2) The department shall make funding under this section available to districts and intermediate districts in the same proportion as funding was made available to districts and intermediate districts under the formula distribution of the original governor's emergency education relief fund dollars received and distributed by the state under the coronavirus aid, relief, and economic security act, Public Law 116-136.**

**(3) Districts and intermediate districts shall use funding received under this section for allowable uses to respond to the COVID-19 public health emergency and its negative impacts, including, but not limited to, its negative impacts on mental**



1 health, as determined by the department.

2 (4) The department shall develop a process to award and make  
3 funding available to districts and intermediate districts in a time  
4 frame that allows districts and intermediate districts to properly  
5 obligate these funds before the federal obligation deadlines for  
6 these funds.

7 (5) The department may utilize a portion of funding allocated  
8 under this section, up to the amount allowable under federal  
9 guidance, for the purposes of administering this section.

10 Sec. 12c. (1) From the school consolidation and infrastructure  
11 fund created under section 11x, there is allocated for 2023-2024  
12 only an amount not to exceed ~~\$245,000,000.00~~ \$135,000,000.00 for  
13 grants to districts and intermediate districts to support the  
14 initial costs related to the consolidation or the consolidation of  
15 services identified in the feasibility study or analysis conducted  
16 under section 11x.

17 (2) From the amount allocated in subsection (1), an amount not  
18 to exceed \$25,000,000.00 may be awarded by the department to  
19 districts and intermediate districts to support districts  
20 experiencing infrastructure emergencies. All of the following apply  
21 to emergency infrastructure funding under this subsection:

22 (a) Districts and intermediate districts must apply for the  
23 funding in a form and manner prescribed by the department. A  
24 district or intermediate district applying for funding under this  
25 subsection is not required to complete a feasibility study or  
26 analysis described in section 11x or a facility condition  
27 assessment described in section 11y.

28 (b) Before funding may be awarded to a district or  
29 intermediate district that applied under this subsection, the



1 superintendent must submit a request for the funding in writing to  
2 the state treasurer and the state budget director that contains all  
3 of the following information:

4 (i) A description of the emergency nature of the funding.

5 (ii) The scope of the funding request.

6 (iii) The estimated cost of the funding request.

7 (iv) Any other information requested by the state treasurer or  
8 the state budget director regarding the funding request.

9 (c) The state treasurer and the state budget director shall  
10 evaluate the information received under subdivision (b) and  
11 determine whether the funding will be used for an eligible purpose  
12 as described in this subsection and whether the district or  
13 intermediate district has access to other funds that could be  
14 utilized before emergency funding is made available.

15 (d) If the state treasurer and state budget director provide  
16 written concurrence to the superintendent that funding will be  
17 utilized in accordance with this subsection, the department may  
18 award emergency funding to the district or intermediate district  
19 that applied for funding.

20 (e) Funding awarded under this subsection may be utilized only  
21 on emergency infrastructure needs that threaten the immediate  
22 health and safety of students and staff in the district or  
23 intermediate district and prevent or obstruct the use of a building  
24 or portion of a building for learning.

25 (f) The state budget director shall notify the house and  
26 senate appropriations subcommittees on K to 12 school aid and the  
27 house and senate fiscal agencies of awards made under this  
28 subsection within 30 days of funding being distributed to a  
29 district or intermediate district.



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

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

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

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

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

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

24       (4) ~~(3) If~~ **Except as otherwise provided in this section, if**  
 25 funding under this section is ~~not sufficient~~ **insufficient** to fully  
 26 fund all applicants, the department shall do either of the  
 27 following:

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





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

**(5) ~~(4) Each~~ Except for funding received under subsection (2) and except as otherwise provided in this section, each** intermediate district that receives funding under this section and also ~~receives~~ **received** funding under section ~~11x(6)~~ **11x** for 2022-2023 shall, in consultation with its constituent districts that receive funds under this section, submit a report to the department **by** not later than June 30, 2025. ~~Each~~ **Except for funding received under subsection (2) and except as otherwise provided in this section, each** district that receives funding under this section and also ~~receives~~ **received** funding under section ~~11x(6)~~ **11x** that is separate from the funding received by its intermediate district for 2022-2023 shall submit a report to the department by not later than June 30, 2025. The report must include all of the following information regarding the consolidation or consolidation of services supported by funding under this section, in the form and manner prescribed by the department:

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

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

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

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

(e) A total of cost savings produced as a result of the



1 consolidation or the consolidation of services, in the form and  
2 manner prescribed by the department.

3 (6) The funds allocated under this section for 2023-2024 are a  
4 work project appropriation, and any unexpended funds for 2023-2024  
5 are carried forward into 2024-2025. The purpose of the work project  
6 is to continue to award grants for consolidation or the  
7 consolidation of services. The estimated completion date of the  
8 work project is September 30, 2027.

9 (7) ~~(5)~~ As used in this section, "constituent district" means  
10 that term as defined in section 3 of the revised school code, MCL  
11 380.3.

12 Sec. 12d. (1) From the school consolidation and infrastructure  
13 fund created under section 11x, there is allocated for 2023-2024  
14 only an amount not to exceed \$110,000,000.00 for the purposes of  
15 this section.

16 (2) From the amount allocated in subsection (1), there is  
17 allocated an amount not to exceed \$75,000,000.00 for grants to  
18 districts and intermediate districts to support costs related to  
19 internal consolidation within the district or intermediate  
20 district. All of the following apply to grants under this  
21 subsection:

22 (a) The department shall allow grants for applicants that have  
23 already taken actions for internal consolidation within the  
24 previous 2 years and grants for applicants that have not yet begun  
25 internal consolidation activities.

26 (b) The department shall prioritize applications from  
27 districts and intermediate districts that meet any of the following  
28 criteria:

29 (i) Are in an opportunity index band, as described in section



1 31a, of 3 or higher.

2 (ii) Are an intermediate district for which the percentage of  
3 pupils in membership who were determined to be economically  
4 disadvantaged in the immediately preceding fiscal year is equal to  
5 or greater than the minimum percentage for a district or public  
6 school academy to be in an opportunity index band, as described in  
7 section 31a, of 3 or higher.

8 (iii) Are experiencing declining enrollment.

9 (iv) Have no ability to issue bonds for infrastructure needs,  
10 or have made a good-faith effort, as determined by the department,  
11 to issue bonds for infrastructure needs.

12 (c) Grants may be used for operational expenses related to  
13 internal consolidation and for infrastructure needs. Infrastructure  
14 needs may include, but are not limited to, the removal of  
15 buildings.

16 (3) From the amount allocated in subsection (1),  
17 \$35,000,000.00 is allocated as follows:

18 (a) \$15,000,000.00 to Detroit Public Schools Community  
19 District to support the construction of the Cooley High School  
20 athletic complex.

21 (b) \$10,000,000.00 to Wayne RESA to support the construction  
22 of an academic and professional building in the city of Wayne.

23 (c) \$5,000,000.00 to Beecher Community School District to  
24 support the construction of a high school in the district.

25 (d) \$4,000,000.00 to Taylor School District for costs related  
26 to a new high school in the district.

27 (e) \$1,000,000.00 to the School District of the City of  
28 Hamtramck to support the costs of building infrastructure upgrades  
29 and maintenance.



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

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

27       (2) If the result of an audit conducted by or for the  
28 department affects the current fiscal year membership, the  
29 department shall adjust affected payments in the current fiscal



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

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



to the district under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to 141.942, or from the proceeds of millage levied or pledged under section 1211 of the revised school code, MCL 380.1211, as determined by the department.

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

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

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

(7) In addition to funds appropriated in section 11 for all programs and services, there is appropriated for ~~2023-2024~~ **2024-2025** for obligations in excess of applicable appropriations an amount equal to the collection of overpayments, but not to exceed amounts available from overpayments.

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

~~(a) For 2022-2023, the target foundation allowance is \$9,150.00.~~

~~(b) For 2023-2024,~~ **2024-2025**, the target foundation allowance is \$9,608.00.



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

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

10           (a) For a district that had a foundation allowance for the  
11 immediately preceding fiscal year that was equal to the target  
12 foundation allowance for the immediately preceding fiscal year, the  
13 district receives a foundation allowance in an amount equal to the  
14 target foundation allowance described in subsection (1) for the  
15 current fiscal year.

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



1 management and budget act, 1984 PA 431, MCL 18.1367b).

2 (c) For a district that had a foundation allowance in the  
3 immediately preceding fiscal year that was less than the target  
4 foundation allowance in effect for that fiscal year, the district's  
5 foundation allowance is an amount equal to the lesser of (the sum  
6 of district's foundation allowance for the immediately preceding  
7 fiscal year plus any per pupil amount calculated under section  
8 20m(2) in the immediately preceding fiscal year plus the increase  
9 in the target foundation allowance for the current fiscal year, as  
10 compared to the immediately preceding fiscal year) or (the product  
11 of the district's foundation allowance for the immediately  
12 preceding fiscal year times the percentage increase in the United  
13 States Consumer Price Index in the calendar year ending in the  
14 immediately preceding fiscal year as reported by the May revenue  
15 estimating conference conducted under section 367b of the  
16 management and budget act, 1984 PA 431, MCL 18.1367b).

17 (d) For a district that has a foundation allowance that is not  
18 a whole dollar amount, the department shall round the district's  
19 foundation allowance up to the nearest whole dollar.

20 (4) Except as otherwise provided in this subsection, the state  
21 portion of a district's foundation allowance is an amount equal to  
22 the district's foundation allowance or the target foundation  
23 allowance for the current fiscal year, whichever is less, minus the  
24 local portion of the district's foundation allowance. Except as  
25 otherwise provided in this subsection, for a district described in  
26 subsection (3)(b) and (c), the state portion of the district's  
27 foundation allowance is an amount equal to the target foundation  
28 allowance minus the district's foundation allowance supplemental  
29 payment per pupil calculated under section 20m and minus the local





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

21 (5) The allocation calculated under this section for a pupil  
22 is based on the foundation allowance of the pupil's district of  
23 residence. For a pupil enrolled under section 105 or 105c in a  
24 district other than the pupil's district of residence, the  
25 allocation calculated under this section is based on the lesser of  
26 the foundation allowance of the pupil's district of residence or  
27 the foundation allowance of the educating district. For a pupil in  
28 membership in a K-5, K-6, or K-8 district who is enrolled in  
29 another district in a grade not offered by the pupil's district of

1 residence, the allocation calculated under this section is based on  
2 the foundation allowance of the educating district if the educating  
3 district's foundation allowance is greater than the foundation  
4 allowance of the pupil's district of residence. The calculation  
5 under this subsection must take into account a district's per-pupil  
6 allocation under section 20m.

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

25 (7) For pupils in membership, other than special education  
26 pupils, in a community district, the allocation calculated under  
27 this section is an amount per membership pupil other than special  
28 education pupils in the community district equal to the foundation  
29 allowance of the qualifying school district, as described in



section 12b of the revised school code, MCL 380.12b, that is located within the same geographic area as the community district.

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

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

~~(10) For 2022-2023, state payments related to payment of the foundation allowance for a special education pupil are not calculated under this section but are instead calculated as follows:~~

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

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

~~(10)~~ ~~(11)~~ For 2023-2024, state **State** payments related to payment of the foundation allowance for a special education pupil



1 are not calculated under this section but are instead calculated  
2 under section 51e.

3 (11) ~~(12)~~—To assist the legislature in determining the target  
4 foundation allowance for the subsequent fiscal year, each revenue  
5 estimating conference conducted under section 367b of the  
6 management and budget act, 1984 PA 431, MCL 18.1367b, must  
7 calculate a pupil membership factor, a revenue adjustment factor,  
8 and an index as follows:

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

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



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

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

15 (12) ~~(13)~~—Payments to districts and public school academies  
16 are not made under this section. Rather, the calculations under  
17 this section are used to determine the amount of state payments  
18 under section 22b.

19 (13) ~~(14)~~—If an amendment to section 2 of article VIII of the  
20 state constitution of 1963 allowing state aid to some or all  
21 nonpublic schools is approved by the voters of this state, each  
22 foundation allowance or per-pupil payment calculation under this  
23 section may be reduced.

24 (14) ~~(15)~~—As used in this section:

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

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



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

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

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

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

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

26 (h) "Principal residence", "qualified agricultural property",  
27 "qualified forest property", "supportive housing property",  
28 "industrial personal property", and "commercial personal property"  
29 mean those terms as defined in section 1211 of the revised school



1 code, MCL 380.1211.

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

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

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

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

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

22 Sec. 20d. In making the final determination required under  
23 former section 20a of a district's combined state and local revenue  
24 per membership pupil in 1993-94 and in making calculations under  
25 section 20 for ~~2023-2024~~, **2024-2025**, the department and the  
26 department of treasury shall comply with all of the following:

27 (a) For a district that had combined state and local revenue  
28 per membership pupil in the 1994-95 fiscal year of \$6,500.00 or  
29 more and served as a fiscal agent for a state board designated area



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

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





1       Sec. 21h. (1) From the state school aid fund money  
 2 appropriated in section 11, there is allocated \$6,137,400.00 for  
 3 ~~2023-2024-2024-2025~~ for assisting districts assigned by the  
 4 superintendent to participate in a partnership and districts that  
 5 ~~have established a community engagement advisory committee in~~  
 6 ~~partnership with the department of treasury,~~ are required to submit  
 7 a deficit elimination plan or an enhanced deficit elimination plan  
 8 under section 1220 of the revised school code, MCL 380.1220, and  
 9 are located in a city with a population between 8,000 and 10,000 as  
 10 determined by the department, that is in a county with a population  
 11 between 150,000 and 160,000, as determined by the department, to  
 12 improve student achievement and district financial stability. The  
 13 superintendent shall ~~collaborate with the state treasurer to~~  
 14 identify any conditions that may be contributing to low academic  
 15 performance within a district being considered for assignment to a  
 16 partnership. The purpose of the partnership is to identify district  
 17 needs, develop intervention plans, and partner with public,  
 18 private, and nonprofit organizations to coordinate resources and  
 19 improve student achievement. Assignment of a district to a  
 20 partnership is made by the superintendent. ~~in consultation with the~~  
 21 ~~state treasurer.~~

22       (2) A district described in subsection (1) is eligible for  
 23 funding under this section if the district includes at least 1  
 24 school that has been identified as low performing under the  
 25 approved federal accountability system or the state accountability  
 26 system. A district described in this subsection must do all of the  
 27 following to be eligible for funding under this section:

28       (a) For a partnership district under this section, within 90  
 29 days of assignment to the partnership described in this section,



1 and for a district described in subsection (1) that is not a  
2 partnership district under this section, ~~by October 15 of each~~  
3 ~~year,~~ complete a comprehensive needs assessment or evaluation in  
4 collaboration with an intermediate district, community members,  
5 education organizations, and postsecondary institutions, as  
6 applicable, that is approved by the superintendent. The  
7 comprehensive needs assessment or evaluation must include at least  
8 all of the following:

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

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

14 (iii) A review of classroom, instructional, and operational  
15 practices and curriculum to ensure alignment with research-based  
16 instructional practices and state curriculum standards.

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

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

24 (ii) Specific measurable benchmarks that will be met within 18  
25 months to improve student achievement and identification of  
26 expected student achievement outcomes to be attained within 3 years  
27 after assignment to the partnership.

28 (c) Craft academic goals that put pupils on track to meet or  
29 exceed grade level proficiency, increase high school graduation



1 rates, reduce class sizes, and improve attendance rates.

2 (d) Provide access to training for district leadership,  
3 including, but not limited to, the superintendent or chief  
4 administrator and school board or board of directors members, on  
5 areas of education fiscal and policy matters.

6 (3) Upon approval of the academic and financial operating or  
7 intervention plan developed under subsection (2), the department ~~7~~  
8 ~~in collaboration with the department of treasury,~~ shall assign a  
9 team of individuals with expertise in comprehensive school and  
10 district reform to partner with the district, the intermediate  
11 district, community organizations, education organizations, and  
12 postsecondary institutions identified in the academic and financial  
13 operating or intervention plan to review the district's use of  
14 existing financial resources to ensure that those resources are  
15 being used as efficiently and effectively as possible to improve  
16 student academic achievement and to ensure district financial  
17 stability. The superintendent of public instruction may waive  
18 burdensome administrative rules for a partnership district for the  
19 duration of the partnership agreement and for a district described  
20 in subsection (1) that is not a partnership district under this  
21 section and that receives funding under this section in the current  
22 fiscal year.

23 (4) Funds allocated under this section, excluding funds  
24 allocated under subsection (5), may be used to pay for district  
25 expenditures approved by the superintendent to improve student  
26 achievement. Funds may be used for professional development for  
27 teachers or district or school leadership, increased instructional  
28 time, teacher mentors, or other expenditures that directly impact  
29 student achievement and cannot be paid from existing district



1 financial resources. ~~An eligible district must not receive funds~~  
2 ~~under this section for more than 3 years.~~ Notwithstanding section  
3 17b, the department shall make payments to districts under this  
4 section on a schedule determined by the department.

5 (5) From the funds allocated under subsection (1), there is  
6 allocated for ~~2023-2024~~ **2024-2025** an amount not to exceed  
7 \$137,400.00 for the purchase of a data analytics tool to be used by  
8 districts described in subsection (1). The superintendent of public  
9 instruction shall require districts described in subsection (1) to  
10 purchase a data analytics tool funded under this subsection as part  
11 of the agreements described in this section.

12 (6) The department ~~, in consultation with the department of~~  
13 ~~treasury,~~ shall annually report to the legislature on the  
14 activities funded under this section and how those activities  
15 impacted student achievement in districts that received funds under  
16 this section. To the extent possible, participating districts  
17 receiving funding under this section shall participate in the  
18 report.

19 (7) In addition to the allocation under subsection (1), from  
20 the state school aid fund money appropriated in section 11, there  
21 is allocated an amount not to exceed \$36,000,000.00 to districts  
22 described in subsection (1) for 2023-2024 only for supplemental  
23 funding to be used by districts for the purposes of this section in  
24 equal installments of \$12,000,000.00 in each of the fiscal years  
25 2023-2024, 2024-2025, and 2025-2026. 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 provide assistance to  
29 districts eligible for funding under this section. The estimated



completion date of the work project described in this subsection is September 30, 2026.

Sec. 22a. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$4,327,000,000.00~~ **\$4,144,000,000.00** for ~~2022-2023~~ **2023-2024** and there is allocated an amount not to exceed ~~\$4,206,000,000.00~~ **\$3,993,000,000.00** for ~~2023-2024~~ **2024-2025** for payments to districts and qualifying public school academies to guarantee each district and qualifying public school academy an amount equal to its 1994-95 total state and local per-pupil revenue for school operating purposes under section 11 of article IX of the state constitution of 1963. Pursuant to section 11 of article IX of the state constitution of 1963, this guarantee does not apply to a district in a year in which the district levies a millage rate for school district operating purposes less than it levied in 1994. However, subsection (2) applies to calculating the payments under this section. Funds allocated under this section that are not expended in the fiscal year for which they were allocated, as determined by the department, may be used to supplement the allocations under sections 22b and 51c to fully fund those allocations for the same fiscal year.

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

(a) Except as otherwise provided in this subsection, the state portion of a district's 1994-95 foundation allowance is an amount equal to the district's 1994-95 foundation allowance or \$6,500.00,



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



1 amount of local school operating tax revenue that would otherwise  
2 be due to the community district if not for the operation of  
3 section 386 of the revised school code, MCL 380.386, and the amount  
4 of this reduction is offset by the increase in funding under  
5 section 22b(2).

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

29 (3) For pupils in membership in a qualifying public school



1 academy, there is allocated under this section to the authorizing  
2 body that is the fiscal agent for the qualifying public school  
3 academy for forwarding to the qualifying public school academy an  
4 amount equal to the 1994-95 per-pupil payment to the qualifying  
5 public school academy under section 20.

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

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

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

29 (7) As used in this section:





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

5 (b) "Certified mills" means the lesser of 18 mills or the  
6 number of mills of school operating taxes levied by the district in  
7 1993-94.

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

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

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

25 (f) "Hold harmless millage" means, for a district with a 1994-  
26 95 foundation allowance greater than \$6,500.00, the number of mills  
27 by which the exemption from the levy of school operating taxes on a  
28 principal residence, qualified agricultural property, qualified  
29 forest property, supportive housing property, industrial personal



1 property, commercial personal property, and property occupied by a  
2 public school academy could be reduced as provided in section 1211  
3 of the revised school code, MCL 380.1211, and the number of mills  
4 of school operating taxes that could be levied on all property as  
5 provided in section 1211(2) of the revised school code, MCL  
6 380.1211, as certified by the department of treasury for the 1994  
7 tax year. For a receiving district, if school operating taxes are  
8 to be levied on behalf of a dissolved district that has been  
9 attached in whole or in part to the receiving district to satisfy  
10 debt obligations of the dissolved district under section 12 of the  
11 revised school code, MCL 380.12, school operating taxes do not  
12 include school operating taxes levied within the geographic area of  
13 the dissolved district.

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

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

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

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



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

4 (l) "School operating taxes" means local ad valorem property  
5 taxes levied under section 1211 of the revised school code, MCL  
6 380.1211, and retained for school operating purposes as defined in  
7 section 20.

8 (m) "Tax increment financing acts" means parts 2, 3, 4, and 6  
9 of the recodified tax increment financing act, 2018 PA 57, MCL  
10 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield  
11 redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

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

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



1 dissolved district.

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

13 Sec. 22b. (1) Except as otherwise provided in this section,  
 14 for discretionary nonmandated payments to districts under this  
 15 section, there is allocated for ~~2022-2023~~**2023-2024** an amount not  
 16 to exceed ~~\$5,663,000,000.00~~**\$6,219,000,000.00** from the state school  
 17 aid fund and general fund appropriations in section 11 and an  
 18 amount not to exceed \$72,000,000.00 from the community district  
 19 education trust fund appropriation in section 11, and there is  
 20 allocated for ~~2023-2024~~**2024-2025** an amount not to exceed  
 21 ~~\$6,236,200,000.00~~**\$6,213,000,000.00** from the state school aid fund  
 22 and general fund appropriations in section 11 and an amount not to  
 23 exceed ~~\$72,000,000.00~~**\$41,000,000.00** from the community district  
 24 education trust fund appropriation in section 11. For ~~2022-2023,~~  
 25 ~~\$22,400,000.00~~**2023-2024, \$33,700,000.00** must be deposited from the  
 26 general fund into the state school aid fund to reimburse the state  
 27 school aid fund for community district education trust fund costs  
 28 in excess of \$72,000,000.00, as required under section 12 of the  
 29 Michigan trust fund act, 2000 PA 489, MCL 12.262. For ~~2023-2024,~~



1 ~~\$28,200,000.00~~ **2024-2025, the amount necessary, estimated at**  
 2 **\$70,200,000.00** must be deposited from the general fund into the  
 3 state school aid fund to reimburse the state school aid fund for  
 4 community district education trust fund costs in excess of  
 5 ~~\$72,000,000.00, \$41,000,000.00~~, as required under section 12 of the  
 6 Michigan trust fund act, 2000 PA 489, MCL 12.262. If the amount  
 7 allocated under this subsection from the community district  
 8 education trust fund appropriation under section 11 is insufficient  
 9 to pay for an increase under this section, any amount exceeding  
 10 that allocation may be paid from other allocations under this  
 11 subsection. Except for money allocated under this section from the  
 12 community district education trust fund appropriation in section  
 13 11, funds allocated under this section that are not expended in the  
 14 fiscal year for which they were allocated, as determined by the  
 15 department, may be used to supplement the allocations under  
 16 sections 22a and 51c to fully fund those allocations for the same  
 17 fiscal year.

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



1 community district in the funding of the state portion of the  
2 foundation allowance under section 20(4).

3 (3) ~~In order to~~ **To** receive an allocation under subsection (1),  
4 each district must do all of the following:

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

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

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

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

14 (e) Comply with section 21f.

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

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

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

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



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

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

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



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

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

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





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

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

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

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

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

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

27 Sec. 22c. From the state school aid fund money appropriated in  
 28 section 11, there is allocated for ~~2023-2024~~ **2024-2025** an amount  
 29 not to exceed \$3,000,000.00 for payments to eligible districts as



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

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

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

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

Sec. 22d. (1) From the state school aid fund money appropriated under section 11, ~~an amount not to exceed \$8,858,000.00 is allocated for 2022-2023 and~~ an amount not to exceed ~~\$11,601,000.00~~ **\$12,306,900.00** is allocated for ~~2023-2024~~ **2024-2025** for supplemental payments to rural districts under this section.

(2) From the allocation under subsection (1), there is allocated for ~~2022-2023 an amount not to exceed \$1,638,300.00 and~~ ~~there is allocated for 2023-2024~~ **2024-2025** an amount not to exceed ~~\$3,520,200.00~~ **\$3,734,400.00** for payments under this subsection to eligible districts. A district that meets all of the following is an eligible district under this subsection:

(a) Operates grades K to 12.

(b) Has fewer than 250 pupils in membership.

(c) Each school building operated by the district meets at



1 least 1 of the following:

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

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

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

22 (4) Subject to subsection (7), from the allocation in  
23 subsection (1), there is allocated for ~~2022-2023 an amount not to~~  
24 ~~exceed \$7,219,700.00 and there is allocated for 2023-2024~~ **2024-2025**  
25 an amount not to exceed ~~\$7,580,800.00~~ **\$8,042,100.00** for payments  
26 under this subsection to districts that have fewer than 10.0 pupils  
27 per square mile, as determined by the department, or that have  
28 greater than 250 square miles.

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



1 follows:

2 (a) ~~For 2022-2023, an amount equal to \$5,470,400.00 and for~~  
3 ~~2023-2024, an~~ **An** amount equal to ~~\$5,743,900.00~~ **\$6,093,400.00** is  
4 allocated to districts with fewer than 8.0 pupils per square mile,  
5 as determined by the department, on an equal per-pupil basis.

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

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

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

16 (iii) For districts that have greater than 250 square miles,  
17 have at least 10.0 pupils per square mile, and do not receive  
18 funding under subsection (2), as determined by the department, the  
19 allocation is an amount per pupil equal to 100% of the per-pupil  
20 amount allocated to districts under subdivision (a).

21 (c) If the total funding allocated under subdivision (b) is  
22 ~~not sufficient~~ **insufficient** to fully fund payments as calculated  
23 under that subdivision, the department shall prorate payments to  
24 districts under subdivision (b) on an equal per-pupil basis. If  
25 funding allocated under subdivision (b) remains unallocated after  
26 making calculations under that subdivision, the department may  
27 provide the remaining unallocated funding on an equal per-pupil  
28 basis to districts receiving funding under subdivision (b) (i) and  
29 (ii) .



(6) Subject to subsection (7), from the allocation under subsection (1), there is allocated for ~~2023-2024~~**2024-2025** an amount not to exceed ~~\$500,000.00~~**\$530,400.00** for payments under this subsection to districts where each school building operated by the district is located on an island that is accessible by bridge.

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

**Sec. 22e. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed \$57,000,000.00 for payments to public school academies in an amount per pupil equal to 3.9% of the public school academy's foundation allowance under section 20. It is the intent of the legislature that payments under this section be used to support student mental health, school safety, educator workforce, and academic interventions.**

**(2) To be eligible for funding under this section, a public school academy must not be a participating entity of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437. As used in this subsection, "participating entity" means that term as defined in section 147c.**

**Sec. 22l. (1) From the school transportation fund money appropriated under section 11, there is allocated for ~~2023-2024~~ 2024-2025 only an amount not to exceed \$125,000,000.00 to districts and intermediate districts for transportation costs. Funding for each district or intermediate district is as follows:**

**(a) The department must assign each district and intermediate**



1 district to ~~a quartile~~**an octile** based on the number of riders per  
 2 square mile and calculate the median cost per rider for each  
 3 ~~quartile~~**octile**.

4 (b) Funds must be distributed to each district and  
 5 intermediate district **as follows:**

6 (i) **An initial amount** at the lesser of the ~~quartile's~~**octile's**  
 7 median cost per rider or the actual transportation cost per general  
 8 education ~~student~~**rider** at the district or intermediate district.

9 (ii) **An additional amount for districts and intermediate**  
 10 **districts that have outlier costs per rider that are deemed**  
 11 **reasonable, as determined by the department.**

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

15 (2) In addition to the funds allocated under subsection (1),  
 16 from the school transportation fund money appropriated under  
 17 section 11, there is allocated for 2022-2023 only an amount not to  
 18 exceed \$200,000.00 to an intermediate district for a study on  
 19 district transportation costs. The intermediate district receiving  
 20 funds under this subsection must submit a report to the department,  
 21 the state budget director, the house and senate appropriations  
 22 subcommittees on school aid, and the house and senate fiscal  
 23 agencies by February 29, 2024 on the outcomes of the study under  
 24 this subsection. **Notwithstanding section 18a, funds allocated under**  
 25 **this subsection may be available for expenditure until September**  
 26 **30, 2026. A recipient of funding under this subsection must return**  
 27 **any unexpended funds to the department in a manner prescribed by**  
 28 **the department by not later than October 30, 2026.**

29 (3) **To remain eligible for funding under subsection (1), by**



1 not later than December 1 of the current fiscal year, a school  
2 district must submit, in a form and manner determined by the  
3 department, to their intermediate district, and a public school  
4 academy must submit, in a form and manner determined by the  
5 department, to the intermediate district in which the public school  
6 academy is located, the number of nonpublic school students the  
7 district expects to transport as required under section 1321 of the  
8 revised school code, MCL 380.1321. Intermediate districts shall  
9 submit this information to the department by not later than  
10 February 1.

11 (4) The department shall compile the reports provided by  
12 intermediate districts under subsection (3) into 1 legislative  
13 report. The department shall provide this report not later than  
14 March 1 of each fiscal year for which funding is allocated under  
15 this section to the house and senate subcommittees responsible for  
16 school aid, the house and senate fiscal agencies, and the state  
17 budget director.

18 (5) ~~(3)~~ Notwithstanding section 17b, the department shall make  
19 payments under this section on a schedule determined by the  
20 department.

21 Sec. 22m. (1) From the state school aid fund money  
22 appropriated in section 11, there is allocated for ~~2023-2024-2024-~~  
23 **2025** an amount not to exceed \$3,500,000.00 for supporting the  
24 integration of local data systems into the Michigan data hub  
25 network based on common standards and applications that are in  
26 compliance with section 19(6).

27 (2) An entity that is the fiscal agent for no more than 5  
28 consortia of intermediate districts that previously received  
29 funding from the technology readiness infrastructure grant under



1 former section 22i for the purpose of establishing regional data  
2 hubs that are part of the Michigan data hub network is eligible for  
3 funding under this section.

4 (3) The center shall work with an advisory committee composed  
5 of representatives from intermediate districts within each of the  
6 data hub regions to coordinate the activities of the Michigan data  
7 hub network.

8 (4) The center, in collaboration with the Michigan data hub  
9 network, shall determine the amount of funds distributed under this  
10 section to each participating regional data hub within the network,  
11 based upon a competitive grant process. The center shall ensure  
12 that the entities receiving funding under this section represent  
13 geographically diverse areas in this state.

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

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

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

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

27 (a) Creating an infrastructure that effectively manages the  
28 movement of data between data systems used by intermediate  
29 districts, districts, and other educational organizations in





1 Michigan based on common data standards to improve student  
2 achievement.

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

6 (c) Promoting the use of a more common set of applications by  
7 promoting systems that integrate with the Michigan data hub  
8 network.

9 (d) Promoting 100% district adoption of the Michigan data hub  
10 network.

11 (e) Ensuring local control of data, data security, and student  
12 data privacy.

13 (f) Utilizing the infrastructure to promote the actionable use  
14 of data through common reports and dashboards that are consistent  
15 statewide.

16 (g) Creating a governance model to facilitate sustainable  
17 operations of the infrastructure in the future, including  
18 administration, legal agreements, documentation, staffing, hosting,  
19 and funding.

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

23 (9) ~~Not~~ **By not** later than January 1 of each fiscal year, the  
24 center shall prepare a summary report of information provided by  
25 each entity that received funds under this section that includes  
26 measurable outcomes based on the objectives described under this  
27 section and a summary of compiled data from each entity to provide  
28 a means to evaluate the effectiveness of the project. The center  
29 shall submit the report to the house and senate appropriations



1 subcommittees on school aid and to the house and senate fiscal  
2 agencies.

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

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

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

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

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

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

23 (iii) Outcomes that are intended to measure improved high school  
24 graduation rates, as applicable.

25 (iv) Outcomes that measure attendance rates.

26 (b) Accountability measures to be imposed if the district or  
27 public school academy does not achieve the measurable academic  
28 outcomes described in subdivision (a) for each school operated by  
29 the district or public school academy that is subject to the



1 partnership agreement. For a district assigned as a partnership  
2 district as described in this subsection, accountability measures  
3 under this subdivision must include the reconstitution of the  
4 school. For a public school academy assigned as a partnership  
5 district as described in this subsection, accountability measures  
6 under this subdivision may include the reconstitution of the  
7 school.

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

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

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

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

28 (iii) The reconstitution plan for the school must require the  
29 adoption of goals similar to the goals included in the partnership



1 agreement, with a limit of 3 years to achieve the goals. If the  
2 goals are not achieved within 3 years, the superintendent of public  
3 instruction shall impose a second reconstitution plan.

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

15 Sec. 23g. (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 \$150,000,000.00 for payments to eligible  
18 recipients for implementing the MI Kids Back-on-Track program as  
19 described in this section.

20 (2) The department shall pay to each eligible recipient an  
21 equal amount per membership pupil who is not proficient in math or  
22 reading based on the most recent state summative assessment.  
23 Eligible recipients must use funding received under this section  
24 only for costs related to implementation of the MI Kids Back-on-  
25 Track program as described in this section. Implementation costs of  
26 the program include, but are not limited to, costs related to  
27 staffing, high-quality training, curriculum needs, student  
28 transportation needs, technology needs, materials, any purpose for  
29 which any district previously used funds allocated under section



1 98c, or other costs incurred as a result of the provision of  
2 services for the program.

3 (3) From the allocation in subsection (1), there is allocated  
4 \$600,000.00 to the Clinton County Regional Educational Service  
5 Agency to work with the Michigan Association of Intermediate School  
6 Administrators (MAISA), to do all of the following:

7 (a) Provide a report on tutoring programs eligible to be  
8 purchased by eligible recipients using the funding allocated under  
9 subsection (1).

10 (b) Develop and provide technical assistance to eligible  
11 recipients in selecting high-impact tutoring strategies and include  
12 their integration into eligible recipients' Michigan Integrated  
13 Continuous Improvement Process (MICIP) plans. Developing and  
14 providing technical assistance may include the design and  
15 integration of eligible tutoring programs within the  
16 MiStrategyBank.

17 (c) Collect, aggregate, and report data in collaboration with  
18 the MAISA Michigan Collaborative Hub. An amount not to exceed  
19 \$300,000.00 of the funds allocated under this subsection may be  
20 used for this purpose.

21 (d) Provide an annual report of tutoring programs to the  
22 office of the governor, senate and house education committees, the  
23 senate and house appropriations subcommittees on school aid, the  
24 state budget director, and the department based on the criteria  
25 described in subsection (4) to be included in the MiStrategyBank,  
26 and the educational effectiveness as documented at least through  
27 data submitted through the Michigan data hub.

28 (4) The list of eligible tutoring programs contained within  
29 the MiStrategyBank must only consist of tutoring programs,



1 including, but not limited to, those created by for-profit vendors,  
2 nonprofit vendors, intermediate districts, districts, and the  
3 Michigan Schools for the Deaf and Blind, that are aligned with  
4 high-impact tutoring that must include all of the following  
5 criteria:

6 (a) Tutoring is provided in groups of 4 or fewer students.

7 (b) The tutor or tutors provide consistent service to students  
8 throughout the school year.

9 (c) Tutoring is provided a minimum of 3 times per week for at  
10 least 20 to 30 minutes per session.

11 (d) Except as otherwise provided in this subdivision, tutoring  
12 is implemented throughout the school day. Tutoring that is a  
13 before- or after-school program may be approved if the tutoring  
14 meets the other criteria described in this subsection.

15 (e) Trained tutors provide the tutoring. Trained tutors may  
16 include teachers, paraprofessionals, community providers,  
17 AmeriCorps members, or other individuals who have received  
18 training.

19 (f) The program uses a high-quality curriculum that utilizes  
20 research-based strategies that are aligned with state academic  
21 standards.

22 (g) Tutoring is data-driven and includes the use of formative  
23 assessments and student progress measures that meet criteria in  
24 subdivision (h).

25 (h) Progress monitoring is part of the tutoring program, and  
26 includes using curriculum-based measures that include all of the  
27 following:

28 (i) Identification of a valid, reliable progress monitoring  
29 assessment tool that is curriculum-based.



(ii) Implementation of standardized procedures for collecting data.

(iii) Standardized repeated assessments over time that are graphed.

(iv) Comparisons with a goal set using validated strategies.

(v) Collecting data with fidelity, documented by direct observation using a checklist with immediate performance feedback.

(vi) Graphed progress monitoring data that is reviewed by a team every 4 to 8 weeks to determine student response to intervention.

(i) Progress monitoring tools that must do all of the following:

(i) Have a sufficient number of alternate forms.

(ii) Specify minimum acceptable growth.

(iii) Provide criterion-referenced or norm-referenced benchmarks.

(iv) Possess validity and reliability for the performance score.

(j) Tutoring fidelity is established through direct observation using a checklist with immediate performance feedback provided by a qualified staff person, such as an instructional coach.

(k) Tutoring does not replace Tier 1 or core instruction time or curricula for reading or math.

(l) Tutoring is supplemental to core academic instruction and not a replacement for core academic instruction.

(m) Tutoring assessment and intervention is evidence-based, with experimental research studies, 1 of which must be published or pending publication in a peer-reviewed publication.



(5) All tutoring programs in the MiStrategyBank must be reviewed by MAISA. If necessary, MAISA may convene a committee to review tutoring programs for inclusion in the MiStrategyBank. The committee described in this subsection must include all of the following members:

(a) Two certified teachers representing elementary and secondary schools.

(b) A representative from the MiMTSS TA Center.

(c) A representative from an institution of higher education with a teacher preparation college.

(d) Two representatives of the department.

(e) One representative of the MAISA Michigan Collaboration Hub.

(f) An intermediate district designee with a background in English language arts.

(g) An intermediate district designee with a background in mathematics.

(6) A district, intermediate district, or the Michigan Schools for the Deaf and Blind that meets all of the following is an eligible recipient under this section:

(a) It applies for funding in a form and manner prescribed by the department. An intermediate district may apply on behalf of its constituent districts.

(b) It posts a MI Kids Back-on-Track plan to its website homepage that describes evidence-based actions the district, intermediate district, or Michigan Schools for the Deaf and Blind is taking to respond to student needs related to unfinished learning and how funds received under this section will create or expand these efforts. The plan described in this subdivision must





1 meet the following criteria:

2 (i) Reflect input from educators, parents and legal guardians,  
3 and community members.

4 (ii) Include an analysis of student data and describe student  
5 needs.

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

8 (iv) Include a plan to implement identified tutoring in the  
9 district's, intermediate district's, or Michigan Schools for the  
10 Deaf and Blind's MICIP plan.

11 (c) It implements and maintains functionality on its website  
12 homepage that allows parents, legal guardians, and students to  
13 request additional assistance through the MI Kids Back-on-Track  
14 program.

15 (d) It provides transparency reporting on the MI Kids Back-on-  
16 Track program spending, including posting on its website a  
17 transparency dashboard concerning funding from the federal  
18 elementary and secondary school emergency relief fund used for the  
19 program, in a form and manner prescribed by the department.

20 (e) It ensures that all tutoring is supported by individuals  
21 who provide training and coaching. The individuals described in  
22 this subdivision shall meet all of the following criteria:

23 (i) Have established knowledge and expertise in all aspects of  
24 the tutoring program.

25 (ii) Support the integration of the tutoring into a school's  
26 multi-tiered systems of support framework.

27 (iii) Support and provide initial and ongoing professional  
28 development or training of tutors.

29 (iv) Participate in or lead data review meetings of graphed



1 progress monitoring data of all students being tutored every 4 to 8  
2 weeks.

3 (v) Provide fidelity checks for program implementation using a  
4 checklist with immediate performance feedback.

5 (f) By September 1 of each fiscal year for which it receives  
6 funding under this section, it pledges to provide data through  
7 MiDataHub that includes the outcomes and performance measures of  
8 the tutoring program, including, but not limited to, the degree to  
9 which tutoring is demonstrating sufficient efficacy and impact. The  
10 data submission under this subdivision must include all of the  
11 following:

12 (i) Children and schools receiving tutoring.

13 (ii) Number of children and schools served.

14 (iii) Demographics of children served.

15 (iv) Dosage of tutoring, including frequency and minutes per  
16 week.

17 (v) Percentage of tutoring occurring on days possible.

18 (vi) Whether the assessments and interventions are implemented  
19 with fidelity. This portion of the report must include details on  
20 the total number of assessments and intervention fidelity checks  
21 completed and the range and mean of fidelity.

22 (vii) Student growth rate, such as average linear, and outcomes  
23 by grade or age level, in comparison to a criterion-referenced or  
24 norm-referenced targeted growth rate.

25 (viii) Exit rates of students who successfully complete the  
26 tutoring program.

27 (ix) Percentage of students who exit and then maintain their  
28 learning through the end of the school year as demonstrated by a  
29 valid and reliable assessment designed for this purpose, such as a



1 universal screening assessment.

2 (x) Percentage of students who exit and then meet or exceed  
3 local spring universal screening targets for their grade level.

4 (xi) The impact of the programs on organizations and  
5 stakeholders, including, but not limited to, school administrators,  
6 teachers, kids, families, and tutors.

7 (7) If the department determines that the eligible recipient  
8 has misused the funds allocated under this section, the eligible  
9 recipient shall reimburse the department for the amount of state  
10 funding misused.

11 (8) If data required under subsection (6)(f) are not submitted  
12 via the MiDataHub by September 1 of the current fiscal year, the  
13 eligible recipient must forfeit future funding and may be required  
14 to reimburse funds.

15 (9) The evaluation of programs under this section must be  
16 conducted by an approved department evaluator. If an alternative  
17 evaluator is desired, the eligible recipient must submit a request  
18 in writing with rationale to the department on or before January 1  
19 of the current fiscal year.

20 (10) The superintendent of public instruction shall provide  
21 guidelines to eligible recipients on evidence-based best practices  
22 and effective strategies an eligible recipient may use to respond  
23 to unfinished learning and shall provide resources to assist  
24 eligible recipients in implementing the evidence-based practices,  
25 including through high-impact tutoring programs listed in the  
26 MiStrategyBank described in subsection (4). Guidelines may include  
27 technical assistance that may include, but is not limited to,  
28 planning, implementation, and training or coaching.

29 (11) The funds allocated under this section for 2022-2023 are



a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to address unfinished learning. The estimated completion date of the work project is September 30, 2025.

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

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

**(14) Notwithstanding section 18a, funds allocated under this section may be available for expenditure until September 30, 2027. A recipient of funding under this section must return any unexpended funds to the department in the manner prescribed by the department by not later than October 30, 2027.**

Sec. 24. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2023-2024~~**2024-2025** an amount not to exceed \$7,650,000.00 for payments to the educating district or intermediate district for educating pupils assigned by a court or the department of health and human services to reside in or to attend a juvenile detention facility or child caring institution licensed by the department of health and human services and approved by the department to provide an on-grounds education



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

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

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

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



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

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

12 Sec. 24a. From the state school aid fund money appropriated in  
13 section 11, there is allocated an amount not to exceed  
14 \$1,355,700.00 for ~~2023-2024~~**2024-2025** for payments to intermediate  
15 districts for pupils who are placed in juvenile justice service  
16 facilities operated by the department of health and human services.  
17 The amount of the payment to each intermediate district is an  
18 amount equal to the state share of those costs that are clearly and  
19 directly attributable to the educational programs for pupils placed  
20 in facilities described in this section that are located within the  
21 intermediate district's boundaries. The intermediate districts  
22 receiving payments under this section shall cooperate with the  
23 department of health and human services to ensure that all funding  
24 allocated under this section is utilized by the intermediate  
25 district and department of health and human services for  
26 educational programs for pupils described in this section. Pupils  
27 described in this section are not eligible to be funded under  
28 section 24. However, a program responsibility or other fiscal  
29 responsibility associated with these pupils must not be transferred



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

4 Sec. 25f. (1) From the state school aid fund money  
 5 appropriated in section 11, there is allocated an amount not to  
 6 exceed \$1,600,000.00 for ~~2023-2024~~**2024-2025** for payments to strict  
 7 discipline academies and qualified districts, as provided under  
 8 this section.

9 (2) ~~In order to~~**To** receive funding under this section, a  
 10 strict discipline academy or qualified district must first comply  
 11 with section 25e and use the pupil transfer process ~~under-described~~  
 12 **in** that section for changes in enrollment as prescribed under that  
 13 section **and apply annually for funding under section 24.**

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



1 the product of the strict discipline academy's or qualified  
 2 district's per-pupil allocation calculated under section 20  
 3 multiplied by the strict discipline academy's or qualified  
 4 district's full-time equated membership. The department shall  
 5 allocate funds to strict discipline academies and qualified  
 6 districts under this section on a monthly basis.

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

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

13 (5) ~~(6)~~ The department shall make payments to strict  
 14 discipline academies and qualified districts under this section  
 15 according to the payment schedule under section 17b.

16 (6) ~~(7)~~ For purposes of this section, the pupil membership for  
 17 the current fiscal year for a qualified district is the actual  
 18 number of pupils that are in the custody of a county juvenile  
 19 agency as described in subsection ~~(8)(e)~~. **(7) (a)** .

20 (7) ~~(8)~~ As used in this section:

21 ~~(a) "Added cost" means 100% of the added cost each fiscal year~~  
 22 ~~for educating all pupils enrolled and in regular daily attendance~~  
 23 ~~at a strict discipline academy or qualified district. Added cost~~  
 24 ~~must be computed by deducting all other revenue received under this~~  
 25 ~~article for pupils described in this subdivision from total costs,~~  
 26 ~~as approved by the department, in whole or in part, for educating~~  
 27 ~~those pupils in a strict discipline academy or qualified district.~~  
 28 ~~The department shall include all costs, including, but not limited~~  
 29 ~~to, educational costs, insurance, management fees, technology~~





~~costs, legal fees, auditing fees, interest, pupil accounting costs, and any other administrative costs necessary to operate the program or to comply with statutory requirements. Costs reimbursed by federal funds are not included.~~

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

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

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

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

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

Sec. 25g. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$750,000.00~~ **\$3,050,000.00** for ~~2023-2024~~ **2024-2025** for the purposes of this section. Except as otherwise provided in this section, if the operation of the special membership counting provisions under section 6(4)(dd) and the other membership counting provisions under section 6(4) result in a pupil being counted as



1 more than 1.0 FTE in a fiscal year, ~~then~~ the payment made for the  
 2 pupil under sections 22a and 22b must not be based on more than 1.0  
 3 FTE for that pupil, and that portion of the FTE that exceeds 1.0 is  
 4 paid under this section in an amount equal to that portion  
 5 multiplied by the educating district's foundation allowance or per-  
 6 pupil payment calculated under section 20. **It is the intent of the**  
 7 **legislature that, for 2025-2026, the allocation from the state**  
 8 **school aid fund money appropriated in section 11 for the purposes**  
 9 **described in this section will be \$750,000.00.**

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

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

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

18 **Sec. 25/. (1) From the state school aid fund money appropriated**  
 19 **in section 11, there is allocated for 2024-2025 only an amount not**  
 20 **to exceed \$5,000,000.00 to an intermediate district for the**  
 21 **deployment of an integrated online tool to identify and support**  
 22 **students at risk of dropping out of high school.**

23 (2) An intermediate district must apply for funding in a form  
 24 and manner determined by the department. The application must  
 25 demonstrate that the intermediate district is in partnership with  
 26 an association that represents intermediate district administrators  
 27 in this state for the purpose of deploying an integrated online  
 28 tool to identify and support students at risk of dropping out of  
 29 high school. The department shall open the application for funding



under this section by not later than November 1, 2024.

(3) Funds received by an intermediate district under this section must be utilized, in partnership with an association that represents intermediate district administrators in this state, to do all of the following:

(a) Establish statewide operational support and offer to districts the use of an integrated online tool to support local early warning and intervention.

(b) Establish monitoring systems to identify and support students at risk of dropping out of high school.

(c) Provide access to the system, develop and deliver professional learning on its uses, and coordinate with the department on regional training and support efforts.

(d) Provide implementation support and technical assistance resources to aid in implementing an integrated online tool to identify and support students at risk of dropping out of high school for any district in the state.

(4) Notwithstanding section 17b, the department shall make payments under this section by December 1, 2024.

(5) Notwithstanding section 18a, funds allocated under this section may be available for expenditure until September 30, 2029. A recipient of funding under this section must return any unexpended funds to the department in the manner prescribed by the department by not later than October 30, 2029.

Sec. 26a. From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$14,000,000.00 for ~~2023-2024~~ **2024-2025** to reimburse districts and intermediate districts under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in ~~2023-~~



1 **2024.** The department shall pay the allocations **by** not later than 60  
 2 days after the department of treasury certifies to the department  
 3 and to the state budget director that the department of treasury  
 4 has received all necessary information to properly determine the  
 5 amounts due to each eligible recipient.

6 Sec. 26b. (1) From the state school aid fund money  
 7 appropriated in section 11, there is allocated an amount not to  
 8 exceed ~~\$5,084,000.00~~ **\$5,284,000.00** for ~~2023-2024~~ **2024-2025** for  
 9 payments to districts, intermediate districts, and community  
 10 college districts for the portion of the payment in lieu of taxes  
 11 obligation that is attributable to districts, intermediate  
 12 districts, and community college districts under section 2154 of  
 13 the natural resources and environmental protection act, 1994 PA  
 14 451, MCL 324.2154.

15 (2) If the amount appropriated under this section is ~~not~~  
 16 ~~sufficient~~ **insufficient** to fully pay obligations under this  
 17 section, payments are prorated on an equal basis among all eligible  
 18 districts, intermediate districts, and community college districts.

19 Sec. 26c. (1) From the state school aid fund money  
 20 appropriated under section 11, there is allocated an amount not to  
 21 exceed ~~\$20,500,000.00~~ **\$28,300,000.00** for ~~2022-2023~~ **2023-2024** and  
 22 there is allocated an amount not to exceed ~~\$26,000,000.00~~  
 23 **\$34,500,000.00** for ~~2023-2024~~ **2024-2025** to the promise zone fund  
 24 created in subsection (3). The funds allocated under this section  
 25 reflect the amount of revenue from the collection of the state  
 26 education tax captured under section 17 of the Michigan promise  
 27 zone authority act, 2008 PA 549, MCL 390.1677.

28 (2) Funds allocated to the promise zone fund under this  
 29 section must be used solely for payments to eligible districts and



1 intermediate districts, in accordance with section 17 of the  
2 Michigan promise zone authority act, 2008 PA 549, MCL 390.1677,  
3 that have a promise zone development plan approved by the  
4 department of treasury under section 7 of the Michigan promise zone  
5 authority act, 2008 PA 549, MCL 390.1667. Eligible districts and  
6 intermediate districts shall use payments made under this section  
7 for reimbursement for qualified educational expenses as that term  
8 is defined in section 3 of the Michigan promise zone authority act,  
9 2008 PA 549, MCL 390.1663.

10 (3) The promise zone fund is created as a separate account  
11 within the state school aid fund to be used solely for the purposes  
12 of the Michigan promise zone authority act, 2008 PA 549, MCL  
13 390.1661 to 390.1679. All of the following apply to the promise  
14 zone fund:

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

18 (b) Money in the promise zone fund at the close of a fiscal  
19 year remains in the promise zone fund and does not lapse to the  
20 general fund.

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

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

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



appropriated under section 11, there is allocated an amount not to exceed \$14,400,000.00 ~~for 2022-2023 and 2023-2024~~ **for 2024-2025** for reimbursements to intermediate districts as required under section 15b of the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2665b.

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

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

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

Sec. 27a. (1) From the ~~state school aid~~ **educator fellowship public provider** fund money appropriated in section 11, there is allocated for ~~2023-2024~~ **2024-2025** an amount not to exceed ~~\$20,000,000.00~~ **\$10,000,000.00, from the state school aid fund money appropriated in section 11, there is allocated for 2024-2025 an amount not to exceed \$10,000,000.00**, and from the general fund money appropriated in section 11, there is allocated for ~~2023-2024~~ **2024-2025** an amount not to exceed \$5,000,000.00 for the MI future educator fellowship program. The funds allocated under this section must be used to offset tuition costs for individuals who are working toward earning their initial teacher certification. **At the close of the fiscal year, money allocated under this section that is unspent must be deposited as follows:**

(a) For state school aid fund money, into the educator



1 **fellowship public provider fund in section 27d.**

2 **(b) For general fund money, into the educator fellowship**  
 3 **private provider fund in section 27e.**

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

7 (a) Have graduated from high school with a diploma or  
 8 certificate of completion or achieved a high school equivalency  
 9 certificate.

10 (b) Be admitted to an eligible educator preparation program;  
 11 be working toward a teacher certification; be enrolled in enough  
 12 coursework to be considered enrolled full-time during the academic  
 13 year, as determined by the student's educator preparation program,  
 14 or the equivalent of full-time participation for individuals  
 15 enrolled in an alternative certification program, as defined by the  
 16 department; and, for students at institutions of higher education,  
 17 be considered at least a junior-level student, as determined by the  
 18 institution of higher education.

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

20 (d) Timely complete a grant application in a form and manner  
 21 prescribed by the department of ~~treasury~~. **lifelong education,**  
 22 **advancement, and potential.**

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

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

27 (g) Agree to repay any funds received from funding under this  
 28 section if the individual does not maintain enrollment in their  
 29 educator preparation program, the individual does not successfully



complete their educator program, or the individual does not complete the work requirement described in subsection (7).

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

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

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

(a) Maintain full-time continuous enrollment in an eligible educator preparation program, as determined by the educator preparation program, or the equivalent of full-time participation for individuals enrolled in an alternative certification program, as defined by the department, excluding any period of time missed due to a medical or other emergency, as determined by the department of ~~treasury~~. **lifelong education, advancement, and potential.**

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

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

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

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





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

(4) An award under this section must not exceed \$10,000.00 per academic year or the cost of tuition at the eligible educator preparation program attended, whichever is less. As used in this subsection, the cost of tuition at an educator preparation program that is an institution of higher education is the in-district resident rate plus other required fees, as determined by the department of ~~treasury~~; **lifelong education, advancement, and potential**; and the cost of tuition at an educator preparation program that is an alternative certification provider is the cost of tuition plus other required fees, as determined by the department of ~~treasury~~; **lifelong education, advancement, and potential**.

(5) Awards under this section must be distributed to eligible educator preparation programs on behalf of an eligible recipient on a timeline determined by the department of ~~treasury~~; **lifelong education, advancement, and potential**.

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

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

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



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

(c) For a recipient of funding under this section who received an award for 3 academic years, 5 years of work as a certified teacher in a public school or a qualifying public preschool program in this state.

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

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

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



1 funded under section 27b.

2 (10) If the amount allocated in subsection (1) is ~~not~~  
 3 ~~sufficient~~**insufficient** to fully fund awards under this section,  
 4 there is appropriated from the educator fellowship public provider  
 5 fund **in section 27d** or the educator fellowship private provider  
 6 fund **in section 27e**, as applicable, the amount necessary to fully  
 7 fund these programs. The state budget director shall provide  
 8 notification to the house and senate appropriations subcommittees  
 9 on K to 12 school aid and the house and senate fiscal agencies for  
 10 any additional appropriation described under this subsection.

11 (11) Notwithstanding section 17b, the department of ~~treasury~~  
 12 **lifelong education, advancement, and potential** shall make payments  
 13 under this section on a schedule determined by the department of  
 14 ~~treasury~~**lifelong education, advancement, and potential**.

15 (12) The department of ~~treasury~~**lifelong education,**  
 16 **advancement, and potential** shall report to the chairpersons of the  
 17 house appropriations subcommittee on school aid and education and  
 18 the senate appropriations subcommittee on pre-K to 12 by February 1  
 19 of the current fiscal year. The report must include the following:

20 (a) The number and amount of awards granted in the previous  
 21 fiscal year.

22 (b) The number of recipients in the previous fiscal year that  
 23 had their awards converted to loans under subsection (8).

24 (13) As used in this section, "eligible educator preparation  
 25 program" means a public or nonpublic institution of higher  
 26 education or an alternative route provider that meets all of the  
 27 following, as applicable:

28 (a) Is approved by the department to offer teacher preparation  
 29 programming.



(b) Enrolls 1 or more future educator fellowship recipients.

(c) Has not ~~increased tuition and fee rates above the~~  
~~limitations described in section 241c.~~ **been deemed as ineligible to**  
**receive Michigan achievement scholarship funding under section 248**  
**as a result of exceeding tuition restraint requirements described**  
**in section 248.**

Sec. 27c. (1) From the state school aid fund money  
 appropriated in section 11, there is allocated ~~\$50,000,000.00~~  
**\$30,000,000.00** for ~~2023-2024~~ **2024-2025** and from the educator  
 fellowship public provider fund money appropriated in section 11,  
 there is allocated **\$20,000,000.00** for **2024-2025** for the MI future  
 educator student teacher stipend program. Except as otherwise  
 provided in this section, the funds allocated under this section  
 must be paid to eligible educator preparation programs for payments  
 to eligible student teachers working in a district. **At the close of**  
**the fiscal year, state school aid fund money allocated under this**  
**section that is unspent must be deposited into the educator**  
**fellowship public provider fund in section 27d.**

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

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



1 classroom, teaching students, engaging in the day-to-day activities  
 2 of a certified teacher, and working daily under the guidance of a  
 3 certified teacher.

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

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

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

25 (e) An individual that is a current City Year corps member  
 26 enrolled in an eligible educator preparation program is eligible  
 27 for payment under this section.

28 (3) The department of ~~treasury~~**-lifelong education,**  
 29 **advancement, and potential** shall pay each eligible educator



preparation program an amount not to exceed \$9,600.00 per academic semester for each eligible student teacher working in a district. If the individual's eligible educator preparation program is not provided by a public institution of higher education, the department of ~~treasury~~ **lifelong education, advancement, and potential** shall pay an amount not to exceed \$9,600.00 per academic semester to the district in which the individual is working as a student teacher, and that district must forward the amount received to the individual's eligible educator preparation program. If funding allocated under this section is insufficient to fully fund all eligible student teachers, the department of ~~treasury~~ **lifelong education, advancement, and potential** shall first award funding for eligible student teachers who are also Pell grant recipients and then shall distribute funding in the order in which applications were received. It is intended that payments under this subsection are made at the beginning of the semester in 1 lump sum for eligible student teachers.

(4) Eligible educator preparation programs shall pay funds received under this section, in entirety, to the eligible student teacher.

(5) Notwithstanding section 17b, the department of ~~treasury~~ **lifelong education, advancement, and potential** shall make payments under this section on a schedule determined by the department of ~~treasury~~ **lifelong education, advancement, and potential**.

(6) If the amount allocated in subsection (1) is insufficient to fully fund awards under this section, there is appropriated from the educator fellowship public provider fund in section 27d the amount necessary to fully fund the programs described in this section. The state budget director shall notify the house and



1 senate appropriations subcommittees on K to 12 school aid and the  
2 house and senate fiscal agencies of any additional appropriation  
3 described in this subsection.

4 (7) ~~(6)~~—As used in this section, "eligible educator  
5 preparation program" means an institution of higher education that  
6 meets all of the following:

7 (a) Is a public or private institution of higher education in  
8 this state.

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

11 (c) ~~Has not increased tuition and fee rates above the~~  
12 ~~limitations described in section 241c.~~**been deemed as ineligible to**  
13 **receive Michigan achievement scholarship funding under section 248**  
14 **as a result of exceeding tuition restraint requirements described**  
15 **in section 248.**

16 Sec. 27d. (1) The educator fellowship public provider fund is  
17 created as a separate account within the state school aid fund for  
18 the purpose of improving the educator workforce through recruitment  
19 efforts for students attending public educator preparation  
20 programs.

21 (2) The state treasurer may receive money or other assets from  
22 any source for deposit into the educator fellowship public provider  
23 fund. The state treasurer shall direct the investment of the  
24 educator fellowship public provider fund. The state treasurer shall  
25 credit to the educator fellowship public provider fund interest and  
26 earnings from educator fellowship public provider fund investments.

27 (3) Money in the educator fellowship public provider fund at  
28 the close of the fiscal year remains in the educator fellowship  
29 public provider fund and does not lapse to the state school aid



1 fund.

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

4 (5) The department of treasury shall expend money from the  
5 educator fellowship public provider fund, upon appropriation, for  
6 the purposes described in section ~~27a(10)~~ **27a** for students admitted  
7 to public educator preparation programs **and for the purposes**  
8 **described in section 27c.**

9 ~~(6) For the fiscal year ending September 30, 2022 only,~~  
10 ~~\$235,000,000.00 from the state school aid fund is deposited into~~  
11 ~~the educator fellowship public programs fund.~~

12 **Sec. 27f. (1) From the state school aid fund money**  
13 **appropriated in section 11, there is allocated for 2024-2025 only**  
14 **\$4,000,000.00 to a district or intermediate district to partner**  
15 **with the Michigan Education Justice Coalition for the purposes of**  
16 **this section.**

17 (2) From the allocation in subsection (1), \$2,800,000.00 is  
18 allocated to create and implement a toolkit that is evidence-based  
19 and provides culturally responsive intervention and solutions to  
20 address racial disparities in public education in grades K to 12.  
21 The toolkit described in this subsection must be used in a pilot  
22 program for the 2024-2025 school year to increase black and  
23 African-American student achievement.

24 (3) From the allocation in subsection (1), \$600,000.00 is  
25 allocated to fund a participatory action research study with  
26 teachers of color in districts with higher concentrations of  
27 poverty and lower academic outcomes, as determined by the Michigan  
28 Education Justice Coalition. The purpose of the research in this  
29 subsection is to increase recruitment and retention for educators





1 in Michigan.

2 (4) From the allocation in subsection (1), \$550,000.00 is  
3 allocated to investigate the school to prison pipeline. The goal of  
4 the research in this subsection is to identify and create long-term  
5 solutions and interventions to reduce incarceration of individuals  
6 who, before incarceration, resided in 1 of the 17 cities in this  
7 state where African-American residents are a majority or plurality  
8 of residents according to the most recent federal decennial census.

9 (5) From the allocation in subsection (1), \$50,000.00 may be  
10 retained by the district or intermediate district for costs related  
11 to the administration of the program and studies described in this  
12 section.

13 (6) By not later than September 30, 2027, a district or  
14 intermediate district that receives funding under this section must  
15 submit a written report to the department, the state budget office,  
16 the senate appropriations subcommittee on pre-K to 12, and the  
17 house appropriations subcommittee on school aid and education. The  
18 report must include a description of the research and results from  
19 the studies funded in subsections (2) to (4). The report must  
20 include recommendations for policymakers to increase black and  
21 African-American student achievement, to increase the number of  
22 educators in this state, and to reduce incarceration rates for  
23 residents of the state.

24 (7) Notwithstanding section 18a, funds allocated under this  
25 section for 2024-2025 may be available for expenditure until  
26 September 30, 2027. A recipient of funding under this section must  
27 return any unexpended funds to the department in the manner  
28 prescribed by the department by not later than October 30, 2027.

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



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

3       Sec. 27g. (1) From the state school aid fund money  
 4 appropriated in section 11, there is allocated for ~~2022-2023-2024-~~  
 5 **2025** only an amount not to exceed ~~\$10,000,000.00~~ **\$12,500,000.00** to  
 6 intermediate districts and consortia of intermediate districts  
 7 based on the number of pupils in membership in constituent  
 8 districts of the intermediate district or consortium of  
 9 intermediate districts to support ~~the Talent Together coalition as~~  
 10 ~~described in this section.~~ **educator talent initiatives and programs.**

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

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

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

19       (c) Provide school leader development programs to increase  
 20 educator retention and efficacy.

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

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

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

29       (4) As used in this section, "eligible nonprofit" means an



entity that meets all of the following criteria, as determined by the department:

(a) Is based in this state.

(b) Operates statewide.

(c) Is ~~a non-higher education institution~~ **an organization that is exempt from taxation** under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, **and the organization is not a higher education organization.**

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

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

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

(i) Teacher recruitment.

(ii) Teacher development.

(iii) Teacher retention.

(iv) Teacher certification.

(v) School leader development.

(vi) School leader retention.

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

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

~~(2) The department shall award a grant to an intermediate district to enter into a partnership with a statewide special education organization to improve the capacity of building-level~~



1 ~~special education administration personnel.~~

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

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

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

16 **(1) The student loan repayment assistance reserve fund is**  
17 **created as a separate account within the state school aid fund to**  
18 **provide supplemental funding for the student loan repayment**  
19 **assistance program in section 27k.**

20 **(2) The state treasurer may receive money or other assets from**  
21 **any source for deposit into the student loan repayment assistance**  
22 **reserve fund. The state treasurer shall direct the investment of**  
23 **the student loan repayment assistance reserve fund. The state**  
24 **treasurer shall credit to the student loan repayment assistance**  
25 **reserve fund interest and earnings from student loan repayment**  
26 **assistance reserve fund investments.**

27 **(3) Money in the student loan repayment assistance reserve**  
28 **fund at the close of the fiscal year remains in the student loan**  
29 **repayment assistance reserve fund and does not lapse to the state**



1 school aid fund.

2 (4) The department of treasury is the administrator of the  
3 student loan repayment assistance reserve fund for auditing  
4 purposes.

5 (5) Money available in the student loan repayment assistance  
6 reserve fund must not be expended without a specific appropriation.

7 (6) At the close of each fiscal year, unspent funds from state  
8 sources allocated in section 27k must be deposited into the student  
9 loan repayment assistance reserve fund created in this section.

10 Sec. 27k. (1) From the state school aid fund money  
11 appropriated in section 11, \$225,000,000.00 is allocated for 2023-  
12 2024 ~~only~~ and **\$24,400,000.00 is allocated for 2024-2025 only** to  
13 districts and intermediate districts for the purposes under this  
14 section. **From the general fund money appropriated in section 11,**  
15 **\$600,000.00 is allocated for 2024-2025 only to the department to**  
16 **contract with a vendor and for administrative costs related to this**  
17 **section.**

18 (2) ~~To~~**For 2023-2024, to** receive funding under this section, a  
19 district or intermediate district must apply for the funding in a  
20 form and manner prescribed by the department.

21 (3) ~~A~~**For 2023-2024, a** district or intermediate district that  
22 receives funding under this section shall use the funding only to  
23 implement a student loan repayment program in accordance with  
24 guidelines issued by the department. The guidelines must include  
25 all of the following criteria:

26 (a) A system ~~for~~**through** which the district or intermediate  
27 district verifies all of the following:

28 (i) That each eligible participant owes federal student loans.

29 (ii) That each eligible participant is ~~enrolled in~~**eligible for**



1 the federal public service loan forgiveness program and is under,  
 2 pursuant to federal law, a payment plan that makes eligible  
 3 payments toward federal public service loan forgiveness.

4 (iii) That each eligible participant is enrolled in an income-  
 5 driven repayment plan. Participants may be exempt from this  
 6 requirement if their loan is not eligible for income-driven  
 7 repayment.

8 (b) A requirement that each eligible participant shall receive  
 9 up to \$200.00 per month, or, if the eligible participant is  
 10 employed in a district ~~or intermediate district~~ that is assigned to  
 11 band 6 in the opportunity index, as described in section 31a, up to  
 12 \$400.00 per month, for the duration of the program or the total  
 13 amount of the eligible participant's monthly federal student loan  
 14 payment, as verified under subdivision (a), whichever is less. As  
 15 used in this subdivision, ~~"band 6 in the opportunity index" means~~  
 16 ~~at least 85% of pupils in the district or intermediate district are~~  
 17 ~~economically disadvantaged pupils.~~ **"band 6" means the district has**  
 18 **an opportunity index, as calculated under section 31a, that is**  
 19 **greater than or equal to 85.**

20 (c) A requirement that payments to eligible participants  
 21 through the program must be made in equal amounts on a monthly  
 22 basis.

23 (d) A requirement that an eligible participant must only  
 24 receive funding through the program if the eligible participant  
 25 continues to meet the criteria of an eligible participant.

26 (e) A requirement that an eligible participant annually, or,  
 27 if the participant leaves the program, on the date the participant  
 28 leaves the program, ~~if applicable,~~ certifies to the district or  
 29 intermediate district that the eligible participant made payments

1 toward the eligible participant's federal student loan with the  
2 funding received under this section.

3 (f) A requirement that the eligible participant certifies to  
4 the district or intermediate district any increases or decreases in  
5 the participant's monthly payment toward the eligible participant's  
6 federal student loan.

7 (4) By not later than October 1, 2024, the department shall  
8 contract with a vendor to implement an online portal that allows  
9 eligible participants to apply to participate in a student loan  
10 repayment program. The portal described in this subsection must be  
11 made available at no cost to each applicant and must require each  
12 applicant to submit and verify all of the following information:

13 (a) That the applicant owes federal student loans.

14 (b) The monthly payment amount of the applicant's eligible  
15 federal student loan.

16 (c) That the applicant is eligible for the federal public  
17 service loan forgiveness program and is under, pursuant to federal  
18 law, a payment plan that makes eligible payments toward federal  
19 public service loan forgiveness.

20 (d) That the applicant is enrolled in an income-driven  
21 repayment plan. Applicants may be exempt from this requirement if  
22 their loan is not eligible for income-driven repayment.

23 (e) A certification that the applicant understands that the  
24 applicant may receive funding through the student loan repayment  
25 program only if the applicant continues to meet the criteria of an  
26 eligible participant.

27 (f) An annual certification, or, if an eligible participant  
28 leaves the program, a certification on the date the eligible  
29 participant leaves the program, to the department that the eligible



1 participant made payments toward the eligible participant's federal  
2 student loans with the funding received under this section.

3 (g) A certification to the department of any increases or  
4 decreases in the eligible participant's monthly payment toward the  
5 eligible participant's federal student loans. The eligible  
6 participant must recertify the eligible participant's monthly  
7 payment amount annually if the monthly payment amount does not  
8 change.

9 (h) A certification that the applicant has not received  
10 funding under this section during the fiscal year in which the  
11 applicant is applying.

12 (5) For 2024-2025, except as otherwise provided in this  
13 subsection, the application in subsection (4) must be submitted  
14 directly by the individual who is applying to participate in a  
15 student loan repayment program or by that individual's bargaining  
16 unit. If the individual who is applying to participate in a student  
17 loan repayment program is unable to submit the application due to a  
18 disability, another individual may submit the application on the  
19 applicant's behalf.

20 (6) For 2024-2025, each eligible participant shall receive up  
21 to \$200.00 per month, or, if the eligible participant is employed  
22 in a district that is assigned to band 6 in the opportunity index,  
23 as described in section 31a, up to \$400.00 per month, for the  
24 duration of the program, or the total amount of the eligible  
25 participant's monthly federal student loan payment, as verified  
26 under subsection (4), whichever is less. As used in this  
27 subdivision, "band 6" means the district has an opportunity index,  
28 as calculated under section 31a, that is greater than or equal to  
29 85.





(7) The department shall make payments to the district or intermediate district that employs each eligible participant. For 2023-2024, the department shall provide to each district or intermediate district the eligible payment amounts for each eligible participant in the district or intermediate district. For 2024-2025, the eligible vendor described in subsection (4) shall provide the department and each district or intermediate district the eligible payment amounts for each eligible participant in the district or intermediate district. The district or intermediate district that receives payments under this section shall certify that the district or intermediate district will make payments to eligible participants in the amounts provided by the department or the eligible vendor described in subsection (4) under this subsection on a monthly basis, in the amounts specified.

(8) ~~(4)~~—An eligible participant remains eligible, unless otherwise provided under federal law or other state laws, for student loans even though the eligible participant receives funding from the money allocated under this section.

(9) ~~(5)~~—Payments to an eligible participant by districts or intermediate districts under this section must be made for no more than 10 years or until the eligible participant's federal student loan is paid off, whichever occurs earlier.

(10) ~~(6)~~—The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to continue support for federal student loan repayment programs as described in this section. The estimated completion date of the work project is December 31, 2026.

(11) ~~(7)~~ ~~If~~ **For 2023-2024, if** the amount allocated under this



1 section is insufficient to fully make payments to all eligible  
 2 participants as required under this section, the department shall  
 3 prorate the amount paid to districts and intermediate districts to  
 4 distribute to all eligible participants on an equal basis. **For**  
 5 **2024-2025, if the amount allocated under this section is**  
 6 **insufficient to fully make payments to all eligible participants as**  
 7 **required under this section, the department shall do both of the**  
 8 **following:**

9 (a) Make full payments to eligible participants for as many  
 10 months as possible given the remaining funds.

11 (b) Prorate the amount paid to all eligible participants on an  
 12 equal basis.

13 (12) At the close of each fiscal year, unspent funds from  
 14 state sources allocated under this section must be deposited into  
 15 the student loan repayment assistance reserve fund created in  
 16 section 27j.

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

20 (14) ~~(8)~~—As used in this section:

21 (a) "At-risk pupil" means that term as defined in section 31a.

22 (b) "Eligible participant" means **either of the following, as**  
 23 **applicable:**

24 (i) **For 2023-2024**, an individual who is participating in a  
 25 federal student loan repayment program described in subsection (3)  
 26 and who is working 32 hours or more per week at a district or  
 27 intermediate district in a role in which the individual works  
 28 directly with pre-K to 12 students, including, but not limited to,  
 29 educators, counselors, social workers, psychologists, reading



1 specialists, librarians, and school administrators who work  
2 directly with students.

3       (ii) For 2024-2025, an individual who is participating in a  
4 federal student loan repayment program described in subsection (4),  
5 who is working 32 hours or more per week at a district or  
6 intermediate district, and who works not less than 50% of the  
7 individual's weekly scheduled hours in a role in which the  
8 individual works directly with pre-K to 12 students, including, but  
9 not limited to, educators, counselors, social workers,  
10 psychologists, reading specialists, librarians, and school  
11 administrators who work directly with students.

12       Sec. 27l. (1) From the state school aid fund money appropriated  
13 in section 11, there is allocated \$63,800,000.00 for 2023-2024 only  
14 to districts in an equal amount per pupil. It is the intent of the  
15 legislature that districts will use the funds to increase educator  
16 compensation.

17       (2) In addition to the funds allocated in subsection (1), an  
18 amount not to exceed \$4,000,000.00 for 2023-2024 only from the  
19 state school aid fund money appropriated in section 11 is allocated  
20 to public school academies in an equal amount per pupil. It is the  
21 intent of the legislature that public school academies will use the  
22 funds received under this subsection to increase educator  
23 compensation.

24       Sec. 27n. (1) From the state school aid fund money  
25 appropriated in section 11, \$2,000,000.00 is allocated for 2023-  
26 2024 only to Saginaw Public School District to fund the enrollment  
27 of employees of Saginaw Public School District in the Accelerated  
28 Certification with Residency (ACR) Program at Saginaw Valley State  
29 University for the employees to earn their teaching certificate.



1 Saginaw Public School District shall directly make payments to  
2 Saginaw Valley State University for the enrollment of employees as  
3 described in this section.

4 **(2) Notwithstanding section 18a, funds allocated under this**  
5 **section may be available for expenditure until September 30, 2026.**  
6 **A recipient of funding under this section must return any**  
7 **unexpended funds to the department in a manner prescribed by the**  
8 **department by not later than October 30, 2026.**

9 Sec. 27o. (1) From the ~~state school aid~~ **general** fund money  
10 appropriated in section 11, there is allocated for ~~2023-2024~~ **2024-**  
11 **2025** only an amount not to exceed \$2,000,000.00 for ~~Eaton Regional~~  
12 ~~Education Service Agency~~ for a Learner Wallet pilot tutoring  
13 initiative that includes all of the following:

14 (a) The provision of a real-time student tracking tool for  
15 each teacher and tutor. The tool described in this subdivision must  
16 track and record the academic performance results for each student  
17 who is a candidate for tutoring services. The tool may also track  
18 academic and nonacademic experiences.

19 (b) The provision of a real-time tracker tool to each student  
20 engaged in tutoring services. The tool described in this  
21 subdivision must be a secure, private online data management tool  
22 to store evidence of the student's academic and skills-based  
23 achievements. The tool must be tied to the Michigan data hub system  
24 and allow for exporting and importing into the data hub.

25 (c) The ability for each student engaged in tutoring services  
26 to share the real-time tracker tool under subdivision (b) with the  
27 student's tutor and allow the tutor to input credentials to the  
28 student tracking tool under subdivision (a) to give credit for  
29 frequency, type, and achievements for the tutoring program.



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

Sec. 27p. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2022-2023-2024-~~ **2025** only an amount not to exceed ~~\$66,353,000.00~~ **\$12,500,000.00** to Marquette-Alger RESA for an apprenticeship model grow your own program as part of a consortia of at least 45 intermediate districts.

(2) The intermediate district receiving funding under this section shall use the funding to implement a grow your own program. A grow your own program described in this section must be implemented to improve the teacher talent pipeline and provide a no-cost pathway for support staff members to become certified teachers. Allowable expenses for grow your own programs under this section include, but are not limited to, all of the following:

(a) Tuition and fees for an accelerated degree, for a traditional bachelor's degree for current candidates who are not teachers, or for an advanced degree.

(b) Books.

(c) Testing fees.

(d) Travel to and from coursework.

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

(f) Costs for curriculum, materials, professional development, and hands-on-learning experiences to implement a program within the district or intermediate district to encourage students in any of grades 6 to 12 to consider a career in education. Not more than 10%



1 of funds received by a district or intermediate district under this  
2 section may be used for this purpose.

3 (3) An intermediate district may not concurrently receive  
4 funding under this section and receive funding under section 27b  
5 for 2022-2023, unless already awarded by the department under  
6 section 27b before July 1, ~~2023-2024~~. **An intermediate district**  
7 **receiving funding under this section shall not give funding**  
8 **received under this section to a constituent district that is**  
9 **receiving funding under section 27b.**

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

13 (5) The funds allocated under this section for ~~2022-2023-2024-~~  
14 ~~2025~~ are a work project appropriation, and any unexpended funds for  
15 ~~2022-2023-2024-2025~~ are carried forward into ~~2023-2024-2025-2026~~.  
16 The purpose of the work project is to continue support for the grow  
17 your own programs under this section. The estimated completion date  
18 of the work project is ~~December 31, 2026~~. **September 30, 2027.**

19 **Sec. 27r. (1) From the state school aid fund money**  
20 **appropriated in section 11, there is allocated for 2024-2025 only**  
21 **an amount not to exceed \$7,000,000.00 to Kent ISD for the West**  
22 **Michigan Teacher Collaborative as a part of a consortium of at**  
23 **least 3 intermediate districts. The West Michigan Teacher**  
24 **Collaborative shall use the funding to implement a grow your own**  
25 **program.**

26 (2) A grow your own program described in this section must be  
27 implemented to improve the teacher talent pipeline and provide a  
28 no-cost pathway for support staff members to become certified  
29 teachers. Allowable expenses for grow your own programs under this



1 section include, but are not limited to, all of the following:

2 (a) Tuition and fees for an accelerated degree, for a  
3 traditional bachelor's degree for current candidates who are not  
4 teachers, or for an advanced degree.

5 (b) Books and supplies.

6 (c) Testing fees.

7 (d) Travel to and from coursework.

8 (e) Substitute employee salary and wages for the duration of  
9 the educator preparation program attended by the recipient staff of  
10 the district or intermediate district.

11 (f) Costs for curriculum, materials, professional development,  
12 and hands-on learning experiences to implement a program within the  
13 district or intermediate district to encourage students in grades 6  
14 to 12 to consider a career in education. Not more than 10% of the  
15 funding may be used for this purpose.

16 (3) In addition to the allowable uses in subsection (2), the  
17 West Michigan Teacher Collaborative may use the money received  
18 under this section for any of the following purposes:

19 (a) Recruiting, retaining, and developing teachers to ensure  
20 greater efficacy, satisfaction, and outcomes.

21 (b) Serving as a convener and model for other local and  
22 intermediate school districts interested in developing and  
23 improving grow your own programs.

24 (c) Engaging in rigorous program evaluation and research so  
25 that this state can learn from its investments and innovations and  
26 become a top state for educators.

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



(5) The funds allocated under this section for 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. The purpose of the work project is to continue support for the grow your own programs under this section. The estimated completion date of the work project is September 30, 2028.

Sec. 27s. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2024-2025 only \$2,500,000.00 to a district or an intermediate district to support the activities of the Black Male Educators Alliance. The district or intermediate district shall use the funding allocated in this section to partner with the Black Male Educator Alliance.

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

Sec. 28. (1) To recognize differentiated instructional costs for different types of pupils **as well as additional costs to provide essential services** in ~~2023-2024, 2024-2025~~, the following sections provide a weighted foundation allocation or an additional payment of some type in the following amounts, as allocated under those sections:

(a) Section 22d, isolated and rural districts,  
~~\$11,601,000.00.~~ **\$12,306,900.00.**

(b) Section 22l, transportation reimbursement, \$125,000,000.00.

(c) Section 29, declining enrollment, \$71,000,000.00.

(d) ~~(e)~~ Section 31a, at risk,  
~~\$952,000,000.00.~~ **\$1,034,924,000.00.**

(e) Section 32d, great start readiness program,  
**\$627,720,000.00.**





1        **(f)** ~~(d)~~ Section 41, bilingual education for English language  
2 learners, ~~\$39,766,500.00.~~ **\$50,186,100.00.**

3        **(g)** ~~(e)~~ Section 51c, special education, mandated percentages,  
4 ~~\$820,000,000.00.~~ **\$1,016,400,000.00.**

5        **(h) Section 54d, early on, \$23,670,700.00.**

6        **(i)** ~~(f)~~ Section 61a, career and technical education, standard  
7 reimbursement, ~~\$48,011,300.00.~~ **\$39,899,800.00.**

8        **(j)** ~~(g)~~ Section 61d, career and technical education  
9 incentives, ~~\$5,000,000.00.~~ **\$5,304,300.00.**

10       **(k) Section 147a, Michigan public school employees' retirement**  
11 **system cost offset, \$709,939,000.00.**

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

15       Sec. 29. (1) The enrollment stabilization fund is created as a  
16 separate account in the state school aid fund for the purpose of  
17 stabilizing the effects of declining enrollment.

18       (2) The state treasurer may receive money or other assets from  
19 any source for deposit into the enrollment stabilization fund. The  
20 state treasurer shall direct the investment of the enrollment  
21 stabilization fund. The state treasurer shall credit to the  
22 enrollment stabilization fund interest and earnings from enrollment  
23 stabilization fund investments.

24       (3) Money in the enrollment stabilization fund at the close of  
25 the fiscal year remains in the enrollment stabilization fund and  
26 does not lapse to the state school aid fund or the general fund.

27       (4) The department of treasury is the administrator of the  
28 enrollment stabilization fund for auditing purposes.

29       (5) Money available in the enrollment stabilization fund must



not be expended without a specific appropriation.

~~(6) For the fiscal year ending September 30, 2023 only,~~  
~~\$314,000,000.00 from the state school aid fund is deposited into~~  
~~the enrollment stabilization fund.~~

(6) ~~(7)~~ From the enrollment stabilization fund money appropriated under section 11, there is allocated an amount not to exceed \$71,000,000.00 for ~~2023-2024~~ **2024-2025** for districts and intermediate districts for which membership in the immediately preceding fiscal year, as calculated under section 6 in the immediately preceding fiscal year, exceeds membership in the current fiscal year, as calculated under section 6 in the current fiscal year.

(7) ~~(8)~~ The allocation under subsection ~~(7)~~ **(6)** must be an amount equal to the sum of the product of .50 and the district's or intermediate district's membership for the immediately preceding fiscal year, as calculated under section 6 of the immediately preceding fiscal year, and the product of .50 and the district's or intermediate district's membership in the current fiscal year, as calculated under section 6 of the current fiscal year, minus the district's or intermediate district's membership in the current fiscal year, as calculated under section 6 of the current fiscal year, multiplied by the target foundation allowance for the current fiscal year.

Sec. 30d. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$100,000,000.00 for 2023-2024, and **an amount not to exceed \$170,000,000.00 for 2024-2025, and** from the school meals reserve fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$25,000,000.00~~ **\$90,000,000.00** for ~~2022-2023~~ **2023-2024**



1 and an amount not to exceed ~~\$60,000,000.00~~ **\$30,000,000.00** for ~~2023-~~  
 2 ~~2024-2024-2025~~ for the purpose of making payments to participating  
 3 entities to provide free school lunch and breakfast to public  
 4 school pupils in grades pre-K to 12.

5 (2) ~~In order to~~ **To** receive funding ~~from~~ **under** this section, a  
 6 participating entity must participate in the National School Lunch  
 7 Program and must do all of the following:

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

11 (b) ~~Except for 2022-2023, submit~~ **Submit** information regarding  
 12 the number of reimbursable breakfasts and reimbursable lunches  
 13 served in a manner prescribed by the department.

14 (c) Maximize federal reimbursement for reimbursable breakfasts  
 15 and reimbursable lunches by operating under the CEP if the  
 16 participating entity has an identified student percentage greater  
 17 than or equal to the minimum requirement to be eligible to  
 18 participate in the CEP. For purposes of this subdivision, all  
 19 eligible participating entities must elect CEP on behalf of a  
 20 single school, a group or groups of schools, or all schools in the  
 21 participating entity, as applicable, in a manner that maximizes  
 22 federal reimbursement.

23 (d) ~~The participating entity meets~~ **Meet** all applicable state  
 24 and federal standards in its school breakfast and lunch programs,  
 25 as determined by the department.

26 (e) ~~The participating entity takes~~ **Take** all efforts to  
 27 maximize and implement policies that require parents or guardians  
 28 to fill out relevant family income information, in a manner  
 29 prescribed by the department, for the purposes of determining



1 student eligibility for federal free or reduced cost meal  
2 reimbursement rates and CEP eligibility determinations.

3 (f) ~~By not later than February 1, 2024, Forgive~~ all school  
4 meal debt **related to federally reimbursable meals**, ~~has been~~  
5 ~~forgiven by the participating entity,~~ as determined by the  
6 department.

7 (3) Participating entities are encouraged to offer meals that  
8 meet students' dietary restrictions, including the provision of  
9 gluten-free meals, vegetarian meals, vegan meals, and, upon  
10 request, kosher meals, halal meals, and meals meeting any allergy  
11 restrictions as confirmed by a doctor's note.

12 (4) For each eligible participating entity, the department  
13 shall pay an amount equal to the following:

14 (a) The amount equal to the federal rate per student paid per  
15 pupil per free breakfast and lunch under the Child Nutrition Act of  
16 1966, 42 USC 21 1771 to 1793, and the Richard B. Russell National  
17 School Lunch Act, 42 USC 1751 to 1769j, multiplied by the number of  
18 breakfasts and lunches provided by the participating entity to  
19 students, less the federal revenue received by the participating  
20 entity under the school breakfast program and the school lunch  
21 program under the Child Nutrition Act of 1966, 42 USC 21 1771 to  
22 1793, and the Richard B. Russell National School Lunch Act, 42 USC  
23 1751 to 1769j, and other state lunch payments received under  
24 section 31d.

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



1 applicable, to children participating in the Great Start Readiness  
 2 Program under section 32d at the participating entity, less all  
 3 other federal and state lunch payments made for those children. For  
 4 purposes of this subdivision, compliance with 7 CFR 226.9 is  
 5 required. The department shall assign rates of reimbursement  
 6 pursuant to 7 CFR 226.9, at least annually, on the basis of family  
 7 size and income information reported by each eligible participating  
 8 entity. Assigned rates of reimbursement must be adjusted annually  
 9 to reflect changes in the national average payment rates.

10 (5) Notwithstanding section 17b, the department may make  
 11 payments under this section on a schedule determined by the  
 12 department.

13 (6) As used in this section:

14 (a) "CEP" means the Community Eligibility Provision under the  
 15 Richard B. Russell National School Lunch Act, 42 USC 1751 to 1769j.

16 (b) "Participating entity" means a district, intermediate  
 17 district, or the Michigan Schools for the Deaf and Blind.

18 (7) In addition to the appropriations in section 11, if the  
 19 amount allocated in subsection (1) is ~~not sufficient~~ **insufficient**  
 20 to fully reimburse districts for meals as required in this section,  
 21 there is appropriated from the school meals reserve fund created in  
 22 section 30e the amount necessary to fully fund these  
 23 reimbursements.

24 Sec. 31a. (1) ~~From the state school aid fund money~~  
 25 ~~appropriated in section 11, there~~ **There** is allocated for 2023-2024  
 26 an amount not to exceed \$1,035,150,000.00 ~~, and from~~ **the state**  
 27 **school aid fund money appropriated in section 11 and an amount not**  
 28 **to exceed \$1,500,000.00 from** the general fund money appropriated in  
 29 section 11, **and** there is allocated for ~~2023-2024~~ **2024-2025** an



1 amount not to exceed ~~\$1,500,000.00~~ **\$1,078,074,000.00** from the state  
 2 **school aid fund money appropriated in section 11** and an amount not  
 3 **to exceed \$1,500,000.00 from the general fund money appropriated in**  
 4 **section 11** for payments to eligible districts and eligible public  
 5 school academies for the purposes of ensuring that pupils are  
 6 proficient in English language arts by the end of grade 3, that  
 7 pupils are proficient in mathematics by the end of grade 8, that  
 8 pupils are attending school regularly, that high school graduates  
 9 are career and college ready, and for the purposes under  
 10 subsections (7), (8), ~~(19)~~, **(23)**, and ~~(20)~~, **(24)**.

11 (2) For a district or public school academy to be eligible to  
 12 receive funding under this section, other than funding under  
 13 subsection (7), (8), ~~(19)~~, **(23)**, or ~~(20)~~, **(24)**, the district or  
 14 public school academy, for grades K to 12, must comply with the  
 15 requirements under section 1280f of the revised school code, MCL  
 16 380.1280f, and must use resources to address early literacy and  
 17 numeracy, and for at least grades K to 12 or, if the district or  
 18 public school academy does not operate all of grades K to 12, for  
 19 all of the grades it operates, must implement a multi-tiered system  
 20 of supports that is an evidence-based framework 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 described in this subsection must provide at least all  
 25 of the following essential 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 (3) From the state school aid fund money allocated under  
4 subsection (1), there is allocated for 2023-2024 an amount not to  
5 exceed \$952,000,000.00, **and there is allocated for 2024-2025 an**  
6 **amount not to exceed \$1,034,924,000.00** to continue a weighted  
7 foundation per pupil payment for districts and public school  
8 academies enrolling economically disadvantaged pupils. The  
9 department shall pay under this subsection to each eligible  
10 district or eligible public school academy an amount per pupil  
11 equal to a percentage calculated under subsection (4) multiplied by  
12 the target foundation allowance for the following, as applicable:

13 (a) Except as otherwise provided under subdivision (b), (c),  
14 or (d) the greater of the following:

15 (i) The number of membership pupils in the district or public  
16 school academy who are determined to be economically disadvantaged,  
17 as reported to the center in the form and manner prescribed by the  
18 center not later than the fifth Wednesday after the pupil  
19 membership count day of the immediately preceding fiscal year.

20 (ii) If the district or public school academy is in the  
21 community eligibility program, the number of pupils determined to  
22 be eligible based on the product of the identified student  
23 percentage multiplied by the total number of pupils in the district  
24 or public school academy, as reported to the center in the form and  
25 manner prescribed by the center not later than the fifth Wednesday  
26 after the pupil membership count day of the immediately preceding  
27 fiscal year. These calculations must be made at the building level.  
28 This subparagraph only applies to an eligible district or eligible  
29 public school academy for the fiscal year immediately following the



1 first fiscal year in which it is in the community eligibility  
2 program. As used in this subparagraph, "identified student  
3 percentage" means the quotient of the number of pupils in an  
4 eligible district or eligible public school academy who are  
5 determined to be economically disadvantaged, as reported to the  
6 center in a form and manner prescribed by the center, not later  
7 than the fifth Wednesday after the pupil membership count day in  
8 the fiscal year preceding the first fiscal year in which the  
9 eligible district or eligible public school academy is in the  
10 community eligibility program, divided by the total number of  
11 pupils counted in an eligible district or eligible public school  
12 academy on the pupil membership count day in the fiscal year  
13 preceding the first fiscal year in which the eligible district or  
14 eligible public school academy is in the community eligibility  
15 program.

16 (b) If the district or public school academy began operations  
17 as a district or public school academy after the pupil membership  
18 count day of the immediately preceding school year, the number of  
19 membership pupils in the district or public school academy who are  
20 determined to be economically disadvantaged, as reported to the  
21 center in the form and manner prescribed by the center not later  
22 than the fifth Wednesday after the pupil membership count day of  
23 the current fiscal year.

24 (c) If the district or public school academy began operations  
25 as a district or public school academy after the pupil membership  
26 count day of the current fiscal year, the number of membership  
27 pupils in the district or public school academy who are determined  
28 to be economically disadvantaged, as reported to the center in the  
29 form and manner prescribed by the center not later than the fifth





1 Wednesday after the supplemental count day of the current fiscal  
2 year.

3 (d) If, for a particular fiscal year, the number of membership  
4 pupils in a district or public school academy who are determined  
5 under subdivision (a) to be economically disadvantaged or to be  
6 eligible based on the identified student percentage varies by more  
7 than 20 percentage points from the number of those pupils in the  
8 district or public school academy as calculated under subdivision  
9 (a) for the immediately preceding fiscal year caused by an  
10 egregious reporting error by the district or public school academy,  
11 the department may choose to have the calculations under  
12 subdivision (a) instead be made using the number of membership  
13 pupils in the district or public school academy who are determined  
14 to be economically disadvantaged, as reported to the center in the  
15 form and manner prescribed by the center not later than the fifth  
16 Wednesday after the supplemental count day of the immediately  
17 preceding fiscal year.

18 (4) Each district or public school academy must be assigned ~~to~~  
19 an opportunity index score each fiscal year, the value of which is  
20 the quotient of the number of economically disadvantaged pupils as  
21 determined under subsection (3) for the district or public school  
22 academy and the total number of pupils in the district or public  
23 school academy in the immediately preceding fiscal year, multiplied  
24 by 100 and rounded up to the nearest whole number. Each district or  
25 public school academy must be assigned an opportunity index band as  
26 follows:

27 (a) A district or public school academy with an opportunity  
28 index score greater than or equal to 0 but less than 20 must be  
29 assigned to band 1 and shall receive reimbursement under subsection



1 (3) at a rate of at least 35.0% and less than 36.0%. The  
2 reimbursement rate under this subdivision must be an amount equal  
3 to the district's opportunity index score minus 1, multiplied by  
4 the band adjustment factor applicable to this subdivision, plus  
5 35.0%.

6 (b) A district or public school academy with an opportunity  
7 index score greater than or equal to 20 but less than 44 must be  
8 assigned to band 2 and shall receive reimbursement under subsection  
9 (3) at a rate of at least 36.0% and less than 37.5%. The  
10 reimbursement rate under this subdivision must be an amount equal  
11 to the district's opportunity index score minus 20, multiplied by  
12 the band adjustment factor applicable to this subdivision, plus  
13 36.0%.

14 (c) A district or public school academy with an opportunity  
15 index score greater than or equal to 44 but less than 59 must be  
16 assigned to band 3 and shall receive reimbursement under subsection  
17 (3) at a rate of at least 37.5% and less than 39.0%. The  
18 reimbursement rate under this subdivision must be an amount equal  
19 to the district's opportunity index score minus 44, multiplied by  
20 the band adjustment factor applicable to this subdivision, plus  
21 37.5%.

22 (d) A district or public school academy with an opportunity  
23 index score greater than or equal to 59 but less than 73 must be  
24 assigned to band 4 and shall receive reimbursement under subsection  
25 (3) at a rate of at least 39.0% and less than 42.0%. The  
26 reimbursement rate under this subdivision must be an amount equal  
27 to the district's opportunity index score minus 59, multiplied by  
28 the band adjustment factor applicable to this subdivision, plus  
29 39.0%.



1 (e) A district or public school academy with an opportunity  
2 index score greater than or equal to 73 but less than 85 must be  
3 assigned to band 5 and shall receive reimbursement under subsection  
4 (3) at a rate of at least 42.0% and less than 47.0%. The  
5 reimbursement rate under this subdivision must be an amount equal  
6 to the district's opportunity index score minus 73, multiplied by  
7 the band adjustment factor applicable to this subdivision, plus  
8 42.0%.

9 (f) A district or public school academy with an opportunity  
10 index score greater than or equal to 85 must be assigned to band 6  
11 and shall receive reimbursement under subsection (3) at a rate of  
12 47.0%.

13 (g) As used in this subsection, "band adjustment factor" means  
14 an amount equal to the difference between the lowest and highest  
15 reimbursement bounds for each band, divided by the number of  
16 possible opportunity index scores in that band.

17 (5) Except as otherwise provided in this section, a district  
18 or public school academy receiving funding under this section shall  
19 use that money only to provide instructional programs and direct  
20 noninstructional services, including, but not limited to, medical,  
21 mental health, or counseling services, for at-risk pupils; for  
22 school health clinics; and for the purposes of subsection (6), (7),  
23 (8), ~~(19)~~, **(23)**, or ~~(20)~~ **(24)**. In addition, a district that is a  
24 school district of the first class or a district or public school  
25 academy in which at least 50% of the pupils in membership were  
26 determined to be economically disadvantaged in the immediately  
27 preceding state fiscal year, as determined and reported as  
28 described in subsection (3), may use the funds it receives under  
29 this section for school security or school parent liaison

1 personnel. The uses of the funds described in the immediately  
 2 preceding sentence must align to the needs assessment and the  
 3 multi-tiered system of supports model and, for funds spent on  
 4 parent liaison personnel, must connect parents to the school  
 5 community. A district or public school academy shall not use any of  
 6 the money received under this section for administrative costs. The  
 7 instruction or direct noninstructional services provided under this  
 8 section may be conducted before or after regular school hours or by  
 9 adding extra school days to the school year.

10 (6) A district or public school academy that receives funds  
 11 under this section and that operates a school breakfast program  
 12 under section 1272a of the revised school code, MCL 380.1272a,  
 13 shall use from the funds received under this section an amount, not  
 14 to exceed \$10.00 per pupil for whom the district or public school  
 15 academy receives funds under this section, necessary to pay for  
 16 costs associated with the operation of the school breakfast  
 17 program.

18 (7) From the state school aid fund money allocated under  
 19 subsection (1), there is allocated for 2023-2024 an amount not to  
 20 exceed \$33,000,000.00, **and there is allocated for 2024-2025 an**  
 21 **amount not to exceed \$33,000,000.00** to support primary health care  
 22 services provided to children and adolescents up to age 21. These  
 23 funds must be expended in a form and manner determined jointly by  
 24 the department and the department of health and human services.  
 25 When making funding decisions for new adolescent health centers  
 26 under this subsection, the department and department of health and  
 27 human services shall prioritize support for primary health care  
 28 services in unserved **and underserved** counties **as determined by the**  
 29 **department of health and human services.** ~~as of July 14, 2022. An~~



1 **For 2023-2024, an** amount not to exceed 4% of the funds allocated  
 2 **for 2023-2024 under this subsection, and for 2024-2025, an amount**  
 3 **equal to 4% of the funds allocated for 2024-2025 under this**  
 4 **subsection** must be made available for technical support and  
 5 coordination services from a nonprofit organization exclusively  
 6 dedicated to serving adolescent health centers in this state and  
 7 that has a membership that includes federally qualified health  
 8 centers, local public health departments, hospital systems, and  
 9 public school districts. As a requirement of being awarded the  
 10 funds under this subsection as prescribed under this subsection, a  
 11 nonprofit organization described in this subsection shall make  
 12 readily available technical support and coordination services to  
 13 all child and adolescent health centers in this state. Funds  
 14 appropriated under this subsection **for 2023-2024 only** are a work  
 15 project appropriation and any unexpended funds for 2023-2024 are  
 16 carried forward into 2024-2025. The purpose of the work project is  
 17 to continue to improve child and adolescent health center program  
 18 sites and improve delivery of patient care. The estimated  
 19 completion date of the work project is September 30, 2025.

20 (8) From the state school aid fund money allocated under  
 21 subsection (1), there is allocated for 2023-2024 an amount not to  
 22 exceed \$5,150,000.00 **and for 2024-2025 an amount not to exceed**  
 23 **\$10,150,000.00** for the state portion of the hearing and vision  
 24 screenings as described in part 93 of the public health code, 1978  
 25 PA 368, MCL 333.9301 to 333.9329, and, from the general fund money  
 26 allocated under subsection (1), there is allocated for 2023-2024 an  
 27 amount not to exceed \$1,500,000.00 **and for 2024-2025 an amount not**  
 28 **to exceed \$1,500,000.00** for the state portion of the dental  
 29 screenings as described in part 93 of the public health code, 1978



1 PA 368, MCL 333.9301 to 333.9329. A local public health department  
2 shall pay at least 50% of the total cost of the screenings. The  
3 frequency of the vision screenings must be as required under R  
4 325.13091 to R 325.13096 of the Michigan Administrative Code and  
5 the frequency of the hearing screenings must be as required under R  
6 325.3271 to R 325.3276 of the Michigan Administrative Code. Funds  
7 must be awarded in a form and manner approved jointly by the  
8 department and the department of health and human services.  
9 Notwithstanding section 17b, the department shall make payments to  
10 eligible entities under this subsection on a schedule determined by  
11 the department.

12 (9) Each district or public school academy receiving funds  
13 under this section shall submit to the department by July 15 of  
14 each fiscal year a report, in the form and manner prescribed by the  
15 department, that includes a brief description of each program  
16 conducted or services performed by the district or public school  
17 academy using funds under this section, the amount of funds under  
18 this section allocated to each of those programs or services, the  
19 total number of at-risk pupils served by each of those programs or  
20 services, and the data necessary for the department and the  
21 department of health and human services to verify matching funds  
22 for the temporary assistance for needy families program. In  
23 prescribing the form and manner of the report, the department shall  
24 ensure that districts are allowed to expend funds received under  
25 this section on any activities that are permissible under this  
26 section. If a district or public school academy does not comply  
27 with this subsection, the department shall withhold an amount equal  
28 to the August payment due under this section until the district or  
29 public school academy complies with this subsection. If the



1 district or public school academy does not comply with this  
2 subsection by the end of the fiscal year, the withheld funds are  
3 forfeited to the school aid fund.

4 (10) To receive funds under this section, a district or public  
5 school academy must allow access for the department or the  
6 department's designee to audit all records related to the program  
7 for which it receives those funds. The district or public school  
8 academy shall reimburse the state for all disallowances found in  
9 the audit.

10 (11) Subject to subsections (6), (7), (8), ~~(19)~~, **(23)**, and  
11 ~~(20)~~, **(24)**, for schools in which more than 40% of pupils are  
12 identified as at-risk, a district or public school academy may use  
13 the funds it receives under this section to implement tier 1,  
14 evidence-based practices in schoolwide reforms that are guided by  
15 the district's comprehensive needs assessment and are included in  
16 the district improvement plan. Schoolwide reforms must include  
17 parent and community supports, activities, and services, that may  
18 include the pathways to potential program created by the department  
19 of health and human services or the communities in schools program.  
20 As used in this subsection, "tier 1, evidence-based practices"  
21 means research based instruction and classroom interventions that  
22 are available to all learners and effectively meet the needs of  
23 most pupils.

24 (12) A district or public school academy that receives funds  
25 under this section may use those funds to provide research based  
26 professional development and to implement a coaching model that  
27 supports the multi-tiered system of supports framework.  
28 Professional development may be provided to district and school  
29 leadership and teachers and must be aligned to professional



1 learning standards; integrated into district, school building, and  
2 classroom practices; and solely related to the following:

3 (a) Implementing the multi-tiered system of supports required  
4 in subsection (2) with fidelity and utilizing the data from that  
5 system to inform curriculum and instruction.

6 (b) Implementing section 1280f of the revised school code, MCL  
7 380.1280f, as required under subsection (2), with fidelity.

8 (13) ~~For 2023-2024 a~~ **A** district or public school academy that  
9 receives funds under subsection (3) may use funds received under  
10 subsection (3) for support staff providing services to at-risk  
11 pupils.

12 (14) **Beginning in 2024-2025, a district or public school**  
13 **academy may use up to 60% of the funds it receives under this**  
14 **section for the following purposes:**

15 (a) Up to 30% to reduce the teacher to pupil ratio in grades K  
16 to 3 in schools for which the percentage of pupils in membership  
17 who were determined to be economically disadvantaged in the  
18 immediately preceding fiscal year is equal to or greater than the  
19 minimum percentage for a district or public school academy to be  
20 assigned to opportunity index band 5.

21 (b) Up to 30% to support retention and recruitment efforts  
22 that help reduce staff turnover and vacancies of instructional and  
23 support staff if the district or public school academy is assigned  
24 to opportunity index band 5 or 6.

25 (15) Funds used as described in subsection (14) must align  
26 with the needs assessment and the multi-tiered system of supports  
27 model. A district or public school academy shall not use any of the  
28 money described in subsection (14) for administrative costs or to  
29 supplant existing funding, including, but not limited to,





1 maintaining existing salaries or costs. A district or public school  
 2 academy shall report its intent to use funds described in  
 3 subsection (14) to the department by not later than November 1 of  
 4 the current fiscal year.

5 (16) A district or public school academy determined to be  
 6 eligible to use a portion of funds received under subsection (3)  
 7 for the purposes described in subsection (14) retains the ability  
 8 to use funding for the purposes described in subsection (14) for  
 9 the fiscal year in which eligibility was determined plus 2  
 10 additional fiscal years beyond that fiscal year.

11 (17) By August 1 of each fiscal year, the department must  
 12 provide a report to districts and public school academies that  
 13 lists the eligible schools under subsection (14) (a) for the  
 14 upcoming fiscal year.

15 (18) ~~(14)~~ A district or public school academy that receives  
 16 funds under this section may use up to 10% of the funds received  
 17 under this section to provide evidence-based instruction for pre-  
 18 kindergarten instructional and noninstructional services to  
 19 children who meet at least 1 of the criteria in subsection  
 20 ~~(21) (a) (i)~~ (25) (a) (i) to (x).

21 (19) ~~(15)~~ Except as otherwise provided in this subsection, if  
 22 necessary, the department shall prorate payments under this  
 23 section, except payments under subsection (7), (8), ~~(19)~~, (23), or  
 24 ~~(20)~~, (24), by reducing the amount of the allocation as otherwise  
 25 calculated under this section by an equal percentage per district.  
 26 Subject to the availability of funds, if proration is necessary  
 27 under this subsection, the department must ensure that no district  
 28 receives an amount less than 11.5% of the target foundation for  
 29 each economically disadvantaged pupil enrolled in the district.



1       **(20)** ~~(16)~~—If a district is dissolved pursuant to section 12 of  
 2 the revised school code, MCL 380.12, the intermediate district to  
 3 which the dissolved district was constituent shall determine the  
 4 estimated number of pupils that are economically disadvantaged and  
 5 that are enrolled in each of the other districts within the  
 6 intermediate district and provide that estimate to the department  
 7 for the purposes of distributing funds under this section within 60  
 8 days after the district is declared dissolved.

9       **(21)** ~~(17)~~—A district or public school academy that receives  
 10 funds under this section may use funds received under this section  
 11 to provide an anti-bullying or crisis intervention program.

12       **(22)** ~~(18)~~—The department shall collaborate with the department  
 13 of health and human services to prioritize assigning Pathways to  
 14 Potential success coaches to elementary schools that have a high  
 15 percentage of pupils in grades K to 3 who are not proficient in  
 16 English language arts, based upon state assessments for pupils in  
 17 those grades.

18       **(23)** ~~(19)~~—From the state school aid fund money allocated under  
 19 subsection (1), there is allocated for 2023-2024 only an amount not  
 20 to exceed \$35,000,000.00 to support primary health care services  
 21 provided to children and adolescents up to age 21 and for the  
 22 provision of space upgrades in child and adolescent health center  
 23 programs. All of the following apply to this allocation:

24       (a) The funds must be used for only the following purposes:

25       (i) Modernizing antiquated medical equipment.

26       (ii) Improving security and patient safety measures.

27       (iii) Investing in new patient-centered technologies.

28       (iv) Renovating physical spaces to improve patient privacy and  
 29 the care setting.



1 (b) The funds must be expended in a form and manner determined  
2 jointly by the department and the department of health and human  
3 services.

4 (c) To be eligible to receive funding under this subsection, a  
5 child and adolescent health center program that serves students in  
6 the current fiscal year must submit an application in a form and  
7 manner determined by the department and the department of health  
8 and human services.

9 (d) An amount ~~not to exceed~~ **equal to** 4% of the funds allocated  
10 for 2023-2024 under this subsection must be made available for  
11 technical support and coordination services from a nonprofit  
12 organization exclusively dedicated to serving adolescent health  
13 centers in this state and that has a membership that includes  
14 federally qualified health centers, local public health  
15 departments, hospital systems, and public school districts. As a  
16 requirement of being awarded the funds under this subsection as  
17 prescribed under this subsection, a nonprofit organization  
18 described in this subsection shall make readily available technical  
19 support and coordination services to all child and adolescent  
20 health centers in this state.

21 (e) Funds appropriated under this subsection are a work  
22 project appropriation and any unexpended funds for 2023-2024 are  
23 carried forward into 2024-2025. The purpose of the work project is  
24 to continue to improve child and adolescent health center program  
25 sites and improve delivery of patient care. The estimated  
26 completion date of the work project is September 30, 2025.

27 **(24)** ~~(20)~~ From the state school aid fund money appropriated  
28 under section 11, there is allocated for 2023-2024 only an amount  
29 not to exceed \$10,000,000.00 for an electronic patient data and



health care analytic system to be made available to each child and adolescent health center program. The department of health and human services shall collaborate on system implementation with a nonprofit organization exclusively dedicated to serving child and adolescent health center programs in this state and that has a membership that includes federally qualified health centers, local public health departments, hospital systems, and public school districts, including, but not limited to, technology assessment, design, coordination, and system implementation with child and adolescent health center programs. **Funds appropriated under this subsection are a work project appropriation and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to continue to implement an electronic patient data and health care analytic system. The estimated completion date of the work project is September 30, 2028.**

(25) ~~(21)~~—As used in this section:

(a) "At-risk pupil" means a pupil in grades pre-K to 12 for whom the district has documentation that the pupil meets any of the following criteria:

(i) The pupil is economically disadvantaged.

(ii) The pupil is an English language learner.

(iii) The pupil is chronically absent as defined by and reported to the center.

(iv) The pupil is a victim of child abuse or neglect.

(v) The pupil is a pregnant teenager or teenage parent.

(vi) The pupil has a family history of school failure, incarceration, or substance abuse.

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



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

(ix) For pupils for whom the results of the state summative assessment have been received, is a pupil who did not achieve proficiency on the English language arts, mathematics, science, or social studies content area assessment.

(x) Is a pupil who is at risk of not meeting the district's or public school academy's core academic curricular objectives in English language arts or mathematics, as demonstrated on local assessments.

~~(b) "Combined state and local revenue" means the aggregate of the district's state school aid received by or paid on behalf of the district under section 20 and the district's local school operating revenue.~~

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

**(b)** ~~(d)~~ "Economically disadvantaged" means a pupil who has been determined eligible for free or reduced-price meals as determined under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j; who is in a household receiving supplemental nutrition assistance program or temporary assistance for needy families assistance; or who is homeless, migrant, or in foster care, as reported to the center.

**(c)** ~~(e)~~ "English language learner" means limited English proficient pupils who speak a language other than English as their primary language and have difficulty speaking, reading, writing, or understanding English as reported to the center.



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 ~~\$27,553,400.00 for 2022-2023 and there is allocated an~~  
6       ~~amount not to exceed \$29,553,400.00 for 2023-2024~~ **2024-2025** for the  
7       purpose of making payments to districts and other eligible entities  
8       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 ~~2022-2023 all available federal funding, estimated~~  
29      ~~at \$901,400,000.00, and there is allocated for 2023-2024~~ **2024-2025**



1 all available federal funding, estimated at \$901,400,000.00 for  
 2 child nutrition programs and, ~~for 2022-2023, all available federal~~  
 3 ~~funding, estimated at \$15,000,000.00, and, for 2023-2024, 2024-~~  
 4 **2025**, all available federal funding, estimated at \$15,000,000.00,  
 5 for food distribution programs.

6 (6) Notwithstanding section 17b, the department shall make  
 7 payments to eligible entities other than districts under this  
 8 section on a schedule determined by the department.

9 (7) In purchasing food for a lunch program funded under this  
 10 section, a district or other eligible entity shall give preference  
 11 to food that is grown or produced by Michigan businesses if it is  
 12 competitively priced and of comparable quality.

13 Sec. 31f. (1) From the state school aid fund money  
 14 appropriated in section 11, there is allocated an amount not to  
 15 exceed ~~\$11,900,000.00 for 2022-2023, and there is allocated an~~  
 16 ~~amount not to exceed \$16,900,000.00 for 2023-2024~~ **2024-2025** for the  
 17 purpose of making payments to districts to reimburse for the cost  
 18 of providing breakfast.

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

22 (a) The district participates in the federal school breakfast  
 23 program and meets all standards as prescribed by 7 CFR parts 210,  
 24 220, 225, 226, and 245.

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

27 (3) The payment for a district under this section is at a per  
 28 meal rate equal to the lesser of the district's actual cost or 100%  
 29 of the statewide average cost of a meal served, as determined and



1 approved by the department, less federal reimbursement, participant  
2 payments, and state breakfast reimbursements received under section  
3 30d. The department shall determine the statewide average cost  
4 using costs as reported in a manner approved by the department for  
5 the preceding school year.

6 (4) Notwithstanding section 17b, the department may make  
7 payments under this section pursuant to an agreement with the  
8 department.

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

13 **Sec. 31g. (1) From the state school aid fund money**  
14 **appropriated in section 11, there is allocated an amount not to**  
15 **exceed \$1,250,000.00 for 2024-2025 only to Lenawee Intermediate**  
16 **District for a student wellness software pilot program case study**  
17 **that will encompass a diverse range of districts that offer grades**  
18 **3 to 12, representing urban, rural, and suburban communities. The**  
19 **case study described in this section must be used to provide to the**  
20 **department evidence of trends in the following areas:**

- 21 (a) Absenteeism.  
22 (b) Suspensions and expulsions.  
23 (c) Behavior incidents.  
24 (d) Students feeling connected.  
25 (e) Student sense of belonging.  
26 (f) Student self-esteem.  
27 (g) Student motivation.  
28 (h) Dropout rate.  
29 (i) Anxiety and depression.





(j) Student sense of safety at school.

(2) The funds allocated under this section for 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. The purpose of the work project is to continue to provide support for the pilot program described in subsection (1). The estimated completion date of the work project is September 30, 2027.

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

Sec. 31j. (1) From the general fund money appropriated in section 11, there is allocated for ~~2023-2024~~ **2024-2025** an amount not to exceed \$500,000.00 and from the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$8,800,000.00~~ **\$4,000,000.00** for ~~2023-2024~~ **2024-2025** for a program to support districts and other non-school sponsors in the purchase of locally grown fruits, ~~and~~ vegetables, **and legumes** as described in this section. ~~It is the intent of the legislature that, for 2024-2025, the allocation from the state school aid fund money appropriated in section 11 for purposes described in this section will be \$4,000,000.00.~~

(2) Funding under this section retained by the department for administration must not exceed 5%. Funding under this section retained by project partners for data collection, outreach, and training must not exceed ~~1%~~ **2%** for each partner.

(3) The department shall develop and implement a competitive grant program for districts and other non-school sponsors to assist in paying for the costs incurred by the district or other non-school sponsor to purchase or increase purchases of whole or



1 minimally processed fruits, vegetables, and legumes grown in this  
 2 state. The maximum amount that may be drawn down on a grant to a  
 3 district or other non-school sponsor is based on the number of  
 4 meals served by the district during the previous school year under  
 5 the Richard B. Russell national school lunch act, 42 USC 1751 to  
 6 1769j, or meals served by the other non-school sponsor in the  
 7 previous school year. The department shall collaborate with the  
 8 Michigan department of agriculture and rural development to provide  
 9 training to newly participating schools and other non-school  
 10 sponsors and electronic information on Michigan agriculture.

11 (4) The goals of the program under this section include  
 12 improving daily nutrition and eating habits for children through  
 13 the school and child care settings while investing in Michigan's  
 14 agricultural and related food business economy.

15 (5) A district or other non-school sponsor that receives a  
 16 grant under this section shall use those funds for the costs  
 17 incurred by the district or the sponsor to ~~purchase~~ **do both of the**  
 18 **following:**

19 (a) **Purchase** whole or minimally processed fruits, vegetables,  
 20 and legumes that meet both of the following:

21 (i) ~~(a)~~ For each fiscal year, were purchased for use in meals  
 22 and supportive activities as part of the United States Department  
 23 of Agriculture child nutrition programs provided between ~~September~~  
 24 **October** 1 through ~~August~~ **September** 30 of that fiscal year.

25 (ii) ~~(b)~~ Are grown in this state and, if minimally processed,  
 26 are also processed in this state.

27 (b) **Pay for labor and food transportation of locally grown**  
 28 **fruits, vegetables, and legumes that directly support the**  
 29 **activities and goals of the program described in this section. The**



1 amount paid under this subdivision must not exceed 25% of the grant  
2 award.

3 (6) For Michigan-grown fruits, vegetables, and legumes that  
4 satisfy the requirements of subsection (5), the department shall  
5 make matching reimbursements in an amount not to exceed 10 cents  
6 for every school meal that is served as part of the United States  
7 Department of Agriculture's child nutrition programs.

8 (7) In awarding grants under this section, the department  
9 shall work in consultation with Michigan-based farm to school  
10 resource organizations, to develop scoring criteria that assess an  
11 applicant's ability to procure Michigan-grown products, prepare and  
12 menu Michigan-grown products, promote and market Michigan-grown  
13 products, and submit letters of intent from districts or other non-  
14 school sponsors on plans for educational activities that promote  
15 the goals of the program.

16 (8) The department shall give preference to districts or other  
17 non-school sponsors that propose educational activities that meet 1  
18 or more of the following: promote healthy food activities; have  
19 clear educational objectives; involve parents or the community;  
20 connect to a school's or child care center's farm-to-school or  
21 farm-to-early-child-care procurement activities; and market and  
22 promote the program, leading to increased pupil knowledge and  
23 consumption of Michigan-grown products. The department shall give  
24 stronger weighting and consideration to applications with robust  
25 marketing and promotional activities.

26 (9) In awarding grants, the department shall also consider all  
27 of the following:

28 (a) The percentage of children who qualify for free or reduced  
29 price school meals under the Richard B. Russell national school



1 lunch act, 42 USC 1751 to 1769j.

2 (b) The variety of school or child care center sizes and  
3 geographic locations within the identified prosperity regions.

4 (c) Existing or planned collaboration between child care  
5 sponsors, between districts, or with agricultural businesses and  
6 essential local food infrastructure, such as farms, farm  
7 cooperatives, processors, distributors, and local food hubs.

8 (10) As a condition of receiving a grant under this section, a  
9 district or other non-school sponsor shall provide or direct its  
10 vendors to provide to the department copies of monthly receipts  
11 that show the quantity of different Michigan-grown fruits,  
12 vegetables, and legumes purchased, the amount of money spent on  
13 each of these products, the name and Michigan location of the farm  
14 that grew the products, and the methods or plans to market and  
15 promote the program. The district or other non-school sponsor also  
16 shall provide to the department monthly United States Department of  
17 Agriculture child nutrition reimbursable meal numbers and must  
18 retain monthly menus noting when and how Michigan-grown products  
19 were used in meals. The district or other non-school sponsor and  
20 school or non-school sponsor food service director or directors  
21 also shall agree to respond to brief online surveys and to provide  
22 a report that shows the percentage relationship of Michigan  
23 spending compared to total food spending. ~~Not~~**By not** later than 60  
24 days after the end of the period in which funds under this section  
25 were received, and in which federal child nutrition programs  
26 require submission of claims, each district or each non-school  
27 sponsor shall submit a report to the department on outcomes and  
28 related measurements for economic development and children's  
29 nutrition and readiness to learn. The report must include at least



1 both of the following:

2 (a) The extent to which farmers and related businesses,  
3 including distributors and processors, saw an increase in market  
4 opportunities and income generation through sales of Michigan or  
5 local products to districts and other non-school sponsors. All of  
6 the following apply for purposes of this subdivision:

7 (i) The data used to determine the amount of this increase are  
8 the total dollar amount of Michigan or local fruits, vegetables,  
9 and legumes purchased by schools and other non-school sponsors,  
10 along with the number of different types of products purchased;  
11 school and non-school sponsor food purchasing trends identified  
12 along with products that are of new and growing interest among food  
13 service directors; the number of businesses impacted; and the  
14 percentage of total food budget spent on Michigan-grown fruits,  
15 vegetables, and legumes.

16 (ii) The district or other non-school sponsor shall use  
17 purchasing data collected for the program and surveys of school and  
18 non-school sponsor food service directors on the impact and success  
19 of the program as the source for the data described in subparagraph  
20 (i).

21 (b) The ability to which pupils can access a variety of  
22 healthy Michigan-grown foods through schools and other non-school  
23 sponsor centers and increase their consumption of those foods. All  
24 of the following apply for purposes of this subdivision:

25 (i) The data used to determine whether this subdivision is met  
26 are the number of pupils exposed to Michigan-grown fruits,  
27 vegetables, and legumes at schools and non-school sponsor centers;  
28 the variety of products served; new items taste-tested or placed on  
29 menus; and the increase in pupil willingness to try new local



1 healthy foods.

2 (ii) The district or other non-school sponsor shall use  
3 purchasing data collected for the project, meal count and  
4 enrollment numbers, school menu calendars, and surveys of school  
5 and non-school sponsor food service directors as the source for the  
6 data described in subparagraph (i).

7 (11) The department shall compile the reports provided by  
8 districts and other non-school sponsors under subsection (10) into  
9 1 legislative report. The department shall provide this report not  
10 later than April 1 of each fiscal year following the fiscal year  
11 for which funding is allocated under this section to the house and  
12 senate subcommittees responsible for school aid, the house and  
13 senate fiscal agencies, and the state budget director.

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

17 Sec. 31n. (1) From the state school aid fund money  
18 appropriated in section 11, there is allocated for ~~2023-2024-2024-~~  
19 **2025** for the purposes of this section an amount not to exceed  
20 \$106,545,000.00 and from the general fund money appropriated in  
21 section 11, there is allocated for ~~2023-2024-2024-2025~~ for the  
22 purposes of this section an amount not to exceed \$1,300,000.00. The  
23 department and the department of health and human services shall  
24 continue a program to distribute this funding to add licensed  
25 behavioral health providers for general education pupils, and  
26 recipients of the funds under subsection (6) shall continue to seek  
27 federal Medicaid match funding for all eligible mental health and  
28 support services.

29 (2) The department and the department of health and human



1 services shall maintain an advisory council for programs funded  
2 under this section and any other funding under this act to improve  
3 or maintain the mental health of students, except for programs  
4 funded under section 31a(7) and (8). The advisory council shall  
5 define goals for implementation of programs, and shall provide  
6 feedback on that implementation. At a minimum, the advisory council  
7 shall consist of representatives of state associations representing  
8 school health, school mental health, school counseling, education,  
9 health care, and other organizations, representatives from the  
10 department and the department of health and human services, and a  
11 representative from the school safety and mental health commission.  
12 The department and department of health and human services, working  
13 with the advisory council, shall determine an approach to increase  
14 capacity for mental health and support services in schools for  
15 general education pupils, and shall determine where that increase  
16 in capacity qualifies for federal Medicaid match funding.

17 (3) The advisory council shall develop a fiduciary agent  
18 checklist for intermediate districts to facilitate development of a  
19 plan to submit to the department and to the department of health  
20 and human services. The department and department of health and  
21 human services shall determine the requirements and format for  
22 intermediate districts to submit a plan for possible funding under  
23 subsection (6). The department shall make applications for funding  
24 for this program available to districts and intermediate districts  
25 **by** not later than December 1 of each fiscal year for which funds  
26 are allocated under this section and shall award the funding **by** not  
27 later than February 1 of each fiscal year for which funds are  
28 allocated under this section.

29 (4) The department of health and human services shall amend



1 the state Medicaid plan to obtain appropriate Medicaid waivers as  
2 necessary for the purpose of generating additional Medicaid match  
3 funding for school mental health and support services for general  
4 education pupils, and this expansion is called Caring for Students  
5 (C4S) .

6 (5) From the state school aid fund money allocated under  
7 subsection (1), there is allocated for ~~2023-2024~~**2024-2025** an  
8 amount not to exceed \$14,300,000.00 to be distributed to the  
9 network of child and adolescent health centers to place a licensed  
10 master's level behavioral health provider in schools that do not  
11 currently have services available to general education students.  
12 Child and adolescent health centers that are part of the network  
13 described in this subsection shall provide a commitment to maintain  
14 services and implement all available federal Medicaid match  
15 methodologies. The department of health and human services shall  
16 use all existing or additional federal Medicaid match opportunities  
17 to maximize funding allocated under this subsection. The department  
18 shall provide funds under this subsection to child and adolescent  
19 health centers that are part of the network described in this  
20 subsection in the same proportion that funding under section 31a(7)  
21 is provided to child and adolescent health centers that are part of  
22 the network described in this subsection and that are located and  
23 operating in those districts. A payment from funding allocated  
24 under this subsection must not be paid to an entity that is not  
25 part of the network described in this subsection.

26 (6) From the state school aid fund money allocated under  
27 subsection (1), there is allocated for ~~2023-2024~~**2024-2025** an  
28 amount not to exceed \$87,245,000.00 to be distributed to  
29 intermediate districts for the provision of mental health and





1 support services to general education students. Recipients of funds  
2 under this subsection shall continue to seek federal Medicaid match  
3 funding for all eligible mental health and support services. If a  
4 district or intermediate district is not able to procure the  
5 services of a licensed master's level behavioral health provider,  
6 the district or intermediate district shall notify the department  
7 and the department of health and human services and, if the  
8 department and department of health and human services verify that  
9 the district or intermediate district attempted to procure services  
10 from a master's level behavioral health provider and was not able  
11 to do so, then the district or intermediate district may instead  
12 procure services from a provider with less than a master's degree  
13 in behavioral health. To be able to use the exemption in the  
14 immediately preceding sentence, the district or intermediate  
15 district must submit evidence satisfactory to the department and  
16 department of health and human services demonstrating that the  
17 district or intermediate district took measures to procure the  
18 services of a licensed master's level behavioral health provider  
19 but was unable to do so, and the department and department of  
20 health and human services must be able to verify this evidence.  
21 From the first \$56,173,600.00 of the funds allocated under this  
22 subsection, the department shall distribute up to \$1,003,100.00 for  
23 ~~2023-2024~~**2024-2025** to each intermediate district that submits a  
24 plan approved by the department and the department of health and  
25 human services by February 1 of each fiscal year for which funds  
26 are allocated under this section. The department shall distribute  
27 the remaining \$31,071,400.00 of the funds allocated under this  
28 subsection for ~~2023-2024~~**2024-2025** to intermediate districts on an  
29 equal per-pupil basis based on the combined total number of pupils



1 in membership in the intermediate district and its constituent  
2 districts, including public school academies that are considered to  
3 be constituent districts under section 705(7) of the revised school  
4 code, MCL 380.705. The department and department of health and  
5 human services shall work cooperatively in providing oversight and  
6 assistance to intermediate districts and shall monitor the program  
7 upon implementation. An intermediate district shall use funds  
8 awarded under this subsection to provide funding to its constituent  
9 districts, including public school academies that are considered to  
10 be constituent districts under section 705(7) of the revised school  
11 code, MCL 380.705, for the provision of mental health and support  
12 services to general education students. In addition to the criteria  
13 identified under subsection (9), an intermediate district shall  
14 consider geography, cost, or other challenges when awarding funding  
15 to its constituent districts. Districts receiving funding under  
16 this subsection are encouraged to provide suicide prevention and  
17 awareness education and counseling.

18 (7) If funding awarded to an intermediate district remains  
19 after funds are provided by the intermediate district to its  
20 constituent districts, the intermediate district shall notify the  
21 department and department of health and human services and submit  
22 evidence satisfactory to the department and department of health  
23 and human services demonstrating how it would like to use funds for  
24 purposes other than hiring licensed behavioral health providers for  
25 general education pupils. With permission from the department and  
26 department of health and human services, the intermediate district  
27 may hire or contract for experts to provide mental health and  
28 support services to general education students residing within the  
29 boundaries of the intermediate district, including, but not limited



1 to, expanding, hiring, or contracting for staff and experts to  
2 provide those services directly or to increase access to those  
3 services through coordination with outside mental health agencies;  
4 the intermediate district may also contract with 1 or more other  
5 intermediate districts for coordination and the facilitation of  
6 activities related to providing mental health and support services  
7 to general education students residing within the boundaries of the  
8 intermediate district; the intermediate district may also use the  
9 funds under this section to create or strengthen school-based  
10 behavioral health assessment teams that focus on providing age-  
11 appropriate interventions, identifying behaviors that suggest a  
12 pupil may be struggling with mental health challenges, providing  
13 treatment and support of the pupil, and using disciplinary  
14 interventions and the criminal justice system as methods of last  
15 resort; and the intermediate district may also use the funds under  
16 this section to provide evidence-based trainings that support  
17 student mental health.

18 (8) If funding awarded to an intermediate district under this  
19 section remains unspent, or if the intermediate district submits an  
20 application requesting a lower allocation than the maximum amount  
21 permitted, the department, in conjunction with the intermediate  
22 district, may reallocate the funds to another intermediate district  
23 or other intermediate districts capable of expending the funds  
24 before the funding deadline in accordance with this section as if  
25 those funds were originally allocated to the intermediate district  
26 or intermediate districts to which the funds are being reallocated.

27 (9) A district requesting funds under this section from the  
28 intermediate district in which it is located shall submit an  
29 application for funding for the provision of mental health and



1 support services to general education pupils. A district receiving  
2 funding from the application process described in this subsection  
3 shall provide services to nonpublic students upon request. An  
4 intermediate district shall not discriminate against an application  
5 submitted by a public school academy simply on the basis of the  
6 applicant being a public school academy. The department shall  
7 approve grant applications based on the following criteria:

8 (a) The district's commitment to maintain mental health and  
9 support services delivered by licensed providers into future fiscal  
10 years.

11 (b) The district's commitment to work with its intermediate  
12 district to use funding it receives under this section that is  
13 spent by the district for general education pupils toward  
14 participation in federal Medicaid match methodologies. A district  
15 must provide a local match of at least 20% of the funding allocated  
16 to the district under section 31n.

17 (c) The district's commitment to adhere to any local funding  
18 requirements determined by the department and the department of  
19 health and human services.

20 (d) The extent of the district's existing partnerships with  
21 community health care providers or the ability of the district to  
22 establish such partnerships.

23 (e) The district's documentation of need, including gaps in  
24 current mental health and support services for the general  
25 education population.

26 (f) The district's submission of a formal plan of action  
27 identifying the number of schools and students to be served.

28 (g) Whether the district will participate in ongoing  
29 trainings.



1 (h) Whether the district will submit an annual report to the  
2 state.

3 (i) Whether the district demonstrates a willingness to work  
4 with the state to establish program and service delivery  
5 benchmarks.

6 (j) Whether the district has developed a school safety plan or  
7 is in the process of developing a school safety plan.

8 (k) Any other requirements determined by the department or the  
9 department of health and human services.

10 (10) Funding under this section, including any federal  
11 Medicaid funds that are generated, must not be used to supplant  
12 existing services.

13 (11) Both of the following are allocated to the department of  
14 health and human services from the general fund money allocated  
15 under subsection (1):

16 (a) For ~~2023-2024~~, **2024-2025**, an amount not to exceed  
17 \$1,000,000.00 for the purpose of upgrading technology and systems  
18 infrastructure and other administrative requirements to support the  
19 programs funded under this section.

20 (b) For ~~2023-2024~~, **2024-2025**, an amount not to exceed  
21 \$300,000.00 for the purpose of administering the programs under  
22 this section and working on generating additional Medicaid funds as  
23 a result of programs funded under this section.

24 (12) From the state school aid fund money allocated under  
25 subsection (1), there is allocated for ~~2023-2024~~ **2024-2025** an  
26 amount not to exceed \$5,000,000.00 to intermediate districts on an  
27 equal per intermediate district basis for the purpose of  
28 administering programs funded under this section. Recipients of the  
29 funds under this subsection shall continue to seek federal Medicaid



1 match funding for all eligible mental health and support services  
 2 and participate in all learning collaboratives about C4S required  
 3 by the department and department of health and human services.

4 (13) The department and the department of health and human  
 5 services shall work with the advisory council to develop proposed  
 6 measurements of outcomes and performance. Those measurements must  
 7 include, at a minimum, the number of pupils served, the number of  
 8 schools served, and where those pupils and schools were located.  
 9 The department and the department of health and human services  
 10 shall compile data necessary to measure outcomes and performance,  
 11 and districts and intermediate districts receiving funding under  
 12 this section shall provide data requested by the department and  
 13 department of health and human services for the measurement of  
 14 outcomes and performance. The department and department of health  
 15 and human services shall provide an annual report **by** not later than  
 16 December 1 of each year to the house and senate appropriations  
 17 subcommittees on school aid and health and human services, to the  
 18 house and senate fiscal agencies, and to the state budget director.  
 19 At a minimum, the report must include measurements of outcomes and  
 20 performance, proposals to increase efficacy and usefulness,  
 21 proposals to increase performance, and proposals to expand  
 22 coverage.

23 (14) A district or intermediate district that receives funding  
 24 directly or indirectly under this section may carry over any  
 25 unexpended funds received under this section for up to 2 fiscal  
 26 years beyond the fiscal year in which the funds were received.

27 Sec. 31aa. (1) From the state school aid fund money  
 28 appropriated in section 11, there is allocated ~~\$310,000,000.00~~  
 29 **\$25,000,000.00** for ~~2023-2024 only and 2024-2025,~~ **and** from the



1 general fund money appropriated in section 11, there is allocated  
 2 ~~\$18,000,000.00~~ **\$1,500,000.00** for ~~2023-2024 only~~ **2024-2025 only**, to  
 3 provide payments to districts, intermediate districts, nonpublic  
 4 schools, and the Michigan Schools for the Deaf and Blind **that opt**  
 5 **in and agree to receive funding under this section**, for activities  
 6 to improve student mental health and improve student safety. ~~It is~~  
 7 ~~the intent of the legislature that recipients will use at least 50%~~  
 8 ~~of the funds on activities related to improving student mental~~  
 9 ~~health.~~ The allowable expenditures of funds under this section  
 10 ~~include, but are not limited to, the following:~~ **as follows:**

11 (a) Hiring or contracting for support staff for student mental  
 12 health needs, including, but not limited to, school psychologists,  
 13 social workers, counselors, and school nurses.

14 (b) Purchasing and implementing mental health screening tools.

15 (c) **Purchasing a statewide, integrated technology platform,**  
 16 **such as bhworks, that streamlines behavioral health documentation**  
 17 **and care coordination.**

18 (d) ~~(e)~~ Providing school-based mental health personnel access  
 19 to consultation with behavioral health clinicians to respond to  
 20 complex student mental health needs.

21 ~~(d) Any other mental health service or product necessary to~~  
 22 ~~improve or maintain the mental health of students and staff.~~

23 (e) **Purchasing and implementing an online behavioral health**  
 24 **tool moderated and led by licensed behavioral health professionals.**

25 (f) Hiring or contracting a behavioral health coordinator.

26 (g) Evidence-based trainings to support mental health.

27 (h) Costs associated with collaboration between school  
 28 employees, families, and community partners to address the  
 29 academic, behavioral, and social needs of all students through

1 collaborative partnerships, resource coordination, data collection,  
2 and data sharing.

3 (i) Costs associated with conducting a systematic school  
4 mental health needs assessment and resource mapping that identifies  
5 programmatic and systemic needs and helps staff determine  
6 priorities and create action plans.

7 (j) ~~(e)~~ Coordination with local law enforcement.

8 (k) ~~(f)~~ Training for school staff on threat assessment.

9 (l) ~~(g)~~ Training for school staff and students on threat  
10 response.

11 (m) ~~(h)~~ Training for school staff on crisis communication.

12 (n) ~~(i)~~ Safety infrastructure, including, but not limited to,  
13 cameras, door blocks, hardened vestibules, window screening, and  
14 technology necessary to operate buzzer systems. This may also  
15 include firearm detection software that integrates to existing  
16 security cameras to detect and alert school personnel and first  
17 responders to visible firearms on school property. ~~The software~~  
18 ~~described in the immediately preceding sentence must be organically~~  
19 ~~developed and proprietary to the company it is purchased from and~~  
20 ~~should not include any third-party or open-source data.~~

21 (o) ~~(j)~~ Age-appropriate training for students and families on  
22 responsible ~~gun~~ **firearm** ownership, **including safe handling and safe**  
23 **storage of firearms.**

24 (p) ~~(k)~~ School resource officers.

25 ~~(l)~~ ~~Any other school safety service or product necessary to~~  
26 ~~improve or maintain security in buildings.~~

27 (q) ~~(m)~~ Student Safety Management System, the information  
28 technology platform and related services to improve student safety  
29 by mitigating cyberbullying, school violence, human trafficking,





1 and self-harm that supports students from grades K to 12.

2       **(r)** ~~(n)~~—A secure platform, administered by the department of  
3 state police, for school officials, emergency responders, and  
4 emergency management coordinators to house all school safety-  
5 related items, including, but not limited to, EOP templates, EOP  
6 guidance, reference documents, and security assessments. The  
7 platform should use existing password-protected access control  
8 methods schools currently utilize and, to the extent possible, be  
9 capable of integrating with existing platforms or technologies used  
10 by districts for school safety. Through permissions-based access  
11 control, the platform should be able to relay information clearly  
12 and in real time to each person or entity necessary to provide a  
13 unified response to a safety incident, or to take appropriate  
14 action in response to an anticipated disruption to the normal  
15 functions of the surrounding community.

16       **(s) Emergency infrastructure needs to respond to an immediate**  
17 **threat to the health or safety of students and staff in the**  
18 **district, intermediate district, nonpublic school, or the Michigan**  
19 **Schools for the Deaf and Blind. A district, intermediate district,**  
20 **nonpublic school, or the Michigan Schools for the Deaf and Blind**  
21 **shall not expend funds for this purpose without first obtaining**  
22 **approval from the department. In making a determination of**  
23 **approval, the department shall, at a minimum, assess whether the**  
24 **district, intermediate district, nonpublic school, or the Michigan**  
25 **Schools for the Deaf and Blind is responding to an immediate threat**  
26 **to the health or safety of students and staff, and whether the**  
27 **district, intermediate district, nonpublic school, or the Michigan**  
28 **Schools for the Deaf and Blind has other sources of funding that**  
29 **should be utilized first.**



1       (t) A contract with a vendor for a comprehensive safety and  
2 security assessment or a comprehensive safety and security event  
3 assessment in schools operated by the district, intermediate  
4 district, nonpublic school, or the Michigan Schools for the Deaf  
5 and Blind.

6       (u) An emergency response system.

7       (2) ~~From~~ By not later than December 31 of each fiscal year,  
8 from the state school aid fund money allocated in subsection (1),  
9 the department shall make payments to districts, ~~and~~ intermediate  
10 districts, and the Michigan Schools for the Deaf and Blind that opt  
11 in and agree to receive funding in an equal amount per pupil based  
12 on the total number of pupils in membership in each district,  
13 intermediate district, and the Michigan Schools for the Deaf and  
14 Blind that opts in and agrees to receive funding. ~~From~~ By December  
15 31 of each fiscal year, from the general fund money allocated in  
16 subsection (1), the department shall make payments to nonpublic  
17 schools that opt in and agree to receive funding in an equal amount  
18 per pupil based on the total number of pupils in membership in each  
19 nonpublic school that opts in and agrees to receive funding, using  
20 pupil counts determined by the department. The department shall  
21 ensure that the amount per pupil paid to nonpublic schools does not  
22 exceed the amount per pupil paid to districts and intermediate  
23 districts. Districts, intermediate districts, the Michigan Schools  
24 for the Deaf and Blind, and nonpublic schools may opt in and agree  
25 to receive funding in a form and manner determined by the  
26 department.

27       ~~(3) If funding remains after the distribution of funds as~~  
28 ~~described in subsection (2), the department may provide additional~~  
29 ~~per-pupil allocations to allocate remaining dollars, using for~~



~~those calculations the same requirements described in subsection (2).~~

~~(4) Except as otherwise provided in this section, to receive funding under this section, districts, intermediate districts, and nonpublic schools must apply for funding under this section in a form and manner prescribed by the department. In its application described in this subsection, a district, intermediate district, or nonpublic school, as applicable, shall document how it or, if an intermediate district is applying on behalf of a constituent district, its constituent district, will use community input to guide the expenditure of the funds it or the constituent district will receive under this section and it shall pledge to host, or shall pledge on behalf of its constituent district that the constituent district will host, at least 1 community conversation about student mental health and school safety. With consent of its constituent districts, an intermediate district may apply for funding under this section on behalf of its constituent districts. As used in this section, "constituent district" means that term as defined in section 3 of the revised school code, MCL 380.3.~~

**(3) Recipients of funding under this section must provide a final expense report to the department by June 1 of each fiscal year. If the department determines that the eligible recipient has misused the funds allocated under this section, the eligible recipient shall reimburse the department for the amount of state funding misused.**

~~(4) (5) Districts receiving funds under this section must coordinate with intermediate school districts to avoid duplication of services and to streamline delivery of services to students.~~

~~(5) (6) Notwithstanding section 17b, the department shall make~~



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

3 **(6) As provided under section 18a, recipients may expend funds**  
4 **under this section until the end of the fiscal year immediately**  
5 **following the fiscal year in which the funds are received.**

6 Sec. 32d. (1) From the state school aid fund money  
7 appropriated in section 11, there is allocated to eligible  
8 intermediate districts and consortia of intermediate districts for  
9 great start readiness programs an amount not to exceed  
10 ~~\$369,120,000.00 for 2022-2023 and an amount not to exceed~~  
11 ~~\$524,720,000.00~~ **\$609,720,000.00** for 2023-2024. In addition, from  
12 ~~the federal funding appropriated in section 11, there is allocated~~  
13 ~~for 2022-2023 an amount not to exceed \$83,000,000.00 from the~~  
14 ~~federal funding awarded to this state from the coronavirus state~~  
15 ~~fiscal recovery fund under the American rescue plan act of 2021,~~  
16 ~~title IX, subtitle M of Public Law 117-2, to eligible intermediate~~  
17 ~~districts and consortia of intermediate districts for great start~~  
18 ~~readiness programs. 2024-2025. It is the intent of the legislature~~  
19 **that this section will support universal great start readiness**  
20 **programs in a future fiscal year.** An intermediate district or  
21 consortium shall use funds allocated under this section for great  
22 start readiness programs to provide part-day **programs**, school-day  
23 **programs**, GSRP extended programs, ~~or~~ GSRP/Head Start **school-day**  
24 **blended programs, or GSRP/Head Start extended blended programs that**  
25 **are** comprehensive, free, compensatory classroom programs designed  
26 to improve the readiness and subsequent achievement of  
27 ~~educationally disadvantaged children who meet the participant~~  
28 ~~eligibility and prioritization guidelines as defined by the~~  
29 department **of lifelong education, advancement, and potential.** For a



child to be eligible to participate in a program under this section, the child must be at least 4, but less than 5, years of age as of September 1 of the school year in which the program is offered and must meet those eligibility and prioritization guidelines. ~~A-After eligible children who will be 4 years of age as of September 1 are enrolled, a~~ child who is not 4 years of age as of September 1, but who will be 4 years of age **by** not later than December 1, is eligible to participate if ~~the-both of the following~~ **are met:**

(a) The child's parent or legal guardian seeks a waiver from the September 1 eligibility date by submitting a request for enrollment in a program to the responsible intermediate district. ~~if the program has capacity on or after September 1 of the school year, and if the~~

(b) The child meets eligibility and prioritization guidelines.

(2) From the state school aid fund money allocated under subsection (1), an amount not to exceed ~~\$367,120,000.00 for 2022-2023 and \$522,720,000.00~~ **\$607,720,000.00** for 2023-2024, and from ~~the federal funds allocated under subsection (1), an amount not to exceed \$83,000,000.00 for 2022-2023,~~ **2024-2025** is allocated to intermediate districts or consortia of intermediate districts based on the formula in section 39. An intermediate district or consortium of intermediate districts receiving funding under this section shall act as the fiduciary for the great start readiness programs. An intermediate district or consortium of intermediate districts receiving funding under this section may collaborate with local governments to identify children eligible for programs funded under this section and may contract with local governments to provide services. ~~In order to~~ **To** be eligible to receive funds



1 allocated under this subsection from an intermediate district or  
 2 consortium of intermediate districts, a district, a consortium of  
 3 districts, a local government, or a public or private for-profit or  
 4 nonprofit legal entity or agency must comply with this section and  
 5 section 39. If, due to the number of GSRP extended program **or**  
 6 **GSRP/Head Start extended blended program** slots awarded, the amount  
 7 allocated in this subsection is ~~not sufficient~~ **insufficient** to  
 8 award at least the same number of part-day program and school-day  
 9 program slots as awarded in the immediately preceding fiscal year,  
 10 there is appropriated from the great start readiness program  
 11 reserve fund the amount necessary to fully award the same number of  
 12 part-day program and full-day program slots as awarded in the  
 13 immediately preceding fiscal year.

14 (3) In addition to the allocation under subsection (1), from  
 15 the general fund money appropriated under section 11, there is  
 16 allocated an amount not to exceed ~~\$500,000.00 for 2022-2023 and~~  
 17 ~~\$600,000.00 for 2023-2024~~ **2024-2025** for a competitive grant to  
 18 continue a longitudinal evaluation of children who have  
 19 participated in great start readiness programs. **It is the intent of**  
 20 **the legislature that the allocation under this subsection will be**  
 21 **\$350,000.00 for 2025-2026.**

22 (4) ~~To~~ **Except as otherwise provided in subsection (5),** to be  
 23 eligible for funding under this section, a program must prepare  
 24 children for success in school through comprehensive part-day  
 25 **programs, school-day programs, GSRP extended programs, or** ~~or~~ **GSRP/Head**  
 26 **Start school-day blended programs, or GSRP/Head Start extended**  
 27 **blended** programs that contain all of the following program  
 28 components, as determined by the department **of lifelong education,**  
 29 **advancement, and potential:**



1 (a) Participation in a collaborative recruitment and  
2 enrollment process to ~~assure~~**ensure** that each child is enrolled in  
3 the program most appropriate to the child's needs and to maximize  
4 the use of federal, state, and local funds.

5 (b) An age-appropriate educational curriculum that is in  
6 compliance with the early childhood standards of quality for  
7 prekindergarten children adopted by the state board, including, at  
8 least, the Connect4Learning curriculum.

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

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

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

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

18 (g) A plan to conduct and report annual great start readiness  
19 program evaluations and continuous improvement plans using criteria  
20 approved by the department **of lifelong education, advancement, and**  
21 **potential.**

22 (h) Participation in a school readiness advisory committee  
23 convened as a workgroup of the great start collaborative that  
24 provides for the involvement of classroom teachers, parents or  
25 guardians of program participants, and community, volunteer, and  
26 social service agencies and organizations, as appropriate. The  
27 advisory committee ~~annually~~ shall **annually** review and make  
28 recommendations regarding the program components listed in this  
29 subsection. The advisory committee also shall make recommendations



1 to the great start collaborative regarding other community services  
2 designed to improve all children's school readiness.

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

5 (j) Participation in this state's great start to quality  
6 process with a rating of at least ~~for 2022-2023, 3 stars, and,~~  
7 ~~for 2023-2024, enhancing quality level.~~

8 (5) To help expand access to great start readiness programs,  
9 the department of lifelong education, advancement, and potential  
10 may waive the requirements under subsection (4) and a program may  
11 be eligible for funding under this section for new or expanding  
12 programs if the program demonstrates to the satisfaction of the  
13 department of lifelong education, advancement, and potential that  
14 the program meets all of the following:

15 (a) Is a licensed child care center or is a licensed program.

16 (b) Provides the minimum instructional time as required by the  
17 department of lifelong education, advancement, and potential.

18 (c) Participates in this state's quality rating system at a  
19 level determined by the department of lifelong education,  
20 advancement, and potential.

21 (d) Implements a professional educator preparation plan, as  
22 defined by the department of lifelong education, advancement, and  
23 potential, for educators not meeting teacher credentialing  
24 standards described in subsection (8).

25 (e) Uses a developmentally appropriate curriculum, as  
26 determined by the department of lifelong education, advancement,  
27 and potential.

28 (f) Conducts a developmental screening and referral process,  
29 as determined by the department of lifelong education, advancement,





1 and potential.

2 (g) Commits to participating in program financial review and  
3 monitoring, as determined by the department of lifelong education,  
4 advancement, and potential.

5 (h) Provides a plan to implement an approved great start  
6 readiness program curriculum and meet additional great start  
7 readiness program standards, as determined by the department of  
8 lifelong education, advancement, and potential.

9 (6) A waiver under subsection (5) may be granted for up to 3  
10 years for requirements related to program credentialing and may be  
11 granted for up to 2 years for all other requirements, as determined  
12 by the department of lifelong education, advancement, and  
13 potential.

14 (7) The department of lifelong education, advancement, and  
15 potential shall provide a report to the house and senate  
16 appropriations subcommittees on school aid, the state budget  
17 director, and the house and senate fiscal agencies that summarizes  
18 the number and types of exemptions granted under subsection (5) and  
19 progress made by programs granted waivers under subsection (5) by  
20 September 30 of each fiscal year. It is the intent of the  
21 legislature to review the waiver allowability under subsection (5)  
22 before the fiscal year ending September 30, 2027.

23 (8) ~~(5)~~—An application for funding under this section must  
24 provide for the following, in a form and manner determined by the  
25 department of lifelong education, advancement, and potential:

26 (a) ~~Ensure compliance~~ either of the following:

27 (i) That the applicant complies with all program components  
28 described in subsection (4).

29 (ii) That the applicant meets the requirements of a waiver



1 **under subsection (5).**

2 (b) Except as otherwise provided in this subdivision, ensure  
 3 that ~~at least 85% of the children~~ participating in an eligible  
 4 great start readiness program for whom the intermediate district is  
 5 receiving funds under this section are children who live with  
 6 families with a household income that is equal to or less than ~~7~~  
 7 ~~for 2022-2023, 250%, and, for 2023-2024, 300%~~ **400%** of the federal  
 8 poverty guidelines. If the intermediate district determines that  
 9 all eligible children are being served and that there are no  
 10 children on the waiting list who live with families with a  
 11 household income that is equal to or less than ~~7, for 2022-2023,~~  
 12 ~~250%, and, for 2023-2024, 300%~~ **400%** of the federal poverty  
 13 guidelines, the intermediate district may then enroll children who  
 14 live with families with a household income that is ~~equal to or less~~  
 15 ~~than, for 2022-2023, 300%, and, for 2023-2024,~~ **greater than** 400% of  
 16 the federal poverty guidelines. The enrollment process must  
 17 consider income and risk factors, such that children determined  
 18 with higher need are enrolled before children with lesser need. For  
 19 purposes of this subdivision, all age-eligible children served in  
 20 foster care or who are experiencing homelessness or who have  
 21 individualized education programs recommending placement in an  
 22 inclusive preschool setting are considered to live with families  
 23 with household income equal to or less than ~~7, for 2022-2023, 250%,~~  
 24 ~~and, for 2023-2024, 300%~~ **400%** of the federal poverty guidelines  
 25 regardless of actual family income and are prioritized for  
 26 enrollment within the lowest quintile. **The department of lifelong**  
 27 **education, advancement, and potential shall publish the household**  
 28 **income thresholds under this subdivision in a clear manner on its**  
 29 **website and the great start to quality website.**



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

(i) Teachers possessing proper training. A lead teacher must have a valid Michigan teaching certificate with an early childhood or lower elementary endorsement or a bachelor's or higher degree in child development or early childhood education with specialization in preschool teaching. However, except as otherwise provided in this subparagraph, if an applicant demonstrates to the department **of lifelong education, advancement, and potential** that it is unable to fully comply with this subparagraph after making reasonable efforts to comply, teachers or paraprofessionals with at least 5 years of experience as a paraprofessional in a great start readiness program, Head Start, or licensed child care center classroom who have significant but incomplete training in early childhood education or child development may be used if the applicant provides to the department **of lifelong education, advancement, and potential**, and the department **of lifelong education, advancement, and potential** approves, a plan for each teacher to come into compliance with the standards in this subparagraph. ~~Beginning in 2023-2024, individuals~~ **Individuals** may qualify with at least 3 years of experience and significant training in early childhood education or child development, based on the recommendation of the intermediate district after a classroom observation. A teacher's compliance plan must be completed within 3 years of the date of employment. Progress toward completion of the compliance plan consists of at least 2 courses per calendar year.

(ii) Paraprofessionals possessing proper training in early childhood education, including an associate degree in early

1 childhood education or child development or the equivalent, or a  
2 child development associate (CDA) credential. However, if an  
3 applicant demonstrates to the department **of lifelong education,**  
4 **advancement, and potential** that it is unable to fully comply with  
5 this subparagraph after making reasonable efforts to comply, the  
6 applicant may use paraprofessionals who have completed at least 1  
7 course that earns college credit in early childhood education or  
8 child development or ~~, beginning in 2023-2024, enrolls~~ **enroll** in a  
9 child development associate credential with at least 6 months of  
10 verified experience in early education and care, if the applicant  
11 provides to the department **of lifelong education, advancement, and**  
12 **potential,** and the department **of lifelong education, advancement,**  
13 **and potential** approves, a plan for each paraprofessional to come  
14 into compliance with the standards in this subparagraph. A  
15 paraprofessional's compliance plan must be completed within 3 years  
16 of the date of employment. Progress toward completion of the  
17 compliance plan consists of at least 2 courses, 60 clock hours, or  
18 an equivalent of training per calendar year.

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

(9) ~~(6)~~—For a grant recipient that enrolls pupils in a school-day program or GSRP extended program funded under this section, each child enrolled in the school-day program or GSRP extended program is counted as described in section 39 for purposes of determining the amount of the grant award.

(10) ~~(7)~~—For a grant recipient that enrolls pupils in a GSRP/Head Start **school-day** blended program **or GSRP/Head Start extended blended program**, the grant recipient shall ensure that all Head Start and GSRP policies and regulations are applied to the blended slots, with adherence to the highest standard from either program, to the extent allowable under federal law. A grant recipient may request a waiver from the department **of lifelong education, advancement, and potential** to align GSRP policies and regulations with Head Start national standards for quality, including ratios, and the department **of lifelong education, advancement, and potential** may approve the waiver. Not later than March 1 of each year, the department **of lifelong education, advancement, and potential** will report to the legislature and post on a publicly available website a list by intermediate district or consortium with the number and type of each waiver requested and approved.

(11) To help expand access to great start readiness programs, the department may allow great start readiness programs to implement Head Start national performance standards for quality as an alternative to great start readiness program policies and regulations if the great start readiness program demonstrates to the satisfaction of the department that the great start readiness program is meeting the requirements of the Head Start national performance standards.



1       **(12)** ~~(8)~~—An intermediate district or consortium of  
 2 intermediate districts receiving a grant under this section shall  
 3 designate an early childhood coordinator, and may provide services  
 4 directly or may contract with 1 or more districts or public or  
 5 private for-profit or nonprofit providers that meet all  
 6 requirements of subsections (4) and ~~(5)~~. **(8)**.

7       **(13)** ~~(9)~~—An intermediate district or consortium of  
 8 intermediate districts may retain for administrative services  
 9 provided by the intermediate district or consortium of intermediate  
 10 districts an amount not to exceed 4% of the grant amount. Expenses  
 11 incurred by subrecipients engaged by the intermediate district or  
 12 consortium of intermediate districts for directly running portions  
 13 of the program are considered program costs or a contracted program  
 14 fee for service. Subrecipients operating with a federally approved  
 15 indirect rate for other early childhood programs may include  
 16 indirect costs, not to exceed the federal 10% de minimis.

17       **(14)** ~~(10)~~—An intermediate district or consortium of  
 18 intermediate districts may expend not more than 2% of the total  
 19 grant amount for outreach, recruiting, and public awareness of the  
 20 program, if the intermediate district or consortium of intermediate  
 21 districts also participates in related statewide marketing and  
 22 outreach efforts.

23       **(15)** ~~(11)~~—Each grant recipient shall enroll children  
 24 identified under subsection ~~(5)(b)~~ **(8)(b)** according to how far the  
 25 child's household income is below ~~, for 2022-2023, 250%, and, for~~  
 26 ~~2023-2024, 300%~~ **400%** of the federal poverty guidelines by ranking  
 27 each applicant child's household income from lowest to highest and  
 28 dividing the applicant children into quintiles based on how far the  
 29 child's household income is below ~~, for 2022-2023, 250%, and, for~~

~~2023-2024, 300%-400%~~ of the federal poverty guidelines, and then enrolling children in the quintile with the lowest household income before enrolling children in the quintile with the next lowest household income until slots are completely filled. If the grant recipient determines that all eligible children are being served and that there are no children on the waiting list who live with families with a household income that is equal to or less than ~~7~~ ~~for 2022-2023, 250%, and, for 2023-2024, 300%-400%~~ of the federal poverty guidelines, the grant recipient may then enroll children who live with families with a household income that is ~~equal to or less~~ **greater** than ~~7~~ ~~for 2022-2023, 300%, and, for 2023-2024, 400%~~ of the federal poverty guidelines. The enrollment process must consider income and risk factors, such that children determined with higher need are enrolled before children with lesser need. For purposes of this subsection, all age-eligible children served in foster care or who are experiencing homelessness or who have individualized education programs recommending placement in an inclusive preschool setting are considered to live with families with household income equal to or less than ~~7~~ ~~for 2022-2023, 250%, and, for 2023-2024, 300%-400%~~ of the federal poverty guidelines regardless of actual family income and are prioritized for enrollment within the lowest quintile.

**(16)** ~~(12)~~ An intermediate district or consortium of intermediate districts receiving a grant under this section shall allow parents of eligible children who are residents of the intermediate district or within the consortium to choose a program operated by or contracted with another intermediate district or consortium of intermediate districts and shall enter into a written agreement regarding payment, in a manner prescribed by the



department **of lifelong education, advancement, and potential.**

(17) ~~(13)~~—An intermediate district or consortium of intermediate districts receiving a grant under this section shall conduct a local process to contract with interested and eligible public and private for-profit and nonprofit community-based providers that meet all requirements of subsection (4) for at least 30% of its total allocation. For the purposes of this 30% allocation, an intermediate district or consortium of intermediate districts may count children served by a Head Start grantee or delegate in a ~~blended Head Start, GSRP/Head Start school-day~~ **blended program, GSRP/Head Start extended blended program, GSRP extended program, and great start readiness school-day program.** Children served in a program funded only through Head Start are not counted toward this 30% allocation. ~~The~~ **An** intermediate district or consortium shall report to the department **of lifelong education, advancement, and potential,** in a manner prescribed by the department **of lifelong education, advancement, and potential,** a detailed list of community-based providers by provider type, including private for-profit, private nonprofit, community college or university, Head Start grantee or delegate, and district or intermediate district, and the number and proportion of its total allocation allocated to each provider as subrecipient. If the intermediate district or consortium is not able to contract for at least 30% of its total allocation, the ~~grant recipient intermediate~~ **district or consortium** shall notify the department **of lifelong education, advancement, and potential** and, if the department **of lifelong education, advancement, and potential** verifies that the intermediate district or consortium attempted to contract for at least 30% of its total allocation and was not able to do so, ~~then~~





1 the intermediate district or consortium may retain and use all of  
2 its allocation as provided under this section. To be able to use  
3 this exemption, the intermediate district or consortium shall  
4 demonstrate to the department **of lifelong education, advancement,**  
5 **and potential** that the intermediate district or consortium  
6 increased the percentage of its total allocation for which it  
7 contracts with a community-based provider and the intermediate  
8 district or consortium shall submit evidence satisfactory to the  
9 department **of lifelong education, advancement, and potential**, and  
10 the department **of lifelong education, advancement, and potential**  
11 must be able to verify this evidence, demonstrating that the  
12 intermediate district or consortium took measures to contract for  
13 at least 30% of its total allocation as required under this  
14 subsection, including, but not limited to, at least all of the  
15 following measures:

16 (a) The intermediate district or consortium notified each  
17 nonparticipating licensed child care center located in the service  
18 area of the intermediate district or consortium regarding the  
19 center's eligibility to participate, in a manner prescribed by the  
20 department **of lifelong education, advancement, and potential**.

21 (b) The intermediate district or consortium provided to each  
22 nonparticipating licensed child care center located in the service  
23 area of the intermediate district or consortium information  
24 regarding great start readiness program requirements and a  
25 description of the application and selection process for community-  
26 based providers.

27 (c) The intermediate district or consortium provided to the  
28 public and to participating families a list of community-based  
29 great start readiness program subrecipients with a great start to



quality rating of at least ~~, for 2022-2023, 3 stars, and, for 2023-~~  
2024, enhancing quality level.

(18) ~~(14)~~ If an intermediate district or consortium of  
intermediate districts receiving a grant under this section fails  
to submit satisfactory evidence to demonstrate its effort to  
contract for at least 30% of its total allocation, as required  
under subsection ~~(13)~~, **(17)**, the department **of lifelong education,**  
**advancement, and potential** shall reduce the allocation to the  
intermediate district or consortium by a percentage equal to the  
difference between the percentage of an intermediate district's or  
consortium's total allocation awarded to community-based providers  
and 30% of its total allocation.

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

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

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

(c) Ensure that all intermediate district, district, community



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

(d) ~~Not~~ **By not** later than March 1 of each year, compile the results of the information reported by each intermediate district or consortium under subsection ~~(13)~~ **(17)** and report to the legislature and post on a publicly available website a list by intermediate district or consortium with the number and percentage of each intermediate district's or consortium's total allocation allocated to community-based providers by provider type, including private for-profit, private nonprofit, community college or university, Head Start grantee or delegate, and district or intermediate district.

(e) Allow intermediate districts and consortia and eligible community-based providers to utilize materials and supplies purchased for great start readiness programs within their facilities for other early care and education activities, in the following order of priority:

(i) Early care and education activities under a federal award.

(ii) Early care and education activities under other state awards.

(iii) Early care and education activities under local or regional awards.

**(20)** ~~(16)~~ A recipient of funds under this section shall report to the center in a form and manner prescribed by the center the



1 information necessary to derive the number of children  
 2 participating in the program who meet the program eligibility  
 3 criteria under subsection ~~(5)(b)~~, **(8)(b)**, the number of eligible  
 4 children not participating in the program and on a waitlist, and  
 5 the total number of children participating in the program by  
 6 various demographic groups and eligibility factors necessary to  
 7 analyze equitable and priority access to services for the purposes  
 8 of subsection (3).

9 **(21) ~~(17)~~ As used in this section:**

10 ~~(a) "GSRP/Head Start blended program" means a part-day program~~  
 11 ~~funded under this section and a Head Start program, which are~~  
 12 ~~combined for a school-day program.~~ **"Federal poverty guidelines"**  
 13 **means the guidelines published annually in the Federal Register by**  
 14 **the United States Department of Health and Human Services under its**  
 15 **authority to revise the poverty line under 42 USC 9902.**

16 (b) "GSRP extended program" means a program that operates for  
 17 at least the same length of day as a district's first grade program  
 18 for a minimum of 5 days per week, 36 weeks per year.

19 (c) **"GSRP/Head Start extended blended program" means a program**  
 20 **funded under this section and a Head Start program that are**  
 21 **combined for an extended program.**

22 (d) **"GSRP/Head Start school-day blended program" means a part-**  
 23 **day program funded under this section and a Head Start program,**  
 24 **which are combined for a school-day program.**

25 ~~(e) "Federal poverty guidelines" means the guidelines~~  
 26 ~~published annually in the Federal Register by the United States~~  
 27 ~~Department of Health and Human Services under its authority to~~  
 28 ~~revise the poverty line under 42 USC 9902.~~

29 **(e) ~~(d)~~ "Part-day program" means a program that operates at**



1 least 4 days per week, 30 weeks per year, for at least 3 hours of  
 2 teacher-child contact time per day but for fewer hours of teacher-  
 3 child contact time per day than a school-day program.

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

9 ~~(18) An intermediate district or consortium of intermediate~~  
 10 ~~districts receiving funds under this section shall establish and~~  
 11 ~~charge tuition according to a sliding scale of tuition rates based~~  
 12 ~~upon household income for children participating in an eligible~~  
 13 ~~great start readiness program who live with families with a~~  
 14 ~~household income that is more than, for 2022-2023, 250%, and, for~~  
 15 ~~2023-2024, 300% of the federal poverty guidelines to be used by all~~  
 16 ~~of its providers, as approved by the department.~~

17 **(22)** ~~(19)~~ From the amount allocated in subsection (2), there  
 18 is allocated for ~~2022-2023 and 2023-2024~~ **2024-2025** an amount not to  
 19 exceed \$10,000,000.00 and, from the great start readiness program  
 20 reserve fund appropriated in section 11, there is allocated for  
 21 ~~2023-2024~~ **2024-2025** an amount not to exceed \$18,000,000.00 for  
 22 reimbursement of transportation costs for children attending great  
 23 start readiness programs funded under this section. To receive  
 24 reimbursement under this subsection, **by** not later than November 1  
 25 of each year, a program funded under this section that provides  
 26 transportation shall submit to the intermediate district that is  
 27 the fiscal agent for the program a projected transportation budget.  
 28 The amount of the reimbursement for transportation under this  
 29 subsection is no more than the projected transportation budget or 7



~~for 2022-2023, \$300.00, and, for 2023-2024, \$500.00~~ multiplied by  
 the number of children funded for the program under this section.  
 If the amount allocated under this subsection is insufficient to  
 fully reimburse the transportation costs for all programs that  
 provide transportation and submit the required information, the  
 department **of lifelong education, advancement, and potential** shall  
 prorate the reimbursement in an equal amount per child funded. The  
 department **of lifelong education, advancement, and potential** shall  
 make payments to the intermediate district that is the fiscal agent  
 for each program, and the intermediate district shall then  
 reimburse the program provider for transportation costs as  
 prescribed under this subsection.

(23) ~~(20)~~ Subject to, and from the funds allocated under,  
 subsection ~~(19)~~, **(22)**, the department **of lifelong education,**  
**advancement, and potential** shall reimburse a program for  
 transportation costs related to parent- or guardian-accompanied  
 transportation provided by transportation service companies, buses,  
 or other public transportation services. To be eligible for  
 reimbursement under this subsection, a program must submit to the  
 intermediate district or consortia of intermediate districts all of  
 the following:

(a) The names of families provided with transportation support  
 along with a documented reason for the need for transportation  
 support and the type of transportation provided.

(b) Financial documentation of actual transportation costs  
 incurred by the program, including, but not limited to, receipts  
 and mileage reports, as determined by the department **of lifelong**  
**education, advancement, and potential.**

(c) Any other documentation or information determined



1 necessary by the department **of lifelong education, advancement, and**  
 2 **potential**.

3 (24) ~~(21)~~—The department **of lifelong education, advancement,**  
 4 **and potential** shall implement a process to review and approve age-  
 5 appropriate comprehensive classroom level quality assessments for  
 6 GSRP grantees that support the early childhood standards of quality  
 7 for prekindergarten children adopted by the state board. The  
 8 department **of lifelong education, advancement, and potential** shall  
 9 make available to intermediate districts at least 2 classroom level  
 10 quality assessments that were approved in 2018.

11 (25) ~~(22)~~—An intermediate district that is a GSRP grantee may  
 12 approve the use of a supplemental curriculum that aligns with and  
 13 enhances the age-appropriate educational curriculum in the  
 14 classroom. If the department **of lifelong education, advancement,**  
 15 **and potential** objects to the use of a supplemental curriculum  
 16 approved by an intermediate district, the ~~superintendent~~**director**  
 17 **of the department of lifelong education, advancement, and potential**  
 18 shall establish a review committee independent of the department **of**  
 19 **lifelong education, advancement, and potential**. The review  
 20 committee shall meet within 60 days of the department **of lifelong**  
 21 **education, advancement, and potential** registering its objection in  
 22 writing and provide a final determination on the validity of the  
 23 objection within 60 days of the review committee's first meeting.

24 (26) ~~(23)~~—The department **of lifelong education, advancement,**  
 25 **and potential** shall implement a process to evaluate and approve  
 26 age-appropriate educational curricula that are in compliance with  
 27 the early childhood standards of quality for prekindergarten  
 28 children adopted by the state board.

29 (27) ~~(24)~~—From the funds allocated under subsection (1), there



1 is allocated for ~~2022-2023~~ an amount not to exceed ~~\$2,000,000.00~~  
 2 and there is allocated for ~~2023-2024~~ **2024-2025** an amount not to  
 3 exceed \$2,000,000.00 for payments to intermediate districts or  
 4 consortia of intermediate districts for professional development  
 5 and training materials for educators in programs implementing new  
 6 curricula or child assessment tools approved for use in the great  
 7 start readiness program.

8 (28) ~~(25)~~ A great start readiness program, **a GSRP extended**  
 9 **program**, ~~or a~~ GSRP/Head Start **school-day** blended program, **or a**  
 10 **GSRP/Head Start extended blended program** funded under this section  
 11 is permitted to utilize AmeriCorps Pre-K Reading Corps members in  
 12 classrooms implementing research-based early literacy intervention  
 13 strategies.

14 (29) ~~(26)~~ In addition to the allocation under subsection (1),  
 15 from the state school aid fund money appropriated under section 11,  
 16 there is allocated an amount not to exceed ~~\$35,000,000.00~~  
 17 **\$25,000,000.00** for ~~2022-2023 only~~ **2024-2025 only** for classroom  
 18 start up grants to intermediate districts and consortia of  
 19 intermediate districts for new or expanding great start readiness  
 20 classrooms. All of the following apply to funding allocated under  
 21 this subsection:

22 (a) To receive funding under this subsection, intermediate  
 23 districts and consortia of intermediate districts must apply for  
 24 the funding in a form and manner prescribed by the department **of**  
 25 **lifelong education, advancement, and potential.**

26 (b) The department **of lifelong education, advancement, and**  
 27 **potential** shall pay an amount not to exceed ~~\$25,000.00~~ **\$50,000.00**  
 28 for each new or expanded classroom. If funding is ~~not sufficient~~  
 29 **insufficient** to fully fund all eligible applicants, the department





1 **of lifelong education, advancement, and potential** must prorate the  
 2 per-classroom amount on an equal basis. If the allocation is not  
 3 fully paid in the current fiscal year, the department **of lifelong**  
 4 **education, advancement, and potential** may award any remaining  
 5 funding during fiscal year ~~2023-2024-2025-2026~~ for each new or  
 6 expanded classroom at an equal amount per classroom, based on  
 7 remaining available funds, not to exceed ~~\$25,000.00~~ **\$50,000.00** per  
 8 classroom.

9 (c) Funds received under this subsection by intermediate  
 10 districts and consortia of intermediate districts must be paid in  
 11 full to the entity operating the classroom and may be used for ~~any~~  
 12 **1 or more** of the following purposes:

13 (i) Costs associated with attracting, recruiting, retaining,  
 14 and licensing required classroom education personnel to staff new  
 15 or expanded classrooms.

16 (ii) Supporting facility improvements or purchasing facility  
 17 space necessary to provide a safe, high-quality learning  
 18 environment for children in each new or expanded classroom.

19 (iii) Outreach material necessary for public awareness that the  
 20 great start readiness program has openings in the area and for  
 21 costs associated with enrolling eligible children in new or  
 22 expanded classrooms.

23 (iv) Supporting costs in each new or expanded classroom  
 24 associated with improving a provider's great start to quality  
 25 rating.

26 (d) The funds allocated under this subsection for 2022-2023  
 27 are a work project appropriation, and any unexpended funds for  
 28 2022-2023 do not lapse to the state school aid fund and are carried  
 29 forward into 2023-2024. The purpose of the work project is to



1 continue support for new or expanded great start readiness  
 2 classrooms. The estimated completion date of the work project is  
 3 September 30, 2024.

4 (e) The funds allocated under this subsection for 2024-2025  
 5 are a work project appropriation, and any unexpended funds for  
 6 2024-2025 do not lapse to the state school aid fund and are carried  
 7 forward into 2025-2026. The purpose of the work project is to  
 8 continue support for new or expanded great start readiness  
 9 classrooms. The estimated completion date of the work project is  
 10 September 30, 2026.

11 (30) ~~(27)~~ In addition to the funds allocated in subsection  
 12 (1), there is allocated from the ~~state school aid~~ **general** fund  
 13 money appropriated under section 11 for ~~2022-2023~~ **2024-2025** only an  
 14 amount not to exceed ~~\$5,000,000.00~~ **\$1,950,000.00** for an  
 15 **intermediate district or** a consortium of intermediate districts to  
 16 partner with the department **of lifelong education, advancement, and**  
 17 **potential** and community-based organizations to ~~implement a~~  
 18 ~~multiyear~~ **continue implementing** statewide **outreach and enrollment**  
 19 **campaign activities** to raise awareness about the availability of  
 20 services through the great start readiness program and to ~~develop~~  
 21 ~~systems to identify and reach out to eligible families. All of the~~  
 22 ~~following apply to funding under this subsection:~~ **promote**  
 23 **enrollment.**

24 ~~(a) Funding under this subsection must be used for the~~  
 25 ~~following purposes:~~

26 ~~(i) Implementing a statewide outreach campaign to make families~~  
 27 ~~aware of the availability of the great start readiness program.~~

28 ~~(ii) Organizing community events and outreach activities to~~  
 29 ~~inform parents about the availability of the great start readiness~~



1 ~~program, the positive impacts of early childhood education, and~~  
 2 ~~additional early childhood programs available to families.~~

3 ~~(iii) Developing and implementing a statewide website that~~  
 4 ~~allows providers to advertise available great start readiness slots~~  
 5 ~~and allows families to connect with providers to fill open slots.~~  
 6 ~~The website must include information about additional early~~  
 7 ~~childhood programs for families, including, but not limited to, the~~  
 8 ~~child development and care program and Head Start.~~

9 (31) ~~(b)~~ The funds allocated under ~~this~~ subsection (30) for  
 10 ~~2022-2023-2024-2025~~ are a work project appropriation, and any  
 11 unexpended funds for ~~2022-2023-2024-2025~~ are carried forward into  
 12 ~~2023-2024.-2025-2026~~. The purpose of the work project is to raise  
 13 awareness of and participation in great start readiness  
 14 programming. The estimated completion date of the work project is  
 15 September 30, 2027.

16 (32) ~~(e)~~ Notwithstanding section 17b, the department **of**  
 17 **lifelong education, advancement, and potential** shall make payments  
 18 under ~~this~~ subsection (30) on a schedule determined by the  
 19 department **of lifelong education, advancement, and potential**.

20 (33) As used in this section:

21 (a) "Child care center" means that term as defined in section  
 22 1 of 1973 PA 116, MCL 722.111.

23 (b) "Licensed child care center" means a child care center  
 24 that has been issued a license under 1973 PA 116, MCL 722.111 to  
 25 722.128, to operate a child care center.

26 Sec. 32n. (1) From the state school aid fund money  
 27 appropriated in section 11, there is allocated for ~~2023-2024-2024-~~  
 28 ~~2025~~ ~~only~~ an amount not to exceed ~~\$50,000,000.00~~ **\$75,000,000.00** to  
 29 Clinton County RESA ~~to~~ collaborate with the department **of**



1 **lifelong education, advancement, and potential**, for the purposes of  
 2 this section. ~~The department shall develop a competitive grant~~  
 3 ~~program to distribute this funding to eligible entities, as~~  
 4 ~~described in subsection (2), as prescribed under this section.~~ **It is**  
 5 **the intent of the legislature that, for 2025-2026, the allocation**  
 6 **from the state school aid fund money appropriated in section 11 for**  
 7 **the purposes described in this section will be \$50,000,000.00.**

8 (2) ~~The department shall establish competitive grant criteria~~  
 9 ~~for the~~ **From the state school aid fund money allocated in**  
 10 **subsection (1), an amount not to exceed \$57,000,000.00 is allocated**  
 11 **for a grant program described in subsection (1) for eligible**  
 12 **applicants to expand access to quality, affordable programming**  
 13 **before and after the school day or during the summer for young**  
 14 **people. The department of lifelong education, advancement, and**  
 15 **potential shall establish competitive grant criteria for the**  
 16 **program described in this subsection.** To be eligible for a grant  
 17 under this ~~section, subsection~~, the applicant must meet, at a  
 18 minimum, all of the following criteria:

19 (a) Serve children in any of grades K to 12.

20 (b) Be a community-based organization that is exempt from  
 21 federal income tax under section 501(c)(3) of the internal revenue  
 22 code, 26 USC 501, an institution of higher education, ~~a community~~  
 23 ~~or adult education program~~, a public library, a local government,  
 24 or an intermediate district.

25 (c) Provide before-school, after-school, before-and-after-  
 26 school, or summer school programming to children described in  
 27 subdivision (a). These programs must be used to support expanded  
 28 learning opportunities, including, but not limited to, mentoring,  
 29 leadership, community engagement, agriculture, ~~art, music,~~ **visual**



1 **and performing arts**, literacy, science, technology, engineering,  
 2 mathematics, health **and wellness**, ~~and recreation~~, **financial**  
 3 **literacy**, physical fitness, career and college exploration, youth  
 4 **voice**, 21st century skills, conflict resolution, and social  
 5 **engagement** programming.

6 (d) Address measurable goals, including, but not limited to,  
 7 improved school attendance, academic outcomes, **improved attitudes**  
 8 **toward school**, **improved** positive behaviors, ~~and skill acquisition~~,  
 9 **development and retention**, **higher education aspirations**, and  
 10 **improved family engagement** and include activities linked to  
 11 research or quality practices.

12 (e) Be 1 of the following:

13 (i) A licensed child care organization.

14 (ii) An entity that has an active application to be a licensed  
 15 child care organization.

16 (iii) An exempt entity.

17 (3) The department **of lifelong education, advancement, and**  
 18 **potential** shall establish a competitive grant process for awarding  
 19 funding under ~~this section~~. **subsection (2)**. The department **of**  
 20 **lifelong education, advancement, and potential** shall develop the  
 21 form and manner for applying for the grants. The application must  
 22 include a request for information on the applicant's outreach to  
 23 children, youth, and families who are eligible for free or reduced-  
 24 price meals under the Richard B. Russell national school lunch act,  
 25 42 USC 1751 to 1769j. The application must be open for not less  
 26 than 30 calendar days. At least 30 days before the application is  
 27 opened, the department **of lifelong education, advancement, and**  
 28 **potential** must publish on its public website the criteria that will  
 29 be used in evaluating the application that must include, but are

not limited to, priorities under subsection (5).

(4) Subject to subsection (8), in determining award amounts under ~~this~~ subsection **(2)**, the department **of lifelong education, advancement, and potential** shall, to the extent practicable, ensure that eligible entities in all geographic regions of this state are represented in the distribution of grant funding under ~~this section-subsection (2)~~.

(5) Subject to subsection (8), the department **of lifelong education, advancement, and potential** shall prioritize the distribution of grant funding under ~~this section-subsection (2)~~ based on, at a minimum, the following:

(a) An applicant's demonstrated need.

(b) The percentage of low-income families in the geographic area being served. Prioritization must be determined by the average percentage of pupils in the district who are eligible for free and reduced-priced meals as determined under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j, where eligible entities will provide before-and-after-school or summer school programs.

(c) Whether the application provides services for the full school year.

(d) The applicant's track record for providing quality, affordable before-and-after-school or summer school services.

(e) Whether an applicant serving children in any of grades K ~~through to 8 is a licensed child care organization, or is in the process of becoming licensed is an entity that has an active application to be a licensed child care organization,~~ or has implemented the Michigan Out-of-School Time Standards of Quality ~~issued by the state board of education. This does not preclude a~~



~~nonlicensed entity from applying for funding under this section and being funded under this section.~~ **if the applicant is an exempt entity.**

(6) Subject to subsection (7), an eligible entity that receives grant funding under ~~this section~~ **subsection (2)** shall use the funding only to provide before-school, after-school, before-and-after-school, or summer school programming to children described in subsection (2)(a). The programming offered under ~~this subsection~~ **(2)** must meet all of the following:

(a) ~~Be~~ **For programing that is offered by a licensed child care organization, be** provided to children in a manner in which the children are physically present at ~~a~~ **the** building or location ~~designated by the eligible entity.~~ **for which the licensed child care organization received its license under 1973 PA 116, MCL 722.111 to 722.128, or, for programing that is offered by an exempt entity, be provided to children in a manner in which the children are physically present at a building or location designated by the exempt entity.**

(b) Provide educational programming in core subject areas, including, but not limited to, mathematics, reading, and science.

(c) Provide data to evaluate the program in a form and manner as prescribed by the department **of lifelong education, advancement, and potential.**

(7) Subject to subsections ~~(2), (4), and (5)~~, up to 2% of funding allocated under ~~this section~~ **subsection (2)** must be allocated to a nonprofit entity with experience serving youth-serving organizations to provide start-up grants and capacity building, professional development, and technical assistance for implementation of high-quality, evidence-based out-of-school time



1 learning opportunities.

2 (8) The department **of lifelong education, advancement, and**  
 3 **potential** shall award no less than 60% of the funding under ~~this~~  
 4 ~~section~~**subsection (2)** to community-based organizations.

5 (9) Notwithstanding section 17b, the department **of lifelong**  
 6 **education, advancement, and potential** shall make payments under  
 7 this section in full upon grant award. Grantees that do not comply  
 8 with reporting requirements, fail to provide the services proposed  
 9 in their grant application, or close during the grant period may be  
 10 required to repay the funding they received under this section to  
 11 the department **of lifelong education, advancement, and potential**.

12 (10) The department **of lifelong education, advancement, and**  
 13 **potential**, in collaboration with the Michigan Afterschool  
 14 Partnership, shall convene an advisory committee to review the  
 15 program components listed within this section and make  
 16 recommendations to the department **of lifelong education,**  
 17 **advancement, and potential** for changes on the program described in  
 18 this section. The advisory committee shall meet at a schedule set  
 19 by the department **of lifelong education, advancement, and**  
 20 **potential**, or at least quarterly. The advisory committee shall  
 21 provide for the involvement of, but not limited to, community-based  
 22 organizations, regional intermediaries, district administrators,  
 23 youth, parents, and representatives from the business and  
 24 philanthropic communities, as appropriate.

25 (11) **From the state school aid fund money allocated in**  
 26 **subsection (1), Clinton County RESA shall allocate \$18,000,000.00**  
 27 **to recipients under this subsection as follows:**

28 (a) **\$4,000,000.00 to support the efforts of FFA.**

29 (b) **\$3,000,000.00 to the Boys and Girls Club of Southeast**





1 Michigan to expand programming. Programming expansion includes, but  
2 is not limited to, construction or remodeling of facilities to  
3 allow for new or extended programs.

4 (c) \$3,000,000.00 to the HYPE Athletics Center to provide  
5 programming that may include, but is not limited to, science,  
6 technology, engineering, arts, and mathematics (STEAM) programs;  
7 literacy and reading programs; after-school programs; youth fitness  
8 and athletic programs; and mental health and behavioral health  
9 services.

10 (d) \$1,500,000.00 to Brilliant Detroit to support delivery of  
11 high-dosage neighborhood-based tutoring and direct noninstructional  
12 services for at-risk pupils who are 3 to 12 years of age. Funding  
13 under this subdivision is intended to ensure that pupils are  
14 proficient in English language arts by the end of grade 3 and  
15 proficient in mathematics by the end of grade 8, that all  
16 participants are kindergarten ready, and that pupils are prepared  
17 to attend school regularly. As used in this subdivision, "at-risk  
18 pupil" means that term as defined in section 31a.

19 (e) \$1,200,000.00 to the State Alliance of Michigan YMCAs to  
20 provide students in grades 6 to 12 with hands-on civics and model-  
21 government programs that offer statewide engagement with peers  
22 across this state for the purpose of expanding those students'  
23 opportunities to improve their social studies knowledge, thinking  
24 skills, and intellectual processes and dispositions required for  
25 active engagement in fulfilling responsibilities of civic  
26 participation.

27 (f) \$1,000,000.00 to the Downtown Boxing Gym in Detroit to  
28 expand programming. Programming expansion includes, but is not  
29 limited to, construction or remodeling of facilities to allow for



1 new or extended programs.

2 (g) \$1,000,000.00 to support the operations of the Flint  
3 Center for Educational Excellence.

4 (h) \$800,000.00 to the Detroit Opera for educational  
5 programming for grades pre-K to 12, including field trips, summer  
6 camps, and other learning opportunities. The funds allocated under  
7 this subdivision are a work project appropriation, and any  
8 unexpended funds for 2024-2025 are carried forward into 2025-2026.  
9 The purpose of the work project is to support the Detroit Opera  
10 educational programming as described in this subdivision. The  
11 estimated completion date of the work project is September 30,  
12 2028.

13 (i) \$500,000.00 to Special Olympics Michigan, a nonprofit  
14 organization organized under the laws of this state that is exempt  
15 from federal income tax under section 501(c)(3) of the internal  
16 revenue code of 1986, 26 USC 501, that has a mission statement to  
17 provide year-round sports training and athletic competition for  
18 children and adults with intellectual disabilities. Funding under  
19 this subdivision must be used by the organization to expand the  
20 organization's programming.

21 (j) \$500,000.00 to the Horatio Williams Foundation to support  
22 efforts to provide college preparation services, math leagues,  
23 sports programming, and literacy services in Detroit.

24 (k) \$500,000.00 to Friends of the Children, a nonprofit  
25 organization that employs salaried professional mentors who support  
26 youth and their families from grades K to 12. The salaried  
27 professional mentorship program in this subdivision must employ a  
28 2-generational approach to supporting youth in and outside of the  
29 classroom, particularly in reading and math comprehension; support



1 students and their families by connecting them to concrete supports  
2 like education and employment pathways, housing, utility  
3 assistance, and food security; and be located in a city with a  
4 population greater than 600,000 in a county with a population  
5 greater than 1,500,000 according to the most recent federal  
6 decennial census.

7 (l) \$500,000.00 to the Detroit Police Athletic League to  
8 support operations and programming including, but not limited to,  
9 athletic programs and youth enrichment programs.

10 (m) \$500,000.00 to the Detroit Science Center, a nonprofit  
11 organization that is tax-exempt under section 501(c)(3) of the  
12 internal revenue code of 1986, 26 USC 501, and located in a city  
13 with a population greater than 600,000 in a county with a  
14 population greater than 1,700,000 according to the most recent  
15 federal decennial census. Funds under this subdivision must be used  
16 by the nonprofit organization to expand the nonprofit  
17 organization's mission of providing opportunities for students to  
18 discover, explore, and appreciate science, technology, engineering,  
19 and mathematics in a creative, dynamic learning environment.

20 (12) Recipients of grants under subsection (11) may not apply  
21 for funding under subsection (2).

22 (13) As used in this section:

23 (a) "An entity that has an active application to be a licensed  
24 child care organization" means an entity that has an active  
25 application to be a licensed child care organization under 1973 PA  
26 116, MCL 722.111 to 722.128, and will be a licensed child care  
27 organization before the entity provides services for which a child  
28 care organization is required to be licensed under 1973 PA 116, MCL  
29 722.111 to 722.128.



(b) "Child care organization" means that term as defined in section 1 of 1973 PA 116, MCL 722.111.

(c) "Exempt entity" means an entity described in section 1(1)(i) (i) to (v) of 1973 PA 116, MCL 722.111.

(d) "Licensed child care organization" means a child care organization that has been issued a license under 1973 PA 116, MCL 722.111 to 722.128, to operate a child care organization.

Sec. 32p. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$19,400,000.00 to intermediate districts for ~~2023-2024-2024-~~ **2025** for the purpose of providing early childhood funding to intermediate districts to support the goals and outcomes under subsections (2) and (4), and to provide supports for early childhood programs for children from birth through age 8. The funding provided to each intermediate district under this section is determined by the distribution formula established by the ~~department's~~ **department of lifelong education, advancement, and potential's** office of great start to provide equitable funding statewide. ~~In order to~~ **To** receive funding under this section, each intermediate district must provide an application to the office of great start **by** not later than September 15 of the immediately preceding fiscal year indicating the strategies planned to be provided.

(2) Each intermediate district or consortium of intermediate districts that receives funding under this section shall convene a local great start collaborative and a family coalition that includes an active partnership with at least 1 community-based organization. The goal of each great start collaborative and family coalition is to ensure the coordination and expansion of local



1 early childhood systems and programs that ~~allow every child in the~~  
2 ~~community to~~ achieve the following outcomes:

3 (a) Children born healthy.

4 (b) Children healthy, thriving, and developmentally on track  
5 from birth to grade 3.

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

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

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

15 (a) Physical and social-emotional health.

16 (b) Family supports, including, but not limited to, the  
17 provision of basic needs and economic self-sufficiency.

18 (c) Parent leadership and family engagement.

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

21 (e) Community infrastructure.

22 (4) From the funds allocated in subsection (1), at least  
23 \$3,500,000.00 must be used for the purpose of providing home visits  
24 to at-risk children and their families. The home visits must be  
25 conducted as part of a locally coordinated, family-centered,  
26 evidence-based, data-driven home visit strategic plan that is  
27 approved by the department **of lifelong education, advancement, and**  
28 **potential**. The goals of the home visits funded under this  
29 subsection are to improve school readiness using evidence-based



1 methods, including a focus on developmentally appropriate outcomes  
2 for early literacy, to improve positive parenting practices, and to  
3 improve family economic self-sufficiency while reducing the impact  
4 of high-risk factors through community resources and referrals. The  
5 department **of lifelong education, advancement, and potential** shall  
6 coordinate the goals of the home visit strategic plans approved  
7 under this subsection with other state agency home visit programs  
8 in a way that strengthens Michigan's home visiting infrastructure  
9 and maximizes federal funds available for the purposes of at-risk  
10 family home visits. The coordination among departments and agencies  
11 is intended to avoid duplication of state services and spending,  
12 and should emphasize efficient service delivery of home visiting  
13 programs.

14 (5) ~~Not~~**By not** later than December 1 of each year, each  
15 intermediate district shall provide a report to the department **of**  
16 **lifelong education, advancement, and potential** detailing the  
17 strategies actually implemented during the immediately preceding  
18 school year and the families and children actually served. At a  
19 minimum, the report must include an evaluation of the services  
20 provided with additional funding under subsection (4) for home  
21 visits, using the goals identified in subsection (4) as the basis  
22 for the evaluation, including the degree to which school readiness  
23 was improved, the degree to which positive parenting practices were  
24 improved, the degree to which there was improved family economic  
25 self-sufficiency, and the degree to which community resources and  
26 referrals were utilized. The department **of lifelong education,**  
27 **advancement, and potential** shall compile and summarize these  
28 reports and submit its summary to the house and senate  
29 appropriations subcommittees on school aid and to the house and



senate fiscal agencies **by** not later than February 15 of each year.

(6) In addition to the funds allocated in subsection (1), from the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$4,000,000.00 for ~~2023-2024~~ **2024-2025** only for the purpose of improving access to books and other literacy materials for children from birth to age 5. The formula described in subsection (1) must be used to allocate funds to intermediate districts under this subsection. An intermediate district may use the funding to support programs, including, but not limited to, the Dolly Parton Imagination Library, Reach Out and Read Michigan, or any other program that provides books and literacy materials to children from birth to age 5. If funding under this subsection is ~~not sufficient~~ **insufficient** to enroll all interested families in the service, each intermediate district must prioritize enrollment to those families with the highest levels of economic need. If an intermediate district will not fully utilize funding under this subsection, those funds must be returned to the department **of lifelong education, advancement, and potential** for redistribution for the purposes under this subsection.

(7) An intermediate district or consortium of intermediate districts that receives funding under this section may carry over any unexpended funds received under this section into the next fiscal year and may expend those unused funds through June 30 of the next fiscal year. However, an intermediate district or consortium of intermediate districts that receives funding for the purposes described in subsection (2) in the current fiscal year shall not carry over into the next fiscal year any amount exceeding 15% of the amount awarded to the intermediate district or consortium in the current fiscal year. A recipient of a grant shall

1 return any unexpended grant funds to the department **of lifelong**  
 2 **education, advancement, and potential** in the manner prescribed by  
 3 the department **of lifelong education, advancement, and potential**  
 4 not later than September 30 of the next fiscal year after the  
 5 fiscal year in which the funds are received.

6 Sec. 33. (1) From the state school aid fund money appropriated  
 7 in section 11, there is allocated an amount not to exceed  
 8 \$11,000,000.00 for 2023-2024 only for grants to eligible districts  
 9 for the purposes described in this section.

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

13 (3) A district that meets both of the following is an eligible  
 14 district under this section:

15 (a) The district must enroll students in grades K to 5. ~~and~~  
 16 ~~must not currently have a music education program for grades K to~~  
 17 ~~5.~~

18 (b) The district must, in its application described in  
 19 subsection (2), pledge to do all of the following:

20 (i) Provide for all pupils in grades K to 5 at least ~~90~~ **60**  
 21 minutes per week of instruction in music **or visual arts**, taught by  
 22 a certificated teacher ~~with a JX or JQ who has, or is working~~  
 23 **towards, the appropriate** endorsement issued by the department. **For**  
 24 **teaching music, the appropriate endorsement is a JX or JQ**  
 25 **endorsement. For teaching visual arts, the appropriate endorsement**  
 26 **is an LQ, LX, or LZ endorsement.**

27 (ii) Maintain staffing that includes at least 1 certificated  
 28 teacher with a JX or JQ **music endorsement or an LQ, LX, or LZ**  
 29 **visual arts** endorsement issued by the department for every 400





1 pupils enrolled in grades K to 5.

2 (iii) Adopt and implement, **or maintain**, specific curricula for  
3 music **or visual arts**.

4 (iv) Maintain in each elementary school at least 1 space that  
5 is **either dedicated to music or visual arts instruction or**  
6 designated **to be used** for music **or visual arts** instruction and that  
7 allows for effective implementation of the music **or visual arts**  
8 curriculum, with consideration given to the physical materials and  
9 tools needed for music **or visual arts** instruction.

10 (v) Establish and maintain a separate dedicated budget for  
11 music **or visual arts** instruction in grades K to 5.

12 (vi) Participate in the collection of data in the fall and  
13 spring of the 2024-2025 school year on changes in course offerings,  
14 instructor qualifications, student course enrollments, and other  
15 aspects of the district's music or visual arts programs as  
16 determined by the department and MI Creative Potential.

17 (vii) Commit to including music and visual arts in district and  
18 school continuous improvement planning using the program review  
19 tool that accompanies the Michigan Blueprint of a Quality Arts  
20 Education, available in the Michigan Integrated Continuous  
21 Improvement Process database.

22 (viii) Adopt and implement a plan to satisfy the recommendations  
23 listed in the Michigan Blueprint of a Quality Arts Education  
24 program.

25 (4) Grants awarded under this section must be awarded for the  
26 coverage of costs for 1 year of additional costs, including 1-time  
27 costs, for the district to implement **or maintain** a music **or visual**  
28 **arts** program.

29 (5) In awarding grants under this section, the department



1 shall prioritize as follows:

2 (a) The department shall first award grants to districts that  
3 are first-time applicants and meet 1 of the following:

4 (i) The district currently has a music or visual arts program  
5 that meets the requirements of subsection (3) (b) (i) to (vii) but does  
6 not meet the recommendations listed in the Michigan Blueprint of a  
7 Quality Arts Education program and the district will use the grant  
8 to move toward implementing those recommendations.

9 (ii) The district does not currently have a music program that  
10 meets the requirements of subsection (3) (b) (i) to (vii) or does not  
11 currently have a visual arts program that meets the requirements of  
12 subsection (3) (b) (i) to (vii).

13 (b) If there is funding remaining after awarding grants to  
14 districts described in subdivision (a), the department shall award  
15 grants to other eligible districts.

16 (6) ~~(5)~~ All grants under this section must be awarded by not  
17 later than February 1 ~~7, 2024~~ of the fiscal year in which the grant  
18 is approved.

19 (7) ~~(6)~~ If the total funding allocated under this section is  
20 ~~not sufficient~~ **insufficient** to fully fund payments to all eligible  
21 districts under this section, the department shall prorate payments  
22 to all eligible districts on an equal percentage basis.

23 (8) ~~(7)~~ Notwithstanding section 17b, the department shall make  
24 payments under this section on a schedule determined by the  
25 department.

26 (9) The funds allocated under this section for 2023-2024 are a  
27 work project appropriation, and any unexpended funds for 2023-2024  
28 are carried forward into 2024-2025. The purpose of the work project  
29 is to provide for music or visual arts education. The estimated



1 **completion date of the work project is September 30, 2027.**

2       Sec. 35a. (1) From the appropriations in section 11, there is  
3 allocated for ~~2023-2024~~**2024-2025** for the purposes of this section  
4 an amount not to exceed ~~\$77,900,000.00~~**\$82,900,000.00** from the  
5 state school aid fund. ~~and there is allocated for 2023-2024 for the~~  
6 ~~purposes of subsection (8) an amount not to exceed \$5,000,000.00~~  
7 ~~from the general fund. It is the intent of the legislature that,~~  
8 **for 2025-2026, the allocation from the state school aid fund money**  
9 **appropriated in section 11 for the purposes described in this**  
10 **section will be \$67,900,000.00.** Excluding staff or contracted  
11 employees funded under subsection (8), the superintendent shall  
12 designate staff or contracted employees funded under this section  
13 as critical shortage. ~~Programs funded under this section are~~  
14 ~~intended to ensure that this state will be a top 10 state in grade~~  
15 ~~4 reading proficiency by 2025 according to the National Assessment~~  
16 ~~of Educational Progress (NAEP).~~ By **not later than** December 31 of  
17 each fiscal year in which funding is allocated under this section,  
18 the superintendent of public instruction shall do both of the  
19 following:

20       (a) Report in person to the house and senate appropriations  
21 subcommittees on school aid regarding progress on ~~the goal~~  
22 ~~described in this subsection~~**early literacy** and be available for  
23 questioning as prescribed through a process developed by the chairs  
24 of the house and senate appropriations subcommittees on school aid.

25       (b) Submit a written report to the house and senate  
26 appropriations subcommittees on school aid regarding progress on  
27 ~~the goal described in this subsection.~~**early literacy.**

28       (2) A district that receives funds under subsection (5) may  
29 spend up to 5% of those funds for professional development for



educators in a department-approved research-based training program related to current state literacy standards for pupils in grades pre-K to ~~3-5~~. The professional development must also include training in the use of screening and diagnostic tools, progress monitoring, and intervention methods used to address barriers to learning and delays in learning that are diagnosed through the use of these tools.

(3) A district that receives funds under subsection (5) may use up to 5% of those funds to administer department-approved screening and diagnostic tools to monitor the development of early literacy and early reading skills, and risk factors for word-level reading difficulties of pupils in grades pre-K to ~~3-5~~ and to support evidence-based professional learning described in subsection (11) for educators in administering and using screening, progress monitoring, and diagnostic assessment data to inform instruction through prevention and intervention in a multi-tiered system of supports framework. A department-approved screening and diagnostic tool administered by a district using funding under this section must include all of the following components: phonemic awareness, phonics, fluency, rapid automatized naming (RAN), and comprehension. Further, all of the following sub-skills must be assessed within each of these components:

(a) Phonemic awareness - segmentation, blending, and sound manipulation (deletion and substitution).

(b) Phonics - decoding (reading) and encoding (spelling).

(c) Fluency.

(d) Comprehension - making meaning of text.

(4) From the allocation under subsection (1), there is allocated an amount not to exceed \$42,000,000.00 for ~~2023-2024~~



1 **2024-2025** for the purpose of providing early literacy coaches at  
 2 intermediate districts to assist teachers in developing and  
 3 implementing instructional strategies for pupils in grades pre-K to  
 4 ~~3-5~~ so that pupils are reading at grade level by the end of grade

5 3. All of the following apply to funding under this subsection:

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

10 (i) Current state literacy standards for pupils in grades pre-K  
 11 to 3.

12 (ii) Implementing an instructional delivery model based on  
 13 frequent use of formative, screening, and diagnostic tools, known  
 14 as a multi-tiered system of supports, to determine individual  
 15 progress for pupils in grades pre-K to ~~3-5~~ so that pupils are  
 16 reading at grade level by the end of grade 3.

17 (iii) The use of data from diagnostic tools to determine the  
 18 necessary additional supports and interventions needed by  
 19 individual pupils in grades pre-K to ~~3-in-order-5~~ to ~~be reading~~  
 20 **read** at grade level.

21 (b) From the allocation under this subsection, the department  
 22 shall award grants to intermediate districts for the support of  
 23 early literacy coaches. The department shall provide this funding  
 24 in the following manner:

25 (i) The department shall award each intermediate district grant  
 26 funding to support the cost of 2 early literacy coaches in an equal  
 27 amount per early literacy coach, not to exceed \$125,000.00.

28 (ii) After distribution of the grant funding under subparagraph  
 29 (i), the department shall distribute the remainder of grant funding



1 for additional early literacy coaches in an amount not to exceed  
2 \$125,000.00 per early literacy coach. The number of funded early  
3 literacy coaches for each intermediate district is based on the  
4 percentage of the total statewide number of pupils in grades K to 3  
5 who meet the income eligibility standards for the federal free and  
6 reduced-price lunch programs who are enrolled in districts in the  
7 intermediate district.

8 (c) If an intermediate district that receives funding under  
9 this subsection uses an assessment tool that screens for  
10 characteristics of dyslexia, the intermediate district shall use  
11 the assessment results from that assessment tool to identify pupils  
12 who demonstrate characteristics of dyslexia.

13 (d) All literacy coaches funded under this subsection must  
14 have already received, or be making progress toward receiving,  
15 professional learning by the approved provider described in  
16 subsection (11).

17 **(e) To be eligible to receive funding under this subsection,**  
18 **an intermediate district must provide the department with a list by**  
19 **September 1 of the immediately preceding fiscal year containing**  
20 **contact information for all literacy coaches funded under this**  
21 **subsection, in a form and manner determined by the department. An**  
22 **intermediate district shall communicate any personnel changes and**  
23 **changes to contact information for literacy coaches funded under**  
24 **this subsection to the department within 30 days of the personnel**  
25 **change or change in contact information.**

26 (5) From the allocation under subsection (1), there is  
27 allocated an amount not to exceed \$19,900,000.00 for ~~2023-2024~~  
28 **2024-2025** to districts that provide additional instructional time  
29 to those pupils in grades pre-K to 5 who have been identified by



1 using department-approved screening and diagnostic tools as needing  
 2 additional supports and interventions ~~in order to be reading~~ **read**  
 3 at grade level by the end of grade 3. Additional instructional time  
 4 may be provided before, during, and after regular school hours or  
 5 as part of a year-round balanced school calendar. All of the  
 6 following apply to funding under this subsection:

7 (a) ~~In order to~~ **To** be eligible to receive funding, a district  
 8 must demonstrate to the satisfaction of the department that the  
 9 district has done all of the following:

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

17 (A) Team-based leadership.

18 (B) A tiered delivery system.

19 (C) Selection and implementation of instruction,  
 20 interventions, and supports.

21 (D) A comprehensive screening and assessment system.

22 (E) Continuous data-based decision making.

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

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



1 (iv) Provided teachers of pupils in grades pre-K to 5 with  
2 research-based professional development in diagnostic data  
3 interpretation.

4 (v) Complied with the requirements under section 1280f of the  
5 revised school code, MCL 380.1280f.

6 (b) The department shall distribute funding allocated under  
7 this subsection to eligible districts on an equal per-first-grade-  
8 pupil basis.

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

13 (6) ~~Not~~ **By not** later than September 1 of each year, a district  
14 that receives funding under subsection (5) in conjunction with the  
15 Michigan student data system, if possible, shall provide to the  
16 department a report that includes at least both of the following,  
17 in a form and manner prescribed by the department:

18 (a) For pupils in grades pre-K to ~~3~~, **5**, the teachers, pupils,  
19 schools, and grades served with funds under this section and the  
20 categories of services provided.

21 (b) For pupils in grades pre-K to ~~3~~, **5**, pupil proficiency and  
22 growth data that allows analysis both in the aggregate and by each  
23 of the following subgroups, as applicable:

24 (i) School.

25 (ii) Grade level.

26 (iii) Gender.

27 (iv) Race.

28 (v) Ethnicity.

29 (vi) Economically disadvantaged status.





1 (vii) Disability.

2 (viii) Pupils identified as having reading deficiencies.

3 (7) From the allocation under subsection (1), there is  
4 allocated an amount not to exceed \$6,000,000.00 for ~~2023-2024-2024-~~  
5 **2025** to an intermediate district in which the combined total number  
6 of pupils in membership of all of its constituent districts is the  
7 fewest among all intermediate districts. All of the following apply  
8 to the funding under this subsection:

9 (a) Funding under this subsection must be used by the  
10 intermediate district, in partnership with an association that  
11 represents intermediate district administrators in this state, to  
12 implement all of the following:

13 (i) Literacy essentials teacher and principal training modules.

14 (ii) Face-to-face and online professional learning of literacy  
15 essentials teacher and principal training modules for literacy  
16 coaches, principals, and teachers.

17 (iii) The placement of regional lead literacy coaches to  
18 facilitate professional learning for early literacy coaches. These  
19 regional lead literacy coaches shall provide support for new  
20 literacy coaches, building teachers, and administrators and shall  
21 facilitate regional data collection to evaluate the effectiveness  
22 of statewide literacy coaches funded under this section.

23 (iv) Provide \$500,000.00 from this subsection for literacy  
24 training, modeling, coaching, and feedback for district principals  
25 or chief administrators, as applicable. The training described in  
26 this subparagraph must use the pre-K and K to 3 essential  
27 instructional practices in literacy created by the general  
28 education leadership network as the framework for all training  
29 provided under this subparagraph.



(v) Job-embedded professional learning opportunities for mathematics teachers through mathematics instructional coaching. Funding must be used for professional learning for coaches, professional developers, administrators, and teachers; coaching for early mathematics educators; the development of statewide and regional professional learning networks in mathematics instructions; and the development and support of digital professional learning modules.

(b) ~~Not~~ **By not** later than September 1 of each year, the intermediate district described in this subsection, in consultation with grant recipients, shall submit a report to the chairs of the senate and house appropriations subcommittees on school aid, the chairs of the senate and house standing committees responsible for education legislation, the house and senate fiscal agencies, and the state budget director. The report described under this subdivision must include student achievement results in English language arts and mathematics and survey results with feedback from parents and teachers regarding the initiatives implemented under this subsection.

(c) Up to 2% of funds allocated under this subsection may be used by the association representing intermediate district administrators that is in partnership with the intermediate district specified in this subsection to administer this subsection.

(8) From the ~~general fund money allocated in~~ **allocation under** subsection (1), the department shall allocate the amount of \$5,000,000.00 for ~~2023-2024~~ **2024-2025** only to the ~~Michigan Education Corps for the PreK Reading Corps, the K3 Reading Corps, and the Math Corps. All of the following apply to funding under~~



1 ~~this subsection:~~an intermediate district or a consortium of  
2 intermediate districts to partner with the Michigan Education Corps  
3 for the PreK Reading Corps, the K3 Reading Corps, and the Math  
4 Corps. An intermediate district or a consortium of intermediate  
5 districts receiving funding under this subsection must forward the  
6 amount received under this subsection to the Michigan Education  
7 Corps for statewide services. As conditions of receiving funding  
8 from an intermediate district or a consortium of intermediate  
9 districts, all of the following apply to funding received by the  
10 Michigan Education Corps under this subsection:

11 (a) By September 1 of the current fiscal year, the Michigan  
12 Education Corps shall provide a report concerning its use of the  
13 funding to the senate and house appropriations subcommittees on  
14 school aid, the senate and house fiscal agencies, and the senate  
15 and house caucus policy offices on outcomes and performance  
16 measures of the Michigan Education Corps, including, but not  
17 limited to, the degree to which the Michigan Education Corps'  
18 replication of the PreK Reading Corps, the K3 Reading Corps, and  
19 the Math Corps programs is demonstrating sufficient efficacy and  
20 impact. The report must include data pertaining to at least all of  
21 the following:

22 (i) The current impact of the programs on this state in terms  
23 of numbers of children and schools receiving support. This portion  
24 of the report must specify the number of children tutored,  
25 including dosage and completion, and the demographics of those  
26 children.

27 (ii) Whether the assessments and interventions are implemented  
28 with fidelity. This portion of the report must include details on  
29 the total number of assessments and interventions completed and the



1 range, mean, and standard deviation.

2 (iii) Whether the literacy or math improvement of children  
3 participating in the programs is consistent with expectations. This  
4 portion of the report must detail at least all of the following:

5 (A) Growth rate by grade or age level, in comparison to  
6 targeted growth rate.

7 (B) Average linear growth rates.

8 (C) Exit rates.

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

11 (iv) The impact of the programs on organizations and  
12 stakeholders, including, but not limited to, school administrators,  
13 internal coaches, and AmeriCorps members.

14 (b) If the department determines that the Michigan Education  
15 Corps has misused the funds allocated under this subsection, the  
16 Michigan Education Corps shall reimburse this state for the amount  
17 of state funding misused.

18 (c) ~~The department~~ **An intermediate district or a consortium of**  
19 **intermediate districts** may not reserve any portion of the  
20 allocation provided under this subsection for an evaluation of the  
21 Michigan Education Corps, the Michigan Education Corps' funding, or  
22 the Michigan Education Corps' programming unless agreed to in  
23 writing by the Michigan Education Corps. ~~The department~~ **An**  
24 **intermediate district or a consortium of intermediate districts**  
25 shall award the entire amount allocated under this subsection to  
26 the Michigan Education Corps and shall not condition the ~~awarding~~  
27 **forwarding** of this funding on the implementation of an independent  
28 evaluation.

29 (9) If a district or intermediate district expends any funding

received under subsection (4) or (5) for professional development in research-based effective reading instruction, the district or intermediate district shall select a professional development program from the list described under subdivision (a). All of the following apply to the requirement under this subsection:

(a) The department shall issue a request for proposals for professional development programs in research-based effective reading instruction to develop an initial approved list of professional development programs in research-based effective reading instruction. The department shall make the initial approved list public and shall determine if it will, on a rolling basis, approve any new proposals submitted for addition to its initial approved list.

(b) To be included as an approved professional development program in research-based effective reading instruction under subdivision (a), an applicant must demonstrate to the department in writing the program's competency in all of the following topics:

(i) Understanding of phonemic awareness, phonics, fluency, vocabulary, and comprehension.

(ii) Appropriate use of assessments and differentiated instruction.

(iii) Selection of appropriate instructional materials.

(iv) Application of research-based instructional practices.

(c) As used in this subsection, "effective reading instruction" means reading instruction scientifically proven to result in improvement in pupil reading skills.

(10) From the allocation under subsection (1), there is allocated an amount not to exceed \$10,000,000.00 for ~~2023-2024~~ **2024-2025** only for the provision of professional learning by the



1 approved provider described in subsection (11), first to educators  
2 in pre-K, kindergarten, and grade 1 next to educators in grade 2  
3 and grade 3; and then to additional elementary school educators and  
4 pre-K to grade 12 certificated special education personnel with  
5 endorsements in learning disabilities, emotional impairments, or  
6 speech and language impairments. For purposes of this subsection,  
7 the department must establish and manage professional learning  
8 opportunities that are open to all school personnel described in  
9 this subsection as follows:

10 (a) The department must first open voluntary enrollment for  
11 any pre-K through grade 3 teacher on a first-come, first-served  
12 basis, with voluntary enrollment prioritized for pre-K,  
13 kindergarten, and grade 1 teachers. The department shall then open  
14 voluntary enrollment for the remaining school personnel described  
15 in this subsection.

16 (b) The department must maintain open enrollment until all  
17 funds are expended.

18 (11) For the provision of professional learning to the school  
19 personnel described in subsection (10), the department shall  
20 approve LETRS as the approved provider of professional learning, if  
21 LETRS continues to meet all of the following:

22 (a) Be offered through a system of training that provides  
23 educators with the knowledge base to effectively implement any  
24 class-wide, supplemental, or intervention reading approach and to  
25 determine why some students struggle with reading, writing,  
26 spelling, and language.

27 (b) Provide training activities that direct educators to  
28 implement effective reading and spelling instruction supported by  
29 scientifically based research and foster a direct explicit



1 instructional sequence that uses techniques to support teachers'  
2 independence in using their newly-learned skills with students in  
3 the classroom.

4 (c) Include integrated components for educators and  
5 administrators in pre-K to grade 3 with embedded evaluation or  
6 assessment of knowledge. Evaluation or assessment of knowledge  
7 under this subdivision must incorporate evaluations of learning  
8 throughout each unit and include a summative assessment that must  
9 be completed to demonstrate successful course completion.

10 (d) Build teacher content knowledge and pedagogical knowledge  
11 of the critical components of literacy including how the brain  
12 learns to read, phonological and phonemic awareness; letter  
13 knowledge; phonics; advanced phonics; vocabulary and oral language;  
14 fluency; comprehension; spelling and writing; and the organization  
15 of language.

16 (e) Support educators in understanding how to effectively use  
17 screening, progress monitoring, and diagnostic assessment data to  
18 improve literacy outcomes through prevention and intervention for  
19 reading difficulties in a multi-tiered system of supports. The  
20 multi-tiered system of supports must include at least all of the  
21 following essential components:

22 (i) Team-based leadership.

23 (ii) A tiered delivery system.

24 (iii) Selection and implementation of instruction,  
25 interventions, and supports.

26 (iv) A comprehensive screening and assessment system.

27 (v) Continuous data-based decision making.

28 (12) Notwithstanding section 17b, the department shall make  
29 payments made under subsections (7) and (8) on a schedule



1 determined by the department.

2 (13) As used in this section:

3 (a) "Dyslexia" means both of the following:

4 (i) A specific learning disorder that is neurobiological in  
5 origin and characterized by difficulties with accurate or fluent  
6 word recognition and by poor spelling and decoding abilities that  
7 typically result from a deficit in the phonological component of  
8 language that is often unexpected in relation to other cognitive  
9 abilities and the provision of effective classroom instruction.

10 (ii) A specific learning disorder that may include secondary  
11 consequences, such as problems in reading comprehension and a  
12 reduced reading experience that can impede the growth of vocabulary  
13 and background knowledge and lead to social, emotional, and  
14 behavioral difficulties.

15 (b) "Evidence-based" means an activity, program, process,  
16 service, strategy, or intervention that demonstrates statistically  
17 significant effects on improving pupil outcomes or other relevant  
18 outcomes and that meets at least both of the following:

19 (i) At least 1 of the following:

20 (A) Is based on strong evidence from at least 1 well-designed  
21 and well-implemented experimental study.

22 (B) Is based on moderate evidence from at least 1 well-  
23 designed and well-implemented quasi-experimental study.

24 (C) Is based on promising evidence from at least 1 well-  
25 designed and well-implemented correlational study with statistical  
26 controls for selection bias.

27 (D) Demonstrates a rationale based on high-quality research  
28 findings or positive evaluation that the activity, program,  
29 process, service, strategy, or intervention is likely to improve





1 pupil outcomes or other relevant outcomes.

2 (ii) Includes ongoing efforts to examine the effects of the  
3 activity, program, process, service, strategy, or intervention.

4 (c) "Explicit" means direct and deliberate instruction through  
5 continuous pupil-teacher interaction that includes teacher  
6 modeling, guided practice, and independent practice.

7 (d) "Fluency" means the ability to read with speed, accuracy,  
8 and proper expression.

9 (e) "Multi-tiered system of supports" means a comprehensive  
10 framework that includes 3 distinct tiers of instructional support  
11 and is composed of a collection of evidence-based strategies  
12 designed to meet the individual needs and assets of a whole pupil  
13 at all achievement levels.

14 (f) "Phonemic awareness" means the conscious awareness of all  
15 of the following:

16 (i) Individual speech sounds, including, but not limited to,  
17 consonants and vowels, in spoken syllables.

18 (ii) The ability to consciously manipulate through, including,  
19 but not limited to, matching, blending, segmenting, deleting, or  
20 substituting, individual speech sounds described in subparagraph  
21 (i).

22 (iii) All levels of the speech sound system, including, but not  
23 limited to, word boundaries, rhyme recognition, stress patterns,  
24 syllables, onset-rime units, and phonemes.

25 (g) "Phonological" means relating to the system of contrastive  
26 relationships among the speech sounds that constitute the  
27 fundamental components of a language.

28 (h) "Progress monitoring" means the assessing of students'  
29 academic performance, quantifying students' rates of improvement or



1 progress toward goals, and determining how students are responding  
2 to instruction.

3 (i) "Rapid automatized naming (RAN)" means a task that  
4 measures how quickly individuals can name objects; pictures;  
5 colors; or symbols, including letters and digits, aloud, which can  
6 predict later reading abilities for preliterate children.

7 Sec. 35d. (1) From the state school aid fund money  
8 appropriated under section 11, for ~~2023-2024~~**2024-2025** only, there  
9 is allocated an amount not to exceed \$1,000,000.00 for the  
10 department to provide grants to districts and intermediate  
11 districts for the purchase of 1 or more components or trainings  
12 through an eligible teacher training program for children with  
13 dyslexia from a provider of an eligible teacher training program  
14 for children with dyslexia as provided under this section.

15 (2) A provider that provides programming that meets all of the  
16 following is considered to be a provider of an eligible teacher  
17 training program for purposes of this section:

18 (a) Allows teachers to incorporate the 5 components essential  
19 to an effective reading program into their daily lessons. The 5  
20 components described in this subdivision are phonemic awareness,  
21 phonics, vocabulary, fluency, and comprehension.

22 (b) Trains educators to teach reading using a proven,  
23 multisensory approach.

24 (c) Educates teachers on how to explicitly and effectively  
25 teach reading to beginning readers.

26 (d) Breaks reading and spelling down into smaller skills  
27 involving letters and sounds, and then builds on these skills over  
28 time.

29 (e) Uses multisensory teaching strategies to teach reading by



1 using sight, hearing, touch, and movement to help students connect  
2 and learn the concepts being taught.

3 (3) Districts and intermediate districts may apply to the  
4 department for grants to purchase components or training through an  
5 eligible teacher training program from a provider of an eligible  
6 teacher training program, and, upon receiving an application but  
7 except as otherwise provided in this subsection, the department  
8 shall make payments to districts and intermediate districts for  
9 those purchases. The department shall make payments under this  
10 section on a first-come, first-served basis until funds are  
11 depleted.

12 **Sec. 35m. (1) From the state school aid fund money**  
13 **appropriated in section 11, there is allocated for 2024-2025 only**  
14 **an amount not to exceed \$87,000,000.00 for the purposes described**  
15 **in this section, including payments to improve educational outcomes**  
16 **in literacy.**

17 (2) The department shall create the committee for literacy  
18 achievement that includes representatives of higher education and  
19 early childhood literacy educators who have expertise in literacy  
20 instruction and research. The department shall appoint the members  
21 of the committee for literacy achievement. The department shall  
22 develop a process to identify and assemble experts for the  
23 committee. The primary focus of the committee is to recommend tools  
24 and strategies with the goal of increasing student academic  
25 outcomes in the area of literacy. The committee is encouraged to  
26 collaborate with the Michigan Education Research Institute or other  
27 entities with similar expertise on the subject of literacy. The  
28 department shall determine the size, timeline, and benchmarks of  
29 the committee. The committee shall do all of the following:



1 (a) Critically evaluate early literacy series and materials.  
2 The committee shall evaluate with research-based outcomes, using  
3 the committee's expertise in the field of literacy. The committee  
4 shall assign grade tiers to the series based on the series'  
5 likelihood to increase student literacy outcomes. Priority must be  
6 given to series that already have a demonstrated history of  
7 increasing student outcomes.

8 (b) Critically evaluate literacy professional development. The  
9 committee shall evaluate with research-based outcomes, using the  
10 committee's expertise in the field of literacy. The committee shall  
11 assign grade tiers to the professional development based on the  
12 professional development's likelihood to increase student literacy  
13 outcomes. Priority must be given to professional development that  
14 already has a demonstrated history of increasing student outcomes.

15 (c) Critically evaluate other applicable literacy tools or  
16 services the committee determines to have a high likelihood or  
17 demonstrated history of increasing student literacy outcomes.

18 (d) Create and maintain a rankings list of all early literacy  
19 series and other items the committee has evaluated. The committee  
20 shall denote on the list whether major changes have been made to an  
21 early literacy series or other item on the list since the early  
22 literacy series or other item was evaluated by the committee and if  
23 the early literacy series or other item has not been evaluated  
24 since the last ranking.

25 (3) An individual on the committee shall recuse themselves  
26 from evaluating early literacy series and other items that the  
27 individual has helped create, that the individual would benefit  
28 from financially, or for which the individual has any other  
29 conflict of interest.



(4) From the funds allocated in subsection (1), the department shall make payments to districts and intermediate districts in an amount and on a schedule determined by the department. The department shall use the rankings list described in subsection (2) as the basis for how funding is allocated in subsection (1) to districts and intermediate districts. Districts and intermediate districts using higher-ranked literacy tools that are proven to increase student outcomes shall receive more funding than districts and intermediate districts utilizing lower-ranked literacy tools in both the base award and the per-pupil awards described in this subsection. The department may determine that some districts and intermediate districts will not receive funding under this section based on the effectiveness of the early literacy series or other items being utilized by the district or intermediate district. The department shall award funding under this section using the following methodology:

(a) A base award equal to the amount necessary for the district or intermediate district to implement the chosen early literacy series or other item. The department may place a cap on the total award per district, intermediate district, or early literacy series or other item and may choose not to award funding if the early literacy series or other item is determined to be ineffective or is determined to be less effective than other choices.

(b) A per-pupil award based on the number of pupils in membership at the district and intermediate district. The per-pupil amount must be larger for districts and intermediate districts using higher-ranked early literacy series or other items as determined under subsection (2). The department may choose not to

1 award funding if the early literacy series or other item is  
2 determined to be ineffective or is determined to be less effective  
3 than other choices.

4 (5) From the funding allocated in subsection (1), the  
5 department may pay an annual stipend of up to \$8,000.00 for each  
6 member of the committee for literacy achievement who is employed by  
7 or at a public institution of higher education, a district, or an  
8 intermediate district. A stipend must be commensurate with the  
9 committee member's contribution to the committee during the fiscal  
10 year. Funding must be paid to the public institution of higher  
11 education, the district, or the intermediate district where the  
12 committee member is employed, and the public institution of higher  
13 education, the district, or the intermediate district must then use  
14 funding received to award the stipend directly to the individual  
15 committee member. A committee member who is not employed by or at a  
16 public institution of higher education, a district, or an  
17 intermediate district is not eligible to receive a stipend under  
18 this subsection.

19 (6) To be eligible for funding under this section, a district  
20 or intermediate district must apply in a form and manner determined  
21 by the department. As a condition of receiving the funding, the  
22 district or intermediate district must agree to provide to the  
23 department information on the early literacy series and other items  
24 used for the previous and current school years and to provide this  
25 information twice a year, on or before March 31 and August 1.

26 (7) Except as otherwise provided in this section and  
27 notwithstanding section 17b, the department shall make payments  
28 under this section on a schedule determined by the department.

29 (8) Funds allocated under this section for 2024-2025 are a



1 work project appropriation, and any unexpended funds for 2024-2025  
2 are carried forward into 2025-2026. The purpose of the work project  
3 is to improve literacy instructional practices. The estimated  
4 completion date of the work project is September 30, 2028.

5 Sec. 35n. (1) From the state school aid fund money  
6 appropriated in section 11, there is allocated for 2024-2025 only  
7 an amount not to exceed \$10,000,000.00 to the READ innovation  
8 competition. The READ innovation competition shall provide startup  
9 money to eligible districts to develop and deploy innovative  
10 literacy initiatives that make a positive impact on student  
11 literacy rates and shall provide incentive money to districts  
12 determined to have demonstrated the greatest impact. Funds  
13 allocated under this section are intended to foster district-led  
14 innovations in literacy instruction grounded in the science of  
15 reading, provide the state with insights into successful practices  
16 that could be scaled statewide, and improve student outcomes in  
17 literacy.

18 (2) The department, in collaboration with the literacy  
19 commission, shall establish the structure of the READ innovation  
20 competition, including the length of the competition, eligible  
21 categories in which districts may compete, the methods and  
22 timelines by which districts must collect and report data, the  
23 number of rounds of competition, the number of districts eligible  
24 to advance to subsequent rounds, and the amount of incentive  
25 payments provided per round per district.

26 (3) To be eligible to receive funding under this section, a  
27 district or intermediate district must apply in a form and manner  
28 determined by the department. The application must include, at a  
29 minimum, all of the following:



1 (a) The competition category in which the district will  
2 compete.

3 (b) A description of the innovative literacy initiative the  
4 district intends to deploy during the competition, including its  
5 goals, strategies, target student population, impacted student  
6 count, and intended outcomes.

7 (c) A description of how the district will measure student  
8 literacy outcomes during the time frame of the competition in a  
9 reliable, periodic, and standardized way, including methods by  
10 which student progress in the applicant district can be benchmarked  
11 against student progress in other districts.

12 (d) An agreement to provide data necessary for the department  
13 to evaluate student growth.

14 (e) The amount of funding required by the district to  
15 implement the innovative literacy initiative.

16 (4) Applications received by the department under this section  
17 must be evaluated by the literacy commission. A member of the  
18 literacy commission shall abstain from evaluating an application  
19 and making funding decisions under this section for any district in  
20 which the member has a conflict of interest. The evaluation must be  
21 based on, at a minimum, all of the following:

22 (a) The quality of innovation being proposed, the alignment  
23 with the selected competition category, and the likelihood that it  
24 will result in the outcomes included in the district's application.

25 (b) The percentage of students districtwide that will be  
26 impacted by the proposed program during the time frame of the  
27 competition.

28 (c) The level to which student literacy growth in the  
29 applicant district can be benchmarked against student literacy



1 growth in other districts.

2 (d) The likelihood that the proposed initiative, if  
3 successful, could be expanded statewide.

4 (5) The department shall award startup funding to a selection  
5 of the highest scoring applicants for each competition category,  
6 based on the evaluation of applicants by the literacy commission.  
7 The department may determine a maximum number of eligible districts  
8 per competition category. A district is only eligible to compete in  
9 1 competition category. The department may determine a maximum  
10 amount of startup money that may be received by any district.  
11 Recipients of funding under this subsection must use that funding  
12 to implement the recipient's proposed innovative literacy  
13 initiatives.

14 (6) On a periodic basis determined by the department, for each  
15 eligible competition category in which a district may compete, the  
16 eligible districts must measure and report to the department, in a  
17 form and manner determined by the department, growth in student  
18 literacy scores amongst students targeted by the innovative  
19 literacy initiative. The districts demonstrating the highest levels  
20 of student literacy growth advance to the next round of the  
21 competition and are eligible for additional incentive money to  
22 further implement their innovative literacy initiatives. The  
23 department must repeat the process described in this subsection  
24 until a selection of 3 finalist districts for each competition  
25 category are determined.

26 (7) The finalist districts for each competition category shall  
27 prepare a presentation for the literacy commission with a summary  
28 of the district's innovative literacy initiative, including  
29 evidence of student growth, specific implementation strategies that



1 led to success, a description of implementation obstacles and the  
2 methods used by the district to overcome these obstacles, and ways  
3 the program could be scaled for statewide implementation. Based on  
4 this summary and the overall demonstrated success of the program,  
5 the literacy commission shall select 1 winning district from each  
6 competition category. The winning district from each competition  
7 category is awarded, by the department, \$500,000.00 to continue to  
8 support literacy initiatives and other academic needs of the  
9 district.

10 (8) At the conclusion of the READ innovation competition, the  
11 literacy commission shall provide a report to the governor, the  
12 house and senate school aid subcommittees, the house and senate  
13 fiscal agencies, and the state budget director on the winning  
14 literacy initiatives that could be scaled statewide to improve  
15 student literacy.

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

19 (10) Notwithstanding section 18a, funds allocated under this  
20 section may be available for expenditure until September 30, 2028.  
21 A recipient of funding under this section must return any  
22 unexpended funds to the department in the manner prescribed by the  
23 department by not later than October 30, 2028.

24 (11) The funds allocated under this section for 2024-2025 are  
25 a work project appropriation, and any unexpended funds for 2024-  
26 2025 are carried forward into 2025-2026. The purpose of the work  
27 project is to continue to implement the READ innovation competition  
28 and provide payments to districts implementing innovative literacy  
29 initiatives. The estimated completion date of the work project is



1 September 30, 2027.

2 (12) As used in this section:

3 (a) "Literacy commission" means a commission or committee  
4 selected or assembled by the department for the purposes of  
5 administering this section.

6 (b) "READ innovation competition" means the reading excellence  
7 and advancing district innovation competition.

8 Sec. 39. (1) An eligible applicant receiving funds under  
9 section 32d shall submit an application, in a form and manner  
10 prescribed by the department of lifelong education, advancement,  
11 and potential, by a date specified by the department of lifelong  
12 education, advancement, and potential in the immediately preceding  
13 fiscal year. An eligible applicant is not required to amend the  
14 applicant's current accounting cycle or adopt this state's fiscal  
15 year accounting cycle in accounting for financial transactions  
16 under this section. The application must include all of the  
17 following:

18 (a) The estimated total number of children in the community  
19 who meet the criteria of section 32d and the total number of age-  
20 eligible children in the community, as provided to the applicant by  
21 the department of lifelong education, advancement, and potential  
22 utilizing the most recent population data available from the  
23 American Community Survey conducted by the United States Census  
24 Bureau. The department of lifelong education, advancement, and  
25 potential shall ensure that it provides updated American Community  
26 Survey population data at least once every 3 years.

27 (b) The estimated number of children in the community who meet  
28 the criteria of section 32d and are being served exclusively by  
29 Head Start programs operating in the community.



(c) The number of children whom the applicant has the capacity to serve who meet the criteria of section 32d including a verification of physical facility and staff resources capacity.

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

(3) The initial allocation to each eligible applicant under section 32d is the lesser of the following:

(a) The sum of the number of children served in a school-day program in the preceding school year multiplied by ~~\$9,608.00,~~ **\$10,185.00**, the number of children served in a GSRP extended program in the preceding school year multiplied by ~~\$11,530.00,~~ and **\$12,222.00**, the number of children served in a GSRP/Head Start **school-day** blended program or a part-day program in the preceding school year multiplied by ~~\$4,804.00.~~ **\$5,093.00, and the number of children served in a GSRP/Head Start extended blended program in the preceding school year multiplied by \$6,111.00.**

(b) The sum of the number of children the applicant has the capacity to serve in the current school year in a school-day program multiplied by ~~\$9,608.00,~~ **\$10,185.00**, the number of children served in a GSRP extended program the applicant has the capacity to serve in the current school year multiplied by ~~\$11,530.00,~~ and **\$12,222.00**, the number of children served in a GSRP/Head Start



1 **school-day** blended program or a part-day program the applicant has  
 2 the capacity to serve in the current school year multiplied by  
 3 ~~\$4,804.00~~ **\$5,093.00, and the number of children served in a**  
 4 **GSRP/Head Start extended blended program the applicant has the**  
 5 **capacity to serve in the current school year multiplied by**  
 6 **\$6,111.00.**

7 (4) If funds remain after the allocations under subsection  
 8 (3), the department **of lifelong education, advancement, and**  
 9 **potential** shall distribute the remaining funds to each intermediate  
 10 district or consortium of intermediate districts that serves less  
 11 than the state percentage benchmark determined under subsection  
 12 (5). The department **of lifelong education, advancement, and**  
 13 **potential** shall distribute these remaining funds to each eligible  
 14 applicant based upon each applicant's proportionate share of the  
 15 remaining unserved children necessary to meet the statewide  
 16 percentage benchmark in intermediate districts or consortia of  
 17 intermediate districts serving less than the statewide percentage  
 18 benchmark. When all applicants have been given the opportunity to  
 19 reach the statewide percentage benchmark, the statewide percentage  
 20 benchmark may be reset, as determined by the department **of lifelong**  
 21 **education, advancement, and potential**, until greater equity of  
 22 opportunity to serve eligible children across all intermediate  
 23 school districts has been achieved.

24 (5) For the purposes of subsection (4), the department **of**  
 25 **lifelong education, advancement, and potential** shall calculate a  
 26 percentage of children served by each intermediate district or  
 27 consortium of intermediate districts by adding the number of  
 28 children served in the immediately preceding year by that  
 29 intermediate district or consortium with the number of eligible



1 children under section 32d served exclusively by Head Start, as  
2 reported in a form and manner prescribed by the department **of**  
3 **lifelong education, advancement, and potential**, within the  
4 intermediate district or consortia service area and dividing that  
5 total by the total number of children within the intermediate  
6 district or consortium of intermediate districts who meet the  
7 criteria of section 32d as determined by the department **of lifelong**  
8 **education, advancement, and potential** utilizing the most recent  
9 population data available from the American Community Survey  
10 conducted by the United States Census Bureau. The department **of**  
11 **lifelong education, advancement, and potential** shall compare the  
12 resulting percentage of eligible children served to a statewide  
13 percentage benchmark to determine if the intermediate district or  
14 consortium is eligible for additional funds under subsection (4).  
15 The statewide percentage benchmark is 100%.

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

23 (7) The department **of lifelong education, advancement, and**  
24 **potential** shall review the program components under section 32d and  
25 under this section at least biennially. The department **of lifelong**  
26 **education, advancement, and potential** also shall convene a  
27 committee of internal and external stakeholders at least once every  
28 5 years to ensure that the funding structure under this section  
29 reflects current system needs under section 32d.



(8) As used in this section, "GSRP/Head Start blended program", "GSRP extended program", "part-day program", and "school-day program" mean those terms as defined in section 32d.

Sec. 39a. (1) From the federal funds appropriated in section 11, there is allocated for ~~2022-2023 to districts, intermediate districts, and other eligible entities all available federal funding, estimated at \$782,600,000.00, and there is allocated for 2023-2024~~ **2024-2025** to districts, intermediate districts, and other eligible entities all available federal funding, estimated at \$754,700,000.00, for the federal programs under the no child left behind act of 2001, Public Law 107-110, or the every student succeeds act, Public Law 114-95. These funds are allocated as follows:

(a) An amount estimated at ~~\$1,200,000.00 for 2022-2023 and \$1,200,000.00 for 2023-2024~~ **2024-2025** to provide students with drug- and violence-prevention programs and to implement strategies to improve school safety, funded from DED-OESE, drug-free schools and communities funds.

(b) An amount estimated at ~~\$100,000,000.00 for 2022-2023 and \$100,000,000.00 for 2023-2024~~ **2024-2025** for the purpose of preparing, training, and recruiting high-quality teachers and class size reduction, funded from DED-OESE, improving teacher quality funds.

(c) An amount estimated at ~~\$13,000,000.00 for 2022-2023 and \$13,000,000.00 for 2023-2024~~ **2024-2025** for programs to teach English to limited English proficient (LEP) children, funded from DED-OESE, language acquisition state grant funds.

(d) An amount estimated at ~~\$2,800,000.00 for 2022-2023 and \$2,800,000.00 for 2023-2024~~ **2024-2025** for rural and low-income



1 schools, funded from DED-OESE, rural and low income school funds.

2 (e) An amount estimated at ~~\$535,000,000.00 for 2022-2023 and~~  
3 \$535,000,000.00 for ~~2023-2024~~ **2024-2025** to provide supplemental  
4 programs to enable educationally disadvantaged children to meet  
5 challenging academic standards, funded from DED-OESE, title I,  
6 disadvantaged children funds.

7 (f) An amount estimated at ~~\$9,200,000.00 for 2022-2023 and~~  
8 \$9,200,000.00 for ~~2023-2024~~ **2024-2025** for the purpose of  
9 identifying and serving migrant children, funded from DED-OESE,  
10 title I, migrant education funds.

11 (g) An amount estimated at ~~\$40,400,000.00 for 2022-2023 and~~  
12 \$40,400,000.00 for ~~2023-2024~~ **2024-2025** for the purpose of providing  
13 high-quality extended learning opportunities, after school and  
14 during the summer, for children in low-performing schools, funded  
15 from DED-OESE, twenty-first century community learning center  
16 funds.

17 (h) An amount estimated at ~~\$14,000,000.00 for 2022-2023 and~~  
18 \$14,000,000.00 for ~~2023-2024~~ **2024-2025** to help support local school  
19 improvement efforts, funded from DED-OESE, title I, local school  
20 improvement grants.

21 (i) An amount estimated at ~~\$35,000,000.00 for 2022-2023 and~~  
22 \$35,000,000.00 for ~~2023-2024~~ **2024-2025** to improve the academic  
23 achievement of students, funded from DED-OESE, title IV, student  
24 support and academic enrichment grants.

25 (j) An amount estimated at ~~\$3,100,000.00 for 2022-2023 and~~  
26 \$3,100,000.00 for ~~2023-2024~~ **2024-2025** for literacy programs that  
27 advance literacy skills for students from birth through grade 12,  
28 including, but not limited to, English-proficient students and  
29 students with disabilities, funded from DED-OESE, striving readers





1 comprehensive literacy program.

2 ~~(k) An amount estimated at \$27,900,000.00 for 2022-2023 only~~  
 3 ~~to establish safer and healthier learning environments, and to~~  
 4 ~~prevent and respond to acts of bullying, violence, and hate that~~  
 5 ~~impact school communities at individual and systemic levels, funded~~  
 6 ~~from DED-OESE, stronger connections grant program.~~

7 **(k)** ~~(l)~~ An amount estimated at \$1,000,000.00 for 2022-2023 and  
 8 an amount estimated at \$1,000,000.00 for 2023-2024 **2024-2025** for  
 9 grants to support and demonstrate innovative partnerships to train  
 10 school-based mental health service providers, funded from DED-OESE,  
 11 mental health service professional demonstration grant program.

12 (2) From the federal funds appropriated in section 11, there  
 13 is allocated to districts, intermediate districts, and other  
 14 eligible entities all available federal funding, estimated at  
 15 ~~\$60,500,000.00 for 2022-2023 and estimated at \$60,500,000.00 for~~  
 16 ~~2023-2024~~ **2024-2025** for the following programs that are funded by  
 17 federal grants:

18 (a) An amount estimated at ~~\$3,000,000.00 for 2022-2023 and~~  
 19 \$3,000,000.00 for 2023-2024 **2024-2025** to provide services to  
 20 homeless children and youth, funded from DED-OVAE, homeless  
 21 children and youth funds.

22 (b) An amount estimated at ~~\$24,000,000.00 for 2022-2023 and~~  
 23 \$24,000,000.00 for 2023-2024 **2024-2025** for providing career and  
 24 technical education services to pupils, funded from DED-OVAE, basic  
 25 grants to states.

26 (c) An amount estimated at ~~\$14,000,000.00 for 2022-2023 and~~  
 27 \$14,000,000.00 for 2023-2024 **2024-2025** for the Michigan charter  
 28 school subgrant program, funded from DED-OII, public charter  
 29 schools program funds.



(d) An amount estimated at ~~\$18,000,000.00 for 2022-2023 and~~  
 \$18,000,000.00 for ~~2023-2024~~ **2024-2025** for the purpose of promoting  
 and expanding high-quality preschool services, funded from HHS-OCC,  
 preschool development funds.

(e) An amount estimated at ~~\$1,500,000.00 for 2022-2023 and~~  
 \$1,500,000.00 for ~~2023-2024~~ **2024-2025** for the purpose of addressing  
 priority substance abuse treatment, prevention, and mental health  
 needs, funded from HHS-SAMHSA.

(3) The department, **or, for subsections (1)(g) and (2)(d), the**  
**department of lifelong education, advancement, and potential,** shall  
 distribute all federal funds allocated under this section in  
 accordance with federal law and with flexibility provisions  
 outlined in Public Law 107-116, and in the education flexibility  
 partnership act of 1999, Public Law 106-25. Notwithstanding section  
 17b, the department **or the department of lifelong education,**  
**advancement, and potential, as applicable,** shall make payments of  
 federal funds to districts, intermediate districts, and other  
 eligible entities under this section on a schedule determined by  
 the department.

(4) For the purposes of applying for federal grants  
 appropriated under this article, the department, **or, for**  
**subsections (1)(g) and (2)(d), the department of lifelong**  
**education, advancement, and potential,** shall allow an intermediate  
 district to submit a consortium application on behalf of 2 or more  
 districts with the agreement of those districts as appropriate  
 according to federal rules and guidelines.

(5) For the purposes of funding federal title I grants under  
 this article, in addition to any other federal grants for which the  
 strict discipline academy is eligible, the department, **or, for**



**subsections (1)(g) and (2)(d), the department of lifelong education, advancement, and potential,** shall allocate to a strict discipline academy out of title I, part A an amount equal to what the strict discipline academy would have received if included and calculated under title I, part D, or what it would receive under the formula allocation under title I, part A, whichever is greater.

(6) As used in this section:

(a) "DED" means the United States Department of Education.

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

(c) "DED-OII" means the DED Office of Innovation and Improvement.

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

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

(f) "HHS-OCC" means the HHS Office of Child Care.

(g) "HHS-SAMHSA" means the HHS Substance Abuse and Mental Health Services Project.

Sec. 41. (1) For a district to be eligible to receive funding under this section, the district must administer to English language learners the English language proficiency assessment known as the "WIDA ACCESS for English language learners" or the "WIDA Alternate ACCESS". From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$39,766,500.00~~ **\$50,186,100.00** for ~~2023-2024~~ **2024-2025** for payments to eligible districts for services for English language learners who have been administered the WIDA ACCESS for English language learners.



(2) The department shall distribute funding allocated under subsection (1) to eligible districts based on the number of full-time equivalent English language learners as follows:

(a) ~~\$1,476.00~~ **\$1,863.00** per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 1.0 and 1.9, or less, as applicable to each assessment. It is the intent of the legislature to increase this amount until it reaches 75% of the target foundation allowance.

(b) ~~\$1,019.00~~ **\$1,286.00** per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 2.0 and 2.9, or less, as applicable to each assessment. It is the intent of the legislature to increase this amount until it reaches 50% of the target foundation allowance.

(c) ~~\$167.00~~ **\$210.00** per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 3.0 and 3.9, or less, as applicable to each assessment. It is the intent of the legislature to increase this amount until it reaches 35% of the target foundation allowance.

(3) If funds allocated under subsection (1) are insufficient to fully fund the payments as prescribed under subsection (2), the department shall prorate payments on an equal percentage basis, with the same percentage proration applied to all funding categories.



1           (4) By October 15 of the fiscal year following the receipt of  
2 funding under subsection (1), each district receiving funds under  
3 subsection (1) shall submit to the department a report, not to  
4 exceed 10 pages, on the usage by the district of funds under  
5 subsection (1) in a form and manner determined by the department,  
6 including a brief description of each program conducted or services  
7 performed by the district using funds under subsection (1) and the  
8 amount of funds under subsection (1) allocated to each of those  
9 programs or services. If a district does not comply with this  
10 subsection, the department shall withhold an amount equal to the  
11 December payment due under this section until the district complies  
12 with this subsection. If the district does not comply with this  
13 subsection by the end of the fiscal year, the withheld funds are  
14 forfeited to the state school aid fund.

15           (5) ~~In order to~~ **To** receive funds under subsection (1), a  
16 district must allow access for the department or the department's  
17 designee to audit all records related to the program for which it  
18 receives those funds. The district shall reimburse this state for  
19 all disallowances found in the audit.

20           (6) Beginning July 1, 2020, and every 3 years thereafter, the  
21 department shall review the per-pupil distribution under subsection  
22 (2), to ensure that funding levels are appropriate and make  
23 recommendations for adjustments to the members of the senate and  
24 house subcommittees on K to 12 school aid appropriations.

25           **(7) By not later than March 1, 2025, the department shall**  
26 **establish English language learner program models that establish a**  
27 **minimum number of minutes per week that districts must provide**  
28 **direct English language development instruction for students**  
29 **according to the student's proficiency levels. These models must be**



1 compliant with federal requirements related to English language  
 2 learner program services. It is the intent of the legislature that,  
 3 beginning in 2025-2026, to be considered an eligible recipient of  
 4 funding under this section, a district must agree to meet or exceed  
 5 the minimum number of minutes per week, as determined by the  
 6 department, that the district provides direct English language  
 7 development instruction.

8 Sec. 41b. From the state school aid fund money appropriated in  
 9 section 11, there is allocated for ~~2023-2024~~**2024-2025** only an  
 10 amount not to exceed ~~\$1,500,000.00~~**\$1,000,000.00** for KEYS Grace  
 11 Academy to, in partnership with Kalasho Education and Youth  
 12 Services, provide English-as-a-second-language services, provide  
 13 early childhood learning, improve progress toward high school  
 14 graduation attainment, and provide K to 12 education-support  
 15 services to legal immigrants.

16 Sec. 51a. (1) From the state school aid fund money in section  
 17 11, there is allocated an amount not to exceed ~~\$1,593,296,100.00~~  
 18 **\$1,822,546,100.00** for ~~2022-2023~~**2023-2024** and there is allocated an  
 19 amount not to exceed ~~\$1,694,646,100.00~~**\$2,064,096,100.00** for ~~2023-~~  
 20 ~~2024~~**2024-2025** from state sources and all available federal funding  
 21 under sections 1411 to 1419 of part B of the individuals with  
 22 disabilities education act, 20 USC 1411 to 1419, estimated at  
 23 \$390,000,000.00 for ~~2022-2023~~**2023-2024** and ~~\$390,000,000.00~~  
 24 **\$450,000,000.00** for ~~2023-2024~~**2024-2025**, plus any carryover  
 25 federal funds from previous year appropriations. In addition, from  
 26 the state school aid fund money in section 11, there is allocated  
 27 an amount not to exceed \$76,150,000.00 for 2023-2024 only to  
 28 supplement the allocations in this section. The allocations under  
 29 this subsection are for the purpose of reimbursing districts and



intermediate districts for special education programs, services, and special education personnel as prescribed in article 3 of the revised school code, MCL 380.1701 to 380.1761; net tuition payments made by intermediate districts to the Michigan Schools for the Deaf and Blind; and special education programs and services for pupils who are eligible for special education programs and services according to statute or rule. For meeting the costs of special education programs and services not reimbursed under this article, a district or intermediate district may use money in general funds or special education funds, not otherwise restricted, or contributions from districts to intermediate districts, tuition payments, gifts and contributions from individuals or other entities, or federal funds that may be available for this purpose, as determined by the intermediate district plan prepared under article 3 of the revised school code, MCL 380.1701 to 380.1761. Notwithstanding section 17b, the department shall make payments of federal funds to districts, intermediate districts, and other eligible entities under this section on a schedule determined by the department.

(2) From the funds allocated under subsection (1), there is allocated the amount necessary, estimated at ~~\$357,400,000.00~~ **\$404,200,000.00** for ~~2022-2023~~ **2023-2024** and estimated at ~~\$368,000,000.00~~ **\$456,800,000.00** for ~~2023-2024~~ **2024-2025**, for payments toward reimbursing districts and intermediate districts for 28.6138% of total approved costs of special education, excluding costs reimbursed under section 53a, and 70.4165% of total approved costs of special education transportation. ~~Allocations under this subsection are made as follows:~~

~~(a) For 2022-2023, the department shall calculate the initial~~



~~amount allocated to a district under this subsection toward fulfilling the specified percentages by multiplying the district's special education pupil membership, excluding pupils described in subsection (11), times 25% of the foundation allowance under section 20 of the pupil's district of residence, plus 25% of the amount of the district's per-pupil allocation under section 20m, not to exceed 25% of the target foundation allowance for the current fiscal year, or, for a special education pupil in membership in a district that is a public school academy, times an amount equal to 25% of the amount per membership pupil calculated under section 20(6). For an intermediate district, the amount allocated under this subdivision toward fulfilling the specified percentages is an amount per special education membership pupil, excluding pupils described in subsection (11), and is calculated in the same manner as for a district, using 25% of the foundation allowance under section 20 of the pupil's district of residence, not to exceed 25% of the target foundation allowance for the current fiscal year, and that district's per-pupil allocation under section 20m.~~

~~(b) For 2022-2023, after the allocation under subdivision (a), the department shall pay a district or intermediate district for which the payments calculated under subdivision (a) do not fulfill the specified percentages the amount necessary to achieve the specified percentages for the district or intermediate district.~~

~~(c) Beginning in 2023-2024, subdivisions (a) and (b) no longer apply.~~

~~(3) From the funds allocated under subsection (1), there is allocated for 2022-2023 an amount not to exceed \$1,000,000.00 and there is allocated for 2023-2024 an amount not to exceed~~





~~\$1,000,000.00 to make payments to districts and intermediate districts under this subsection. If the amount allocated to a district or intermediate district for the fiscal year under subsection (2) is less than the sum of the amounts allocated to the district or intermediate district for 1996-97 under sections 52 and 58, there is allocated to the district or intermediate district for the fiscal year an amount equal to that difference, adjusted by applying the same proration factor that was used in the distribution of funds under section 52 in 1996-97 as adjusted to the district's or intermediate district's necessary costs of special education used in calculations for the fiscal year. This adjustment is to reflect reductions in special education program operations or services between 1996-97 and subsequent fiscal years. The department shall make adjustments for reductions in special education program operations or services in a manner determined by the department and shall include adjustments for program or service shifts.~~

(3) ~~(4)~~ If the department determines that the ~~sum of the~~ amounts ~~amount~~ allocated for a fiscal year to a district or intermediate district under subsection (2) is ~~not sufficient~~ **insufficient** to fulfill the specified percentages in subsection (2), the department shall pay the shortfall to the district or intermediate district during the fiscal year beginning on the October 1 following the determination. ~~and shall adjust payments under subsection (3) as necessary.~~ If the department determines that the ~~sum of the amounts~~ **amount** allocated for a fiscal year to a district or intermediate district under subsection (2) exceeds the sum of the amount necessary to fulfill the specified percentages in subsection (2), the department shall deduct the amount of the



1 excess from the district's or intermediate district's payments  
 2 under this article for the fiscal year beginning on the October 1  
 3 following the determination. ~~and shall adjust payments under~~  
 4 ~~subsection (3) as necessary. For 2022-2023, if the amount allocated~~  
 5 ~~under subsection (2)(a) in itself exceeds the amount necessary to~~  
 6 ~~fulfill the specified percentages in subsection (2), there is no~~  
 7 ~~deduction under this subsection.~~

8 (4) ~~(5)~~ State funds are allocated on a total approved cost  
 9 basis. Federal funds are allocated under applicable federal  
 10 requirements.

11 (5) ~~(6)~~ From the amount allocated in subsection (1), there is  
 12 allocated an amount not to exceed ~~\$2,200,000.00~~ **\$3,200,000.00** for  
 13 ~~2022-2023~~ **2023-2024** and there is allocated an amount not to exceed  
 14 ~~\$2,200,000.00~~ **\$3,200,000.00** for ~~2023-2024~~ **2024-2025** to reimburse  
 15 100% of the net increase in necessary costs incurred by a district  
 16 or intermediate district in implementing the revisions in the  
 17 administrative rules for special education that became effective on  
 18 July 1, 1987. As used in this subsection, "net increase in  
 19 necessary costs" means the necessary additional costs incurred  
 20 solely because of new or revised requirements in the administrative  
 21 rules minus cost savings permitted in implementing the revised  
 22 rules. The department shall determine net increase in necessary  
 23 costs in a manner specified by the department.

24 (6) ~~(7)~~ For purposes of this section and sections 51b to 58,  
 25 all of the following apply:

26 (a) "Total approved costs of special education" are determined  
 27 in a manner specified by the department and may include indirect  
 28 costs, but must not exceed 115% of approved direct costs for  
 29 section 52 and section 53a programs. The total approved costs



1 include salary and other compensation for all approved special  
2 education personnel for the program, including payments for Social  
3 Security and Medicare and public school employee retirement system  
4 contributions. The total approved costs do not include salaries or  
5 other compensation paid to administrative personnel who are not  
6 special education personnel as that term is defined in section 6 of  
7 the revised school code, MCL 380.6. Costs reimbursed by federal  
8 funds, other than those federal funds included in the allocation  
9 made under this article, are not included. Special education  
10 approved personnel not utilized full time in the evaluation of  
11 students or in the delivery of special education programs,  
12 ancillary, and other related services are reimbursed under this  
13 section only for that portion of time actually spent providing  
14 these programs and services, with the exception of special  
15 education programs and services provided to youth placed in child  
16 caring institutions or juvenile detention programs approved by the  
17 department to provide an on-grounds education program.

18 ~~(b) A district or intermediate district that employed special~~  
19 ~~education support services staff to provide special education~~  
20 ~~support services in 2003-2004 or in a subsequent fiscal year and~~  
21 ~~that in a fiscal year after 2003-2004 receives the same type of~~  
22 ~~support services from another district or intermediate district~~  
23 ~~shall report the cost of those support services for special~~  
24 ~~education reimbursement purposes under this article. This~~  
25 ~~subdivision does not prohibit the transfer of special education~~  
26 ~~classroom teachers and special education classroom aides if the~~  
27 ~~pupils counted in membership associated with those special~~  
28 ~~education classroom teachers and special education classroom aides~~  
29 ~~are transferred and counted in membership in the other district or~~

~~intermediate district in conjunction with the transfer of those teachers and aides.~~

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

**(b)** ~~(d)~~ Reimbursement for ancillary and other related services, as that term is defined by R 340.1701c of the Michigan Administrative Code, is not provided when those services are covered by and available through private group health insurance carriers or federal reimbursed program sources unless the department and district or intermediate district agree otherwise and that agreement is approved by the state budget director. Expenses, other than the incidental expense of filing, must not be



1 borne by the parent. In addition, the filing of claims must not  
2 delay the education of a pupil. A district or intermediate district  
3 is responsible for payment of a deductible amount and for an  
4 advance payment required until the time a claim is paid.

5 (c) ~~(e)~~—If an intermediate district purchases a special  
6 education pupil transportation service from a constituent district  
7 that was previously purchased from a private entity; if the  
8 purchase from the constituent district is at a lower cost, adjusted  
9 for changes in fuel costs; and if the cost shift from the  
10 intermediate district to the constituent does not result in any net  
11 change in the revenue the constituent district receives from  
12 payments under sections 22b and 51c, then upon application by the  
13 intermediate district, the department shall direct the intermediate  
14 district to continue to report the cost associated with the  
15 specific identified special education pupil transportation service  
16 and shall adjust the costs reported by the constituent district to  
17 remove the cost associated with that specific service.

18 (7) ~~(8)~~—A pupil who is enrolled in a full-time special  
19 education program conducted or administered by an intermediate  
20 district or a pupil who is enrolled in the Michigan Schools for the  
21 Deaf and Blind is not included in the membership count of a  
22 district, but is counted in membership in the intermediate district  
23 of residence.

24 (8) ~~(9)~~—Special education personnel transferred from 1  
25 district to another to implement the revised school code are  
26 entitled to the rights, benefits, and tenure to which the  
27 individual would otherwise be entitled had that individual been  
28 employed by the receiving district originally.

29 (9) ~~(10)~~—If a district or intermediate district uses money



received under this section for a purpose other than the purpose or purposes for which the money is allocated, the department may require the district or intermediate district to refund the amount of money received. The department shall deposit money that is refunded in the state treasury to the credit of the state school aid fund.

(10) ~~(11)~~ From the funds allocated in subsection (1), there is allocated the amount necessary, estimated at ~~\$2,000,000.00~~ **\$1,700,000.00** for ~~2022-2023~~ **2023-2024** and estimated at ~~\$2,000,000.00~~ **\$1,700,000.00** for ~~2023-2024~~ **2024-2025**, to pay the foundation allowances for pupils described in this subsection. The department shall calculate the allocation to a district under this subsection by multiplying the number of pupils described in this subsection who are counted in membership in the district times the sum of the foundation allowance under section 20 of the pupil's district of residence, plus the amount of the district's per-pupil allocation under section 20m, not to exceed the target foundation allowance for the current fiscal year, or, for a pupil described in this subsection who is counted in membership in a district that is a public school academy, times an amount equal to the amount per membership pupil under section 20(6). The department shall calculate the allocation to an intermediate district under this subsection in the same manner as for a district, using the foundation allowance under section 20 of the pupil's district of residence not to exceed the target foundation allowance for the current fiscal year and that district's per-pupil allocation under section 20m. This subsection applies to all of the following pupils:

(a) Pupils described in section 53a.



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

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

**(11)** ~~(12)~~—If it is determined that funds allocated under subsection (2) or ~~(11)~~ **(10)** or under section 51c will not be expended, funds up to the amount necessary and available may be used to supplement the allocations under subsection (2) or ~~(11)~~ **(10)** or under section 51c ~~in order~~ to fully fund those allocations. After payments under subsections (2) and ~~(11)~~ **(10)** and section 51c, the department shall expend the remaining funds from the allocation in subsection (1) in the following order:

(a) One hundred percent of the reimbursement required under section 53a.

(b) One hundred percent of the reimbursement required under subsection ~~(6)~~ **(5)**.

(c) One hundred percent of the payment required under section 54.

~~(d) One hundred percent of the payment required under subsection (3).~~

**(d)** ~~(e)~~—One hundred percent of the payments under section 56.

**(12)** ~~(13)~~—The allocations under subsections (2) ~~, (3), and (11)~~ **(10)** are allocations to intermediate districts only and are not allocations to districts, but instead are calculations used only to determine the state payments under section 22b.

**(13)** ~~(14)~~—If a public school academy that is not a cyber



1 school, as that term is defined in section 551 of the revised  
2 school code, MCL 380.551, enrolls under this section a pupil who  
3 resides outside of the intermediate district in which the public  
4 school academy is located and who is eligible for special education  
5 programs and services according to statute or rule, or who is a  
6 child with a disability, as that term is defined under the  
7 individuals with disabilities education act, Public Law 108-446,  
8 the intermediate district in which the public school academy is  
9 located and the public school academy shall enter into a written  
10 agreement with the intermediate district in which the pupil resides  
11 for the purpose of providing the pupil with a free appropriate  
12 public education, and the written agreement must include at least  
13 an agreement on the responsibility for the payment of the added  
14 costs of special education programs and services for the pupil. If  
15 the public school academy that enrolls the pupil does not enter  
16 into an agreement under this subsection, the public school academy  
17 shall not charge the pupil's resident intermediate district or the  
18 intermediate district in which the public school academy is located  
19 the added costs of special education programs and services for the  
20 pupil, and the public school academy is not eligible for any  
21 payouts based on the funding formula outlined in the resident or  
22 nonresident intermediate district's plan. If a pupil is not  
23 enrolled in a public school academy under this subsection, the  
24 provision of special education programs and services and the  
25 payment of the added costs of special education programs and  
26 services for a pupil described in this subsection are the  
27 responsibility of the district and intermediate district in which  
28 the pupil resides.

29 (14) ~~(15)~~ For the purpose of receiving its federal allocation





under part B of the individuals with disabilities education act, Public Law 108-446, a public school academy that is a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, and is in compliance with section 553a of the revised school code, MCL 380.553a, directly receives the federal allocation under part B of the individuals with disabilities education act, Public Law 108-446, from the intermediate district in which the cyber school is located, as the subrecipient. If the intermediate district does not distribute the funds described in this subsection to the cyber school by the part B application due date of July 1, the department may distribute the funds described in this subsection directly to the cyber school according to the formula prescribed in 34 CFR 300.705 and 34 CFR 300.816. Beginning July 1, 2021, this subsection is subject to section 8c. It is the intent of the legislature that the immediately preceding sentence apply retroactively and is effective July 1, 2021.

**(15)** ~~(16)~~ For a public school academy that is a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, and is in compliance with section 553a of the revised school code, MCL 380.553a, that enrolls a pupil under this section, the intermediate district in which the cyber school is located shall ensure that the cyber school complies with sections 1701a, 1703, 1704, 1751, 1752, 1756, and 1757 of the revised school code, MCL 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756, and 380.1757; applicable rules; and the individuals with disabilities education act, Public Law 108-446. Beginning July 1, 2021, this subsection is subject to section 8c. It is the intent of the legislature that the immediately preceding sentence apply retroactively and is effective July 1, 2021.



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

Sec. 51c. As required by the court in the consolidated cases known as *Durant v State of Michigan*, 456 Mich 175 (1997), from the allocation under section 51a(1), there is allocated for ~~2022-2023~~ **2023-2024** and for ~~2023-2024~~, **2024-2025**, the amount necessary, estimated at ~~\$793,400,000.00~~ **\$903,300,000.00** for ~~2022-2023~~ **2023-2024** and ~~\$820,000,000.00~~ **\$1,016,400,000.00** for ~~2023-2024~~, **2024-2025**, for payments to reimburse districts for 28.6138% of total approved costs of special education excluding costs reimbursed under section 53a, and 70.4165% of total approved costs of special education transportation. Funds allocated under this section that are not expended in the fiscal year for which they were allocated, as determined by the department, may be used to supplement the allocations under sections 22a and 22b to fully fund those allocations for the same fiscal year.

Sec. 51d. (1) From the federal funds appropriated in section 11, there is allocated for 2023-2024 all available federal funding, estimated at ~~\$71,000,000.00~~, **\$72,000,000.00**, and there is allocated **for 2024-2025 all available federal funding, estimated at \$83,000,000.00**, for special education programs and services that are funded by federal grants. The department shall distribute all federal funds allocated under this section in accordance with federal law. Notwithstanding section 17b, the department shall make payments of federal funds to districts, intermediate districts, and other eligible entities under this section on a schedule determined by the department.



(2) From the federal funds allocated under subsection (1), the following amounts are allocated:

(a) For 2023-2024, an amount estimated at **\$15,000,000.00 and for 2024-2025, an amount estimated at \$14,000,000.00** for handicapped infants and toddlers, funded from DED-OSERS, handicapped infants and toddlers funds.

(b) For 2023-2024, an amount estimated at \$14,000,000.00 **and for 2024-2025, an amount estimated at \$14,000,000.00** for preschool grants under Public Law 94-142, funded from DED-OSERS, handicapped preschool incentive funds.

(c) For 2023-2024, **an amount estimated at \$43,000,000.00 and for 2024-2025, an amount estimated at \$43,000,000.00-\$55,000,000.00** for special education programs funded by DED-OSERS, handicapped program, individuals with disabilities act funds.

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

Sec. 51e. (1) From the allocation under section 51a(1), there is allocated for ~~2022-2023~~ **2023-2024** the amount necessary, estimated at ~~\$350,900,000.00~~ **\$499,900,000.00** for ~~2022-2023, 2023-2024 and \$499,600,000.00 for 2024-2025~~, for payments to districts and intermediate districts ~~for 75% of foundation allowance costs associated with special education pupils, and there is allocated for 2023-2024 the amount necessary, estimated at \$491,200,000.00 for 2023-2024, for payments to districts and intermediate districts~~ for 100% of foundation allowance costs associated with special education pupils.

~~(2) For 2022-2023, the department shall calculate the amount allocated to a district under this section by multiplying the~~



~~district's special education pupil membership, excluding pupils described in section 51a(11), times 75% of the foundation allowance under section 20 of the pupil's district of residence, plus 75% of the amount of the district's per-pupil allocation under section 20m, not to exceed 75% of the target foundation allowance for the current fiscal year, or, for a special education pupil in membership in a district that is a public school academy, times an amount equal to 75% of the amount per membership pupil calculated under section 20(6). For an intermediate district, the amount allocated under this subsection is an amount per special education membership pupil, excluding pupils described in section 51a(11), and is calculated in the same manner as for a district, using 75% of the foundation allowance under section 20 of the pupil's district of residence, not to exceed 75% of the target foundation allowance for the current fiscal year, and 75% of that district's per-pupil allocation under section 20m.~~

(2) ~~(3)~~ Beginning in 2023-2024, the ~~The~~ department shall calculate the amount allocated to a district under this section by multiplying the district's special education pupil membership, excluding pupils described in section 51a(11), times 100% of the foundation allowance under section 20 of the pupil's district of residence, plus 100% of the amount of the district's per-pupil allocation under section 20m, not to exceed 100% of the target foundation allowance for the current fiscal year, or, for a special education pupil in membership in a district that is a public school academy, times an amount equal to 100% of the amount per membership pupil calculated under section 20(6). For an intermediate district, the amount allocated under this subsection is an amount per special education membership pupil, excluding pupils described in section



51a(11), and is calculated in the same manner as for a district, using 100% of the foundation allowance under section 20 of the pupil's district of residence, not to exceed 100% of the target foundation allowance for the current fiscal year, and 100% of that district's per-pupil allocation under section 20m.

Sec. 51g. From the general fund money appropriated in section 11, \$3,000,000.00 is allocated for ~~2023-2024~~**2024-2025** to an association for administrators of special education services to develop content for use by special education students, teachers, and others. Any content that is developed as described in this section must be accessible throughout this state. Funds received by an association under this section may be used to support the development of assessment tools to measure the needs of students with special education needs in remote learning environments and the effectiveness of various educational methods and tools, in collaboration with the department. Funds under this section may also be utilized to identify any available federal funds for research related to special education in remote learning.

**Sec. 51h. (1) From the general fund money appropriated in section 11, there is allocated for 2024-2025 only \$500,000.00 to Clinton County RESA to partner with an independent entity that has extensive experience in school finance, including the opportunity index, to conduct research, interviews, data collection, analysis, and financial modeling to develop an implementation framework that outlines the cost of fully providing special education services and supports to students with disabilities through the application of an equity-driven model.**

**(2) The study described in subsection (1) must include key areas of school finance related to the education costs of students**



1 with disabilities. The study must provide objective guidance to the  
2 legislature regarding both of the following:

3 (a) Modeling analysis of a weighted funding formula related to  
4 students with disabilities to determine accurate cost estimates to  
5 fully fund special education according to consensus-built weighted  
6 multipliers.

7 (b) Policy and implementation recommendations based on an  
8 equitable framework that considers the intersection with the  
9 opportunity index and that will improve how this state funds  
10 students with disabilities.

11 (3) Within 30 days after the completion of the study, the  
12 independent entity shall issue a report with its findings to the  
13 department, the house and senate fiscal agencies, the state budget  
14 director, the senate appropriations subcommittee on pre-K to 12,  
15 the house appropriations subcommittee on school aid and education,  
16 and the house and senate standing committees responsible for  
17 education legislation.

18 (4) Within 60 days after the completion of the study, the  
19 independent entity shall make its findings available on a publicly  
20 available website.

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

24 Sec. 53a. (1) For districts, reimbursement for pupils  
25 described in subsection (2) is 100% of the total approved costs of  
26 operating special education programs and services approved by the  
27 department and included in the intermediate district plan adopted  
28 under article 3 of the revised school code, MCL 380.1701 to  
29 380.1761, minus the district's foundation allowance calculated



1 under section 20 and minus the district's per-pupil allocation  
2 under section 20m. For intermediate districts, the department shall  
3 calculate reimbursement for pupils described in subsection (2) in  
4 the same manner as for a district, using the foundation allowance  
5 under section 20 of the pupil's district of residence, not to  
6 exceed the target foundation allowance under section 20 for the  
7 current fiscal year plus the amount of the district's per-pupil  
8 allocation under section 20m.

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

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

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

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

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

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

29 (3) Only those costs that are clearly and directly



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

5 (4) The costs of transportation are funded under this section  
 6 and are not reimbursed under section 58.

7 (5) The department shall not allocate more than \$10,500,000.00  
 8 of the allocation for ~~2023-2024~~ **2024-2025** in section 51a(1) under  
 9 this section.

10 Sec. 54. Each intermediate district receives an amount per  
 11 pupil for each pupil in attendance at the Michigan Schools for the  
 12 Deaf and Blind. The amount is proportionate to the total  
 13 instructional cost at each school. The department shall not  
 14 allocate more than \$1,688,000.00 of the allocation for ~~2023-2024~~  
 15 **2024-2025** in section 51a(1) under this section.

16 Sec. 54b. (1) From the general fund money appropriated in  
 17 section 11, there is allocated an amount not to exceed  
 18 \$1,600,000.00 for ~~2023-2024~~ **2024-2025** to ~~continue~~ **expand** the  
 19 implementation of the ~~recommendations of the special education~~  
 20 ~~reform task force published in January 2016.~~ **literacy and social,**  
 21 **emotional, and behavioral components of a multi-tiered system of**  
 22 **supports, including positive behavioral interventions and supports,**  
 23 **using the MiMTSS Technical Assistance Center.**

24 (2) The department shall use funds allocated under this  
 25 section for the purpose of ~~piloting~~ **expanding the** statewide  
 26 **expertise, technical assistance, and** implementation of the **multi-**  
 27 **tiered system of supports, dyslexia expertise, and evidence-based**  
 28 **instructional practices grounded in the science of reading using**  
 29 **the MiMTSS Technical Assistance Center, a nationally recognized**





1 program. ~~that includes positive behavioral intervention and~~  
 2 ~~supports and provides a statewide structure to support local~~  
 3 ~~initiatives for an integrated behavior and reading program. With~~  
 4 ~~the assistance of the intermediate districts involved in the MiMTSS~~  
 5 ~~Center, the department shall identify a number of intermediate~~  
 6 ~~districts to participate in the pilot that is sufficient to ensure~~  
 7 ~~that the MiMTSS Center can be implemented statewide with fidelity~~  
 8 ~~and sustainability.~~ In addition, the department shall identify an  
 9 intermediate district to act as a fiscal agent for these funds.

10 (3) As used in this section, "**MiMTSS Technical Assistance**  
 11 **Center**" means the Michigan Multi-Tiered System of Supports  
 12 **Technical Assistance Center**.

13 Sec. 54d. (1) From the state school aid fund money  
 14 appropriated in section 11, there is allocated an amount not to  
 15 exceed ~~\$22,313,000.00~~ **\$23,670,700.00** for ~~2023-2024~~ **2024-2025** to  
 16 intermediate districts for the purpose of providing state early on  
 17 services programs for children from birth to 3 years of age with a  
 18 developmental delay or a disability, or both, and their families,  
 19 as described in the early on Michigan state plan, as approved by  
 20 the department **of lifelong education, advancement, and potential**.

21 (2) To be eligible to receive grant funding under this  
 22 section, each intermediate district must apply in a form and manner  
 23 determined by the department **of lifelong education, advancement,**  
 24 **and potential**.

25 (3) The grant funding allocated under this section must be  
 26 used to increase early on services and resources available to  
 27 children that demonstrate developmental delays to help prepare them  
 28 for success as they enter school. State early on services include  
 29 evaluating and providing early intervention services for eligible



1 infants and toddlers and their families to address developmental  
2 delays, including those affecting physical, cognitive,  
3 communication, adaptive, social, or emotional development. Grant  
4 funds must not be used to supplant existing services that are  
5 currently being provided.

6 (4) The department **of lifelong education, advancement, and**  
7 **potential** shall distribute the funds allocated under subsection (1)  
8 to intermediate districts according to the ~~department's~~ **department**  
9 **of lifelong education, advancement, and potential's** early on  
10 funding formula utilized to distribute the federal award to  
11 Michigan under part C of the individuals with disabilities  
12 education act, Public Law 108-446. Funds received under this  
13 section must not supplant existing funds or resources allocated for  
14 early on early intervention services. An intermediate district  
15 receiving funds under this section shall maximize the capture of  
16 Medicaid funds to support early on early intervention services to  
17 the extent possible.

18 (5) Each intermediate district that receives funds under this  
19 section shall report data and other information to the department  
20 **of lifelong education, advancement, and potential** in a form,  
21 manner, and frequency prescribed by the department **of lifelong**  
22 **education, advancement, and potential** to allow for monitoring and  
23 evaluation of the program and to ensure that the children described  
24 in subsection (1) received appropriate levels and types of services  
25 delivered by qualified personnel, based on the individual needs of  
26 the children and their families.

27 (6) Notwithstanding section 17b, the department **of lifelong**  
28 **education, advancement, and potential** shall make payments under  
29 this section on a schedule determined by the department **of lifelong**



**education, advancement, and potential.**

(7) Grant funds awarded and allocated to an intermediate district under this section must be expended by the grant recipient before June 30 of the fiscal year immediately following the fiscal year in which the funds were received.

**Sec. 55. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$500,000.00 for 2024-2025 only to Grand Valley State University to collaborate with the Conductive Learning Center. This funding must be used to support the operational costs of the conductive education model taught at the Conductive Learning Center to maximize the independence and mobility of children and adults with neuromotor disabilities. The conductive education model funded under this section must be based on the concept of neuroplasticity and the ability of people to learn and improve when they are motivated, regardless of the severity of their disability.**

**(2) Notwithstanding section 17b, the department shall distribute the funding allocated under this section to Grand Valley State University by not later than December 1, 2024.**

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

**(a) "Membership" means for a particular fiscal year the total membership of the intermediate district and the districts constituent to the intermediate district, except that if a district has elected not to come under part 30 of the revised school code, MCL 380.1711 to 380.1741, membership of the district is not included in the membership of the intermediate district.**

**(b) "Millage levied" means the millage levied for special education under part 30 of the revised school code, MCL 380.1711 to 380.1741, including a levy for debt service obligations.**



(c) "Taxable value" means the total taxable value of the districts constituent to an intermediate district, except that if a district has elected not to come under part 30 of the revised school code, MCL 380.1711 to 380.1741, taxable value of the district is not included in the taxable value of the intermediate district.

(2) From the allocation under section 51a(1), there is allocated an amount not to exceed \$40,008,100.00 for ~~2022-2023~~ and 2023-2024 **and \$40,008,100.00 for 2024-2025** to reimburse intermediate districts levying millages for special education under part 30 of the revised school code, MCL 380.1711 to 380.1741. The purpose, use, and expenditure of the reimbursement are limited as if the funds were generated by these millages and governed by the intermediate district plan adopted under article 3 of the revised school code, MCL 380.1701 to 380.1761. As a condition of receiving funds under this section, an intermediate district distributing any portion of special education millage funds to its constituent districts must submit for departmental approval and implement a distribution plan.

(3) Except as otherwise provided in this subsection, reimbursement for those millages levied in ~~2021-2022-2022-2023~~ is made in ~~2022-2023-2023-2024~~ at an amount per ~~2021-2022-2022-2023~~ membership pupil computed by subtracting from ~~\$229,600.00~~ **\$241,300.00** the ~~2021-2022-2022-2023~~ taxable value behind each membership pupil and multiplying the resulting difference by the ~~2021-2022-2022-2023~~ millage levied, and then subtracting from that amount the ~~2021-2022-2022-2023~~ local community stabilization share revenue for special education purposes and ~~2021-2022-2022-2023~~ tax increment revenues captured by a brownfield redevelopment authority



created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670. For the purposes of the calculation described in the previous sentence only, for an intermediate district receiving funds under this section and section 62, reimbursements paid under section 26d must be multiplied by the ratio of special education millage levied, as defined in this section, and the sum of special education millage levied and vocational-technical education millage levied, as defined in section 62. Reimbursement in ~~2022-2023-2023-2024~~ for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection (5) is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate district.

(4) Except as otherwise provided in this subsection, reimbursement for those millages levied in ~~2022-2023-2023-2024~~ is made in ~~2023-2024-2024-2025~~ at an amount per ~~2022-2023-2023-2024~~ membership pupil computed by subtracting from ~~\$238,800.00~~ **\$260,200.00** the ~~2022-2023-2023-2024~~ taxable value behind each membership pupil and multiplying the resulting difference by the ~~2022-2023-2023-2024~~ millage levied, and then subtracting from that amount the ~~2022-2023-2023-2024~~ local community stabilization share revenue for special education purposes and ~~2022-2023-2023-2024~~ tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA



381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670. For the purposes of the calculation described in the previous sentence only, for an intermediate district receiving funds under this section and section 62, reimbursements paid under section 26d must be multiplied by the ratio of special education millage levied, as defined in this section, and the sum of special education millage levied and vocational-technical education millage levied, as defined in section 62. Reimbursement in ~~2023-2024~~ **2024-2025** for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection (5) is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate district.

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

(6) The department shall ensure that the amount paid to a single intermediate district under subsection (2) is not less than 75% of the amount allocated to the intermediate district under subsection (2) for the immediately preceding fiscal year.

(7) From the allocation under section 51a(1), there is allocated an amount not to exceed \$34,200,000.00 for ~~2022-2023 and 2023-2024~~ **and 2024-2025** to provide payments to intermediate districts levying millages for special education under part 30 of the revised school code, MCL 380.1711 to 380.1741. The purpose,



1 use, and expenditure of the payments under this subsection are  
2 limited as if the funds were generated by these millages and  
3 governed by the intermediate district plan adopted under article 3  
4 of the revised school code, MCL 380.1701 to 380.1761. The  
5 department shall provide a payment under this subsection to each  
6 intermediate district described in this subsection as follows:

7 (a) For ~~2022-2023 and 2023-2024~~ **and 2024-2025**, except as  
8 otherwise provided in this subsection, for an intermediate district  
9 with a 3-year average special education millage revenue per pupil  
10 in the immediately preceding fiscal year that is less than \$251.00  
11 and that is levying at least 46.2% but less than 60.0% of its  
12 maximum millage rate allowed under section 1724a of the revised  
13 school code, MCL 380.1724a, an amount computed by subtracting from  
14 \$251.00 the 3-year average special education millage revenue per  
15 pupil in the immediately preceding fiscal year and, only if the  
16 millage levied by the intermediate district is less than 1,  
17 multiplying that amount by the number of mills levied divided by 1,  
18 and then multiplying that amount by the 3-year average membership  
19 in the immediately preceding fiscal year, and then subtracting from  
20 that amount the amount allocated under subsection (2) for the  
21 current fiscal year. If the calculation under this subdivision  
22 results in an amount below zero, there is no payment under this  
23 subdivision.

24 (b) For ~~2022-2023 and 2023-2024~~ **and 2024-2025**, except as  
25 otherwise provided in this subsection, for an intermediate district  
26 with a 3-year average special education millage revenue per pupil  
27 in the immediately preceding fiscal year that is less than \$296.00  
28 and that is levying at least 60.0% of its maximum millage rate  
29 allowed under section 1724a of the revised school code, MCL



380.1724a, an amount computed by subtracting from \$296.00 the 3-year average special education millage revenue per pupil in the immediately preceding fiscal year, and, only if the millage levied by the intermediate district is less than 1, multiplying that amount by the number of mills levied divided by 1, and then multiplying that amount by the 3-year average membership in the immediately preceding fiscal year, and then subtracting from that amount the amount allocated under subsection (2) for the current fiscal year. If the calculation under this subdivision results in an amount below zero, there is no payment under this subdivision.

(8) After making allocations to eligible intermediate districts under subsections (3), (4), and (7), if funds remain unallocated from the allocations under subsections (2) and (7), the department must allocate remaining funds to intermediate districts proportional to the amounts allocated to intermediate districts under subsections (3) and (4).

(9) As used in subsection (7):

(a) "3-year average membership" means the 3-year average pupil membership for each of the 3 most recent fiscal years.

(b) "3-year average special education millage revenue per pupil" means the 3-year average taxable value per mill levied behind each membership pupil for each of the 3 most recent fiscal years multiplied by the millage levied in the most recent fiscal year.

Sec. 61a. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$48,011,300.00~~ **\$39,899,800.00** for ~~2023-2024 only~~ **2024-2025** to reimburse on an added cost basis districts, except for a district that served as the fiscal agent for a vocational education





1 consortium in the 1993-94 school year and that has a foundation  
2 allowance as calculated under section 20 greater than the target  
3 foundation allowance under that section, and secondary area  
4 vocational-technical education centers for secondary-level career  
5 and technical education programs according to rules approved by the  
6 superintendent. ~~It is the intent of the legislature that, for 2024-~~  
7 ~~2025, the allocation from the state school aid fund money~~  
8 ~~appropriated in section 11 for purposes described in this~~  
9 ~~subsection will be \$37,611,300.00.~~ Applications for participation  
10 in the programs must be submitted in the form prescribed by the  
11 department. The department shall determine the added cost for each  
12 career and technical education program area. The department shall  
13 prioritize the allocation of added cost funds based on the capital  
14 and program expenditures needed to operate the career and technical  
15 education programs provided; the number of pupils enrolled; the  
16 advancement of pupils through the instructional program; the  
17 existence of an articulation agreement with at least 1  
18 postsecondary institution that provides pupils with opportunities  
19 to earn postsecondary credit during the pupil's participation in  
20 the career and technical education program and transfers those  
21 credits to the postsecondary institution upon completion of the  
22 career and technical education program; and the program rank in  
23 student placement, job openings, and wages, and shall ensure that  
24 the allocation does not exceed 75% of the added cost of any  
25 program. Notwithstanding any rule or department determination to  
26 the contrary, when determining a district's allocation or the  
27 formula for making allocations under this section, the department  
28 shall include the participation of pupils in grade 9 in all of  
29 those determinations and in all portions of the formula. With the



1 approval of the department, the board of a district maintaining a  
2 secondary career and technical education program may offer the  
3 program for the period from the close of the school year until  
4 September 1. The program shall use existing facilities and must be  
5 operated as prescribed by rules promulgated by the superintendent.

6 (2) Except for a district that served as the fiscal agent for  
7 a vocational education consortium in the 1993-94 school year, the  
8 department shall reimburse districts and intermediate districts for  
9 local career and technical education administration, shared time  
10 career and technical education administration, and career education  
11 planning district career and technical education administration.  
12 The superintendent shall adopt guidelines for the definition of  
13 what constitutes administration and shall make reimbursement  
14 pursuant to those guidelines. The department shall not distribute  
15 more than \$800,000.00 of the allocation in subsection (1) under  
16 this subsection.

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

22 Sec. 61b. (1) From the state school aid fund money  
23 appropriated under section 11, there is allocated for ~~2023-2024~~  
24 **2024-2025** an amount not to exceed \$8,000,000.00 for CTE early  
25 middle college and CTE dual enrollment programs authorized under  
26 this section and for planning grants for the development or  
27 expansion of CTE early middle college programs. The purpose of  
28 these programs is to increase the number of Michigan residents with  
29 high-quality degrees or credentials, and to increase the number of



1 students who are college and career ready upon high school  
2 graduation.

3 (2) From the funds allocated under subsection (1), the  
4 department shall allocate an amount as determined under this  
5 subsection to each intermediate district serving as a fiscal agent  
6 for state-approved CTE early middle college and CTE dual enrollment  
7 programs in each of the career education planning districts  
8 identified by the department. An intermediate district shall not  
9 use more than 5% of the funds allocated under this subsection for  
10 administrative costs for serving as the fiscal agent.

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

14 (a) Distribute funds to eligible CTE early middle college and  
15 CTE dual enrollment programs in a career education planning  
16 district as described in this section.

17 (b) Collaborate with the career and educational advisory  
18 council in the workforce development board service delivery area to  
19 develop 1 regional strategic plan under subsection (4) that aligns  
20 CTE programs and services into an efficient and effective delivery  
21 system for high school students. The department will align career  
22 education planning districts, workforce development board service  
23 delivery areas, and intermediate districts for the purpose of  
24 creating 1 regional strategic plan for each workforce development  
25 board service delivery area.

26 (c) Implement a regional process to rank career clusters in  
27 the workforce development board service delivery area as described  
28 under subsection (4). Regional processes must be approved by the  
29 department before the ranking of career clusters.



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

(e) The local education agency responsible for student reporting in the Michigan student data system (MSDS) will report the total number of college credits the student earned, at the time of high school graduation, as determined by the department and the center.

(f) The local education agency will report each award outcome in the Michigan student data system (MSDS) that the CTE early middle college student attained. For purposes of this subsection, an on-track CTE early middle college graduate is a graduate who obtained their high school diploma and at least 1 of the following:

(i) An associate degree.

(ii) 60 transferable college credits.

(iii) Professional certification.

(iv) A Michigan Early Middle College Association certificate.

(v) Participation in a registered apprenticeship.

(4) A regional strategic plan must be approved by the career and educational advisory council before submission to the department. A regional strategic plan must include, but is not limited to, the following:

(a) An identification of regional employer need based on a ranking of all career clusters in the workforce development board service delivery area ranked by 10-year projections of annual job openings and median wage for each standard occupational code in each career cluster as obtained from the United States Bureau of Labor Statistics. Standard occupational codes within high-ranking clusters also may be further ranked by median wage and annual job



1 openings. The career and educational advisory council located in  
2 the workforce development board service delivery area shall review  
3 the rankings and modify them if necessary to accurately reflect  
4 employer demand for talent in the workforce development board  
5 service delivery area. A career and educational advisory council  
6 shall document that it has conducted this review and certify that  
7 it is accurate. These career cluster rankings must be determined  
8 and updated once every 4 years.

9 (b) An identification of educational entities in the workforce  
10 development board service delivery area that will provide eligible  
11 CTE early middle college and CTE dual enrollment programs including  
12 districts, intermediate districts, postsecondary institutions, and  
13 noncredit occupational training programs leading to an industry-  
14 recognized credential.

15 (c) A strategy to inform parents and students of CTE early  
16 middle college and CTE dual enrollment programs in the workforce  
17 development board service delivery area.

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

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

21 (a) Has been identified in the highest 5 career cluster  
22 rankings in any of the 16 workforce development board service  
23 delivery area strategic plans jointly approved by the department of  
24 labor and economic opportunity and the department.

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

28 (i) For CTE early middle college, outcomes as defined in  
29 subsection (3) (f).



(ii) For CTE dual enrollment, 1 of the following:

(A) An associate degree.

(B) An industry-recognized technical certification approved by the department of labor and economic opportunity.

(C) Up to 60 transferable college credits.

(D) Participation in a registered apprenticeship, pre-apprenticeship, or apprentice readiness program.

(c) Is aligned with the Michigan merit curriculum.

(d) Has an articulation or a college credit agreement with at least 1 postsecondary institution that provides students with opportunities to receive postsecondary credits during the student's participation in the CTE early middle college or CTE dual enrollment program and transfers those credits to the postsecondary institution upon completion of the CTE early middle college or CTE dual enrollment program.

(e) Provides instruction that is supervised, directed, or coordinated by an appropriately certificated CTE teacher or, for concurrent enrollment courses, a postsecondary faculty member.

(f) Provides for highly integrated student support services that include at least the following:

(i) Teachers as academic advisors.

(ii) Supervised course selection.

(iii) Monitoring of student progress and completion.

(iv) Career planning services provided by a local one-stop service center as described in the Michigan works one-stop service center system act, 2006 PA 491, MCL 408.111 to 408.135, or by a high school counselor or advisor.

(g) Has courses that are taught on a college campus, are college courses offered at the high school and taught by college



1 faculty, or are courses taught in combination with online  
2 instruction.

3 (6) The department shall distribute funds to eligible CTE  
4 early middle college and CTE dual enrollment programs as follows:

5 (a) The department shall determine statewide average CTE costs  
6 per pupil for each CIP code program by calculating statewide  
7 average costs for each CIP code program for the 3 most recent  
8 fiscal years.

9 (b) The distribution to each eligible CTE early middle college  
10 or CTE dual enrollment program is the product of 50% of CTE costs  
11 per pupil times the pupil enrollment of each eligible CTE early  
12 middle college or CTE dual enrollment program in the immediately  
13 preceding school year.

14 (7) ~~In order to~~ **To** receive funds under this section, a CTE  
15 early middle college or CTE dual enrollment program shall furnish  
16 to the intermediate district that is the fiscal agent identified in  
17 subsection (2), in a form and manner determined by the department,  
18 all information needed to administer this program and meet federal  
19 reporting requirements; shall allow the department or the  
20 department's designee to review all records related to the program  
21 for which it receives funds; and shall reimburse the state for all  
22 disallowances found in the review, as determined by the department.

23 (8) There is allocated for ~~2023-2024~~ **2024-2025** from the funds  
24 under subsection (1) an amount not to exceed \$500,000.00 from the  
25 state school aid fund allocation for grants to intermediate  
26 districts or consortia of intermediate districts for the purpose of  
27 planning for new or expanded early middle college programs.  
28 Applications for grants must be submitted in a form and manner  
29 determined by the department. The amount of a grant under this



1 subsection must not exceed \$50,000.00. To be eligible for a grant  
2 under this subsection, an intermediate district or consortia of  
3 intermediate districts must provide matching funds equal to the  
4 grant received under this subsection. Notwithstanding section 17b,  
5 the department shall make payments under this subsection in the  
6 manner determined by the department.

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

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

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

26 (12) As used in this section:

27 (a) "Allowable costs" means those costs directly attributable  
28 to the program as jointly determined by the department of labor and  
29 economic opportunity and the department.





(b) "Career and educational advisory council" means an advisory council to the local workforce development boards located in a workforce development board service delivery area consisting of educational, employer, labor, and parent representatives.

(c) "CIP" means classification of instructional programs.

(d) "CTE" means career and technical education programs.

(e) "CTE dual enrollment program" means a 4-year high school program of postsecondary courses offered by eligible postsecondary educational institutions that leads to an industry-recognized certification or degree.

(f) "Early middle college program" means a 5-year high school program.

(g) "Eligible postsecondary educational institution" means that term as defined in section 3 of the career and technical preparation act, 2000 PA 258, MCL 388.1903.

Sec. 61d. (1) From the appropriation in section 11, there is allocated for ~~2023-2024~~**2024-2025** an amount not to exceed ~~\$5,000,000.00~~**\$5,304,300.00** from the state school aid fund for additional payments to districts for career and technical education programs for the purpose of increasing the number of Michigan residents with high-quality degrees or credentials, and to increase the number of pupils who are college- and career-ready upon high school graduation.

(2) The department shall calculate payments to districts under this section in the following manner:

(a) A payment of \$35.00 multiplied by the number of pupils in grades 9 to 12 who are counted in membership in the district and are enrolled in at least 1 career and technical education program.

(b) An additional payment of \$35.00 multiplied by the number



1 of pupils in grades 9 to 12 who are counted in membership in the  
2 district and are enrolled in at least 1 career and technical  
3 education program that provides instruction in critical skills and  
4 high-demand career fields.

5 (3) If the allocation under subsection (1) is insufficient to  
6 fully fund payments under subsection (2), the department shall  
7 prorate payments under this section on an equal per-pupil basis.

8 (4) As used in this section:

9 (a) "Career and technical education program" means a state-  
10 approved career and technical education program, as determined by  
11 the department.

12 (b) "Career and technical education program that provides  
13 instruction in critical skills and high-demand career field" means  
14 a career and technical education program classified under any of  
15 the following 2-digit classification of instructional programs  
16 (CIP) codes:

17 (i) 01, which refers to "agriculture, agriculture operations,  
18 and related sciences".

19 (ii) 03, which refers to "natural resources and conservation".

20 (iii) 10 through 11, which refers to "communications  
21 technologies/technicians and support services" and "computer and  
22 information sciences and support services".

23 (iv) 14 through 15, which refers to "engineering" and  
24 "engineering technologies and engineering-related fields".

25 (v) 26, which refers to "biological and biomedical sciences".

26 (vi) 46 through 48, which refers to "construction trades",  
27 "mechanic and repair technologies/technicians", and "precision  
28 production".

29 (vii) 51, which refers to "health professions and related



1 programs".

2       Sec. 61j. (1) From the state school aid fund money  
3 appropriated in section 11, \$10,700,000.00 is allocated for 2023-  
4 2024 only to Huron School District to support the Downriver Career  
5 and Technical Education Consortium.

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

9       **(3) Notwithstanding section 18a, funds allocated under this**  
10 **section may be available for expenditure until September 30, 2027.**  
11 **A recipient of funding under this section must return any**  
12 **unexpended funds to the department in the manner prescribed by the**  
13 **department by not later than October 30, 2027.**

14       Sec. 62. (1) For the purposes of this section:

15       (a) "Membership" means for a particular fiscal year the total  
16 membership of the intermediate district and the districts  
17 constituent to the intermediate district or the total membership of  
18 the area vocational-technical program, except that if a district  
19 has elected not to come under sections 681 to 690 of the revised  
20 school code, MCL 380.681 to 380.690, the membership of that  
21 district are not included in the membership of the intermediate  
22 district. However, the membership of a district that has elected  
23 not to come under sections 681 to 690 of the revised school code,  
24 MCL 380.681 to 380.690, is included in the membership of the  
25 intermediate district if the district meets both of the following:

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

29       (ii) The district contributes an annual amount to the operation



1 of the program that is commensurate with the revenue that would  
2 have been raised for operation of the program if millage were  
3 levied in the district for the program under sections 681 to 690 of  
4 the revised school code, MCL 380.681 to 380.690.

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

11 (c) "Taxable value" means the total taxable value of the  
12 districts constituent to an intermediate district or area  
13 vocational-technical education program, except that if a district  
14 has elected not to come under sections 681 to 690 of the revised  
15 school code, MCL 380.681 to 380.690, the taxable value of that  
16 district is not included in the taxable value of the intermediate  
17 district. However, the taxable value of a district that has elected  
18 not to come under sections 681 to 690 of the revised school code,  
19 MCL 380.681 to 380.690, is included in the taxable value of the  
20 intermediate district if the district meets both of the following:

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

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

29 (2) From the ~~appropriation~~ **state school aid fund money**



**appropriated** in section 11, there is allocated an amount not to exceed \$9,190,000.00 each fiscal year for ~~2022-2023 and for 2023-2024~~ **and 2024-2025** to reimburse intermediate districts and area vocational-technical education programs established under section 690(3) of the revised school code, MCL 380.690, levying millages for area vocational-technical education under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690. The purpose, use, and expenditure of the reimbursement are limited as if the funds were generated by those millages.

(3) Reimbursement for those millages levied in ~~2021-2022-2022-2023~~ is made in ~~2022-2023-2023-2024~~ at an amount per ~~2021-2022-2022-2023~~ membership pupil computed by subtracting from ~~\$237,500.00~~ **\$251,400.00** the ~~2021-2022-2022-2023~~ taxable value behind each membership pupil and multiplying the resulting difference by the ~~2021-2022-2022-2023~~ millage levied, and then subtracting from that amount the ~~2021-2022-2022-2023~~ local community stabilization share revenue for area vocational technical education and ~~2021-2022-2022-2023~~ **2023** tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670. For the purposes of the calculation described in the previous sentence only, for an intermediate district receiving funds under this section and section 56, reimbursements paid under section 26d must be multiplied by the



ratio of vocational-technical education millage levied, as defined in this section, and the sum of vocational-technical education millage levied and special education millage levied, as defined in section 56.

(4) Reimbursement for those millages levied in ~~2022-2023~~**2023-2024** is made in ~~2023-2024~~**2024-2025** at an amount per ~~2022-2023~~**2023-2024** membership pupil computed by subtracting from ~~\$248,800.00~~**\$269,800.00** the ~~2022-2023~~**2023-2024** taxable value behind each membership pupil and multiplying the resulting difference by the ~~2022-2023~~**2023-2024** millage levied, and then subtracting from that amount the ~~2022-2023~~**2023-2024** local community stabilization share revenue for area vocational technical education and ~~2022-2023~~**2023-2024** tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670. For the purposes of the calculation described in the previous sentence only, for an intermediate district receiving funds under this section and section 56, reimbursements paid under section 26d must be multiplied by the ratio of vocational-technical education millage levied, as defined in this section, and the sum of vocational-technical education millage levied and special education millage levied, as defined in section 56.

(5) The department shall ensure that the amount paid to a



single intermediate district under this section does not exceed 38.4% of the total amount allocated under subsection (2).

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

Sec. 65. (1) From the appropriation under section 11, there is allocated an amount not to exceed \$900,000.00 for ~~2023-2024-2024-~~ **2025** for a pre-college engineering K to 12 educational program that is focused on the development of a diverse future Michigan workforce, that serves multiple communities within southeast Michigan, that enrolls pupils from multiple districts, and that received funds appropriated for this purpose in the appropriations act that provided the Michigan strategic fund budget for 2014-2015.

(2) To be eligible for funding under this section, a program must have the ability to expose pupils to, and motivate and prepare pupils for, science, technology, engineering, and mathematics careers and postsecondary education with special attention given to groups of pupils who are at-risk and underrepresented in technical professions and careers.

Sec. 67. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$5,000,000.00~~ **\$4,000,000.00** for ~~2023-2024-2024-2025~~ for college access programs. It is the intent of the legislature that, for ~~2024-2025,~~ **2025-2026**, the allocation from the general fund money appropriated in section 11 for purposes described in this section will be \$3,000,000.00. The programs funded under this section are intended to inform students of college and career options, ~~and to~~ provide resources intended to increase the number of pupils who are



adequately prepared with the information needed to make informed decisions on college and career, **support adult learners, support college completion, and support workforce and employer engagement.**

The funds appropriated under this section are intended to be used to increase the number of Michigan residents with high-quality degrees or credentials. Funds appropriated under this section must not be used to supplant funding for counselors already funded by districts.

(2) The department of ~~labor and economic opportunity~~ **lifelong education, advancement, and potential** shall administer funds allocated under this section in collaboration with the Michigan college access network. These funds may be used for any of the following purposes:

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

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

(c) The Michigan college advising program, a program intended to place trained, recently graduated college advisors in high schools that serve significant numbers of low-income and first-generation college-going pupils. State funds used for this purpose may not exceed 33% of the total funds available under this subsection.

(d) Subgrants of up to \$5,000.00 to districts with comprehensive high schools that establish a college access team and implement specific strategies to create a college-going culture in a high school in a form and manner approved by the Michigan college





1 access network and the department of ~~labor and economic~~  
 2 ~~opportunity.~~ **lifelong education, advancement, and potential.**

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

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

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

14 (3) For the purposes of this section, "college" means any  
 15 postsecondary educational opportunity that leads to a career,  
 16 including, but not limited to, a postsecondary degree, industry-  
 17 recognized technical certification, or registered apprenticeship.

18 **Sec. 67a. (1) From the general fund money appropriated under**  
 19 **section 11, there is allocated an amount not to exceed \$50,000.00**  
 20 **for 2024-2025 only for a grant to be distributed by the department**  
 21 **to an organization to provide industrial and technological**  
 22 **education and workforce preparation for students and professional**  
 23 **development opportunities and support for teachers.**

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

27 **Sec. 67b. (1) From the general fund money appropriated under**  
 28 **section 11, there is allocated \$1,000,000.00 for 2024-2025 only to**  
 29 **the SME Education Foundation's Partnership Response Initiative. The**



1 SME Education Foundation's Partnership Response Initiative shall  
2 use the funding it receives under this section to provide high  
3 schools in this state with cost-effective and tailored engineering  
4 and manufacturing programs that provide equipment, curricula,  
5 professional development, scholarships, and STEM-focused curricular  
6 activities to students enrolled in, and teachers teaching in, the  
7 high schools of this state. The department may use \$200,000.00 of  
8 the funds under this section for administration.

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

12 Sec. 67d. (1) From the general fund money appropriated in  
13 section 11, there is allocated for 2024-2025 an amount not to  
14 exceed \$1,000,000.00, through a grant program administered by the  
15 department, to an eligible state-approved 501(c)(3) organization to  
16 teach or train restaurant management, culinary arts or hospitality,  
17 and tourism management as part of career and professional  
18 development.

19 (2) As used in this section, "eligible state-approved  
20 501(c)(3) organization" means an organization to which all of the  
21 following apply:

22 (a) It is exempt from taxation under section 501(c)(3) of the  
23 internal revenue code of 1986, 26 USC 501.

24 (b) It provides either the ProStart or Hospitality Tourism  
25 Management curriculum and training to state-approved career and  
26 technical education programs with classification of instructional  
27 programs (CIP) codes in the 12.05xx or 52.09xx.

28 (c) It administers national certification for the purposes of  
29 restaurant management, culinary arts or hospitality, or tourism



1 management in becoming a hospitality and tourism specialist as part  
2 of career and professional development.

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

6 Sec. 67f. (1) From the state school aid fund money  
7 appropriated in section 11, there is allocated for ~~2023-2024~~ **2024-**  
8 **2025** only an amount not to exceed \$10,000,000.00 for ~~the FAFSA~~  
9 ~~completion challenge. Funds allocated under this section must be~~  
10 ~~distributed to districts to improve FAFSA completion rates.~~

11 (2) To be eligible to receive funding under this section, each  
12 district must apply in a form and manner determined by the  
13 department ~~.As part of the application, the district must~~  
14 ~~demonstrate to the department that each high school from the~~  
15 ~~applying district receiving funds under this section has a data use~~  
16 ~~agreement on file with the department of treasury naming at least 1~~  
17 ~~data receiver designee to access student level data regarding FAFSA~~  
18 ~~completion of lifelong education, advancement, and potential. The~~  
19 ~~department of lifelong education, advancement, and potential shall~~  
20 ~~make the application available by not later than November 1, 2024.~~  
21 A district shall apply for funding to the department of lifelong  
22 education, advancement, and potential by not later than December 1,  
23 2024. In the application, the department of lifelong education,  
24 advancement, and potential shall only require a district to certify  
25 that it will do both of the following:

26 (a) Except as otherwise provided in subsection (3), require  
27 all students to complete the FAFSA to graduate from high school.

28 (b) Use funds received under this section for participation in  
29 and implementation of activities that are known to drive FAFSA



1 completion, as determined by the department of lifelong education,  
 2 advancement, and potential, in collaboration with the Michigan  
 3 College Access Network.

4 (3) A district shall exempt a student from the requirement to  
 5 complete the FAFSA if any of the following are met:

6 (a) The student's parent or legal guardian, or the student if  
 7 the student is 18 years of age or older, is an emancipated minor,  
 8 or is an unaccompanied youth, has submitted a parental waiver to  
 9 the district exempting the student from completing the FAFSA. The  
 10 parental waiver described in this subdivision must be obtained  
 11 through a standard form developed by the department of lifelong  
 12 education, advancement, and potential.

13 (b) The student is unable to complete the FAFSA because of  
 14 privacy concerns.

15 (c) All of the following are met:

16 (i) After a good-faith effort, the student's parent or legal  
 17 guardian refuses to sign the parental waiver, is unresponsive, or  
 18 cannot sign the parental waiver.

19 (ii) The student is unable to complete the FAFSA as an  
 20 independent student.

21 (iii) The student agrees to opt out of completing the FAFSA.

22 (iv) Other than the requirements in subsection (2), the student  
 23 is on track to graduate.

24 (v) A school administrator of the student's high school  
 25 demonstrates to the board that good-faith efforts have been made to  
 26 assist the student or the student's parent or legal guardian in  
 27 completing the FAFSA or obtaining a parental waiver.

28 (vi) The board ensures compliance with 42 USC 11432(g) (6) (A) .

29 (4) ~~(3) No~~ By not later than November 30, 2023, January 31,



2025, the department ~~must~~ **of lifelong education, advancement, and potential** shall pay each eligible district an **equal** amount ~~not to exceed \$50.00 per pupil~~ multiplied by the number of ~~students~~ **pupils** enrolled and attending grade 12 in the district. ~~The receiving district must use funds received under this subsection for participation in and implementation of activities that are known to drive FAFSA completion, as determined by the department, in collaboration with the Michigan college access network.~~

~~(4) No later than September 30, 2024, the department must pay each eligible district an amount not to exceed \$50.00 multiplied by the number of students enrolled and attending grade 12 in the district who submitted a FAFSA prior to June 30, 2024. Funds received under this subsection may be used for discretionary purposes, as determined by the districts, though districts are encouraged to use funds received under this subsection to continue work to improve FAFSA completion rates.~~

~~(5) The department must collaborate with the department of treasury to verify eligible FAFSA completion counts for the purposes of calculating payments under subsection (4). By not later than July 15, 2024, the department of treasury must provide the department FAFSA completion information necessary for calculating payments under this section.~~

(5) ~~(6)~~ Notwithstanding section 17b, the department **of lifelong education, advancement, and potential** shall make payments under this section on a schedule determined by the department **of lifelong education, advancement, and potential**.

(6) ~~(7)~~ As used in the section, "FAFSA" means the free application for federal student aid form.

Sec. 74. (1) From the state school aid fund money appropriated



in section 11, there is allocated an amount not to exceed \$3,842,700.00 for 2023-2024 **and \$3,913,500.00 for 2024-2025** for the purposes of this section.

(2) From the allocation in subsection (1), there is allocated for 2023-2024 **and 2024-2025** the amount necessary for payments to state supported colleges or universities and intermediate districts providing school bus driver safety instruction under section 51 of the pupil transportation act, 1990 PA 187, MCL 257.1851. The department shall make payments in an amount determined by the department not to exceed the actual cost of instruction and driver compensation for each public or nonpublic school bus driver attending a course of instruction. For the purpose of computing compensation, the hourly rate allowed each school bus driver must not exceed the hourly rate received for driving a school bus. The department shall make reimbursement compensating the driver during the course of instruction to the college or university or intermediate district providing the course of instruction.

(3) From the allocation in subsection (1), there is allocated for 2023-2024 **and 2024-2025** the amount necessary to pay the reasonable costs of nonspecial education auxiliary services transportation provided under section 1323 of the revised school code, MCL 380.1323. Districts funded under this subsection do not receive funding under any other section of this article for nonspecial education auxiliary services transportation.

(4) From the funds allocated in subsection (1), there is allocated an amount not to exceed \$1,817,700.00 **for 2023-2024 and an amount not to exceed \$1,888,500.00** for ~~2023-2024-2024-2025~~ for ~~reimbursement to districts and intermediate districts for costs associated with the inspection of school buses and pupil~~



1 transportation vehicles by the department of state police as  
 2 required under section 715a of the Michigan vehicle code, 1949 PA  
 3 300, MCL 257.715a, and section 39 of the pupil transportation act,  
 4 1990 PA 187, MCL 257.1839. The department of state police shall  
 5 prepare a statement of costs ~~attributable to each district for~~  
 6 ~~which bus inspections are provided~~ and submit it to the department  
 7 and to an intermediate district serving as fiduciary in a time and  
 8 manner determined jointly by the department and the department of  
 9 state police. Upon review and approval of the statement of cost,  
 10 the department shall forward to the designated intermediate  
 11 district serving as fiduciary the amount ~~of the reimbursement on~~  
 12 ~~behalf of each district and intermediate district for costs~~  
 13 detailed on the statement within 45 days after receipt of the  
 14 statement. The designated intermediate district **fiduciary** shall  
 15 make payment in the amount specified on the statement to the  
 16 department of state police within 45 days after receipt of the  
 17 statement. The total reimbursement of costs under this subsection  
 18 must not exceed the amount allocated under this subsection.  
 19 Notwithstanding section 17b, the department shall make payments to  
 20 eligible entities under this subsection on a schedule prescribed by  
 21 the department.

22       Sec. 81. (1) From the state school aid fund money appropriated  
 23 in section 11, there is allocated for ~~2023-2024~~ **2024-2025** to the  
 24 intermediate districts the sum necessary, but not to exceed  
 25 \$79,424,700.00 to provide state aid to intermediate districts under  
 26 this section.

27       (2) The amount allocated under this section for ~~2023-2024~~  
 28 **2024-2025** to each intermediate district is an amount equal to  
 29 ~~105.0%~~ **100%** of the amount allocated to the intermediate district



1 under this section for ~~2022-2023.~~ **2023-2024.** An intermediate  
 2 district shall use funding provided under this section to comply  
 3 with requirements of this article and the revised school code that  
 4 are applicable to intermediate districts, and for which funding is  
 5 not provided elsewhere in this article, and to provide technical  
 6 assistance to districts as authorized by the intermediate school  
 7 board.

8 (3) Intermediate districts receiving funds under this section  
 9 shall collaborate with the department to develop expanded  
 10 professional development opportunities for teachers to update and  
 11 expand their knowledge and skills needed to support the Michigan  
 12 merit curriculum.

13 (4) From the allocation in subsection (1), there is allocated  
 14 to an intermediate district, formed by the consolidation or  
 15 annexation of 2 or more intermediate districts or the attachment of  
 16 a total intermediate district to another intermediate district or  
 17 the annexation of all of the constituent K to 12 districts of a  
 18 previously existing intermediate district which has disorganized,  
 19 an additional allotment of \$3,500.00 each fiscal year for each  
 20 intermediate district included in the new intermediate district for  
 21 3 years following consolidation, annexation, or attachment.

22 (5) ~~In order to~~ **To** receive funding under this section, an  
 23 intermediate district shall do all of the following:

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

27 (b) Demonstrate to the satisfaction of the department that the  
 28 intermediate district employs at least 1 person who is trained in  
 29 rules, regulations, and district reporting procedures for the





1 individual-level student data that serves as the basis for the  
2 calculation of the district and high school graduation and dropout  
3 rates.

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

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

9 (e) Comply with section 1230g of the revised school code, MCL  
10 380.1230g.

11 Sec. 94. (1) From the general fund money appropriated in  
12 section 11, there is allocated to the department for ~~2023-2024~~  
13 **2024-2025** an amount not to exceed \$1,200,000.00 for efforts to  
14 increase the number of pupils who participate and succeed in  
15 advanced placement and international baccalaureate programs, and to  
16 support the college-level examination program (CLEP).

17 (2) From the funds allocated under this section, the  
18 department shall award funds to cover all or part of the costs of  
19 advanced placement test fees or international baccalaureate test  
20 fees and international baccalaureate registration fees for low-  
21 income pupils who take an advanced placement or an international  
22 baccalaureate test and CLEP fees for low-income pupils who take a  
23 CLEP test.

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

27 (a) Each pupil for whom payment is made meets eligibility  
28 requirements of the federal advanced placement test fee program  
29 under the no child left behind act of 2001, Public Law 107-110, or



1 the every student succeeds act, Public Law 114-95, as applicable.

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

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

7 (4) If funds remain after the awards granted in subsection  
8 (2), the department shall award funds to reimburse a portion of the  
9 costs associated with the provision of advanced placement (AP),  
10 international baccalaureate (IB), or college-level examination  
11 program (CLEP) exams for students whose family income exceeds low-  
12 income status as determined by the department.

13 (5) The department shall establish procedures for awarding  
14 funds under this section.

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

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

22 (a) Coordinate the collection of all data required by state  
23 and federal law from districts, intermediate districts, and  
24 postsecondary institutions.

25 (b) Create, maintain, and enhance this state's P-20  
26 longitudinal data system and ensure that it meets the requirements  
27 of subsection (4).

28 (c) Collect data in the most efficient manner possible to  
29 reduce the administrative burden on reporting entities, including,



1 but not limited to, electronic transcript services.

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

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

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

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

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

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

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

22 (2) Each state department, officer, or agency that collects  
23 information from districts, intermediate districts, or  
24 postsecondary institutions as required under state or federal law  
25 shall make arrangements with the center to ensure that the state  
26 department, officer, or agency is in compliance with subsection  
27 (1). This subsection does not apply to information collected by the  
28 department of treasury under the uniform budgeting and accounting  
29 act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal



1 finance act, 2001 PA 34, MCL 141.2101 to 141.2821; the school bond  
2 qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to  
3 388.1939; or section 1351a of the revised school code, MCL  
4 380.1351a.

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

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

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

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

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

19 (d) Enables the matching of individual teachers with  
20 information about their certification and the institutions that  
21 prepared and recommended those teachers for state certification.

22 (e) Enables data to be easily generated for continuous  
23 improvement and decision-making, including timely reporting to  
24 parents, teachers, and school leaders on student achievement.

25 (f) Ensures the reasonable quality, validity, and reliability  
26 of data contained in the system.

27 (g) Provides this state with the ability to meet federal and  
28 state reporting requirements.

29 (h) For data elements related to preschool through grade 12



1 and postsecondary, meets all of the following:

2 (i) Contains a unique statewide student identifier that does  
3 not permit a student to be individually identified by users of the  
4 system, except as allowed by federal and state law.

5 (ii) Contains student-level enrollment, demographic, and  
6 program participation information, including data associated with  
7 students who have been identified as having an affiliation to 1 or  
8 more federally recognized Indian tribes and student participation  
9 in federal programs funded under 20 USC 7401 to 7546 and  
10 participation in federal programs funded under the Johnson-O'Malley  
11 Supplemental Indian Education Program Modernization Act, Public Law  
12 115-404.

13 (iii) Contains student-level information about the points at  
14 which students exit, transfer in, transfer out, drop out, or  
15 complete education programs.

16 (iv) Has the capacity to communicate with higher education data  
17 systems.

18 (i) For data elements related to preschool through grade 12  
19 only, meets all of the following:

20 (i) Contains yearly test records of individual students for  
21 assessments approved by DED-OESE for accountability purposes under  
22 section 1111(b) of the elementary and secondary education act of  
23 1965, 20 USC 6311, including information on individual students not  
24 tested, by grade and subject.

25 (ii) Contains student-level transcript information, including  
26 information on courses completed and grades earned.

27 (iii) Contains student-level college readiness test scores.

28 (j) For data elements related to postsecondary education only:

29 (i) Contains data that provide information regarding the extent



1 to which individual students transition successfully from secondary  
 2 school to postsecondary education, including, but not limited to,  
 3 all of the following:

4 (A) Enrollment in remedial coursework.

5 (B) Completion of 1 year's worth of college credit applicable  
 6 to a degree within 2 years of enrollment.

7 (ii) Contains data that provide other information determined  
 8 necessary to address alignment and adequate preparation for success  
 9 in postsecondary education.

10 (5) From the general fund money appropriated in section 11,  
 11 there is allocated an amount not to exceed ~~\$18,988,600.00~~  
 12 **\$19,219,200.00** for ~~2023-2024~~**2024-2025** to the department of  
 13 technology, management, and budget to support the operations of the  
 14 center. In addition, from the federal funds appropriated in section  
 15 11, there is allocated for ~~2023-2024~~**2024-2025** the amount  
 16 necessary, estimated at ~~\$4,193,500.00~~, **\$193,500.00**, to support the  
 17 operations of the center and to establish a P-20 longitudinal data  
 18 system necessary for state and federal reporting purposes. The  
 19 center shall cooperate with the department to ensure that this  
 20 state is in compliance with federal law and is maximizing  
 21 opportunities for increased federal funding to improve education in  
 22 this state.

23 (6) From the funds allocated in subsection (5), the center may  
 24 use an amount determined by the center for competitive grants for  
 25 ~~2023-2024~~**2024-2025** to support collaborative efforts on the P-20  
 26 longitudinal data system. All of the following apply to grants  
 27 awarded under this subsection:

28 (a) The center shall award competitive grants to eligible  
 29 intermediate districts or a consortium of intermediate districts



1 based on criteria established by the center.

2 (b) Activities funded under the grant must support the P-20  
3 longitudinal data system portal and may include portal hosting,  
4 hardware and software acquisition, maintenance, enhancements, user  
5 support and related materials, and professional learning tools and  
6 activities aimed at improving the utility of the P-20 longitudinal  
7 data system.

8 (c) An applicant that received a grant under this subsection  
9 for the immediately preceding fiscal year has priority for funding  
10 under this section. However, after 3 fiscal years of continuous  
11 funding, an applicant is required to compete openly with new  
12 applicants.

13 (7) Funds allocated under this section that are not expended  
14 in the fiscal year in which they were allocated may be carried  
15 forward to a subsequent fiscal year and are appropriated for the  
16 purposes for which the funds were originally allocated.

17 (8) The center may bill departments as necessary ~~in order to~~  
18 fulfill reporting requirements of state and federal law. The center  
19 may also enter into agreements to supply custom data, analysis, and  
20 reporting to other principal executive departments, state agencies,  
21 local units of government, and other individuals and organizations.  
22 The center may receive and expend funds in addition to those  
23 authorized in subsection (5) to cover the costs associated with  
24 salaries, benefits, supplies, materials, and equipment necessary to  
25 provide such data, analysis, and reporting services.

26 (9) As used in this section, "DED-OESE" means the United  
27 States Department of Education Office of Elementary and Secondary  
28 Education.

29 **Sec. 94d. (1) From the general fund money appropriated in**



1 section 11, there is allocated an amount not to exceed  
2 \$1,000,000.00 for 2024-2025 only for the purposes of this section.

3 (2) Funds under this section must be used to create and  
4 support a task force that will develop a comprehensive multiyear  
5 plan to attract, prepare, and retain qualified personnel for  
6 children with disabilities. The task force described in this  
7 subsection shall provide all of the following:

8 (a) An identification of the barriers to attracting and  
9 training qualified personnel to work with children with  
10 disabilities.

11 (b) An analysis of current educator preparation processes,  
12 including the degree to which the preparation processes meet the  
13 needs of special education students and whether the preparation  
14 processes could be streamlined to increase the number of qualified  
15 personnel entering the field of special education.

16 (c) An analysis of attrition rates for qualified personnel  
17 leaving the field of special education and recommendations for ways  
18 that this state or districts could better retain talent.

19 (d) An analysis of this state's licensing requirements and  
20 whether the licensing requirements could be streamlined to increase  
21 the number of qualified personnel entering the field of special  
22 education.

23 (e) Policy changes that should be enacted into law to address  
24 the barriers identified in this subsection, with specific changes  
25 to applicable state laws or applicable state rules.

26 (3) The task force described in subsection (2) must include  
27 representation from all special education stakeholder communities,  
28 including, but not limited to, teachers, school administrators,  
29 parents of special education students, students, educator





1 preparation programs, the department, the legislative branch, the  
2 executive branch, the business community, and special education  
3 advocacy groups.

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

7 (5) The funds allocated under this section for 2024-2025 are a  
8 work project appropriation, and any unexpended funds for 2024-2025  
9 are carried forward into 2025-2026. The purpose of the work project  
10 is to continue to support the task force described in subsection  
11 (2). The estimated completion date of the work project is September  
12 30, 2027.

13 Sec. 94e. (1) From the state school aid fund money  
14 appropriated under section 11, there is allocated for 2024-2025  
15 only an amount not to exceed \$1,000,000.00 for support of the  
16 Michigan Education Research Institute.

17 (2) Funding allocated under this section must be distributed  
18 to the University of Michigan's Michigan Education Data Center and  
19 Michigan State University's Education Policy Innovation Center for  
20 the purpose of working collaboratively with the department, the  
21 department of lifelong education, advancement, and potential, and  
22 the center to build and maintain a research ready dataset, and to  
23 conduct research of critical importance to the state's education  
24 goals.

25 (3) The Michigan Education Research Institute shall use funds  
26 received under this section for the purpose of expanding on  
27 research that includes, but is not limited to, all the following:

28 (a) Educator shortage.

29 (b) Early literacy initiative outcomes.



(c) Early childhood development programming outcomes.

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

Sec. 97a. From the general fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$2,000,000.00~~ **\$500,000.00** for ~~2023-2024-2024-2025~~ only for Michigan Virtual University to support Navigate 360. Funding may be used to support the MichiganCares, PBIS Rewards, and Intervention programs.

Sec. 97j. (1) From the ~~state school aid~~ **general** fund money appropriated in section 11, there is allocated ~~\$6,000,000.00~~ **\$250,000.00** for ~~2023-2024-2024-2025~~ only to **Raptor Technologies to provide** districts and intermediate districts ~~for the purchase and implementation of~~ tools that provide a common way of identifying and collecting early behaviors that could require intervention to prevent abuse, self-harm, or violence in schools. The tools described in this section must be used to inform any behavioral threat assessment and threat assessment teams. As used in this section, "early behaviors that could require intervention to prevent abuse, self-harm, or violence in schools" includes, but is not limited to, any of the following behaviors:

(a) Changes in attendance.

(b) Changes in academic performance.

(c) Changes in emotional response.

(d) Withdrawal.

(e) The beginning signs of self-harm.

(f) Problematic peer interaction.

(g) Discipline concerns that could result in any of the following outcomes:



(i) Specific interventions, including mental health or behavioral supports.

(ii) Academic support.

(iii) Parent or legal guardian conferences.

(iv) Discipline referrals.

(v) Other restorative practices.

~~(2) To receive funding under this section, a district or intermediate district must apply in a form and manner prescribed by the department.~~

~~(3) If funding under this section is insufficient to fulfill all funding requests by districts or intermediate districts under this section, the department shall prorate the total funding allocated under this section equally among all qualified applicants.~~

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

Sec. 97k. (1) From the state school aid fund money appropriated in section 11, there is allocated \$100,000.00 for ~~2023-2024~~ **2024-2025** only to Washtenaw Intermediate School District to utilize on the Student Advocacy Center of Michigan to support its statewide helpline for families in educational crisis.

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

**Sec. 97m. (1) From the general fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed \$1,000,000.00 for 42 Strong to continue 42 Strong's work at implementing a peer mentoring program designed to drive outcomes**



1 that include, but are not limited to, increasing student  
 2 connectedness to families, peers, the school, and community;  
 3 improving student self-esteem; and improving overall student well-  
 4 being.

5 (2) 42 Strong must utilize funding under this section to  
 6 expand implementation of its peer mentoring program within its  
 7 current school system and may also utilize the funding to expand to  
 8 communities in other school districts.

9 (3) Notwithstanding section 17b, the department shall make  
 10 payments under this section by December 1, 2024.

11 (4) Notwithstanding section 18a, funds allocated under this  
 12 section may be available for expenditure until September 30, 2028.  
 13 A recipient of funding under this section must return any  
 14 unexpended funds to the department in the manner prescribed by the  
 15 department by not later than October 30, 2028.

16 Sec. 98. (1) From the general fund money appropriated in  
 17 section 11, there is allocated an amount not to exceed  
 18 ~~\$9,300,000.00~~ **\$9,800,000.00** for ~~2023-2024~~ **2024-2025** for the  
 19 purposes described in this section. It is the intent of the  
 20 legislature that, for ~~2024-2025~~, **2025-2026**, the allocation from the  
 21 general fund money appropriated in section 11 for purposes  
 22 described in this section will be \$8,000,000.00. The Michigan  
 23 Virtual University shall provide a report to the legislature not  
 24 later than November 1 of each fiscal year for which funding is  
 25 allocated under this section that includes its mission, its plans,  
 26 and proposed benchmarks it must meet, including a plan to achieve  
 27 the organizational priorities identified in this section, ~~in order~~  
 28 to receive full funding for the next fiscal year for which funding  
 29 is allocated under this section. ~~Not~~ **By not** later than March 1 of



1 each fiscal year for which funding is allocated under this section,  
2 the Michigan Virtual University shall provide an update to the  
3 house and senate appropriations subcommittees on school aid to show  
4 the progress being made to meet the benchmarks identified.

5 (2) The Michigan Virtual University shall operate the Michigan  
6 Virtual Learning Research Institute. The Michigan Virtual Learning  
7 Research Institute shall do all of the following:

8 (a) Support and accelerate innovation in education through the  
9 following activities:

10 (i) Test, evaluate, and recommend as appropriate new  
11 technology-based instructional tools and resources.

12 (ii) Research, design, and recommend virtual education delivery  
13 models for use by pupils and teachers that include age-appropriate  
14 multimedia instructional content.

15 (iii) Research, develop, and recommend annually to the  
16 department criteria by which cyber schools and virtual course  
17 providers should be monitored and evaluated to ensure a quality  
18 education for their pupils.

19 (iv) Based on pupil completion and performance data reported to  
20 the department or the center from cyber schools and other virtual  
21 course providers operating in this state, analyze the effectiveness  
22 of virtual learning delivery models in preparing pupils to be  
23 college- and career-ready and publish a report that highlights  
24 enrollment totals, completion rates, and the overall impact on  
25 pupils. The Michigan Virtual Learning Research Institute shall  
26 submit the report to the house and senate appropriations  
27 subcommittees on school aid, the state budget director, the house  
28 and senate fiscal agencies, the department, districts, and  
29 intermediate districts **by** not later than March 31 of each fiscal



1 year for which funding is allocated under this section.

2 (v) Provide an extensive professional development program to  
3 at least 30,000 educational personnel, including teachers, school  
4 administrators, and school board members, that focuses on the  
5 effective integration of virtual learning into curricula and  
6 instruction. The Michigan Virtual Learning Research Institute is  
7 encouraged to work with the MiSTEM council described in section 99s  
8 to coordinate professional development of teachers in applicable  
9 fields. In addition, the Michigan Virtual Learning Research  
10 Institute and external stakeholders are encouraged to coordinate  
11 with the department for professional development in this state,  
12 including professional development for employees in child care  
13 facilities, early childhood facilities, and after-school programs.  
14 ~~Not~~ **By not** later than December 1 of each fiscal year for which  
15 funding is allocated under this section, the Michigan Virtual  
16 Learning Research Institute shall submit a report to the house and  
17 senate appropriations subcommittees on school aid, the state budget  
18 director, the house and senate fiscal agencies, and the department  
19 on the number of teachers, school administrators, and school board  
20 members who have received professional development services from  
21 the Michigan Virtual University. The report must also include both  
22 of the following:

23 (A) The identification of barriers and other opportunities to  
24 encourage the adoption of virtual learning in the public education  
25 system.

26 (B) A link to, and explanation of, the Michigan Virtual  
27 University's online course standards for professional development  
28 programming. The standards described in this sub-subparagraph must  
29 inform learners how to file a complaint about course content and



1 detail the steps that will be taken for the review and resolution  
2 of complaints.

3 (vi) Identify and share best practices for planning,  
4 implementing, and evaluating virtual and blended education delivery  
5 models with intermediate districts, districts, and public school  
6 academies to accelerate the adoption of innovative education  
7 delivery models statewide.

8 (b) Provide leadership for this state's system of virtual  
9 learning education by doing the following activities:

10 (i) Develop and report policy recommendations to the governor  
11 and the legislature that accelerate the expansion of effective  
12 virtual learning in this state's schools.

13 (ii) Provide a clearinghouse for research reports, academic  
14 studies, evaluations, and other information related to virtual  
15 learning.

16 (iii) Promote and distribute the most current instructional  
17 design standards and guidelines for virtual teaching.

18 (iv) In collaboration with the department and interested  
19 colleges and universities in this state, support implementation and  
20 improvements related to effective virtual learning instruction.

21 (v) Pursue public/private partnerships that include districts  
22 to study and implement competency-based technology-rich virtual  
23 learning models.

24 (vi) Create a statewide network of school-based mentors serving  
25 as liaisons between pupils, virtual instructors, parents, and  
26 school staff, as provided by the department or the center, and  
27 provide mentors with research-based training and technical  
28 assistance designed to help more pupils be successful virtual  
29 learners.



1 (vii) Convene focus groups and conduct annual surveys of  
2 teachers, administrators, pupils, parents, and others to identify  
3 barriers and opportunities related to virtual learning.

4 (viii) Produce an annual consumer awareness report for schools  
5 and parents about effective virtual education providers and  
6 education delivery models, performance data, cost structures, and  
7 research trends.

8 (ix) Provide an internet-based platform that educators can use  
9 to create student-centric learning tools and resources for sharing  
10 in the state's open educational resource repository and facilitate  
11 a user network that assists educators in using the content creation  
12 platform and state repository for open educational resources. As  
13 part of this initiative, the Michigan Virtual University shall work  
14 collaboratively with districts and intermediate districts to  
15 establish a plan to make available virtual resources that align to  
16 Michigan's K to 12 curriculum standards for use by students,  
17 educators, and parents.

18 (x) Create and maintain a public statewide catalog of virtual  
19 learning courses being offered by all public schools and community  
20 colleges in this state. The Michigan Virtual Learning Research  
21 Institute shall identify and develop a list of nationally  
22 recognized best practices for virtual learning and use this list to  
23 support reviews of virtual course vendors, courses, and  
24 instructional practices. The Michigan Virtual Learning Research  
25 Institute shall also provide a mechanism for intermediate districts  
26 to use the identified best practices to review content offered by  
27 constituent districts. The Michigan Virtual Learning Research  
28 Institute shall review the virtual course offerings of the Michigan  
29 Virtual University, and make the results from these reviews





1 available to the public as part of the statewide catalog. The  
2 Michigan Virtual Learning Research Institute shall ensure that the  
3 statewide catalog is made available to the public on the Michigan  
4 Virtual University website and shall allow the ability to link it  
5 to each district's website as provided for in section 21f. The  
6 statewide catalog must also contain all of the following:

7 (A) The number of enrollments in each virtual course in the  
8 immediately preceding school year.

9 (B) The number of enrollments that earned 60% or more of the  
10 total course points for each virtual course in the immediately  
11 preceding school year.

12 (C) The pass rate for each virtual course.

13 (xi) Support registration, payment services, and transcript  
14 functionality for the statewide catalog and train key stakeholders  
15 on how to use new features.

16 (xii) Collaborate with key stakeholders to examine district  
17 level accountability and teacher effectiveness issues related to  
18 virtual learning under section 21f and make findings and  
19 recommendations publicly available.

20 (xiii) Provide a report on the activities of the Michigan  
21 Virtual Learning Research Institute.

22 (3) To further enhance its expertise and leadership in virtual  
23 learning, the Michigan Virtual University shall continue to operate  
24 the Michigan Virtual School as a statewide laboratory and quality  
25 model of instruction by implementing virtual and blended learning  
26 solutions for Michigan schools in accordance with the following  
27 parameters:

28 (a) The Michigan Virtual School must maintain its  
29 accreditation status from recognized national and international



1 accrediting entities.

2 (b) The Michigan Virtual University shall use no more than  
3 \$1,000,000.00 of the amount allocated under this section to  
4 subsidize the cost paid by districts for virtual courses.

5 (c) In providing educators responsible for the teaching of  
6 virtual courses as provided for in this section, the Michigan  
7 Virtual School shall follow the requirements to request and assess,  
8 and the department of state police shall provide, a criminal  
9 history check and criminal records check under sections 1230 and  
10 1230a of the revised school code, MCL 380.1230 and 380.1230a, in  
11 the same manner as if the Michigan Virtual School were a school  
12 district under those sections.

13 (4) From the funds allocated under subsection (1), the  
14 Michigan Virtual University shall allocate up to \$500,000.00 to  
15 support the expansion of new online and blended educator  
16 professional development programs.

17 **(5) From the funds allocated under subsection (1), the**  
18 **Michigan Virtual University shall allocate up to \$500,000.00 to**  
19 **operate a comprehensive statewide laboratory designed to function**  
20 **as a hub for cutting-edge research, the identification and**  
21 **dissemination of best practices, rigorous experimentation, policy**  
22 **formulation, and proactive efforts to enhance awareness about the**  
23 **responsible utilization of artificial intelligence in schools.**

24 **(6) ~~(5)~~—**If the course offerings are included in the statewide  
25 catalog of virtual courses under subsection (2) (b) (x), the Michigan  
26 Virtual School operated by the Michigan Virtual University may  
27 offer virtual course offerings, including, but not limited to, all  
28 of the following:

29 (a) Information technology courses.



(b) College level equivalent courses, as that term is defined in section 1471 of the revised school code, MCL 380.1471.

(c) Courses and dual enrollment opportunities.

(d) Programs and services for at-risk pupils.

(e) High school equivalency test preparation courses for adjudicated youth.

(f) Special interest courses.

(g) Professional development programs for teachers, school administrators, other school employees, and school board members.

**(7)** ~~(6)~~ If a home-schooled or nonpublic school student is a resident of a district that subscribes to services provided by the Michigan Virtual School, the student may use the services provided by the Michigan Virtual School to the district without charge to the student beyond what is charged to a district pupil using the same services.

**(8)** ~~(7)~~ ~~Not~~ **By not** later than December 1 of each fiscal year for which funding is allocated under this section, the Michigan Virtual University shall provide a report to the house and senate appropriations subcommittees on school aid, the state budget director, the house and senate fiscal agencies, and the department that includes at least all of the following information related to the Michigan Virtual School for the preceding fiscal year:

(a) A list of the districts served by the Michigan Virtual School.

(b) A list of virtual course titles available to districts.

(c) The total number of virtual course enrollments and information on registrations and completions by course.

(d) The overall course completion rate percentage.

**(9)** ~~(8)~~ In addition to the information listed in subsection



~~(7)~~, ~~(8)~~, the report under subsection ~~(7)~~ ~~(8)~~ must also include a plan to serve at least 600 schools with courses from the Michigan Virtual School or with content available through the internet-based platform identified in subsection (2) (b) (ix).

(10) ~~(9)~~—The governor may appoint an advisory group for the Michigan Virtual Learning Research Institute established under subsection (2). The members of the advisory group serve at the pleasure of the governor and without compensation. The purpose of the advisory group is to make recommendations to the governor, the legislature, and the president and board of the Michigan Virtual University that will accelerate innovation in this state's education system in a manner that will prepare elementary and secondary students to be career and college ready and that will promote the goal of increasing the percentage of residents of this state with high-quality degrees and credentials to at least 60% by 2025.

(11) ~~(10)~~ ~~Not~~ **By not** later than November 1 of each fiscal year for which funding is allocated under this section, the Michigan Virtual University shall submit to the house and senate appropriations subcommittees on school aid, the state budget director, and the house and senate fiscal agencies a detailed budget for that fiscal year that includes a breakdown on its projected costs to deliver virtual educational services to districts and a summary of the anticipated fees to be paid by districts for those services. ~~Not~~ **By not** later than March 1 each fiscal year for which funding is allocated under this section, the Michigan Virtual University shall submit to the house and senate appropriations subcommittees on school aid, the state budget director, and the house and senate fiscal agencies a breakdown on



its actual costs to deliver virtual educational services to districts and a summary of the actual fees paid by districts for those services based on audited financial statements for the immediately preceding fiscal year.

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

(a) "Blended learning" means a hybrid instructional delivery model where pupils are provided content, instruction, and assessment, in part at a supervised educational facility away from home where the pupil and a teacher with a valid Michigan teaching certificate are in the same physical location and in part through internet-connected learning environments with some degree of pupil control over time, location, and pace of instruction.

(b) "Cyber school" means a full-time instructional program of virtual courses for pupils that may or may not require attendance at a physical school location.

(c) "Virtual course" means a course of study that is capable of generating a credit or a grade and that is provided in an interactive learning environment in which the majority of the curriculum is delivered using the internet and in which pupils are separated from their instructor or teacher of record by time or location, or both.

Sec. 98d. (1) From the state school aid fund money appropriated under section 11, there is allocated for ~~2023-2024~~ **2024-2025** only an amount not to exceed ~~\$5,000,000.00~~ **\$3,000,000.00** to Northern Michigan University to support the MLC as described in this section. Northern Michigan University shall not retain any portion of the funding received under this section for administrative purposes and shall provide funding to support the MLC. All of the following apply to the MLC:



1 (a) The MLC must expand literacy programming over the air,  
2 online, and in communities that is aligned with this state's pre-K  
3 to 12 educational standards.

4 (b) The MLC shall provide over the air broadcasts 24 hours  
5 each day for 7 days each week of quality instructional content that  
6 is aligned with this state's pre-K to 12 educational standards.  
7 Over-the-air broadcasts as described in this subdivision must be  
8 streamed live and must be archived for on-demand viewing on a  
9 companion website, along with additional learning materials  
10 relevant to lessons.

11 (c) The MLC must be managed and operated by DPTV, and DPTV  
12 shall assume all risk, liability, and responsibility for the MLC in  
13 accordance with regulations by the United States Federal  
14 Communications Commission, PBS broadcast standards, and standard  
15 nonprofit business standards. DPTV shall serve as the fiduciary  
16 agent and service manager for the MLC. The MLC shall originate from  
17 a central operations center that is responsible for providing the  
18 infrastructure, content, and engagement of the MLC in partnership  
19 with this state's educational leadership organizations.

20 (d) The MLC shall require that DPTV provide technology,  
21 funding, staff training, and central management of the MLC to  
22 station partners to insert additional channels into each station's  
23 broadcast streams and to support staffing and engagement as  
24 outlined in a memorandum of understanding among the stations.

25 (e) The MLC shall require that DPTV partner with at least 5  
26 other Michigan public television stations, including, but not  
27 limited to, WKAR, WGVU, WDCQ, WCMU, and WNMU, to deliver the over-  
28 the-air MLC broadcasts described in this section and to support  
29 engagement with local educators. Stations described in this



1 subdivision must be able to use the infrastructure provided by the  
2 MLC to develop their own local content that best serves their  
3 communities.

4 (f) The MLC shall not use the funds received from Northern  
5 Michigan University under this section in support of the MLC for  
6 any purposes fully funded by the governor's emergency education  
7 relief fund grant.

8 (2) ~~Not~~ **By not** later than February 1, ~~2024,~~ **2025**, the MLC  
9 shall provide a report to the house and senate appropriations  
10 subcommittees responsible for school aid, the house and senate  
11 fiscal agencies, and the state budget director detailing the MLC's  
12 compliance with ensuring that conditions listed under subsection  
13 (1) were met.

14 (3) Notwithstanding section 17b, the department shall make  
15 payments under this section **by** not later than December 1,  
16 ~~2023,~~ **2024**.

17 (4) As used in this section:

18 (a) "DPTV" means Detroit Public Television.

19 (b) "MLC" means the Michigan Learning Channel.

20 **Sec. 99. (1) From the state school aid fund money appropriated**  
21 **in section 11, there is allocated an amount not to exceed**  
22 **\$500,000.00 for 2023-2024 only to Kentwood Public Schools and Oak**  
23 **Park Schools for a plant-based school meals pilot grant program.**  
24 **Grants shall be used for developing and implementing plant-based**  
25 **meal options in school cafeterias, training school food service**  
26 **staff in the preparation of plant-based meals, and purchasing**  
27 **necessary kitchen equipment to facilitate the preparation of plant-**  
28 **based meals. Recipients of grants under this program shall submit a**  
29 **report to the department detailing the use of funds and the impact**



1 of the program on student meal choices and environmental  
2 sustainability.

3 (2) From the general fund money appropriated in section 11,  
4 there is allocated an amount not to exceed \$500,000.00 for 2024-  
5 2025 only for a virtual reality youth peace literacy initiative  
6 pilot program.

7 (3) From the general fund money appropriated in section 11,  
8 there is allocated an amount not to exceed \$1,000,000.00 for 2024-  
9 2025 only to the American Lightweight Materials Manufacturing  
10 Innovation Institute, in partnership with the Michigan  
11 Manufacturers Association, Amatrol, and the ATS LAB Midwest. Funds  
12 received under this subsection must be used to provide high schools  
13 and intermediate districts in this state with competency-based,  
14 technology infused talent development programs that provide  
15 curricula, e-learning, hands-on e-learning systems, curricula-  
16 specific training equipment, installation, orientation, teacher  
17 training, industry-recognized skill certifications, and connections  
18 to local manufacturers for students in high schools and  
19 intermediate districts in this state.

20 (4) From the state school aid fund money appropriated in  
21 section 11, there is allocated an amount not to exceed  
22 \$2,500,000.00 for 2024-2025 only to the Dearborn City School  
23 District for costs to expand the career and technical education  
24 program for the district, including, but not limited to, expansion  
25 of a cybersecurity certificate program. Costs in this subsection  
26 may include both operational and capital costs.

27 (5) From the state school aid fund money appropriated in  
28 section 11, there is allocated an amount not to exceed  
29 \$1,500,000.00 for 2024-2025 only to the Dearborn City School





1 District to support the construction of outdoor classrooms and  
2 other green space for Salina Intermediate School in the Dearborn  
3 City School District.

4 (6) From the state school aid fund money appropriated in  
5 section 11, there is allocated an amount not to exceed  
6 \$2,000,000.00 for 2024-2025 only to the School District of the City  
7 of Harper Woods to support the costs for construction and operation  
8 of the daily life skills training center, an educational and skills  
9 development program with individualized training to improve a  
10 child's abilities to independently perform routine daily activities  
11 and effectively use community resources.

12 (7) From the state school aid fund money appropriated in  
13 section 11, there is allocated an amount not to exceed  
14 \$2,500,000.00 for 2024-2025 only to the Lansing Public School  
15 District for development and infrastructure improvements.

16 (8) From the state school aid fund money appropriated in  
17 section 11, there is allocated for 2024-2025 only an amount not to  
18 exceed \$700,000.00 to Clintondale Community Schools for safety and  
19 security upgrades.

20 (9) From the state school aid fund money appropriated in  
21 section 11, there is allocated for 2024-2025 only an amount not to  
22 exceed \$500,000.00 to Algonac Community School District to support  
23 asbestos remediation and redevelopment.

24 (10) From the state school aid fund money appropriated in  
25 section 11, there is allocated for 2024-2025 only an amount not to  
26 exceed \$700,000.00 to South Lyon Community Schools for student  
27 mental health services.

28 (11) From the state school aid fund money appropriated in  
29 section 11, there is allocated for 2024-2025 only an amount not to



1 exceed \$200,000.00 to Farmington Public School District for high-  
2 intensity tutoring.

3 (12) From the general fund money appropriated in section 11,  
4 there is allocated for 2024-2025 only an amount not to exceed  
5 \$2,100,000.00 to the Marygrove Conservancy for the creation of the  
6 Marygrove Film School.

7 (13) From the general fund money appropriated in section 11,  
8 there is allocated for 2024-2025 only an amount not to exceed  
9 \$3,900,000.00, and from the state school aid fund money  
10 appropriated in section 11, there is allocated for 2024-2025 only  
11 an amount not to exceed \$2,100,000.00 to Rudyard Area Schools for  
12 infrastructure.

13 (14) From the general fund money appropriated in section 11,  
14 there is allocated for 2024-2025 only an amount not to exceed  
15 \$250,000.00 to Brookview Montessori School for structural updates,  
16 including, but not limited to, electrical and HVAC.

17 (15) From the general fund money appropriated in section 11,  
18 there is allocated for 2024-2025 only an amount not to exceed  
19 \$100,000.00 for Okemos Public Montessori at Central for district  
20 lead abatement.

21 (16) From the general fund money appropriated in section 11,  
22 there is allocated for 2024-2025 only an amount not to exceed  
23 \$500,000.00 to Wellspring Detroit to support the academic and youth  
24 development program.

25 (17) From the state school aid fund money appropriated in  
26 section 11, there is allocated for 2024-2025 only an amount not to  
27 exceed \$500,000.00 to a district or intermediate district to  
28 support the implementation of the MI Student Voice Perception  
29 Survey.



1 (18) From the general fund money appropriated in section 11,  
2 there is allocated for 2024-2025 only an amount not to exceed  
3 \$3,700,000.00 to the recipients identified in this subsection to  
4 support capital costs to increase safety of student pedestrians.

5 (a) A recipient of a grant under this subsection shall use the  
6 funds to increase the safety of student pedestrians through capital  
7 improvements. A grant recipient may enter into agreements with  
8 other units of local government to complete eligible projects.  
9 Improvements may include, but are not limited to, all of the  
10 following:

11 (i) Signage and painting for crosswalks.

12 (ii) Installing or repairing sidewalks.

13 (iii) Adding turning lanes.

14 (iv) Installing or repairing traffic signal lights.

15 (b) From the allocation in this subsection, \$3,000,000.00 is  
16 allocated to Macomb Township in Macomb County for road, signal, and  
17 pedestrian crossing improvements at the intersection of 21 Mile  
18 Road and Heydenreich Road. The purpose of the improvements is to  
19 increase safety for student pedestrians at nearby schools.

20 (c) From the allocation in this subsection, \$250,000.00 is  
21 allocated to the Woodhaven-Brownstown School District to construct  
22 sidewalks to connect nearby residential areas to schools in the  
23 district.

24 (d) From the allocation in this subsection, \$450,000.00 is  
25 allocated to the Village of Brooklyn to partner with the Columbia  
26 Charter School District and Columbia Charter Township to improve  
27 student pedestrian safety.

28 (e) The funds allocated under this subsection for 2024-2025  
29 are a work project appropriation, and any unexpended funds for



1 2024-2025 are carried forward into 2025-2026. The purpose of the  
 2 work project is to continue to provide support for capital costs to  
 3 increase safety of student pedestrians. The estimated completion  
 4 date of the work project is September 30, 2029.

5 (19) From the state school aid fund money appropriated in  
 6 section 11, there is allocated for 2024-2025 only an amount not to  
 7 exceed \$7,000,000.00 to Detroit Public Schools Community District  
 8 to offset the cost of relocating the Davis Aerospace Technical High  
 9 School to the Coleman A. Young International Airport.

10 Notwithstanding section 18a, funds allocated under this subsection  
 11 may be available for expenditure until September 30, 2027. A  
 12 recipient of funding under this subsection must return any  
 13 unexpended funds to the department in a manner prescribed by the  
 14 department by not later than October 30, 2027.

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

18 Sec. 99b. (1) From the state school aid fund money  
 19 appropriated in section 11, there is allocated an amount not to  
 20 exceed ~~\$4,000,000.00~~ **\$500,000.00** for ~~2023-2024~~ **2024-2025** only to a  
 21 ~~district~~ **districts** to develop and implement teacher professional  
 22 development programs for computer science and computational  
 23 thinking courses and content.

24 (2) Funding received under subsection (1) may be used only for  
 25 the following purposes:

26 (a) High-quality professional learning for K to 12 computer  
 27 science content. The costs associated with professional learning as  
 28 described in this subdivision include, but are not limited to,  
 29 travel to workshops. As used in this subdivision, "high-quality



~~profession~~**professional** learning" means learning that is sustained, intensive, collaborative, job embedded, data driven, and classroom focused.

(b) Supports for K to 12 computer science professional learning, including, but not limited to, mentoring and coaching.

(c) Creation of resources to support implementation.

(d) Professional learning offerings that **do both of the following:**

(i) **Help teachers** identify strategies ~~to include~~ **to encourage course enrollment by** underrepresented groups.

(ii) **Connect to a curriculum that is free for educators and is aligned with the Michigan computer science standards.**

(e) Participation in the Strategic CSforALL Resource and Implementation Planning Tool (SCRIPT) process with a trained facilitator of this state.

(3) To be eligible to receive funding under this section, a district must apply for funding in a form and manner prescribed by the department. The application must, at a minimum, address how the district will do all of the following:

(a) Reach new and existing teachers with little to no computer science background.

(b) Use research- or evidence-based practices for high-quality professional development.

(c) Focus the professional learning on the mastery of all areas of computer science standards as approved by the state board of education in 2019.

(d) Reach and support marginalized ~~racial and ethnic~~ groups underrepresented in computer science, **including racial and ethnic minorities, girls, and youth from families living at or below the**



1 **poverty line, as that term is defined in 20 USC 7801.**

2 (e) Provide teachers with concrete experience with hands-on,  
3 inquiry-based practices.

4 (f) Accommodate the particular teacher and student needs in  
5 each district and school.

6 (g) Ensure that participating districts shall begin offering  
7 the courses or content within the same or next school year after  
8 the teacher receives the professional learning.

9 (h) Commit to completing the SCRIPT process.

10 **(4) Districts may contract with high-quality professional**  
11 **learning providers to offer the professional learning described in**  
12 **subsection (2). As used in this subsection, "high-quality**  
13 **professional learning providers" means institutions of higher**  
14 **education, nonprofits, or private entities that have successfully**  
15 **designed, implemented, and scaled high-quality computer science**  
16 **professional learning for teachers, as described in subsection**  
17 **(2) (a) .**

18 **(5) The department shall prioritize districts as follows when**  
19 **granting funding under subsection (1):**

20 (a) Districts in rural or urban areas with a higher proportion  
21 of students from groups historically underrepresented in computer  
22 science, including racial and ethnic minorities, girls, and youth  
23 from families living at or below the poverty line, as that term is  
24 defined in 20 USC 7801.

25 (b) Districts with limited or no computer science offerings  
26 that state in their application that the district plans to use the  
27 funding to expand in-person computer science offerings.

28 **(6) ~~(4)~~—The funds allocated under this section for 2023–2024**  
29 **2024–2025 are a work project appropriation, and any unexpended**



funds for ~~2023-2024-2024-2025~~ are carried forward into ~~2024-2025-~~  
**2025-2026**. The purpose of the work project is to continue to  
 support computer science **education** implementation. The estimated  
 completion date of the work project is September 30, ~~2025-2026~~.

(7) ~~(5)~~—A district that receives funding under this section  
 shall submit a report to the department by June 30, ~~2024-2025~~. The  
 report must include all of the following:

(a) The number of teachers prepared.

(b) Students reached, including the number and percentage of  
 students reached disaggregated by gender, race, ethnicity, and  
 socioeconomic status.

(c) The number and percentage of students with passing AP exam  
 scores for high school AP courses, by gender, race, and ethnicity,  
 once that data is available.

(d) The number of teachers that started implementing computer  
 science compared to the number of prepared teachers that attended  
 professional learning.

(e) The number of elementary students who are provided  
 integrated computer science opportunities.

(f) Progress in building a systematic K to 12 computer science  
 plan using the SCRIPT rubric.

(g) Any agreements to provide preassessments and  
 postassessments of teacher readiness for teaching computational  
 thinking and computer science and any data related to those  
 assessments.

**(h) The number of in-person computer science offerings that  
 were provided, expanded, or added using funding received under this  
 section.**

(8) ~~(6)~~—The department shall make the report submitted under



subsection ~~(5)~~ (7) available on a publicly accessible website.

**Sec. 99c. (1) From the general fund money appropriated in section 11, there is allocated for 2024-2025 only \$1,000,000.00 to an eligible organization to expand the eligible organization's current programming. As used in this subsection, "eligible organization" means an organization to which all of the following apply:**

(a) It is tax exempt under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501.

(b) It was founded before 1997.

(c) It began operating in this state after 2009.

(d) It provides low-income schools with year-round support services and conducts professional development workshops for schools and youth organizations.

(e) It is located in a city with a population greater than 600,000.

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

**Sec. 99g. (1) From the state school aid fund money appropriated in section 11, there is allocated \$1,000,000.00 for ~~2023-2024~~ 2024-2025 only to districts for the purposes under this section.**

(2) The department shall award funding under this section to districts in urban, suburban, and rural areas in this state and shall award funding as follows:

(a) To at least 3 districts that are located in Wayne County that must include Detroit Public School Community District, 1 suburban district, and 1 rural district.





(b) To at least 1 district located in Eaton County.

(c) To at least 1 district located in Grand Traverse County.

(d) To at least 1 district located in Kent County.

(e) To at least 1 district located in Macomb County.

(f) To at least 1 district located in Marquette County.

(g) After the awards under subdivisions (a) to (f), to districts across this state to achieve a representative distribution of urban, suburban, and rural districts.

(3) A district that receives funding under this section shall use the funding to provide, upon request from eligible students, feminine hygiene products at no cost to eligible students enrolled in the district. From the funding allocated under this section, each eligible student must receive, at a minimum, 20 tampons or menstrual pads each month for the school year.

(4) As used in this section:

(a) "At-risk pupil" means that term as defined in section 31a.

(b) "Eligible student" means a student who is an at-risk pupil.

Sec. 99h. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$5,973,200.00~~ **\$4,723,200.00** for ~~2023-2024~~ **2024-2025** for competitive grants to districts and intermediate districts, and from the general fund money appropriated in section 11, there is allocated \$600,000.00 for ~~2023-2024~~ **2024-2025** for competitive grants to nonpublic schools, that provide pupils in grades pre-K to 12 with expanded opportunities to improve mathematics, science, **computer science**, and technology skills by participating in ~~competitions~~ **robotics competition programs** hosted by a ~~science and technology development program known as~~ **program providers**



1 **including, but not limited to,** FIRST (for inspiration and  
 2 recognition of science and technology) Robotics, including FIRST  
 3 Lego League - Discover, Explore, and Challenge, FIRST Tech  
 4 challenge, and FIRST Robotics competition, ~~or other competitive~~  
 5 ~~robotics programs or equipment vendors, including VEX, Square One,~~  
 6 ~~and those hosted by the Robotics Education and Competition (REC)-~~  
 7 ~~Foundation. It is the intent of the legislature that, for 2024-~~  
 8 ~~2025, the allocation from the state school aid fund money~~  
 9 ~~appropriated in section 11 for purposes described in this section~~  
 10 ~~will be \$4,723,200.00.~~ **LTU Robofest, MATE (Marine Advanced**  
 11 **Technical Education), REC (Robotics Education Competition)**  
 12 **Foundation, Square One Education Network, VEX, and other providers**  
 13 **approved by the department. All approved providers shall make all**  
 14 **programs available to students in this state regardless of**  
 15 **geographical location.** Programs funded under this section are  
 16 intended to increase the number of pupils demonstrating proficiency  
 17 in science and mathematics on the state assessments and to increase  
 18 the number of pupils who are college- and career-ready upon high  
 19 school graduation. Notwithstanding section 17b, the department  
 20 shall make grant payments to districts, nonpublic schools, and  
 21 intermediate districts under this section on a schedule determined  
 22 by the department. The department shall set maximum grant awards  
 23 for each different level of programming and competition in a manner  
 24 that both maximizes the number of teams that will be able to  
 25 receive funds and expands the geographical distribution of teams.  
 26 Districts and intermediate districts that receive funds under this  
 27 section must provide relevant student participation information, as  
 28 determined by the department, to program and competition providers  
 29 described in this section. For a district or intermediate district

1 to count a program competition provider for purposes of payments  
2 under this section, the program and competition providers must  
3 agree to aggregate data received by districts and intermediate  
4 districts and provide this information to the department in a form  
5 and manner determined by the department.

6 (2) The department shall do all of the following for purposes  
7 of this section:

8 (a) Both of the following by not later than 60 days after the  
9 ~~K to 12~~ **state school aid** appropriations bill for the current fiscal  
10 year is enacted into law or October 1 of the current fiscal year,  
11 whichever is later:

12 (i) Open applications for funding under this section to all  
13 districts, nonpublic schools, and intermediate districts.

14 (ii) Publish a list of approved programs and vendors for  
15 purposes of this section in a manner that is accessible to all  
16 applicants. To obtain approval under this subparagraph, a program  
17 or vendor must submit to the department registration information,  
18 including any fees; pledge that it will post this information on  
19 its website; and, by not later than January 1 of the current fiscal  
20 year, submit this information to the department for publication on  
21 the department's website.

22 (b) By not later than 60 days after applications are opened as  
23 described in subdivision (a), close applications under this  
24 section.

25 (c) By not later than 60 days after applications are closed as  
26 described in subdivision (b), make all determinations concerning  
27 funding under this section.

28 (d) By not later than July 1 of the current fiscal year,  
29 publish a document listing the requirements for becoming an



1 approved program or vendor under subdivision (a).

2 (3) Except as otherwise provided under this subsection, if  
3 funding under this section is insufficient to fulfill all funding  
4 requests by qualified applicants under this section, the department  
5 shall prorate the total funding allocated under this section  
6 equally among all qualified applicants. However, for funding under  
7 this section toward grants under subsection (5)(b), in its  
8 proration under this subsection, the department shall ensure that  
9 each district is paid in an amount equal to the percentage the  
10 department would have paid the district in grant funding under  
11 subsection (5)(b), but for proration under this subsection, with no  
12 district receiving a grant under subsection (5)(b) in an amount  
13 that is greater than the district's total accrued costs under  
14 subsection (5)(b).

15 (4) A district, nonpublic school, or intermediate district  
16 applying for a grant under this section must submit an application  
17 in a form and manner prescribed by the department. To be eligible  
18 for a grant, a district, nonpublic school, or intermediate district  
19 must demonstrate in its application that the district, nonpublic  
20 school, or intermediate district has established a partnership for  
21 the purposes of the robotics program with at least 1 sponsor,  
22 business entity, higher education institution, ~~or~~ technical school,  
23 ~~shall or individual, must~~ submit a ~~spending plan, budget,~~ and ~~shall~~  
24 ~~must~~ provide a local in-kind or cash match from other private or  
25 local funds of at least 25% of the cost of the robotics program  
26 award.

27 (5) The department shall distribute the grant funding under  
28 this section for the following purposes:

29 (a) Grants to districts, nonpublic schools, or intermediate



1 districts to pay for stipends not to exceed \$1,500.00 per building  
2 for coaching.

3 (b) Grants to districts, nonpublic schools, or intermediate  
4 districts for event registrations, materials, travel costs, and  
5 other expenses associated with the preparation for and attendance  
6 at robotics events and competitions.

7 (c) Grants to districts, nonpublic schools, or intermediate  
8 districts for awards to teams that advance to the next levels of  
9 competition as determined by the department. The department shall  
10 determine an equal amount per team for those teams that advance.

11 (6) A nonpublic school that receives a grant under this  
12 section may use the funds for either robotics or Science Olympiad  
13 programs.

14 (7) To be eligible to receive funds under this section, a  
15 nonpublic school must be a nonpublic school registered with the  
16 department and must meet all applicable state reporting  
17 requirements for nonpublic schools.

18 **(8) To be eligible to receive a grant under this section, a**  
19 **district, nonpublic school, or intermediate district must do all of**  
20 **the following:**

21 **(a) If the district, nonpublic school, or intermediate**  
22 **district is requesting funding for more than 1 team for a building,**  
23 **meet the minimum requirements for team size as determined by the**  
24 **approved program provider.**

25 **(b) Participate in at least the minimum number of competitions**  
26 **as determined by the approved program provider.**

27 **(c) Participate in at least 1 in-person competition.**

28 **(9) ~~(8)~~—**For purposes of this section, an approved program or  
29 vendor under this section that provides a program under this



1 section shall not work with the department to set prices or  
2 policies for the program.

3 (10) ~~(9)~~—As used in this section, "current fiscal year" means  
4 the fiscal year for which an allocation is made under this section.

5 **Sec. 99i. (1) From the general fund money appropriated in**  
6 **section 11, there is allocated for 2024-2025 only an amount not to**  
7 **exceed \$250,000.00 to support the Michigan Council of Women in**  
8 **Technology Foundation. The funds awarded under this section must be**  
9 **used to support the girls-exploring-together-information-technology**  
10 **clubs for middle and high school girls that provide structured**  
11 **hands-on learning activities through a comprehensive technology-**  
12 **focused curriculum.**

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

16 **Sec. 99s. (1) From state school aid fund money appropriated**  
17 **under section 11, there is allocated for ~~2023-2024~~ 2024-2025 an**  
18 **amount not to exceed \$7,634,300.00 for Michigan science,**  
19 **technology, engineering, and mathematics (MiSTEM) programs. The**  
20 **MiSTEM network may receive funds from private sources. If the**  
21 **MiSTEM network receives funds from private sources, the MiSTEM**  
22 **network shall expend those funds in alignment with the statewide**  
23 **STEM strategy. Programs funded under this section are intended to**  
24 **increase the number of pupils demonstrating proficiency in science**  
25 **and mathematics on the state assessments, to increase the number of**  
26 **pupils who are college- and career-ready upon high school**  
27 **graduation, and to promote certificate and degree attainment in**  
28 **STEM fields. Notwithstanding section 17b, the department shall make**  
29 **payments under this section on a schedule determined by the**



1 department.

2 (2) The MiSTEM council annually shall review and make  
3 recommendations to the governor, the legislature, and the  
4 department concerning changes to the statewide strategy adopted by  
5 the council for delivering STEM education-related opportunities to  
6 pupils. The MiSTEM council shall use funds received under this  
7 subsection to ensure that its members or their designees are  
8 trained in the Change the Equation STEMworks rating system program  
9 for the purpose of rating STEM programs.

10 (3) The MiSTEM council shall make specific funding  
11 recommendations for the funds allocated under subsection (4) by  
12 December 15 of each fiscal year. Each specific funding  
13 recommendation must be for a program approved by the MiSTEM  
14 council. All of the following apply:

15 (a) To be eligible for MiSTEM council approval as described in  
16 this subsection, a program must satisfy all of the following:

17 (i) Align with this state's academic standards.

18 (ii) Have STEMworks certification.

19 (iii) Provide project-based experiential learning, student  
20 programming, or educator professional learning experiences.

21 (iv) Focus predominantly on classroom-based STEM experiences or  
22 professional learning experiences.

23 (b) The MiSTEM council shall approve programs that represent  
24 all network regions and include a diverse array of options for  
25 students and educators and at least 1 program in each of the  
26 following areas:

27 (i) Robotics.

28 (ii) Computer science or coding.

29 (iii) Engineering or bioscience.



1 (c) The MiSTEM council is encouraged to work with the MiSTEM  
2 network to develop locally and regionally developed programs and  
3 professional learning experiences for the programs on the list of  
4 approved programs.

5 (d) If the MiSTEM council is unable to make specific funding  
6 recommendations by December 15 of a fiscal year, the department  
7 shall award and distribute the funds allocated under subsection (4)  
8 on a competitive grant basis that at least follows the statewide  
9 STEM strategy plan and rating system recommended by the MiSTEM  
10 council. Each grant must provide STEM education-related  
11 opportunities for pupils.

12 (e) The MiSTEM council shall work with the department of labor  
13 and economic opportunity to implement the statewide STEM strategy  
14 adopted by the MiSTEM council.

15 (4) From the state school aid fund money allocated under  
16 subsection (1), there is allocated for ~~2023-2024~~**2024-2025** an  
17 amount not to exceed \$3,050,000.00 for the purpose of funding  
18 programs under this section for ~~2023-2024~~**2024-2025** as recommended  
19 by the MiSTEM council.

20 (5) From the state school aid fund money allocated under  
21 subsection (1), there is allocated an amount not to exceed  
22 \$3,834,300.00 for ~~2023-2024~~**2024-2025** to support the activities and  
23 programs of the MiSTEM network regions. From the money allocated  
24 under this subsection, the department shall award the fiscal agent  
25 for each MiSTEM network region \$200,000.00 for the base operations  
26 of each region. The department shall distribute the remaining funds  
27 to each fiscal agent in an equal amount per pupil, based on the  
28 number of K to 12 pupils enrolled in districts within each region  
29 in the immediately preceding fiscal year.





(6) A MiSTEM network region shall do all of the following:

(a) Collaborate with the career and educational advisory council that is located in the MiSTEM region to develop a regional strategic plan for STEM education that creates a robust regional STEM culture, that empowers STEM teachers, that integrates business and education into the STEM network, and that ensures high-quality STEM experiences for pupils. At a minimum, a regional STEM strategic plan should do all of the following:

(i) Identify regional employer need for STEM.

(ii) Identify processes for regional employers and educators to create guided pathways for STEM careers that include internships or externships, apprenticeships, and other experiential engagements for pupils.

(iii) Identify educator professional learning opportunities, including internships or externships and apprenticeships, that integrate this state's science standards into high-quality STEM experiences that engage pupils.

(b) Facilitate regional STEM events such as educator and employer networking and STEM career fairs to raise STEM awareness.

(c) Contribute to the MiSTEM website and engage in other MiSTEM network functions to further the mission of STEM in this state in coordination with the MiSTEM council and the department of labor and economic opportunity.

(d) Facilitate application and implementation of state and federal funds under this subsection and any other grants or funds for the MiSTEM network region.

(e) Work with districts to provide STEM programming and professional learning.

(f) Coordinate recurring discussions and work with the career



1 and educational advisory council to ensure that feedback and best  
2 practices are being shared, including funding, program,  
3 professional learning opportunities, and regional strategic plans.

4 (7) From the state school aid fund money allocated under  
5 subsection (1), the department shall distribute for ~~2023-2024~~**2024-**  
6 **2025** an amount not to exceed \$750,000.00, in a form and manner  
7 determined by the department, to those network regions able to  
8 further the statewide STEM strategy recommended by the MiSTEM  
9 council.

10 (8) ~~In order to~~**To** receive state or federal funds under  
11 subsection (5) or (7), or to receive funds from private sources as  
12 authorized under subsection (1), a grant recipient must allow  
13 access for the department or the department's designee to audit all  
14 records related to the program for which it receives those funds.  
15 The grant recipient shall reimburse the state for all disallowances  
16 found in the audit.

17 (9) ~~In order to~~**To** receive state funds under subsection (5) or  
18 (7), a grant recipient must provide at least a 10% local match from  
19 local public or private resources for the funds received under this  
20 subsection.

21 (10) ~~Not~~**By not** later than July 1 of each fiscal year for  
22 which funding is allocated under this section, a MiSTEM network  
23 region that receives funds under subsection (5) shall report to the  
24 executive director of the MiSTEM network in a form and manner  
25 prescribed by the executive director on performance measures  
26 developed by the MiSTEM network regions and approved by the  
27 executive director. The performance measures must be designed to  
28 ensure that the activities of the MiSTEM network are improving  
29 student academic outcomes.



(11) Not more than 5% of a MiSTEM network region grant under subsection (5) or (7) may be retained by a fiscal agent for serving as the fiscal agent of a MiSTEM network region.

(12) As used in this section:

(a) "Career and educational advisory council" means an advisory council to the local workforce development boards located in a prosperity region consisting of educational, employer, labor, and parent representatives.

(b) "DED" means the United States Department of Education.

(c) "DED-OESE" means the DED Office of Elementary and Secondary Education.

(d) "MiSTEM Council" means the Michigan Science, Technology, Engineering, and Mathematics Education Advisory Council created as an advisory body within the department of labor and economic opportunity by Executive Reorganization Order No. 2019-3, MCL 125.1998.

(e) "STEM" means science, technology, engineering, and mathematics delivered in an integrated fashion using cross-disciplinary learning experiences that can include language arts, performing and fine arts, and career and technical education.

Sec. 99t. (1) From the general fund appropriation under section 11, there is allocated an amount not to exceed ~~\$2,000,000.00~~ **\$1,000,000.00** for ~~2023-2024~~ **2024-2025** only to purchase statewide access to an online algebra tool that meets all of the following:

(a) Provides students statewide with complete access to videos aligned with state standards including study guides and workbooks that are aligned with the videos.

(b) Provides students statewide with access to a personalized



1 online algebra learning tool including adaptive diagnostics.

2 (c) Provides students statewide with dynamic algebra practice  
3 assessments that emulate the state assessment with immediate  
4 feedback and help solving problems.

5 (d) Provides students statewide with online access to algebra  
6 help 24 hours a day and 7 days a week from study experts, teachers,  
7 and peers on a moderated social networking platform.

8 (e) Provides an online algebra professional development  
9 network for teachers.

10 (f) Is already provided under a statewide contract in at least  
11 1 other state that has a population of at least 18,000,000 but not  
12 more than 19,000,000 according to the most recent decennial census  
13 and is offered in that state in partnership with a public  
14 university.

15 (2) The department shall purchase the online algebra tool that  
16 was chosen under this section in 2016-2017.

17 (3) A grantee receiving funding under this section shall  
18 comply with the requirements of section 19b.

19 Sec. 99x. (1) From the state school aid fund money  
20 appropriated under section 11, there is allocated ~~\$5,000,000.00~~  
21 **\$3,000,000.00** for ~~2023-2024-2024-2025~~ only to Kentwood Public  
22 Schools to support Teach For America's statewide TeachMichigan  
23 initiative. Funding under this section must be used to support  
24 operating costs associated with TeachMichigan, including teacher  
25 recruitment, retention, development, innovation, and evaluation  
26 costs. To be eligible for these funds, Kentwood Public Schools must  
27 determine that the TeachMichigan initiative is on track to reach at  
28 least ~~200-300~~ educators working in at least 5 distinct regions  
29 across ~~the~~ **this** state **since its inception in 2022**, by ~~the start of~~



~~the 2024-2025 school year. not later than September 30, 2025.~~

Kentwood Public Schools must forward an amount equal to the amount awarded under this section to Teach For America, and is not responsible for monitoring, evaluating, or any other delivery or oversight of the TeachMichigan initiative.

(2) For each fiscal year that Teach for America receives funding under this section, Teach for America must submit a report to the department on progress made using funding under this section.

(3) The funds allocated under this section for 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. The purpose of the work project is to continue the implementation of the TeachMichigan initiative described in this section. The estimated completion date of the work project is September 30, 2026.

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

Sec. 99aa. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$1,500,000.00~~ **\$1,000,000.00** for ~~2023-2024 only~~ **2024-2025 only** to 1 eligible intermediate district to provide opportunities for high school students with disabilities to train for, gain, and maintain competitive employment.

(2) An intermediate district that has partnered with Project SEARCH to provide the opportunities described in subsection (1) is an eligible intermediate district under this section.

(3) The funds allocated under this section for ~~2023-2024~~ **2024-2025** are a work project appropriation, and any unexpended funds for



1 ~~2023-2024~~**2024-2025** are carried forward into ~~2024-2025~~**2025-2026**.

2 The purpose of the work project is to provide for the continuation  
3 of opportunities for high school students with disabilities as  
4 described in subsection (1). The estimated completion date of the  
5 work project is September 30, ~~2025~~**2026**.

6 Sec. 99ee. (1) From the state school aid fund money  
7 appropriated in section 11, there is allocated an amount not to  
8 exceed ~~\$6,500,000.00~~**\$2,000,000.00** for ~~2023-2024~~**2024-2025** only to  
9 Wayne RESA for the provision of programming, in partnership with a  
10 nonprofit organization that is tax-exempt under section 501(c)(3)  
11 of the internal revenue code of 1986, 26 USC 501, and that provides  
12 academic and career support programs and services, to help more  
13 Hispanic students to graduate from college. A district that  
14 receives funds under this section ~~must~~**shall** contract with a  
15 nonprofit organization for purposes of this section that received  
16 state funds for purposes described in this section in the  
17 immediately preceding fiscal year.

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

21 Sec. 99ff. (1) From the state school aid fund money  
22 appropriated in section 11, there is allocated ~~\$5,000,000.00~~  
23 **\$1,900,000.00** for ~~2023-2024~~**2024-2025** only for Wayne RESA, in  
24 collaboration with Junior Achievement, to create curricula,  
25 educational programs, and professional development for each  
26 district, intermediate district, and the Michigan Schools for the  
27 Deaf and Blind to support the implementation of the personal  
28 finance high school graduation requirements under section 1278a of  
29 the revised school code, MCL 380.1278a.



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

4 Sec. 99hh. (1) From the state school aid fund money  
5 appropriated in section 11, there is allocated an amount not to  
6 exceed \$3,000,000.00 for ~~2023-2024~~**2024-2025** only for Wayne RESA to  
7 partner with a nonprofit entity to support student success coach  
8 AmeriCorps service members to provide academic interventions in  
9 mathematics and English language arts and social-emotional support  
10 to students enrolled in grades K to 12. ~~in a community district.~~

11 (2) A district that receives funding under this section must  
12 use the funds to deploy student success coach AmeriCorps service  
13 members to ~~, at a minimum, 8~~ schools within the district. Student  
14 success coaches described in this subsection shall do all of the  
15 following:

16 (a) Provide small-group intervention support in mathematics  
17 and English language arts to at-risk students for 10 months. For  
18 purposes of this subdivision, students must be selected based on  
19 academic diagnostic data and be placed on a focus list for year-  
20 round support.

21 (b) Provide whole school, whole child support to partner  
22 schools in the district.

23 (c) Provide social-emotional support to a subset of focus-list  
24 students for 10 months. For purposes of this subdivision, students  
25 must be selected based on district behavior and climate or culture  
26 data and placed on a focus list for year-round support.

27 (d) Provide individualized attendance support to improve daily  
28 attendance rates for 10 months. For purposes of this subdivision,  
29 students must be selected based on district attendance data and



1 placed on a focus list for year-round support.

2 (3) A district receiving funding under this section must  
3 provide all of the following for student success coaches:

4 (a) Evidence-based training in TRAILS, Mental Health First  
5 Aid, Magnetic Reading, LETRS, and other relevant training necessary  
6 to implement academic, social, and attendance strategies.

7 (b) Ongoing career development training and coaching,  
8 including support with applying to teacher preparation programs,  
9 school social work preparation programs, and guidance counseling  
10 preparation programs.

11 (4) By not later than January 1 of each fiscal year, the  
12 center shall prepare a summary report of information provided by  
13 each recipient district under this section that includes measurable  
14 outcomes based on the objectives described in this section and a  
15 summary of compiled data from each recipient district in order to  
16 evaluate the effectiveness of the project. The center shall submit  
17 the report to the house and senate appropriations subcommittees on  
18 school aid and to the house and senate fiscal agencies.

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

22 Sec. 99jj. (1) From the state school aid fund money  
23 appropriated in section 11, there is allocated for 2023-2024 only  
24 \$250,000.00 to Dearborn City School District in partnership with  
25 the Amity Foundation for the purposes under this section.

26 (2) Dearborn City School District shall establish a pilot  
27 grant program for K to 12 eligible students to attend driver's  
28 training programs.

29 (3) Dearborn City School District shall issue a report to the





1 department, on an annual basis, that provides the number of  
2 students eligible for a grant under this section, how many students  
3 have attended and successfully completed a driver's training  
4 program described in this section, and the average cost, per  
5 student, of participation in a driver's training program described  
6 in this section.

7 (4) The department shall create a report that summarizes the  
8 success of the program established under subsection (2) and publish  
9 that report on its public website.

10 (5) The funds allocated under this section for 2023-2024 are a  
11 work project appropriation, and any unexpended funds for 2023-2024  
12 are carried forward into 2024-2025. The purpose of the work project  
13 is to support the pilot program described in this section for the  
14 provision of grants to students to attend driver's training  
15 programs. The estimated completion date of the work project is  
16 September 30, 2026.

17 (6) As used in this section, "eligible student" means a  
18 student to whom both of the following apply:

19 (a) The student qualifies for free and reduced lunch in the  
20 Dearborn City School District or in a contiguous district to the  
21 Dearborn City School District in alignment with federal law and  
22 regulations and state law.

23 (b) The student is enrolled in either of the following  
24 districts:

25 (i) Dearborn City School District.

26 (ii) A district contiguous to Dearborn City School District.

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



(8) Notwithstanding section 18a, funds allocated under this section may be available for expenditure until September 30, 2026. A recipient of funding under this section must return any unexpended funds to the department in the manner prescribed by the department by not later than October 30, 2026.

Sec. 104. (1) ~~In order to~~ To receive state aid under this article, a district shall comply with sections 1249, 1278a, 1278b, 1279g, and 1280b of the revised school code, MCL 380.1249, 380.1278a, 380.1278b, 380.1279g, and 380.1280b, and 1970 PA 38, MCL 388.1081 to 388.1086. Subject to subsection (2), from the state school aid fund money appropriated in section 11, there is allocated for ~~2023-2024~~ **2024-2025** an amount not to exceed \$37,509,400.00 for payments on behalf of districts for costs associated with complying with those provisions of law. In addition, from the federal funds appropriated in section 11, there is allocated for ~~2023-2024~~ **2024-2025** an amount estimated at \$8,000,000.00 funded from DED-OESE, title VI, state assessment funds, and from DED-OSERS, part B of the individuals with disabilities education act, 20 USC 1411 to 1419, plus any carryover federal funds from previous year appropriations, for the purposes of complying with the every student succeeds act, Public Law 114-95.

(2) The results of each test administered as part of the Michigan student test of educational progress (M-STEP), including tests administered to high school students, must include an item analysis that lists all items that are counted for individual pupil scores and the percentage of pupils choosing each possible response. The department shall work with the center to identify the number of students enrolled at the time assessments are given by



1 each district. In calculating the percentage of pupils assessed for  
2 a district's scorecard, the department shall use only the number of  
3 pupils enrolled in the district at the time the district  
4 administers the assessments and shall exclude pupils who enroll in  
5 the district after the district administers the assessments.

6 (3) The department shall distribute federal funds allocated  
7 under this section in accordance with federal law and with  
8 flexibility provisions outlined in Public Law 107-116, and in the  
9 education flexibility partnership act of 1999, Public Law 106-25.

10 (4) The department may recommend, but may not require,  
11 districts to allow pupils to use an external keyboard with tablet  
12 devices for online M-STEP testing, including, but not limited to,  
13 open-ended test items such as constructed response or equation  
14 builder items.

15 (5) Notwithstanding section 17b, the department shall make  
16 payments on behalf of districts, intermediate districts, and other  
17 eligible entities under this section on a schedule determined by  
18 the department.

19 (6) From the allocation in subsection (1), there is allocated  
20 an amount not to exceed \$500,000.00 for ~~2023-2024~~**2024-2025** for the  
21 operation of an online reporting tool to provide student-level  
22 assessment data in a secure environment to educators, parents, and  
23 pupils immediately after assessments are scored. The department and  
24 the center shall ensure that any data collected by the online  
25 reporting tool do not provide individually identifiable student  
26 data to the federal government.

27 (7) As used in this section:

28 (a) "DED" means the United States Department of Education.

29 (b) "DED-OESE" means the DED Office of Elementary and



1 Secondary Education.

2 (c) "DED-OSERS" means the DED Office of Special Education and  
3 Rehabilitative Services.

4 Sec. 104h. (1) From the state school aid fund money  
5 appropriated under section 11, there is allocated for ~~2021-2022~~  
6 **2024-2025** an amount not to exceed \$11,500,000.00 to districts to  
7 ~~begin implementation of a benchmark assessment system for implement~~  
8 **benchmark assessments during** the ~~2022-2023-2024-2025~~ school year.  
9 ~~It is the intent of the legislature that funding for benchmark~~  
10 ~~assessments for the 2024-2025 school year will be appropriated in~~  
11 ~~this section in 2024-2025.~~ All of the following apply to the  
12 benchmark assessment system described in this subsection:

13 (a) The system must provide for all of the following:

14 (i) That, within the first 9 weeks of the 2024-2025 school  
15 year, the district shall administer 1 or more benchmark assessments  
16 provided by a provider approved under subsection (6), benchmark  
17 assessments described in subdivision (b), or local benchmark  
18 assessments, or any combination thereof, to all pupils in grades K  
19 to 8 to measure proficiency in reading and mathematics.

20 (ii) That, in addition to the benchmark assessment or benchmark  
21 assessments administered under subparagraph (i), by not later than  
22 the last day of the 2024-2025 school year, the district shall  
23 administer the benchmark assessment or assessments administered  
24 under subparagraph (i) to all pupils in grades K to 8 to measure  
25 proficiency in reading and mathematics. To support fall to spring  
26 growth calculations, the same benchmark assessment that is  
27 administered in the fall must be administered in the spring.

28 (b) Except as otherwise provided in this section, a district  
29 may administer 1 or more of the following benchmark assessments



1 toward meeting the requirements under subdivision (a):

2 (i) A benchmark assessment in reading for students in grades K  
3 to 9 that contains progress monitoring tools and enhanced  
4 diagnostic assessments.

5 (ii) A benchmark assessment in math for students in grades K to  
6 8 that contains progress monitoring tools.

7 (c) The system must provide that, to the extent practicable,  
8 if a district administers a benchmark assessment or benchmark  
9 assessments under this section, the district shall administer the  
10 same benchmark assessment or benchmark assessments provided by a  
11 provider approved under subsection (6), benchmark assessment or  
12 benchmark assessments described in subdivision (b), or local  
13 benchmark assessment or local benchmark assessments that it  
14 administered to pupils in previous school years, as applicable.

15 (d) The system must provide that, if a district administers a  
16 benchmark assessment or benchmark assessments under this section,  
17 the district shall provide each pupil's data from the benchmark  
18 assessment or benchmark assessments, as available, to the pupil's  
19 parent or legal guardian within 30 days of administering the  
20 benchmark assessment or benchmark assessments.

21 (e) The system must provide that, if a local benchmark  
22 assessment or local benchmark assessments are administered under  
23 subdivision (a), the district shall report to the department and  
24 the center, in a form and manner prescribed by the center, the  
25 local benchmark assessment or local benchmark assessments that were  
26 administered and how that assessment or those assessments measure  
27 changes, including any losses, as applicable, in learning, and the  
28 district's plan for addressing any losses in learning.

29 (f) The system must provide that, by not later than 30 days



1 after a benchmark assessment or benchmark assessments are  
2 administered under subdivision (a) (ii), or within a time frame  
3 specified by the department, the district shall send benchmark  
4 assessment data, including grade level, student demographics, and  
5 mode of instruction, to the department in a form and manner  
6 prescribed by the department, from all benchmark assessments  
7 administered in the 2024-2025 school year, excluding data from a  
8 local benchmark assessment, as applicable. If available, the data  
9 described in this subdivision must include information concerning  
10 pupil growth from fall 2024 to spring 2025.

11 (2) To receive funding under this section, a district must do  
12 all of the following:

13 (a) Apply for the funding in a form and manner prescribed by  
14 the department.

15 (b) ~~Pledge to administer~~ **Administer** 1 or more of the benchmark  
16 assessments described in subsection (6), excluding the benchmark  
17 assessment described in subsection (4).

18 (c) ~~Pledge to administer~~ **Administer** the same benchmark  
19 assessment or assessments in both the fall and spring, as required  
20 under this section.

21 (d) ~~Pledge to meet~~ **Meet** all reporting requirements pertaining  
22 to assessment and mode-of-instruction data outlined in this  
23 section.

24 (3) Subject to subsection (2), the department shall pay an  
25 equal amount per membership pupil in grades K to 8 in the district  
26 to each district that applies for funding under this section.

27 (4) The department shall make 1 of the benchmark assessments  
28 provided by a provider approved under subsection (6) available to  
29 districts at no cost to the districts for purposes of meeting the



1 requirements under this section. The benchmark assessment described  
2 in this subsection must meet all of the following:

3 (a) Be aligned to the content standards of this state.

4 (b) Complement the state's summative assessment system.

5 (c) Be internet-delivered and include a standards-based  
6 assessment.

7 (d) Provide information on pupil achievement with regard to  
8 learning content required in a given year or grade span.

9 (e) Provide timely feedback to pupils and teachers.

10 (f) Be nationally normed.

11 (g) Provide information to educators about student growth and  
12 allow for multiple testing opportunities.

13 (5) By not later than November 15, 2025, the department shall  
14 submit a report to the house and senate appropriations committees,  
15 the house and senate appropriations subcommittees on school aid,  
16 and the house and senate fiscal agencies regarding the benchmark  
17 assessment data received under this section, disaggregated by grade  
18 level and demographic subgroup for each district. If information  
19 concerning pupil growth is included in the data described in this  
20 subsection, it must be incorporated in the report described in this  
21 subsection.

22 (6) The department shall approve at least 4 but not more than  
23 6 providers of benchmark assessments for the purposes of this  
24 section. The department shall inform districts of all of the  
25 providers approved under this subsection in an equitable manner.  
26 The benchmark assessments, with the exclusion of the benchmark  
27 assessment described in subsection (4), provided by approved  
28 providers under this subsection must meet all of the following:

29 (a) Be aligned to the content standards of this state.



(b) Complement the state's summative assessment system.

(c) Be internet-delivered and include a standards-based remote, in-person, or both remote and in-person assessment using a computer-adaptive model to target the instructional level of each pupil.

(d) Provide information on pupil achievement with regard to learning content required in a given year or grade span.

(e) Provide immediate feedback to pupils and teachers.

(f) Be nationally normed.

(g) Provide multiple measures of growth and provide for multiple testing opportunities.

Sec. 107. (1) From the state school aid fund appropriation in section 11, there is allocated an amount not to exceed ~~\$40,000,000.00~~ **\$40,500,000.00** for ~~2023-2024~~ **2024-2025** for adult education programs authorized under this section. Except as otherwise provided under subsections (14) and (15), funds allocated under this section are restricted for adult education programs as authorized under this section only. A recipient of funds under this section shall not use those funds for any other purpose.

(2) To be eligible for funding under this section, an eligible adult education provider shall employ certificated teachers and qualified administrative staff and shall offer continuing education opportunities for teachers to allow them to maintain certification.

(3) To be eligible to be a participant funded under this section, an individual must be enrolled in an adult basic education program, an adult secondary education program, an adult English as a second language program, a high school equivalency test preparation program, or a high school completion program, that meets the requirements of this section, and for which instruction





1 is provided, and the individual must be at least 18 years of age by  
2 July 1 of the program year and the individual's graduating class  
3 must have graduated.

4 (4) By April 1 of each fiscal year for which funding is  
5 allocated under this section, the intermediate districts within a  
6 prosperity region or subregion shall determine which intermediate  
7 district will serve as the prosperity region's or subregion's  
8 fiscal agent for the next fiscal year and shall notify the  
9 department in a form and manner determined by the department. The  
10 department shall approve or disapprove of the prosperity region's  
11 or subregion's selected fiscal agent. From the funds allocated  
12 under subsection (1), an amount as determined under this subsection  
13 is allocated to each intermediate district serving as a fiscal  
14 agent for adult education programs in each of the prosperity  
15 regions or subregions identified by the department. An intermediate  
16 district shall not use more than 5% of the funds allocated under  
17 this subsection for administration costs for serving as the fiscal  
18 agent. The allocation provided to each intermediate district  
19 serving as a fiscal agent must be calculated as follows:

20 (a) Sixty percent of this portion of the funding must be  
21 distributed based upon the proportion of the state population of  
22 individuals between the ages of 18 and 24 that are not high school  
23 graduates that resides in each of the prosperity regions or  
24 subregions located within the intermediate district, as reported by  
25 the most recent 5-year estimates from the American Community Survey  
26 (ACS) from the United States Census Bureau.

27 (b) Thirty-five percent of this portion of the funding must be  
28 distributed based upon the proportion of the state population of  
29 individuals age 25 or older who are not high school graduates that



1 resides in each of the prosperity regions or subregions located  
2 within the intermediate district, as reported by the most recent 5-  
3 year estimates from the ACS from the United States Census Bureau.

4 (c) Five percent of this portion of the funding must be  
5 distributed based upon the proportion of the state population of  
6 individuals age 18 or older who lack basic English language  
7 proficiency that resides in each of the prosperity regions or  
8 subregions located within the intermediate district, as reported by  
9 the most recent 5-year estimates from the ACS from the United  
10 States Census Bureau.

11 (5) To be an eligible fiscal agent, an intermediate district  
12 must agree to do the following in a form and manner determined by  
13 the department:

14 (a) Distribute funds to adult education programs in a  
15 prosperity region or subregion as described in this section.

16 (b) Collaborate with the career and educational advisory  
17 council, which is an advisory council of the workforce development  
18 boards located in the prosperity region or subregion, or its  
19 successor, to develop a regional strategy that aligns adult  
20 education programs and services into an efficient and effective  
21 delivery system for adult education learners, with special  
22 consideration for providing contextualized learning and career  
23 pathways and addressing barriers to education and employment.

24 (c) Collaborate with the career and educational advisory  
25 council, which is an advisory council of the workforce development  
26 boards located in the prosperity region or subregion, or its  
27 successor, to create a local process and criteria that will  
28 identify eligible adult education providers to receive funds  
29 allocated under this section based on location, demand for



1 services, past performance, quality indicators as identified by the  
2 department, and cost to provide instructional services. The fiscal  
3 agent shall determine all local processes, criteria, and provider  
4 determinations. However, the local processes, criteria, and  
5 provider services must be approved by the department before funds  
6 may be distributed to the fiscal agent.

7 (d) Provide oversight to its adult education providers  
8 throughout the program year to ensure compliance with the  
9 requirements of this section.

10 (e) Report adult education program and participant data and  
11 information as prescribed by the department.

12 (6) An adult basic education program, an adult secondary  
13 education program, or an adult English as a second language 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 are determined by a  
17 department-approved assessment, in a form and manner prescribed by  
18 the department, to be below twelfth grade level in reading or  
19 mathematics, or both, or to lack basic English proficiency.

20 (b) The program tests individuals for eligibility under  
21 subdivision (a) before enrollment and upon completion of the  
22 program in compliance with the state-approved assessment policy.

23 (c) A participant in an adult basic education program is  
24 eligible for reimbursement until 1 of the following occurs:

25 (i) The participant's reading and mathematics proficiency are  
26 assessed at or above the ninth grade level.

27 (ii) The participant fails to show progress on 2 successive  
28 assessments after having completed at least 450 hours of  
29 instruction.



(d) A participant in an adult secondary education program is eligible for reimbursement until 1 of the following occurs:

(i) The participant's reading and mathematics proficiency are assessed above the twelfth grade level.

(ii) The participant fails to show progress on 2 successive assessments after having at least 450 hours of instruction.

(e) A funding recipient enrolling a participant in an English as a second language program is eligible for funding according to subsection (9) until the participant meets 1 of the following:

(i) The participant is assessed as having attained basic English proficiency as determined by a department-approved assessment.

(ii) The participant fails to show progress on 2 successive department-approved assessments after having completed at least 450 hours of instruction. The department shall provide information to a funding recipient regarding appropriate assessment instruments for this program.

(7) A high school equivalency test preparation program operated on a year-round or school year basis may be funded under this section, subject to all of the following:

(a) The program enrolls adults who do not have a high school diploma or a high school equivalency certificate.

(b) The program administers a pre-test approved by the department before enrolling an individual to determine the individual's literacy levels, administers a high school equivalency practice test to determine the individual's potential for success on the high school equivalency test, and administers a post-test upon completion of the program in compliance with the state-approved assessment policy.



1 (c) A funding recipient receives funding according to  
2 subsection (9) for a participant, and a participant may be enrolled  
3 in the program until 1 of the following occurs:

4 (i) The participant achieves a high school equivalency  
5 certificate.

6 (ii) The participant fails to show progress on 2 successive  
7 department-approved assessments used to determine readiness to take  
8 a high school equivalency test after having completed at least 450  
9 hours of instruction.

10 (8) A high school completion program operated on a year-round  
11 or school year basis may be funded under this section, subject to  
12 all of the following:

13 (a) The program enrolls adults who do not have a high school  
14 diploma.

15 (b) The program tests participants described in subdivision  
16 (a) before enrollment and upon completion of the program in  
17 compliance with the state-approved assessment policy.

18 (c) A funding recipient receives funding according to  
19 subsection (9) for a participant in a course offered under this  
20 subsection until 1 of the following occurs:

21 (i) The participant passes the course and earns a high school  
22 diploma.

23 (ii) The participant fails to earn credit in 2 successive  
24 semesters or terms in which the participant is enrolled after  
25 having completed at least 900 hours of instruction.

26 (9) The department shall make payments to a funding recipient  
27 under this section in accordance with all of the following:

28 (a) Statewide allocation criteria, including 3-year average  
29 enrollments, census data, and local needs.



(b) Participant completion of the adult basic education objectives by achieving an educational gain as determined by the national reporting system levels; for achieving basic English proficiency, as determined by the department; for achieving a high school equivalency certificate or passage of 1 or more individual high school equivalency tests; for attainment of a high school diploma or passage of a course required for a participant to attain a high school diploma; for enrollment in a postsecondary institution; or for entry into or retention of employment, as applicable.

(c) Participant completion of core indicators as identified in the workforce innovation and opportunity act, Public Law 113-128.

(d) Allowable expenditures.

(10) An individual who is not eligible to be a participant funded under this section may receive adult education services upon the payment of tuition. In addition, an individual who is not eligible to be served in a program under this section due to the program limitations specified in subsection (6), (7), or (8) may continue to receive adult education services in that program upon the payment of tuition. The local or intermediate district conducting the program shall determine the tuition amount.

(11) An individual who is an inmate in a state correctional facility is not counted as a participant under this section.

(12) A funding recipient shall not commingle money received under this section or from another source for adult education purposes with any other funds and shall establish a separate ledger account for funds received under this section. This subsection does not prohibit a district from using general funds of the district to support an adult education or community education program.



(13) A funding recipient receiving funds under this section may establish a sliding scale of tuition rates based upon a participant's family income. A funding recipient may charge a participant tuition to receive adult education services under this section from that sliding scale of tuition rates on a uniform basis. The amount of tuition charged per participant must not exceed the actual operating cost per participant minus any funds received under this section per participant. A funding recipient may not charge a participant tuition under this section if the participant's income is at or below 200% of the federal poverty guidelines published by the United States Department of Health and Human Services.

(14) ~~In order to~~ **To** receive funds under this section, a funding recipient shall furnish to the department, in a form and manner determined by the department, all information needed to administer this program and meet federal reporting requirements; shall allow the department or the department's designee to review all records related to the program for which it receives funds; and shall reimburse the state for all disallowances found in the review, as determined by the department. In addition, a funding recipient shall agree to pay to a career and technical education program under section 61a the amount of funding received under this section in the proportion of career and technical education coursework used to satisfy adult basic education programming, as billed to the funding recipient by programs operating under section 61a. ~~In addition to the funding allocated under subsection (1), there is allocated for 2023-2024 an amount not to exceed \$500,000.00 to reimburse funding recipients for administrative and instructional expenses associated with commingling programming~~



~~under this section and section 61a. The department shall make payments under this subsection to each funding recipient in the same proportion as funding calculated and allocated under subsection (4).~~

(15) From the amount appropriated in subsection (1), an amount not to exceed \$4,000,000.00 is allocated for ~~2023-2024~~ **2024-2025** ~~for grants to~~ **approved** adult education ~~or state-approved career technical center programs~~ that connect adult education participants with employers as provided under this subsection. ~~The department shall determine the amount of the grant to each program under this subsection, not to exceed \$350,000.00. The department shall~~ **determine regional planning allocations under this subsection to each intermediate district serving as a fiscal agent for adult education programs in each of the prosperity regions or subregions identified by the department in the same proportion as funding calculated and allocated under subsection (4). Funds not fully utilized within a region may be transferred to other regions as appropriate.** To be eligible for funding under this subsection, a program must provide a collaboration linking adult education programs within the county, ~~the area career technical center,~~ **state-approved career and technical education programs,** and local employers. To receive funding under this subsection, an eligible program must satisfy all of the following:

(a) Connect adult education participants directly with employers by linking adult education, career and technical skills, and workforce development.

(b) Require adult education staff to work with Michigan Works! agency to identify a cohort of participants who are most prepared to successfully enter the workforce. Except as otherwise provided





1 under this subdivision, participants identified under this  
 2 subsection must be dually enrolled in adult education programming  
 3 and in at least 1 state-approved technical course ~~at the area~~  
 4 **through a** career and technical ~~center.~~ **education program.** A program  
 5 that links participants identified under this subsection with adult  
 6 education programming and commercial driver license courses does  
 7 not need to enroll the participants in at least 1 state-approved  
 8 technical course ~~at the area~~ **through a** career and technical ~~center~~  
 9 **education program** to be considered an eligible program under this  
 10 subsection.

11 (c) Employ an individual staffed as an adult education  
 12 navigator who will serve as a caseworker for each participant  
 13 identified under subdivision (b). The navigator shall work with  
 14 adult education staff and potential employers to design an  
 15 educational program best suited to the personal and employment  
 16 needs of the participant and shall work with human service agencies  
 17 or other entities to address any barrier in the way of participant  
 18 access.

19 ~~(16) Each program funded under subsection (15) will receive~~  
 20 ~~funding for 3 years. After 3 years of operations and funding, a~~  
 21 ~~program must reapply for funding.~~

22 **(16)** ~~(17) Not~~ **By not** later than December 1 of each year, a  
 23 program funded under subsection (15) shall provide a report to the  
 24 senate and house appropriations subcommittees on school aid, to the  
 25 senate and house fiscal agencies, and to the state budget director  
 26 identifying the number of participants, graduation rates, and a  
 27 measure of transition to employment.

28 **(17)** ~~(18)~~ Except as otherwise provided in this subsection,  
 29 participants under subsection (15) must be concurrently enrolled

1 and actively working toward obtaining a high school diploma or a  
 2 high school equivalency certificate. Concurrent enrollment is not  
 3 required under this subsection for a participant that was enrolled  
 4 in adult education during the same program year and obtained a high  
 5 school diploma or a high school equivalency certificate ~~prior to~~  
 6 **before** enrollment in an eligible career and technical skills  
 7 program under subsection (15). Up to ~~15%~~ **10%** of adult education  
 8 participants served under subsection (15) may already have a high  
 9 school diploma or a high school equivalency certificate at the time  
 10 of enrollment in an eligible career and technical skills program  
 11 under subsection (15) and receive remediation services. It is  
 12 intended that the cap described in the immediately preceding  
 13 sentence is continually lowered on an annual basis until it  
 14 eventually is 0%.

15 **(18)** ~~(19)~~—The department shall approve at least 2 high school  
 16 equivalency tests and determine whether a high school equivalency  
 17 certificate meets the requisite standards for high school  
 18 equivalency in this state.

19 **(19)** ~~(20)~~—As used in this section:

20 (a) "Career and educational advisory council" means an  
 21 advisory council to the local workforce development boards located  
 22 in a prosperity region consisting of educational, employer, labor,  
 23 and parent representatives.

24 (b) "Career pathway" means a combination of rigorous and high-  
 25 quality education, training, and other services that comply with  
 26 all of the following:

27 (i) Aligns with the skill needs of industries in the economy of  
 28 this state or in the regional economy involved.

29 (ii) Prepares an individual to be successful in any of a full



range of secondary or postsecondary education options, including apprenticeships registered under the act of August 16, 1937, commonly referred to as the national apprenticeship act, 29 USC 50 et seq.

(iii) Includes counseling to support an individual in achieving the individual's education and career goals.

(iv) Includes, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster.

(v) Organizes education, training, and other services to meet the particular needs of an individual in a manner that accelerates the educational and career advancement of the individual to the extent practicable.

(vi) Enables an individual to attain a secondary school diploma or its recognized equivalent, and at least 1 recognized postsecondary credential.

(vii) Helps an individual enter or advance within a specific occupation or occupational cluster.

(c) "Department" means the department of labor and economic opportunity.

(d) "Eligible adult education provider" means a district, intermediate district, a consortium of districts, a consortium of intermediate districts, or a consortium of districts and intermediate districts that is identified as part of the local process described in subsection (5)(c) and approved by the department.

Sec. 147. (1) The allocation for ~~2023-2024~~**2024-2025** for the public school employees' retirement system pursuant to the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301



1 to 38.1437, is made using the individual projected benefit entry  
2 age normal cost method of valuation and risk assumptions adopted by  
3 the public school employees retirement board and the department of  
4 technology, management, and budget.

5 (2) The annual level percentage of payroll contribution rates  
6 for the ~~2023-2024~~**2024-2025** fiscal year, as determined by the  
7 retirement system, are estimated as follows:

8 (a) For public school employees who first worked for a public  
9 school reporting unit before July 1, 2010 and who are enrolled in  
10 the health premium subsidy, the annual level percentage of payroll  
11 contribution rate is estimated at ~~48.23%~~**41.94%** with ~~31.34%~~**31.36%**  
12 paid directly by the employer.

13 (b) For public school employees who first worked for a public  
14 school reporting unit on or after July 1, 2010 and who are enrolled  
15 in the health premium subsidy, the annual level percentage of  
16 payroll contribution rate is estimated at ~~44.37%~~**38.10%** with ~~27.48%~~  
17 **27.52%** paid directly by the employer.

18 (c) For public school employees who first worked for a public  
19 school reporting unit on or after July 1, 2010 and who participate  
20 in the personal healthcare fund, the annual level percentage of  
21 payroll contribution rate is estimated at ~~43.12%~~**36.85%** with ~~26.23%~~  
22 **26.27%** paid directly by the employer.

23 (d) For public school employees who first worked for a public  
24 school reporting unit on or after September 4, 2012, who elect  
25 defined contribution, and who participate in the personal  
26 healthcare fund, the annual level percentage of payroll  
27 contribution rate is estimated at ~~37.85%~~**31.54%** with 20.96% paid  
28 directly by the employer.

29 (e) For public school employees who first worked for a public



1 school reporting unit before July 1, 2010, who elect defined  
 2 contribution, and who are enrolled in the health premium subsidy,  
 3 the annual level percentage of payroll contribution rate is  
 4 estimated at ~~39.10%~~ **32.79%** with 22.21% paid directly by the  
 5 employer.

6 (f) For public school employees who first worked for a public  
 7 school reporting unit before July 1, 2010, who elect defined  
 8 contribution, and who participate in the personal healthcare fund,  
 9 the annual level percentage of payroll contribution rate is  
 10 estimated at ~~37.85%~~ **31.54%** with 20.96% paid directly by the  
 11 employer.

12 (g) For public school employees who first worked for a public  
 13 school reporting unit before July 1, 2010 and who participate in  
 14 the personal healthcare fund, the annual level percentage of  
 15 payroll contribution rate is estimated at ~~46.98%~~ **40.69%** with ~~30.09%~~  
 16 **30.11%** paid directly by the employer.

17 (h) For public school employees who first worked for a public  
 18 school reporting unit after January 31, 2018 and who elect to  
 19 become members of the MPSERS plan, the annual level percentage of  
 20 payroll contribution rate is estimated at ~~44.05%~~ **37.74%** with 27.16%  
 21 paid directly by the employer.

22 (3) In addition to the employer payments described in  
 23 subsection (2), the employer shall pay the applicable contributions  
 24 to the Tier 2 plan, as determined by the public school employees  
 25 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

26 (4) The contribution rates in subsection (2) reflect an  
 27 amortization period of ~~15~~ **14** years for ~~2023-2024.~~ **2024-2025**. The  
 28 public school employees' retirement system board shall notify each  
 29 district and intermediate district by February 28 of each fiscal



1 year of the estimated contribution rate for the next fiscal year.

2       Sec. 147a. (1) From the state school aid fund money  
 3 appropriated in section 11, there is allocated for ~~2022-2023-2023-~~  
 4 **2024** an amount not to exceed \$100,000,000.00 and for ~~2023-2024~~  
 5 **2024-2025** an amount not to exceed \$100,000,000.00 for payments to  
 6 participating districts. A participating district that receives  
 7 money under this subsection shall use that money solely for the  
 8 purpose of offsetting a portion of the retirement contributions  
 9 owed by the district for the fiscal year in which it is received.  
 10 The amount allocated to each participating district under this  
 11 subsection is based on each participating district's percentage of  
 12 the total statewide payroll for all participating districts for the  
 13 immediately preceding fiscal year. As used in this subsection,  
 14 "participating district" means a district that is a reporting unit  
 15 of the Michigan public school employees' retirement system under  
 16 the public school employees retirement act of 1979, 1980 PA 300,  
 17 MCL 38.1301 to 38.1437, and that reports employees to the Michigan  
 18 public school employees' retirement system for the applicable  
 19 fiscal year.

20       (2) In addition to the allocation under subsection (1), from  
 21 the state school aid fund money appropriated under section 11,  
 22 there is allocated an amount not to exceed ~~\$193,935,000.00~~  
 23 **\$384,642,000.00** for ~~2022-2023-2023-2024~~ and an amount not to exceed  
 24 ~~\$359,950,000.00~~ **\$365,100,000.00** for ~~2023-2024-2024-2025~~, and from  
 25 **the MPSERS retirement obligation reform reserve fund money**  
 26 **appropriated in section 11, there is allocated an amount not to**  
 27 **exceed \$24,850,000.00 for 2023-2024 only**, for payments to  
 28 participating districts and intermediate districts and from the  
 29 general fund money appropriated under section 11, there is



1 allocated an amount not to exceed ~~\$65,000.00~~ **\$108,000.00** for ~~2022-~~  
 2 ~~2023~~ **2023-2024** and an amount not to exceed \$100,000.00 for ~~2023-~~  
 3 ~~2024-2024-2025~~ for payments to participating district libraries.  
 4 The amount allocated to each participating entity under this  
 5 subsection is based on each participating entity's reported  
 6 quarterly payroll for members that became tier 1 ~~prior to~~ **before**  
 7 February 1, 2018 for the current fiscal year. A participating  
 8 entity that receives money under this subsection shall use that  
 9 money solely for the purpose of offsetting a portion of the normal  
 10 cost contribution rate. As used in this subsection:

11 (a) "District library" means a district library established  
 12 under the district library establishment act, 1989 PA 24, MCL  
 13 397.171 to 397.196.

14 (b) "Participating entity" means a district, intermediate  
 15 district, or district library that is a reporting unit of the  
 16 Michigan public school employees' retirement system under the  
 17 public school employees retirement act of 1979, 1980 PA 300, MCL  
 18 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 (3) In addition to the allocations under subsections (1) and  
 22 (2), from the state school aid fund money appropriated in section  
 23 11, there is allocated for ~~2023-2024~~ **2024-2025** only an amount not  
 24 to exceed \$11,939,000.00 for payments to participating intermediate  
 25 districts and participating district libraries. A participating  
 26 intermediate district or participating district library shall use  
 27 that money solely for the purpose of offsetting a portion of the  
 28 retirement contributions owed by the participating intermediate  
 29 district or participating district library for the fiscal year in



1 which it is received. The amount allocated to each participating  
2 intermediate district or participating district library under this  
3 subsection is calculated as follows:

4 (a) For each participating intermediate district,  
5 \$11,912,000.00 multiplied by each participating intermediate  
6 district's percentage of the total statewide payroll for all  
7 participating intermediate districts for the immediately preceding  
8 fiscal year.

9 (b) For each participating district library, \$27,000.00  
10 multiplied by each participating district library's percentage of  
11 the total statewide payroll for all participating district  
12 libraries for the immediately preceding fiscal year.

13 (c) As used in this subsection:

14 (i) "Participating district library" means a district library  
15 that is a reporting unit of the Michigan public school employees'  
16 retirement system under the public school employees retirement act  
17 of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports  
18 employees to the Michigan public school employees' retirement  
19 system for the applicable fiscal year.

20 (ii) "Participating intermediate district" means an  
21 intermediate district that is a reporting unit of the Michigan  
22 public school employees' retirement system under the public school  
23 employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to  
24 38.1437, and that reports employees to the Michigan public school  
25 employees' retirement system for the applicable fiscal year.

26 **(4) In addition to the allocations under subsections (1), (2),**  
27 **and (3), from the state school aid fund money appropriated in**  
28 **section 11, there is allocated for 2024-2025 an amount not to**  
29 **exceed \$598,000,000.00 for payments to participating entities. The**





amount allocated to each participating entity under this subsection is based on each participating entity's percentage of the total statewide payroll for all participating entities for the immediately preceding fiscal year. The amount allocated in this subsection represents an amount to effectively reduce each participating entity's unfunded actuarial accrued liability from 20.96% to an estimated 15.21% of covered payroll. It is the intent of the legislature that the allocation under this subsection be used to support student mental health, school safety, the educator workforce, and academic interventions.

(a) As used in this subsection:

(i) "District library" means a district library established under the district library establishment act, 1989 PA 24, MCL 397.171 to 397.196.

(ii) "Participating entity" means a district, intermediate district, district library, or community college that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

Sec. 147c. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2023-2024-2024-~~ 2025 an amount not to exceed ~~\$1,647,200,000.00~~ \$955,000,000.00 and from the MPSERS retirement obligation reform reserve fund money appropriated in section 11, there is allocated for ~~2023-2024-2024-~~ 2025 only an amount needed, estimated at ~~\$215,800,000.00~~ \$84,100,000.00 for payments to districts and intermediate districts that are participating entities of the Michigan public school



employees' retirement system. In addition, from the general fund money appropriated in section 11, there is allocated for ~~2023-2024~~ **2024-2025** an amount not to exceed ~~\$500,000.00~~ **\$300,000.00** for payments to district libraries that are participating entities of the Michigan public school employees' retirement system. It is the intent of the legislature that money allocated from the MPSERS retirement obligation reform reserve fund under this subsection for ~~2023-2024~~ **2024-2025** represents the amount necessary to reduce the payroll growth assumption to ~~0.75%~~ **0.25%**. All of the following apply to funding under this subsection:

(a) Except as otherwise provided in this subdivision, for ~~2023-2024~~, **2024-2025**, the amounts allocated under this subsection are estimated to provide an average MPSERS rate cap per pupil amount of ~~\$1,157.00~~ **\$740.00** and are estimated to provide a rate cap per pupil for districts ranging between ~~\$4.00~~ **\$2.00** and ~~\$5,020.00~~ **\$2,650.00**.

(b) Payments made under this subsection are equal to the difference between the unfunded actuarial accrued liability contribution rate as calculated under section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, as calculated without taking into account the maximum employer rate of 20.96% included in section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum employer rate of 20.96% included in section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

(c) The amount allocated to each participating entity under this subsection is based on each participating entity's proportion of the total covered payroll for the immediately preceding fiscal year for the same type of participating entities. A participating



entity that receives funds under this subsection shall use the funds solely for the purpose of retirement contributions as specified in subdivision (d).

(d) Each participating entity receiving funds under this subsection shall forward an amount equal to the amount allocated under subdivision (c) to the retirement system in a form, manner, and time frame determined by the retirement system.

(e) Funds allocated under this subsection should be considered when comparing a district's growth in total state aid funding from 1 fiscal year to the next.

(f) ~~Not~~ **By not** later than December 20 of each fiscal year for which funding is allocated under this subsection, the department shall publish and post on its website an estimated MPERS rate cap per pupil for each district.

~~(g) The office of retirement services shall first apply funds allocated under this subsection to pension contributions and, if any funds remain after that payment, shall apply those remaining funds to other postemployment benefit contributions.~~

**(2) In addition to the funds allocated under subsection (1), from the MPERS retirement obligation reform reserve fund money appropriated in section 11, there is allocated for 2024-2025 only \$250,000,000.00 for payments to participating entities of the Michigan public school employees' retirement system. The amount allocated to each participating entity under this subsection must be based on each participating entity's proportion of the total covered payroll for the immediately preceding fiscal year. A participating entity that receives funds under this subsection shall use the funds solely for purposes of this subsection. Each participating entity receiving funds under this subsection shall**

1 forward an amount equal to the amount allocated under this  
2 subsection to the retirement system in a form, manner, and time  
3 frame determined by the retirement system. The retirement system  
4 shall recognize funds received under this subsection as additional  
5 assets being contributed to the system and shall not categorize  
6 them as unfunded actuarial liability contributions or normal cost  
7 contributions.

8 (3) ~~(2)~~—As used in this section:

9 (a) "Community college" means a community college created  
10 under the community college act of 1966, 1966 PA 331, MCL 389.1 to  
11 389.195.

12 (b) "District library" means a district library established  
13 under the district library establishment act, 1989 PA 24, MCL  
14 397.171 to 397.196.

15 (c) "MPSERS rate cap per pupil" means an amount equal to the  
16 quotient of the district's payment under this section divided by  
17 the district's pupils in membership.

18 (d) "Participating entity" means, **except as otherwise provided**  
19 **in this subdivision**, a district, intermediate district, or district  
20 library that is a reporting unit of the Michigan public school  
21 employees' retirement system under the public school employees  
22 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and  
23 that reports employees to the Michigan public school employees'  
24 retirement system for the applicable fiscal year. **As used in**  
25 **subsection (2) only, "participating entity" also means a community**  
26 **college that is a reporting unit of the Michigan public school**  
27 **employees' retirement system under the public school employees**  
28 **retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and**  
29 **that reports employees to the Michigan public school employees'**



1 **retirement system for the applicable fiscal year.**

2 (e) "Retirement system" means the Michigan public school  
3 employees' retirement system under the public school employees  
4 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

5 Sec. 147e. (1) From the state school aid fund money  
6 appropriated in section 11, there is allocated for ~~2022-2023~~**2023-**  
7 **2024** an amount not to exceed ~~\$62,000,000.00,~~ **\$64,400,000.00**, and  
8 there is allocated for ~~2023-2024~~**2024-2025** an amount not to exceed  
9 ~~\$90,400,000.00~~**\$104,700,000.00** for payments to participating  
10 entities.

11 (2) The payment to each participating entity under this  
12 section is the sum of the amounts under this subsection as follows:

13 (a) An amount equal to the contributions made by a  
14 participating entity for the additional contribution made to a  
15 qualified participant's Tier 2 account in an amount equal to the  
16 contribution made by the qualified participant not to exceed 3% of  
17 the qualified participant's compensation as provided for under  
18 section 131(6) of the public school employees retirement act of  
19 1979, 1980 PA 300, MCL 38.1431.

20 (b) Beginning October 1, 2017, an amount equal to the  
21 contributions made by a participating entity for a qualified  
22 participant who is only a Tier 2 qualified participant under  
23 section 81d of the public school employees retirement act of 1979,  
24 1980 PA 300, MCL 38.1381d, not to exceed 4%, and, beginning  
25 February 1, 2018, not to exceed 1%, of the qualified participant's  
26 compensation.

27 (c) An amount equal to the increase in employer normal cost  
28 contributions under section 41b(2) of the public school employees  
29 retirement act of 1979, 1980 PA 300, MCL 38.1341b, for a member



1 that was hired after February 1, 2018 and chose to participate in  
2 Tier 1, compared to the employer normal cost contribution for a  
3 member under section 41b(1) of the public school employees  
4 retirement act of 1979, 1980 PA 300, MCL 38.1341b.

5 (3) As used in this section:

6 (a) "Member" means that term as defined under the public  
7 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301  
8 to 38.1437.

9 (b) "Participating entity" means a district, intermediate  
10 district, or community college that is a reporting unit of the  
11 Michigan public school employees' retirement system under the  
12 public school employees retirement act of 1979, 1980 PA 300, MCL  
13 38.1301 to 38.1437, and that reports employees to the Michigan  
14 public school employees' retirement system for the applicable  
15 fiscal year.

16 (c) "Qualified participant" means that term as defined under  
17 section 124 of the public school employees retirement act of 1979,  
18 1980 PA 300, MCL 38.1424.

19 **Sec. 147g. (1) From the state school aid fund money**  
20 **appropriated in section 11, there is allocated for 2024-2025 only**  
21 **an amount not to exceed \$181,519,700.00 for payments to**  
22 **participating entities to reimburse employees for costs associated**  
23 **with the health care premium subsidy benefit.**

24 (2) The amount allocated to each participating entity under  
25 this section must be based on the participating entity's members'  
26 proportion of the total required contributions by all members for  
27 the health care premium subsidy benefit under section 43e of the  
28 public school employees retirement act of 1979, 1980 PA 300, MCL  
29 38.1343e, for the immediately preceding fiscal year.



(3) Payments to participating entities must be paid to members required to contribute a percentage of their compensation under section 43e of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1343e, to reimburse the amount deducted from their pay under section 43e of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1343e. If the requirement in section 43e for employees to contribute 3% of compensation is removed through legislation, the participating entity retains the funding distributed under this section as an offset for normal costs associated with retiree health benefits.

(4) As used in this section, "participating entity" means a district, intermediate district, district library, or community college that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

Sec. 152a. (1) As required by the court in the consolidated cases known as *Adair v State of Michigan*, 486 Mich 468 (2010), from the state school aid fund money appropriated in section 11, there is allocated for ~~2023-2024~~ **2024-2025** an amount not to exceed \$41,000,500.00 to be used solely for the purpose of paying necessary costs related to the state-mandated collection, maintenance, and reporting of data to this state. From this allocation, \$3,000,000.00 is allocated for costs associated with collecting data necessary to provide reporting to tribal governments on the status of students affiliated with their particular tribe and data necessary to determine student participation in federal programs funded under 20 USC 7401 to 7546



1 and participation in federal programs funded under the Johnson-  
2 O'Malley Supplemental Indian Education Program Modernization Act,  
3 Public Law 115-404.

4 (2) From the allocation in subsection (1), the department  
5 shall make payments to districts and intermediate districts in an  
6 equal amount per pupil based on the total number of pupils in  
7 membership in each district and intermediate district. The  
8 department shall not make any adjustment to these payments after  
9 the final installment payment under section 17b is made.

10 Sec. 152b. (1) From the general fund money appropriated under  
11 section 11, there is allocated an amount not to exceed  
12 \$1,000,000.00 for ~~2023-2024~~**2024-2025** to reimburse actual costs  
13 incurred by nonpublic schools in complying with a health, safety,  
14 or welfare requirement mandated by a law or administrative rule of  
15 this state.

16 (2) By January 1 of each applicable fiscal year, the  
17 department shall publish a form for reporting actual costs incurred  
18 by a nonpublic school in complying with a health, safety, or  
19 welfare requirement mandated under state law containing each  
20 health, safety, or welfare requirement mandated by a law or  
21 administrative rule of this state applicable to a nonpublic school  
22 and with a reference to each relevant provision of law or  
23 administrative rule for the requirement. The form must be posted on  
24 the department's website in electronic form.

25 (3) By June 30 of each applicable fiscal year, a nonpublic  
26 school seeking reimbursement for actual costs incurred in complying  
27 with a health, safety, or welfare requirement under a law or  
28 administrative rule of this state during each applicable school  
29 year must submit a completed form described in subsection (2) to





1 the department. This section does not require a nonpublic school to  
2 submit a form described in subsection (2). A nonpublic school is  
3 not eligible for reimbursement under this section if the nonpublic  
4 school does not submit the form described in subsection (2) in a  
5 timely manner.

6 (4) By August 15 of each applicable fiscal year, the  
7 department shall distribute funds to each nonpublic school that  
8 submits a completed form described under subsection (2) in a timely  
9 manner. The superintendent shall determine the amount of funds to  
10 be paid to each nonpublic school in an amount that does not exceed  
11 the nonpublic school's actual costs in complying with a health,  
12 safety, or welfare requirement under a law or administrative rule  
13 of this state. The superintendent shall calculate a nonpublic  
14 school's actual cost in accordance with this section.

15 (5) If the funds allocated under this section are insufficient  
16 to fully fund payments as otherwise calculated under this section,  
17 the department shall distribute funds under this section on a  
18 prorated or other equitable basis as determined by the  
19 superintendent.

20 (6) The department may review the records of a nonpublic  
21 school submitting a form described in subsection (2) only for the  
22 limited purpose of verifying the nonpublic school's compliance with  
23 this section. If a nonpublic school does not allow the department  
24 to review records under this subsection, the nonpublic school is  
25 not eligible for reimbursement under this section.

26 (7) The funds appropriated under this section are for purposes  
27 that are incidental to teaching and the provision of educational  
28 services to nonpublic school students; that are noninstructional in  
29 nature; that do not constitute a primary function or element



1 necessary for a nonpublic school's existence, operation, and  
2 survival; that do not involve or result in excessive religious  
3 entanglement; and that are intended for the public purpose of  
4 ensuring the health, safety, and welfare of the children in  
5 nonpublic schools and to reimburse nonpublic schools for costs  
6 described in this section.

7 (8) Funds allocated under this section are not intended to aid  
8 or maintain any nonpublic school, support the attendance of any  
9 student at a nonpublic school, employ any person at a nonpublic  
10 school, support the attendance of any student at any location where  
11 instruction is offered to a nonpublic school student, or support  
12 the employment of any person at any location where instruction is  
13 offered to a nonpublic school student.

14 (9) For purposes of this section, "actual cost" means the  
15 hourly wage for the employee or employees performing a task or  
16 tasks required to comply with a health, safety, or welfare  
17 requirement under a law or administrative rule of this state  
18 identified by the department under subsection (2) and is to be  
19 calculated in accordance with the form published by the department  
20 under subsection (2), which must include a detailed itemization of  
21 costs. The nonpublic school shall not charge more than the hourly  
22 wage of its lowest-paid employee capable of performing a specific  
23 task regardless of whether that individual is available and  
24 regardless of who actually performs a specific task. Labor costs  
25 under this subsection must be estimated and charged in increments  
26 of 15 minutes or more, with all partial time increments rounded  
27 down. When calculating costs under subsection (4), fee components  
28 must be itemized in a manner that expresses both the hourly wage  
29 and the number of hours charged. The nonpublic school may not



1 charge any applicable labor charge amount to cover or partially  
2 cover the cost of health or fringe benefits. A nonpublic school  
3 shall not charge any overtime wages in the calculation of labor  
4 costs.

5 (10) Training fees, inspection fees, and criminal background  
6 check fees are considered actual costs in complying with a health,  
7 safety, or welfare requirement under a law or administrative rule  
8 of this state.

9 ~~(11) The funds allocated under this section for 2022-2023 are~~  
10 ~~a work project appropriation, and any unexpended funds for 2022-~~  
11 ~~2023 are carried forward into 2023-2024. The purpose of the work~~  
12 ~~project is to continue to reimburse nonpublic schools for actual~~  
13 ~~costs incurred in complying with a health, safety, or welfare~~  
14 ~~requirement mandated by a law or administrative rule of this state.~~  
15 ~~The estimated completion date of the work project is September 30,~~  
16 ~~2024.~~

17 ~~(12) 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 to reimburse nonpublic schools for actual~~  
21 ~~costs incurred in complying with a health, safety, or welfare~~  
22 ~~requirement mandated by a law or administrative rule of this state.~~  
23 ~~The estimated completion date of the work project is September 30,~~  
24 ~~2025.~~

25 (11) The funds allocated under this section for 2024-2025 are  
26 a work project appropriation, and any unexpended funds for 2024-  
27 2025 are carried forward into 2025-2026. The purpose of the work  
28 project is to continue to reimburse nonpublic schools for actual  
29 costs incurred in complying with a health, safety, or welfare



1 requirement mandated by a law or administrative rule of this state.  
2 The estimated completion date of the work project is September 30,  
3 2026.

4 (12) ~~(13)~~—The department shall reimburse nonpublic schools for  
5 actual costs incurred in complying with health, safety, or welfare  
6 requirements under a law or administrative rule of this state from  
7 2017-2018 through 2022-2023 using work project funds or, if those  
8 funds are insufficient to fund reimbursements under this  
9 subsection, from the allocation under subsection (1).

10 Sec. 163. (1) Except as otherwise provided in the revised  
11 school code, the board of a district or intermediate district shall  
12 not permit any of the following:

13 (a) An individual who is not appropriately placed under a  
14 valid certificate, valid substitute permit, authorization, or  
15 approval issued under rules promulgated by the department to teach  
16 in an elementary or secondary school.

17 (b) An individual who does not satisfy the requirements of  
18 section 1233 of the revised school code, MCL 380.1233, and rules  
19 promulgated by the department to provide school counselor services  
20 to pupils in an elementary or secondary school.

21 (c) An individual who does not satisfy the requirements of  
22 section 1246 of the revised school code, MCL 380.1246, and rules  
23 promulgated by the department to be employed as a superintendent,  
24 principal, or assistant principal, or as an individual whose  
25 primary responsibility is to administer instructional programs in  
26 an elementary or secondary school or in a district or intermediate  
27 district, unless the individual is working under a valid substitute  
28 permit issued under rules promulgated by the department.

29 (2) ~~Except as otherwise provided in the revised school code,~~



~~this subsection, or subsection (4) or (7), a district or intermediate district employing an individual in violation of this section before July 1, 2021 must have deducted an amount equal to the amount paid to the individual for the period of employment that is in violation of this section. Except as otherwise provided under subsection (4) or (7), (5), a district or intermediate district employing an individual in violation of this section on or after July 1, 2021 must have deducted an amount equal to 50% of the amount paid to the individual for the period of employment that is in violation of this section. Except as otherwise provided under subsection (4) or (5), beginning July 1, 2021, if a district or intermediate district is notified by the department that it is employing an individual in violation of this section and it continues to employ the individual in violation of this section 10 business days after receiving the notification, both of the following apply:~~

(a) The district or intermediate district must have deducted an amount equal to 50% of the amount paid to the individual for the period of employment that is in violation of this section that occurs before the expiration of the 10-day period described in this subsection.

(b) The district or intermediate district must have deducted an amount equal to 100% of the amount paid to the individual for the period of employment that is in violation of this section that occurs after the 10-day period described in this subsection.

(3) For purposes of subsection (2), if a district or intermediate district on behalf of an individual or an individual successfully completes the credential application process through the department, including the submission of an appropriate



1 application, required fees, and all required supporting  
 2 documentation, the individual's employment with the district or  
 3 intermediate district after this completion is not considered a  
 4 period of employment that is in violation of this section.

5 (4) A deduction under subsection (2) for employment in  
 6 violation of this section ~~that occurs on or after July 1, 2021,~~ may  
 7 be less than the amount required under that subsection if the  
 8 superintendent of public instruction finds that the district or  
 9 intermediate district was hindered in its ability to obtain a  
 10 substitute credential to enable the district or intermediate  
 11 district to employ the individual in compliance with this section  
 12 due to unusual and extenuating circumstances resulting from  
 13 conditions not within the control of school authorities, including,  
 14 but not limited to, a natural disaster, death or serious illness of  
 15 the individual or another employee, an emergency school closure,  
 16 fraud or other intentional wrongdoing of the individual or another  
 17 employee, or an emergency health condition as defined by city,  
 18 county, or state health authorities.

19 (5) ~~For~~ **There must be no deduction under subsection (2) for**  
 20 employment of an individual ~~in violation of this section that~~  
 21 ~~occurs on or after July 1, 2021, upon request by a district or~~  
 22 ~~intermediate district, the department shall credit the amount of an~~  
 23 ~~adjustment in payments under section 15 that is based on the~~  
 24 ~~employment of the individual that gave rise to the deduction under~~  
 25 ~~subsection (2) or (4) against the amount of the deduction under~~  
 26 ~~subsection (2) or (4). The amount of the credit under this~~  
 27 ~~subsection must not be in an amount that is greater than the~~  
 28 ~~deduction assessed under subsection (2) or (4).~~ **if there is a**  
 29 **membership adjustment under section 15 based on the same**



1 **employment.**

2 (6) If a school official is notified by the department that  
3 the school official is employing an individual in violation of this  
4 section and knowingly continues to employ that individual, the  
5 school official is guilty of a misdemeanor punishable by a fine of  
6 \$1,500.00 for each incident. This penalty is in addition to all  
7 other financial penalties otherwise specified in this article.

8 ~~(7) There must be no deduction under subsection (2) for a~~  
9 ~~period of employment in violation of this section that occurs~~  
10 ~~between July 1, 2020 and June 30, 2021.~~

11 **Sec. 164j. (1) The state budget director shall take steps to**  
12 **ensure that all state fiscal recovery funds allocated to this state**  
13 **under the American rescue plan act of 2021, Public Law 117-2, are**  
14 **expended by December 31, 2026, as required by law. The state budget**  
15 **director may reallocate appropriated funds for the purpose of fully**  
16 **utilizing state fiscal recovery funds that are in jeopardy of not**  
17 **meeting the expenditure deadline for reasons that may include, but**  
18 **are not limited to, completed projects coming in under budget or**  
19 **funds unable to be fully used by subrecipients. The state budget**  
20 **director shall reallocate any of the funds reallocated under this**  
21 **subsection to the programs or purposes specified in this section.**  
22 **Any funds reallocated are unappropriated and immediately**  
23 **reappropriated for the following purposes:**

24 (a) To reclassify general fund/general purpose appropriations  
25 for payroll and covered benefits for eligible public health and  
26 safety employees at the department of corrections.

27 (b) To reclassify general fund/general purpose appropriations  
28 for payroll and covered benefits for eligible public health and  
29 safety employees at the department of state police.



(2) All applicable guidance, implementation, and reporting provisions of Public Law 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under subsection (1).

(3) The state budget director shall notify the senate and house appropriations committees not later than 10 business days after making any reallocations under subsection (1). The notification must include the authorized program under which funds were originally appropriated, the amount of the reallocation, the program, or programs, or purpose, and the department to which the funds are being reallocated under subsection (1), and the amount reallocated to each program or purpose.

(4) The state budget director and the impacted departments may make the accounting transactions necessary to implement the reallocation and subsequent appropriation of funds as authorized in this section.

Sec. 201. (1) Subject to the conditions set forth in this article, the amounts listed in this section are appropriated for community colleges for the fiscal year ending September 30, 2024, 2025, from the funds indicated in this section. The following is a summary of the appropriations in this section **and section 201f**:

(a) The gross appropriation is ~~\$549,517,500.00.~~ **\$462,220,800.00.** After deducting total interdepartmental grants and intradepartmental transfers in the amount of \$0.00, the adjusted gross appropriation is ~~\$549,517,500.00.~~ **\$462,220,800.00.**

(b) The sources of the adjusted gross appropriation described in subdivision (a) are as follows:

(i) Total federal revenues, \$0.00.

(ii) Total local revenues, \$0.00.

(iii) Total private revenues, \$0.00.





(iv) Total other state restricted revenues,  
~~\$549,517,500.00.~~ **\$461,720,800.00.**

(v) State general fund/general purpose money,  
~~\$0.00.~~ **\$500,000.00.**

(2) Subject to subsection (3), the amount appropriated for community college operations is ~~\$357,961,900.00,~~ **\$363,363,500.00,** allocated as follows:

(a) The appropriation for Alpena Community College is ~~\$6,327,100.00, \$6,026,800.00 for operations, \$273,800.00 for performance funding, and \$26,500.00 for costs incurred under the North American Indian tuition waiver.~~ **\$6,425,100.00, \$6,300,600.00 for operations, \$102,700.00 for performance funding, and \$21,800.00 for costs incurred under the North American Indian tuition waiver.**

(b) The appropriation for Bay de Noc Community College is ~~\$6,299,200.00, \$5,877,000.00 for operations, \$308,300.00 for performance funding, and \$113,900.00 for costs incurred under the North American Indian tuition waiver.~~ **\$6,398,000.00, \$6,185,300.00 for operations, \$112,700.00 for performance funding, and \$100,000.00 for costs incurred under the North American Indian tuition waiver.**

(c) The appropriation for Delta College is ~~\$16,690,500.00, \$15,888,200.00 for operations, \$754,100.00 for performance funding, and \$48,200.00 for costs incurred under the North American Indian tuition waiver.~~ **\$16,907,200.00, \$16,642,300.00 for operations, \$240,100.00 for performance funding, and \$24,800.00 for costs incurred under the North American Indian tuition waiver.**

(d) The appropriation for Glen Oaks Community College is ~~\$2,939,000.00, \$2,802,100.00 for operations, \$136,900.00 for performance funding, and \$0.00 for costs incurred under the North~~



~~American Indian tuition waiver.~~**\$2,985,900.00, \$2,939,000.00 for operations, \$45,100.00 for performance funding, and \$1,800.00 for costs incurred under the North American Indian tuition waiver.**

(e) The appropriation for Gogebic Community College is ~~\$5,367,600.00, \$5,103,300.00 for operations, \$226,400.00 for performance funding, and \$37,900.00 for costs incurred under the North American Indian tuition waiver.~~**\$5,447,400.00, \$5,329,700.00 for operations, \$69,300.00 for performance funding, and \$48,400.00 for costs incurred under the North American Indian tuition waiver.**

(f) The appropriation for Grand Rapids Community College is ~~\$20,966,400.00, \$19,766,200.00 for operations, \$1,078,200.00 for performance funding, and \$122,000.00 for costs incurred under the North American Indian tuition waiver.~~**\$21,295,300.00, \$20,844,400.00 for operations, \$339,800.00 for performance funding, and \$111,100.00 for costs incurred under the North American Indian tuition waiver.**

(g) The appropriation for Henry Ford College is ~~\$24,943,900.00, \$23,700,100.00 for operations, \$1,229,700.00 for performance funding, and \$14,100.00 for costs incurred under the North American Indian tuition waiver.~~**\$25,307,100.00, \$24,929,800.00 for operations, \$370,900.00 for performance funding, and \$6,400.00 for costs incurred under the North American Indian tuition waiver.**

(h) The appropriation for Jackson College is ~~\$13,887,400.00, \$13,295,100.00 for operations, \$559,000.00 for performance funding, and \$33,300.00 for costs incurred under the North American Indian tuition waiver.~~**\$14,074,900.00, \$13,854,100.00 for operations, \$178,500.00 for performance funding, and \$42,300.00 for costs incurred under the North American Indian tuition waiver.**

(i) The appropriation for Kalamazoo Valley Community College



1 is ~~\$14,539,400.00, \$13,776,100.00 for operations, \$705,800.00 for~~  
 2 ~~performance funding, and \$57,500.00 for costs incurred under the~~  
 3 ~~North American Indian tuition waiver.~~**\$14,741,600.00, \$14,481,900.00**  
 4 **for operations, \$222,500.00 for performance funding, and \$37,200.00**  
 5 **for costs incurred under the North American Indian tuition waiver.**

6 (j) The appropriation for Kellogg Community College is  
 7 ~~\$11,290,200.00, \$10,754,400.00 for operations, \$514,800.00 for~~  
 8 ~~performance funding, and \$21,000.00 for costs incurred under the~~  
 9 ~~North American Indian tuition waiver.~~**\$11,462,100.00, \$11,269,200.00**  
 10 **for operations, \$157,500.00 for performance funding, and \$35,400.00**  
 11 **for costs incurred under the North American Indian tuition waiver.**

12 (k) The appropriation for Kirtland Community College is  
 13 ~~\$3,792,900.00, \$3,577,900.00 for operations, \$195,200.00 for~~  
 14 ~~performance funding, and \$19,800.00 for costs incurred under the~~  
 15 ~~North American Indian tuition waiver.~~**\$3,860,900.00, \$3,773,100.00**  
 16 **for operations, \$62,000.00 for performance funding, and \$25,800.00**  
 17 **for costs incurred under the North American Indian tuition waiver.**

18 (l) The appropriation for Lake Michigan College is  
 19 ~~\$6,321,600.00, \$5,978,400.00 for operations, \$339,600.00 for~~  
 20 ~~performance funding, and \$3,600.00 for costs incurred under the~~  
 21 ~~North American Indian tuition waiver.~~**\$6,414,200.00, \$6,318,000.00**  
 22 **for operations, \$90,200.00 for performance funding, and \$6,000.00**  
 23 **for costs incurred under the North American Indian tuition waiver.**

24 (m) The appropriation for Lansing Community College is  
 25 ~~\$35,752,700.00, \$34,228,900.00 for operations, \$1,460,300.00 for~~  
 26 ~~performance funding, and \$63,500.00 for costs incurred under the~~  
 27 ~~North American Indian tuition waiver.~~**\$36,215,600.00, \$35,689,200.00**  
 28 **for operations, \$445,200.00 for performance funding, and \$81,200.00**  
 29 **for costs incurred under the North American Indian tuition waiver.**

(n) The appropriation for Macomb Community College is  
~~\$37,661,900.00, \$35,911,900.00 for operations, \$1,723,500.00 for~~  
~~performance funding, and \$26,500.00 for costs incurred under the~~  
~~North American Indian tuition waiver.~~**\$38,184,300.00, \$37,635,400.00**  
**for operations, \$525,200.00 for performance funding, and \$23,700.00**  
**for costs incurred under the North American Indian tuition waiver.**

(o) The appropriation for Mid Michigan Community College is  
~~\$5,798,500.00, \$5,458,100.00 for operations, \$284,800.00 for~~  
~~performance funding, and \$55,600.00 for costs incurred under the~~  
~~North American Indian tuition waiver.~~**\$5,912,500.00, \$5,742,900.00**  
**for operations, \$94,100.00 for performance funding, and \$75,500.00**  
**for costs incurred under the North American Indian tuition waiver.**

(p) The appropriation for Monroe County Community College is  
~~\$5,286,800.00, \$5,003,600.00 for operations, \$281,100.00 for~~  
~~performance funding, and \$2,100.00 for costs incurred under the~~  
~~North American Indian tuition waiver.~~**\$5,370,300.00, \$5,284,700.00**  
**for operations, \$83,800.00 for performance funding, and \$1,800.00**  
**for costs incurred under the North American Indian tuition waiver.**

(q) The appropriation for Montcalm Community College is  
~~\$3,966,700.00, \$3,758,900.00 for operations, \$198,300.00 for~~  
~~performance funding, and \$9,500.00 for costs incurred under the~~  
~~North American Indian tuition waiver.~~**\$4,035,200.00, \$3,957,200.00**  
**for operations, \$76,100.00 for performance funding, and \$1,900.00**  
**for costs incurred under the North American Indian tuition waiver.**

(r) The appropriation for C.S. Mott Community College is  
~~\$17,823,200.00, \$17,098,300.00 for operations, \$693,400.00 for~~  
~~performance funding, and \$31,500.00 for costs incurred under the~~  
~~North American Indian tuition waiver.~~**\$18,023,600.00, \$17,791,700.00**  
**for operations, \$226,100.00 for performance funding, and \$5,800.00**



1 **for costs incurred under the North American Indian tuition waiver.**

2 (s) The appropriation for Muskegon Community College is  
 3 ~~\$10,223,600.00, \$9,733,400.00 for operations, \$477,500.00 for~~  
 4 ~~performance funding, and \$12,700.00 for costs incurred under the~~  
 5 ~~North American Indian tuition waiver.~~**\$10,381,200.00, \$10,210,900.00**  
 6 **for operations, \$149,000.00 for performance funding, and \$21,300.00**  
 7 **for costs incurred under the North American Indian tuition waiver.**

8 (t) The appropriation for North Central Michigan College is  
 9 ~~\$4,011,000.00, \$3,615,900.00 for operations, \$252,900.00 for~~  
 10 ~~performance funding, and \$142,200.00 for costs incurred under the~~  
 11 ~~North American Indian tuition waiver.~~**\$4,110,200.00, \$3,868,800.00**  
 12 **for operations, \$78,900.00 for performance funding, and \$162,500.00**  
 13 **for costs incurred under the North American Indian tuition waiver.**

14 (u) The appropriation for Northwestern Michigan College is  
 15 ~~\$10,650,300.00, \$10,006,800.00 for operations, \$466,500.00 for~~  
 16 ~~performance funding, and \$177,000.00 for costs incurred under the~~  
 17 ~~North American Indian tuition waiver.~~**\$10,816,600.00, \$10,473,300.00**  
 18 **for operations, \$146,500.00 for performance funding, and**  
 19 **\$196,800.00 for costs incurred under the North American Indian**  
 20 **tuition waiver.**

21 (v) The appropriation for Oakland Community College is  
 22 ~~\$24,755,900.00, \$23,469,500.00 for operations, \$1,264,100.00 for~~  
 23 ~~performance funding, and \$22,300.00 for costs incurred under the~~  
 24 ~~North American Indian tuition waiver.~~**\$25,163,800.00, \$24,733,600.00**  
 25 **for operations, \$396,400.00 for performance funding, and \$33,800.00**  
 26 **for costs incurred under the North American Indian tuition waiver.**

27 (w) The appropriation for Schoolcraft College is  
 28 ~~\$14,742,500.00, \$13,939,500.00 for operations, \$772,300.00 for~~  
 29 ~~performance funding, and \$30,700.00 for costs incurred under the~~

~~North American Indian tuition waiver.~~**\$14,993,000.00, \$14,711,800.00**  
**for operations, \$260,200.00 for performance funding, and \$21,000.00**  
**for costs incurred under the North American Indian tuition waiver.**

(x) The appropriation for Southwestern Michigan College is  
~~\$7,695,500.00, \$7,332,800.00 for operations, \$350,000.00 for~~  
~~performance funding, and \$12,700.00 for costs incurred under the~~  
~~North American Indian tuition waiver.~~**\$7,816,100.00, \$7,682,800.00**  
**for operations, \$103,800.00 for performance funding, and \$29,500.00**  
**for costs incurred under the North American Indian tuition waiver.**

(y) The appropriation for St. Clair County Community College  
is ~~\$8,226,400.00, \$7,786,600.00 for operations, \$423,800.00 for~~  
~~performance funding, and \$16,000.00 for costs incurred under the~~  
~~North American Indian tuition waiver.~~**\$8,366,100.00, \$8,210,400.00**  
**for operations, \$131,600.00 for performance funding, and \$24,100.00**  
**for costs incurred under the North American Indian tuition waiver.**

(z) The appropriation for Washtenaw Community College is  
~~\$15,938,200.00, \$14,851,300.00 for operations, \$1,074,200.00 for~~  
~~performance funding, and \$12,700.00 for costs incurred under the~~  
~~North American Indian tuition waiver.~~**\$16,281,900.00, \$15,925,500.00**  
**for operations, \$331,800.00 for performance funding, and \$24,600.00**  
**for costs incurred under the North American Indian tuition waiver.**

(aa) The appropriation for Wayne County Community College is  
~~\$19,197,900.00, \$18,376,100.00 for operations, \$817,200.00 for~~  
~~performance funding, and \$4,600.00 for costs incurred under the~~  
~~North American Indian tuition waiver.~~**\$19,464,700.00, \$19,193,300.00**  
**for operations, \$267,000.00 for performance funding, and \$4,400.00**  
**for costs incurred under the North American Indian tuition waiver.**

(bb) The appropriation for West Shore Community College is  
~~\$2,865,600.00, \$2,721,000.00 for operations, \$130,200.00 for~~



~~performance funding, and \$14,400.00 for costs incurred under the~~  
~~North American Indian tuition waiver.~~ **\$2,908,700.00, \$2,851,200.00**  
**for operations, \$45,500.00 for performance funding, and \$12,000.00**  
**for costs incurred under the North American Indian tuition waiver.**

(3) The amount appropriated in subsection (2) for community college operations is ~~\$357,961,900.00~~ **\$363,363,500.00** and is appropriated from the state school aid fund.

(4) From the appropriations described in subsection (1), both of the following apply:

(a) Subject to section 207a, the amount appropriated for fiscal year ~~2023-2024~~ **2024-2025** to offset certain fiscal year ~~2023-2024~~ **2024-2025** retirement contributions is \$7,189,000.00, appropriated from the state school aid fund.

(b) For fiscal year ~~2023-2024~~ **2024-2025**, there is allocated an amount not to exceed ~~\$23,000,000.00~~ **\$21,800,000.00** for payments to participating community colleges, appropriated from the state school aid fund. A community college that receives money under this subdivision shall use that money solely for the purpose of offsetting the normal cost contribution rate.

(5) From the appropriations described in subsection (1), subject to section 207b, the amount appropriated for payments to community colleges that are participating entities of the retirement system is ~~\$105,800,000.00~~ **\$62,100,000.00**, appropriated from the state school aid fund.

(6) From the appropriations described in subsection (1), subject to section 207c, the amount appropriated for renaissance zone tax reimbursements is \$2,200,000.00, appropriated from the state school aid fund. Each community college receiving funds in this subsection shall accrue these payments to its institutional



fiscal year ending June 30, ~~2024~~.**2025.**

(7) For fiscal year ~~2023-2024~~**2024-2025** only, from the appropriations described in subsection (1), the amount appropriated for career and education navigators for adult learners is ~~\$5,000,000.00,~~ **\$1,150,000.00**, appropriated from the state school aid fund. Community colleges, partnering with 1 or more county governments, where practicable, may apply for grant funding through the ~~Office of Sixty by 30 in the department of labor and economic opportunity~~**lifelong education, advancement, and potential** to supplement or create navigation efforts of adult learners. The ~~Office of Sixty by 30~~**department** shall issue a report including, but not limited to, the number of grants awarded, a list of community colleges awarded grants and the amounts, and the amount of unexpended funds remaining at the end of the fiscal year. The report must be issued to the house and senate appropriations subcommittees on community colleges, the house and senate fiscal agencies, and the state budget director by September 30, ~~2024~~.**2025.**

~~(8) For fiscal year 2023-2024 only, from the appropriations described in subsection (1), the amount appropriated for the Michigan Reconnect Entry Point Program is \$5,000,000.00, appropriated from the state school aid fund. Community colleges, partnering with 1 or more county governments, where practicable, may apply for grant funding through the Office of Sixty by 30 in the department of labor and economic opportunity to engage Michigan reconnect grant applicants who have been approved for funding but have not enrolled in a postsecondary or eligible Michigan reconnect program and work to identify and resolve barriers preventing enrollment. The Office of Sixty by 30 shall issue a report including, but not limited to, the number of grants awarded, a list~~





~~of community colleges awarded grants and the amounts, a list of any counties that partnered with a community college for a grant under this section, and the amount of unexpended funds remaining at the end of the fiscal year. The report must be issued to the house and senate appropriations subcommittees on community colleges, the house and senate fiscal agencies, and the state budget director by September 30, 2024.~~

~~(9) For fiscal year 2023-2024 only, from the appropriations described in subsection (1), subject to sections 216c and 216d, the amount appropriated for infrastructure, technology, equipment, maintenance, housing, and safety is \$32,836,600.00, appropriated from the state school aid fund.~~

~~(10) For fiscal year 2023-2024 only, from the appropriations described in subsection (1), \$5,000,000.00 is appropriated from the state school aid fund for critical incident mapping. These funds must be distributed to community colleges proportionately to the amounts in subsection (2) for operations.~~

~~(11) From the appropriations described in subsection (1), the amount appropriated for Michigan workforce development projects is \$530,000.00, appropriated from the state school aid fund. These funds must be awarded to Kalamazoo Valley Community College, and must be used by that college in conjunction with the college's wind turbine program for curriculum development for programs in 1 or more of the following areas:~~

~~(a) Electric vehicle battery installation and repair.~~

~~(b) Electric vehicle charger installation for residential applications, commercial applications, or both.~~

~~(c) Residential and community scale solar panel installation, maintenance, and repair.~~



~~(12) For fiscal year 2023-2024 only, from the appropriations described in subsection (1), \$5,000,000.00 is appropriated from the state school aid fund to Washtenaw Community College for costs related to the college's involvement with a semiconductor research alliance.~~

(8) For fiscal year 2024-2025 only, from the appropriations described in subsection (1), \$500,000.00 is appropriated from state general fund/general purpose money to the Michigan Community Colleges Association to support a program intended to encourage high school students and young adults to pursue public-service-focused careers, including those in public safety, education, and health care.

(9) For fiscal year 2024-2025 only, from the appropriations described in subsection (1), \$350,000.00 is appropriated from the state school aid fund to Kalamazoo Valley Community College for internet accessibility improvements.

Sec. 201f. For fiscal year 2024-2025 only, from the appropriations described in section 201(1), \$3,568,300.00 is appropriated from the state school aid fund for a 1-time performance funding payment. Funds appropriated under this section, subject to conditions described sections 216e, 217b, and 230, must be distributed as follows:

- (a) Alpena Community College, \$68,400.00.
- (b) Bay de Noc Community College, \$75,100.00.
- (c) Delta College, \$160,100.00.
- (d) Glen Oaks Community College, \$30,100.00.
- (e) Gogebic Community College, \$46,200.00.
- (f) Grand Rapids Community College, \$226,500.00.
- (g) Henry Ford College, \$247,300.00.



- 1 (h) Jackson College, \$119,000.00.
- 2 (i) Kalamazoo Valley Community College, \$148,300.00.
- 3 (j) Kellogg Community College, \$105,000.00.
- 4 (k) Kirtland Community College, \$41,300.00.
- 5 (l) Lake Michigan College, \$60,100.00.
- 6 (m) Lansing Community College, \$296,800.00.
- 7 (n) Macomb Community College, \$350,100.00.
- 8 (o) Mid Michigan Community College, \$62,700.00.
- 9 (p) Monroe County Community College, \$55,900.00.
- 10 (q) Montcalm Community College, \$50,800.00.
- 11 (r) C.S. Mott Community College, \$150,700.00.
- 12 (s) Muskegon Community College, \$99,300.00.
- 13 (t) North Central Michigan College, \$52,600.00.
- 14 (u) Northwestern Michigan College, \$97,700.00.
- 15 (v) Oakland Community College, \$264,300.00.
- 16 (w) Schoolcraft College, \$173,400.00.
- 17 (x) Southwestern Michigan College, \$69,200.00.
- 18 (y) St. Clair County Community College, \$87,800.00.
- 19 (z) Washtenaw Community College, \$221,200.00.
- 20 (aa) Wayne County Community College, \$178,000.00.
- 21 (bb) West Shore Community College, \$30,400.00.

22 Sec. 201g. (1) The state budget director shall take steps to  
23 ensure that all state fiscal recovery funds allocated to this state  
24 under the American rescue plan act of 2021, Public Law 117-2, are  
25 expended by December 31, 2026, as required by law. The state budget  
26 director may reallocate appropriated funds for the purpose of fully  
27 utilizing state fiscal recovery funds that are in jeopardy of not  
28 meeting the expenditure deadline for reasons that may include, but  
29 are not limited to, completed projects coming in under budget or



1 funds unable to be fully used by subrecipients. The state budget  
2 director shall reallocate any of the funds reallocated under this  
3 subsection to the programs or purposes specified in this section.  
4 Any funds reallocated are unappropriated and immediately  
5 reappropriated for the following purposes:

6 (a) To reclassify general fund/general purpose appropriations  
7 for payroll and covered benefits for eligible public health and  
8 safety employees at the department of corrections.

9 (b) To reclassify general fund/general purpose appropriations  
10 for payroll and covered benefits for eligible public health and  
11 safety employees at the department of state police.

12 (2) All applicable guidance, implementation, and reporting  
13 provisions of Public Law 117-2 must be followed for state fiscal  
14 recovery funds reallocated and reappropriated under subsection (1).

15 (3) The state budget director shall notify the senate and  
16 house appropriations committees not later than 10 business days  
17 after making any reallocations under subsection (1). The  
18 notification must include the authorized program under which funds  
19 were originally appropriated, the amount of the reallocation, the  
20 program, or programs, or purpose, and the department to which the  
21 funds are being reallocated under subsection (1), and the amount  
22 reallocated to each program or purpose.

23 (4) The state budget director and the impacted departments may  
24 make the accounting transactions necessary to implement the  
25 reallocation and subsequent appropriation of funds as authorized in  
26 this section.

27 Sec. 201h. In addition to funds appropriated under section  
28 201(4) (b) as amended by 2023 PA 103 and 2023 PA 320, for fiscal  
29 year 2023-2024 only, \$1,300,000.00 is appropriated from the state



1 school aid fund for payments to participating community colleges. A  
 2 community college that receives money under this section shall use  
 3 that money solely for the purpose of offsetting the normal cost  
 4 contribution rate.

5 Sec. 205. To the extent possible, the principal executive  
 6 officer of each community college that receives appropriations in  
 7 section 201 shall take all reasonable steps to ensure ~~businesses in~~  
 8 ~~deprived and depressed communities~~ **that geographically**  
 9 **disadvantaged business enterprises** compete for and perform  
 10 contracts to provide services or supplies, or both. Each principal  
 11 executive officer shall strongly encourage businesses with which  
 12 the community college contracts to subcontract with certified  
 13 ~~businesses in depressed and deprived communities~~ **geographically**  
 14 **disadvantaged business enterprises** for services or supplies, or  
 15 both. **As used in this section, "geographically disadvantaged**  
 16 **business enterprises" means that term as defined in Executive**  
 17 **Directive No. 2023-1.**

18 Sec. 206. (1) Except for the funds appropriated in section  
 19 201(4)(b), the funds appropriated in section 201 are appropriated  
 20 for community colleges with fiscal years ending June 30, ~~2024~~**2025**  
 21 and must be paid out of the state treasury and distributed by the  
 22 state treasurer to the respective community colleges in 11 monthly  
 23 installments on the sixteenth of each month, or the next succeeding  
 24 business day, beginning with October 16, ~~2023~~**2024**. Each community  
 25 college shall accrue its July and August ~~2024~~**2025** payments to its  
 26 institutional fiscal year ending June 30, ~~2024~~**2025**.

27 (2) The funds appropriated in section 201(4)(b) are  
 28 appropriated for community colleges with fiscal years ending June  
 29 30, ~~2024~~**2025** and must be distributed to the respective community



colleges in quarterly installments on the sixteenth of each November, February, May, and August. Each community college shall accrue its August ~~2024-2025~~ payments to its institutional fiscal year ending June 30, ~~2024-2025~~.

Sec. 207a. The following apply to the allocation of the fiscal year ~~2023-2024-2024-2025~~ appropriations described in section 201(4):

(a) A community college that receives money under section 201(4) shall use that money solely for the purpose of offsetting a portion of the retirement contributions owed by the college for that fiscal year.

(b) The amount allocated to each participating community college under section 201(4)(a) must be based on each college's percentage of the total covered payroll for all community colleges that are participating colleges in the immediately preceding fiscal year.

(c) The amount allocated to each participating community college under section 201(4)(b) must be based on each college's reported quarterly payroll for members for the current fiscal year.

Sec. 207b. All of the following apply to the allocation of the fiscal year ~~2023-2024-2024-2025~~ appropriations described in section 201(5) for payments to community colleges that are participating entities of the retirement system:

(a) The amount of a payment under section 201(5) must be the difference between the unfunded actuarial accrued liability contribution rate as calculated under section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, as calculated without taking into account the maximum employer rate of 20.96% included in section 41 of the public school employees



1 retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum  
2 employer rate of 20.96% under section 41 of the public school  
3 employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

4 (b) The amount allocated to each community college under  
5 section 201(5) must be based on each community college's percentage  
6 of the total covered payroll for all community colleges that are  
7 participating colleges in the immediately preceding fiscal year. A  
8 community college that receives funds under this subdivision shall  
9 use the funds solely for the purpose of retirement contributions  
10 under section 201(5).

11 (c) Each participating college that receives funds under  
12 section 201(5) shall forward an amount equal to the amount  
13 allocated under subdivision (b) to the retirement system in a form  
14 and manner determined by the retirement system.

15 Sec. 207c. All of the following apply to the allocation of the  
16 appropriations described in section 201(6) to community colleges  
17 described in section 12(3) of the Michigan renaissance zone act,  
18 1996 PA 376, MCL 125.2692:

19 (a) The amount allocated to each community college under  
20 section 201(6) for fiscal year ~~2023-2024~~ **2024-2025** must be based on  
21 that community college's proportion of total revenue lost by  
22 community colleges as a result of the exemption of property taxes  
23 levied in ~~2023-2024~~ under the Michigan renaissance zone act, 1996  
24 PA 376, MCL 125.2681 to 125.2696.

25 (b) The appropriations described in section 201(6) must be  
26 made to each eligible community college within 60 days after the  
27 department of treasury certifies to the state budget director that  
28 it has received all necessary information to properly determine the  
29 amounts payable to each eligible community college under section 12



1 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692.

2       Sec. 216e. (1) Payments under section 201 for performance  
3 funding and under section 201f for 1-time performance funding  
4 payments must be made only to a community college that certifies to  
5 the state budget director by the last business day of August each  
6 year that it complies with the following:

7       (a) The institutional best practice described in subdivision  
8 (c) .

9       (b) One or more of the institutional best practices described  
10 in subdivisions (d) to (g) .

11       (c) The community college accepts the Michigan Transfer  
12 Agreement, partners with the Michigan Transfer Network, and  
13 promotes clear transfer pathways for interested students by doing  
14 all of the following:

15       (i) Has a policy to help transfer or accept associate degrees  
16 from other accredited Michigan postsecondary education  
17 institutions.

18       (ii) Publishes the policy described in subparagraph (i) on the  
19 institution's website in an easily accessible way and in admissions  
20 materials.

21       (iii) Provides publicly available information on the Michigan  
22 Transfer Network, applicable transfer pathways, and financial aid  
23 available to transfer students, at no cost to the student.

24       (iv) Begins negotiations to increase the number of reverse  
25 transfer agreements or articulation agreements and reports on the  
26 progress toward completing the agreements to the state budget  
27 director by the last business day in February.

28       (d) The community college requires all students to receive an  
29 academic degree or certificate map that outlines required course





1 sequencing, program and institution requirements, declared minor  
2 program academic requirements, and a recommended timeline within  
3 which courses should be taken and in which specific semester or  
4 term in order to satisfy all program requirements to allow the  
5 student to graduate on time.

6 (e) The community college provides non-credit-bearing  
7 developmental or remedial courses at a reduced cost to students.

8 (f) The community college provides each degree- or  
9 certificate-seeking student with a designated, trained academic  
10 advisor to support student retention, persistence, and completion.  
11 The community college shall require students to meet with their  
12 academic advisor at least once per semester or term.

13 (g) The community college provides employees during business  
14 hours to assist prospective and current students in completing the  
15 Free Application for Federal Student Aid.

16 (2) The state budget director shall implement uniform  
17 reporting requirements to ensure that a community college receiving  
18 a payment under section 201 for performance funding and under  
19 section 201f for 1-time performance funding payments has satisfied  
20 the institutional best practices requirements of this section. The  
21 state budget director has the sole authority to determine if a  
22 community college has met the requirements of this section.  
23 Information reported by a community college to the state budget  
24 director under this subsection must also be reported to the house  
25 and senate appropriations subcommittees on higher education and the  
26 house and senate fiscal agencies.

27 (3) If a community college fails to comply with the  
28 certification requirements of this section, the state treasurer may  
29 withhold the monthly installments under section 206 to the

1 community college until the certification is completed. If a  
2 community college does not comply with the certification  
3 requirements described in this section by the end of the fiscal  
4 year, the community college forfeits the amount withheld. Forfeited  
5 funds must lapse to the state school aid fund. The state budget  
6 director shall notify the chairs of the house and senate  
7 appropriations subcommittees on higher education at least 10 days  
8 before withholding funds from any community college.

9 Sec. 217. (1) The center shall do all of the following:

10 (a) Establish, maintain, and coordinate the state community  
11 college database commonly known as the "Michigan Community College  
12 Data Inventory".

13 (b) Collect data concerning community colleges and community  
14 college programs in this state, including data required by law.

15 (c) Establish procedures to ensure the validity and  
16 reliability of the data and the collection process.

17 (d) Develop model data collection policies, including, but not  
18 limited to, policies that ensure the privacy of any individual  
19 student data. Privacy policies ~~shall~~**must** ensure that student  
20 Social Security numbers are not released to the public for any  
21 purpose.

22 (e) Provide data in a useful manner to allow state  
23 policymakers and community college officials to make informed  
24 policy decisions.

25 (f) Compile and publish electronically the demographic  
26 enrollment profile.

27 (g) Compile and publish the community college performance  
28 improvement and performance completion rate data to support the  
29 performance funding formula metrics specified in section 230(1)(c)



1 and (e).

2 (2) There is created within the center the Michigan Community  
3 College Data Inventory advisory committee. The committee shall  
4 provide advice to the director of the center regarding the  
5 management of the state community college database, including, but  
6 not limited to:

7 (a) Determining what data are necessary to collect and  
8 maintain to enable state and community college officials to make  
9 informed policy decisions.

10 (b) Defining the roles of all stakeholders in the data  
11 collection system.

12 (c) Recommending timelines for the implementation and ongoing  
13 collection of data.

14 (d) Establishing and maintaining data definitions, data  
15 transmission protocols, and system specifications and procedures  
16 for the efficient and accurate transmission and collection of data.

17 (e) Establishing and maintaining a process for ensuring the  
18 accuracy of the data.

19 (f) Establishing and maintaining policies related to data  
20 collection, including, but not limited to, privacy policies related  
21 to individual student data.

22 (g) Ensuring that the data are made available to state  
23 policymakers and citizens of this state in the most useful format  
24 possible.

25 (h) Addressing other matters as determined by the director of  
26 the center or as required by law.

27 (3) The Michigan Community College Data Inventory advisory  
28 committee created in subsection (2) ~~shall consist~~**consists** of the  
29 following members:



1 (a) One representative from the house fiscal agency, appointed  
2 by the director of the house fiscal agency.

3 (b) One representative from the senate fiscal agency,  
4 appointed by the director of the senate fiscal agency.

5 (c) One representative from the department of labor and  
6 economic opportunity, appointed by the director of the department  
7 of labor and economic opportunity.

8 (d) One representative from the center, appointed by the  
9 director of the center.

10 (e) One representative from the state budget office, appointed  
11 by the state budget director.

12 **(f) One representative from the department of lifelong**  
13 **education, advancement, and potential, appointed by the director of**  
14 **the department of lifelong education, advancement, and potential.**

15 **(g)** ~~(f)~~ One representative from the governor's policy office,  
16 appointed by that office.

17 **(h)** ~~(g)~~ Four representatives of the Michigan Community College  
18 Association, appointed by the president of the association, that  
19 represent a diverse mix of college sizes.

20 Sec. 217b. (1) Each community college that receives an  
21 appropriation in section 201 shall report to the center by the last  
22 business day of August of each year the tuition and mandatory fees  
23 paid by a full-time in-district student and a full-time out-of-  
24 district student as established by the community college governing  
25 board for the current academic year. This report should also  
26 include the annual cost of tuition and fees based on a full-time  
27 course load of 30 credits. This report must also specify the amount  
28 that tuition and fees have increased for the community college from  
29 the prior academic year. Each community college shall also report



1 any revisions to the reported current academic year tuition and  
 2 mandatory fees adopted by the community college governing board to  
 3 the center within 15 days of being adopted. The center shall  
 4 provide this information and any revisions to the house and senate  
 5 fiscal agencies and the state budget director.

6 (2) Each community college that receives an appropriation in  
 7 section 201 shall certify to the state budget director by the last  
 8 business day of August **of each year** that its board will not adopt  
 9 an increase in tuition and fee rates for in-district students for  
 10 the ~~2023-2024~~ academic year that is greater than ~~4.5% or \$205.00,~~  
 11 ~~whichever is greater.~~ **the tuition restraint described in this**  
 12 **subsection. For the academic year 2024-2025, the tuition restraint**  
 13 **level is equal to the greater of 4.5% or \$217.00. For the academic**  
 14 **year 2025-2026, the tuition restraint level is equal to the greater**  
 15 **of 4.5% or \$227.00. It is intended that in the next fiscal year,**  
 16 **the tuition restraint rate will be adjusted only for the subsequent**  
 17 **academic year.** As used in this subsection:

18 (a) "Fee" means any board-authorized fee that will be paid by  
 19 more than 1/2 of all in-district students at least once during  
 20 their enrollment at a community college. A community college  
 21 increasing a fee that applies to a specific subset of students or  
 22 courses shall provide sufficient information to prove that the  
 23 increase applied to that subset will not cause the increase in the  
 24 average amount of board-authorized total tuition and fees paid by  
 25 in-district students in the ~~2023-2024~~ **2024-2025** academic year to  
 26 exceed the limit established in this section.

27 (b) "Tuition and fee rate" means the average of full-time  
 28 rates paid by a majority of students in each class, based on an  
 29 unweighted average of the rates authorized by the community college



board and actually charged to students, deducting any uniformly rebated or refunded amounts, for the 2 semesters with the highest levels of full-time equated in-district enrollment during the academic year.

(3) Community colleges that exceed the tuition and fee rate cap described in subsection (2) are not eligible to receive payments under section 201 for performance funding **or payments under section 201f for 1-time performance funding payments** for fiscal year ~~2023-2024~~.**2024-2025.**

(4) Notwithstanding any other provision of this act, the legislature may at any time adjust appropriations for a community college that adopts an increase in tuition and fee rates for in-district students that exceeds the rate cap established in subsection (2).

**Sec. 217c. (1) Not later than December 1 of each year, each community college or federally recognized tribal college that, in the current or previous academic year, serves or has served as an authorizing body shall submit a report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, the state budget director, and the department of education containing, at a minimum, all of the following information, as applicable:**

**(a) A list of all of the schools currently authorized, and the following information for each school:**

**(i) The year in which the school was authorized.**

**(ii) The location of each school.**

**(iii) The owner of the property at which each school is located and the physical buildings utilized by the school, as applicable.**

**(b) A list identifying any schools that were closed or lost**



1 their authorization in the current or previous academic year.

2 (c) A description of any new contracts for the operation of a  
3 public school academy that will operate as the successor to a  
4 public school academy that is currently being operated under a  
5 contract issued by another authorizing body that is currently  
6 performing in the bottom 5% of schools.

7 (d) The academic performance of each school currently  
8 authorized, including whether a school is identified by the  
9 department of education as a partnership school. If a school is  
10 identified as a partnership school under this subdivision, the  
11 authorizing body must include a description of corrective actions  
12 in the school's partnership agreement, the duration of the  
13 partnership agreement, and an assessment of progress toward  
14 improvement.

15 (e) The total enrollment of each school at the time of  
16 submission, the grades served, and student turnover rate compared  
17 to the previous academic year, as applicable.

18 (f) Aggregated student enrollment data for students with an  
19 individualized education program as well as the total amount of  
20 special education cost reimbursements received by each school  
21 during the school's most recently completed fiscal year.

22 (g) The total number of fees, reimbursements, contributions,  
23 or charges permitted under section 502(6) of the revised school  
24 code, 1976 PA 451, MCL 380.502, that are assigned to each school  
25 currently authorized in a single academic year.

26 (h) The names of the members of the board of directors of each  
27 school currently authorized, the date that each member of each  
28 board was appointed, and a description of the methodology used by  
29 the authorizing body to select members for the boards of directors



1 for each school currently authorized by the authorizing body.

2 (i) The name of the applicant who applied and received  
3 approval to organize each currently authorized school.

4 (j) The list of contracts and length of their terms, with  
5 education service providers associated with each school currently  
6 authorized pursuant to section 502 of the revised school code, 1976  
7 PA 451, MCL 380.502, as applicable. The contracts described in this  
8 subdivision include, but are not limited to, those described in  
9 section 502(2) (d) of the revised school code, 1 1976 PA 451, MCL  
10 380.502.

11 (k) Activities undertaken by each authorizing body to ensure  
12 that the board of directors of each school complies with the open  
13 meetings act, 1976 PA 267, MCL 15.261 to 15.275, the freedom of  
14 information act, 1976 PA 442, MCL 15.231 to 15.246, and laws  
15 prohibiting conflicts of interest.

16 (l) A description of the activities undertaken by the  
17 authorizing body to meet the functions of an authorizing body under  
18 section 502 of the revised school code, 1976 PA 451, MCL 380.502,  
19 as applicable.

20 (m) A financial report of the authorizing body's use of fees,  
21 reimbursements, contributions, or charges collected or retained  
22 under section 502(6) of the revised school code, 1976 PA 451, MCL  
23 380.502. This report must include all of the following, at a  
24 minimum:

25 (i) The total amount of fees collected or retained under  
26 section 502(6) of the revised school code, 1976 PA 451, MCL  
27 380.502, by the authorizing body for the authorizing body's most  
28 recent fiscal year.

29 (ii) The amount of funds reported under subparagraph (i) that





1 were spent on compensation for faculty and staff employed primarily  
2 to meet the functions of an authorizing body. For the purpose of  
3 this subparagraph, an employee is presumed to be primarily employed  
4 to meet the functions of an authorizing body if that employee  
5 spends more than 50% of the employee's time on those activities.

6 (iii) The number of positions, organized by job title,  
7 associated with expenditures reported under subparagraph (ii) .

8 (iv) The amount of funds reported under subparagraph (i) that  
9 were spent on contractual services to meet the functions of an  
10 authorizing body.

11 (v) The amount of funds reported under subparagraph (i) that  
12 were spent on other overhead costs to meet the functions of an  
13 authorizing body.

14 (vi) The amount of funds reported under subparagraph (i) that  
15 were transferred to another operating unit within the community  
16 college or federally recognized tribal college.

17 (vii) The amount of funds reported under subparagraph (i) that  
18 were spent on activities other than functioning as an authorizing  
19 body, including a list of those activities and the amount  
20 associated with each activity.

21 (n) An executive summary section that provides relevant  
22 summary data for reporting requirements under subdivisions (a) to  
23 (m) .

24 (2) A report submitted under this section must be in a format  
25 that meets accessibility standards for viewing on the internet  
26 under the Americans with disabilities act of 1990, Public Law 101-  
27 336.

28 (3) A report submitted under this section must be published  
29 and updated through a link on the homepage of the institution's



1 website.

2 (4) As used in this section, "authorizing body" means that  
3 term as defined in section 501 of the revised school code, 1976 PA  
4 451, MCL 380.501.

5 Sec. 222. Each community college shall have an annual audit of  
6 all income and expenditures performed by an independent auditor and  
7 shall furnish the independent auditor's management letter and an  
8 annual audited accounting of all general and current funds income  
9 and expenditures including audits of college foundations to the  
10 center before November 15 of each year. The center shall provide  
11 this information to members of the senate and house appropriations  
12 subcommittees on community colleges, the senate and house fiscal  
13 agencies, the auditor general, the department of labor and economic  
14 opportunity, **the department of lifelong education, advancement, and**  
15 **potential**, and the state budget director. If a community college  
16 fails to furnish the audit materials, the monthly state aid  
17 installments ~~shall~~**must** be withheld from that college until the  
18 information is submitted. All reporting ~~shall~~**must** conform to the  
19 requirements set forth in the "2001 Manual for Uniform Financial  
20 Reporting, Michigan Public Community Colleges". A community college  
21 shall make the information the community college is required to  
22 provide under this section available to the public on its website.

23 Sec. 223. (1) By January 15 of each year, the department of  
24 ~~civil rights~~**lifelong education, advancement, and potential** shall  
25 submit to the state budget director, the house and senate  
26 appropriations subcommittees on community colleges, and the house  
27 and senate fiscal agencies a report on North American Indian  
28 tuition waivers for the preceding academic year that includes, but  
29 is not limited to, all of the following information:



1 (a) The number of waiver applications received and the number  
2 of waiver applications approved.

3 (b) For each community college submitting information under  
4 subsection (2), all of the following:

5 (i) The number of North American Indian students enrolled each  
6 term for the previous academic year.

7 (ii) The number of North American Indian waivers granted each  
8 term, including continuing education students, and the monetary  
9 value of the waivers for the previous academic year.

10 (iii) The number of North American Indian students who receive a  
11 granted waiver for the previous academic year.

12 (iv) The number of students attending under a North American  
13 Indian tuition waiver who withdrew from the college each term  
14 during the previous academic year. For purposes of this  
15 subparagraph, a withdrawal occurs when a student who has been  
16 awarded the waiver withdraws from the institution at any point  
17 during the term, regardless of enrollment in subsequent terms.

18 (v) The number of students attending under a North American  
19 Indian tuition waiver who successfully transfer to a 4-year public  
20 or private university, or complete a degree or certificate program,  
21 separated by degree or certificate level, and the graduation rate  
22 for students attending under a North American Indian tuition waiver  
23 who complete a degree or certificate within 150% of the normal time  
24 to complete, separated by the level of the degree or certificate.

25 (2) By January 1 of each year, a community college that  
26 receives an appropriation in section 201 or a tribal institution  
27 that receives funding for the North American Indian tuition waiver  
28 shall provide to the department of ~~civil rights~~ **lifelong education,**  
29 **advancement, and potential** any information necessary for preparing



1 the report described in subsection (1), using guidelines and  
2 procedures developed by the department of ~~civil rights~~. **lifelong**  
3 **education, advancement, and potential.**

4 (3) The department of ~~civil rights~~ **lifelong education,**  
5 **advancement, and potential** may consolidate the report required  
6 under this section with the report required under section 268, but  
7 a consolidated report must separately identify data for  
8 universities and data for community colleges.

9 Sec. 229. (1) Each community college that receives an  
10 appropriation in section 201 is expected to include in its  
11 admission application process a specific question as to whether an  
12 applicant for admission has ever served or is currently serving in  
13 the United States Armed Forces or is the spouse or dependent of an  
14 individual who has served or is currently serving in the United  
15 States Armed Forces, in order to more quickly identify potential  
16 educational assistance available to that applicant.

17 (2) It is expected that each community college that receives  
18 an appropriation in section 201 will work with the house and senate  
19 appropriations subcommittees on community colleges, the Michigan  
20 Community College Association, and veterans groups to review the  
21 issue of in-district tuition for veterans of this state when  
22 determining tuition rates and fees.

23 (3) Each community college that receives an appropriation in  
24 section 201 is expected to provide reasonable programming and  
25 scheduling accommodations necessary to facilitate a student's  
26 military, National Guard, or military reserves duties and training  
27 obligations.

28 (4) Each community college that receives an appropriation in  
29 section 201 is expected to provide college level equivalent credit



1 examination opportunities for veterans and active members of the  
 2 military, National Guard, or military reserves within the first  
 3 semester of enrollment.

4 (5) Each community college that receives an appropriation in  
 5 section 201 is expected to do all of the following in its admission  
 6 application process if it knows that an applicant for admission is  
 7 currently serving, or has ever served, as a member of the military,  
 8 the National Guard, or the military reserves:

9 (a) Inform the applicant that ~~he or she~~ **the applicant** may  
 10 receive academic credit for college-level training and education ~~he~~  
 11 ~~or she~~ **the applicant** received while serving in the military.

12 (b) Inform the applicant that ~~he or she~~ **the applicant** may  
 13 submit a transcript of ~~his or her~~ **the applicant's** college-level  
 14 military training and education to the community college.

15 (c) If the applicant submits a transcript described in  
 16 subdivision (b), evaluate that transcript and notify the applicant  
 17 of what transfer credits are available to the applicant from the  
 18 community college for ~~his or her~~ **the applicant's** college-level  
 19 military training and education.

20 (6) As used in this section:

21 (a) "Transcript" includes a joint services transcript prepared  
 22 for the applicant under the American Council on Education registry  
 23 of credit recommendations.

24 (b) "Veteran" means an honorably discharged veteran entitled  
 25 to educational assistance under section 5003 of the post-911  
 26 veterans educational assistance act of 2008, 38 USC 3301 to 3327.

27 Sec. 229a. Included in the fiscal year ~~2023-2024~~ **2024-2025**  
 28 appropriations for the department of technology, management, and  
 29 budget are appropriations totaling ~~\$33,081,600.00~~ **\$33,481,600.00** to



1 provide funding for the state share of costs for previously  
 2 constructed capital projects for community colleges. Those  
 3 appropriations for state building authority rent represent  
 4 additional state general fund support for community colleges, and  
 5 the following is an estimate of the amount of that support to each  
 6 community college:

- 7 (a) Alpena Community College, ~~\$886,800.00.~~**\$858,200.00.**
- 8 (b) Bay de Noc Community College, ~~\$522,100.00.~~**\$516,900.00.**
- 9 (c) Delta College, ~~\$2,724,100.00.~~**\$2,696,900.00.**
- 10 (d) Glen Oaks Community College, ~~\$406,500.00.~~**\$381,400.00.**
- 11 (e) Gogebic Community College, ~~\$56,800.00.~~**\$56,200.00.**
- 12 (f) Grand Rapids Community College,  
 13 ~~\$1,101,000.00.~~**\$1,090,000.00.**
- 14 (g) Henry Ford College, ~~\$1,178,300.00.~~**\$1,570,600.00.**
- 15 (h) Jackson College, ~~\$2,193,900.00.~~**\$2,051,500.00.**
- 16 (i) Kalamazoo Valley Community College,  
 17 ~~\$1,968,800.00.~~**\$1,949,100.00.**
- 18 (j) Kellogg Community College, ~~\$688,400.00.~~**\$681,500.00.**
- 19 (k) Kirtland Community College, ~~\$228,100.00.~~**\$225,800.00.**
- 20 (l) Lake Michigan College, ~~\$979,300.00.~~**\$969,600.00.**
- 21 (m) Lansing Community College, ~~\$1,156,800.00.~~**\$759,800.00.**
- 22 (n) Macomb Community College, ~~\$1,972,800.00.~~**\$2,847,000.00.**
- 23 (o) Mid Michigan Community College,  
 24 ~~\$1,637,300.00.~~**\$1,620,900.00.**
- 25 (p) Monroe County Community College,  
 26 ~~\$1,561,300.00.~~**\$1,545,700.00.**
- 27 (q) Montcalm Community College, ~~\$452,200.00.~~**\$447,600.00.**
- 28 (r) C.S. Mott Community College, ~~\$2,132,100.00.~~**\$2,110,700.00.**
- 29 (s) Muskegon Community College, ~~\$995,600.00.~~**\$985,600.00.**



(t) North Central Michigan College, ~~\$654,900.00~~ **\$648,400.00.**

(u) Northwestern Michigan College,

~~\$1,811,700.00~~ **\$1,793,600.00.**

(v) Oakland Community College, \$0.00.

(w) Schoolcraft College, ~~\$2,262,900.00~~ **\$2,240,200.00.**

(x) Southwestern Michigan College, ~~\$833,900.00~~ **\$825,500.00.**

(y) St. Clair County Community College,

~~\$727,900.00~~ **\$720,600.00.**

(z) Washtenaw Community College, ~~\$1,739,800.00~~ **\$1,682,300.00.**

(aa) Wayne County Community College,

~~\$1,482,300.00~~ **\$1,467,500.00.**

(bb) West Shore Community College, ~~\$746,000.00~~ **\$738,500.00.**

Sec. 230. (1) Subject to subsection (4), money included in the appropriations for community college operations under section 201(2) for performance funding **and under section 201f for 1-time performance funding payments** is distributed based on the following formula:

(a) Allocated proportionate to fiscal year ~~2022-2023~~ **2023-2024** base appropriations, 30%.

(b) Based on a weighted student contact hour formula as provided for in the 2016 recommendations of the performance indicators task force, 30%.

(c) Based on the performance improvement as provided for in the 2016 recommendations of the performance indicators task force and based on data provided by the center, 10%.

(d) Based on the performance completion number as provided for in the 2016 recommendations of the performance indicators task force, 10%.

(e) Based on the performance completion rate as provided for



1 in the 2016 recommendations of the performance indicators task  
 2 force and based on data provided by the center, 10%.

3 (f) Based on administrative costs, 5%.

4 (g) Based on the local strategic value component, as developed  
 5 in cooperation with the Michigan Community College Association and  
 6 described in subsection (2), 5%.

7 (2) Money included in the appropriations for community college  
 8 operations under section 201(2) for local strategic value is  
 9 allocated only to each community college that certifies to the  
 10 state budget director, through a board of trustees resolution on or  
 11 before October 15, ~~2023~~, **2024**, that the college has met 4 out of 5  
 12 best practices listed in each category described in subsection (3).  
 13 The resolution must provide specifics as to how the community  
 14 college meets each best practice measure within each category. One-  
 15 third of funding available under the strategic value component is  
 16 allocated to each category described in subsection (3). Amounts  
 17 distributed under local strategic value must be on a proportionate  
 18 basis to each college's fiscal year ~~2022-2023~~ **2023-2024** operations  
 19 funding. Payments to community colleges that qualify for local  
 20 strategic value funding must be distributed with the November  
 21 installment payment described in section 206.

22 (3) For purposes of subsection (2), the following categories  
 23 of best practices reflect functional activities of community  
 24 colleges that have strategic value to the local communities and  
 25 regional economies:

26 (a) For Category A, economic development and business or  
 27 industry partnerships, the following:

28 (i) The community college has active partnerships with local  
 29 employers including hospitals and health care providers.





1       (ii) The community college provides customized on-site training  
2 for area companies, employees, or both.

3       (iii) The community college supports entrepreneurship through a  
4 small business assistance center or other training or consulting  
5 activities targeted toward small businesses.

6       (iv) The community college supports technological advancement  
7 through industry partnerships, incubation activities, or operation  
8 of a Michigan technical education center or other advanced  
9 technology center.

10       (v) The community college has active partnerships with local  
11 or regional workforce and economic development agencies.

12       (b) For Category B, educational partnerships, the following:

13       (i) The community college has active partnerships with regional  
14 high schools, intermediate school districts, and career-tech  
15 centers to provide instruction through dual enrollment, concurrent  
16 enrollment, direct credit, middle college, or academy programs.

17       (ii) The community college hosts, sponsors, or participates in  
18 enrichment programs for area K-12 students, such as college days,  
19 summer or after-school programming, or Science Olympiad.

20       (iii) The community college provides, supports, or participates  
21 in programming to promote successful transitions to college for  
22 traditional age students, including grant programs such as talent  
23 search, upward bound, or other activities to promote college  
24 readiness in area high schools and community centers.

25       (iv) The community college provides, supports, or participates  
26 in programming to promote successful transitions to college for new  
27 or reentering adult students, such as adult basic education, a high  
28 school equivalency test preparation program and testing, or  
29 recruiting, advising, or orientation activities specific to adults.



As used in this subparagraph, "high school equivalency test preparation program" means that term as defined in section 4.

(v) The community college has active partnerships with regional 4-year colleges and universities to promote successful transfer, such as articulation, 2+2, or reverse transfer agreements or operation of a university center.

(c) For Category C, community services, the following:

(i) The community college provides continuing education programming for leisure, wellness, personal enrichment, or professional development.

(ii) The community college operates or sponsors opportunities for community members to engage in activities that promote leisure, wellness, cultural or personal enrichment such as community sports teams, theater or musical ensembles, or artist guilds.

(iii) The community college operates public facilities to promote cultural, educational, or personal enrichment for community members, such as libraries, computer labs, performing arts centers, museums, art galleries, or television or radio stations.

(iv) The community college operates public facilities to promote leisure or wellness activities for community members, including gymnasiums, athletic fields, tennis courts, fitness centers, hiking or biking trails, or natural areas.

(v) The community college promotes, sponsors, or hosts community service activities for students, staff, or community members.

(4) Payments for performance funding under section 201(2) **and for 1-time performance funding payments under section 201f** must be made to a community college only if that community college actively participates in the Michigan Transfer Network sponsored by the



Michigan Association of Collegiate Registrars and Admissions Officers and submits timely updates, including updated course equivalencies at least every 6 months, to the Michigan Transfer Network. The state budget director shall determine if a community college has not satisfied this requirement. The state budget director may withhold payments for performance funding **and 1-time performance funding** until a community college is in compliance with this subsection.

Sec. 236. (1) Subject to the conditions set forth in this article, the amounts listed in this section are appropriated for higher education for the fiscal year ending September 30, ~~2024,~~ **2025**, from the funds indicated in this section. The following is a summary of the appropriations in this section and ~~section~~ **sections 236d and 236j**:

(a) The gross appropriation is ~~\$2,291,048,800.00.~~ **\$2,324,292,600.00**. After deducting total interdepartmental grants and intradepartmental transfers in the amount of \$0.00, the adjusted gross appropriation is ~~\$2,291,048,800.00.~~ **\$2,324,292,600.00**.

(b) The sources of the adjusted gross appropriation described in subdivision (a) are as follows:

(i) Total federal revenues, ~~\$131,026,400.00.~~ **\$3,200,000.00**.

(ii) Total local revenues, \$0.00.

(iii) Total private revenues, \$0.00.

(iv) Total other state restricted revenues, ~~\$482,268,300.00.~~ **\$461,668,300.00**.

(v) State general fund/general purpose money, ~~\$1,677,754,100.00.~~ **\$1,859,424,300.00**.

(c) The totals and subtotals reflected in subdivisions (a) and



(b) do not include amounts appropriated under subsection (7)(f) or ~~(8)(c)~~ **(8)(b)** to avoid duplicating totals of amounts appropriated in this section and section 236j.

(2) Amounts appropriated for public universities are as follows:

(a) The appropriation for Central Michigan University is ~~\$95,413,800.00, \$89,352,000.00 for operations, \$0.00 for per-~~  
~~student floor funding, \$4,467,600.00 for operations increase, and~~  
~~\$1,594,200.00 for costs incurred under the North American Indian~~  
~~tuition waiver.~~ **\$96,833,700.00, \$93,819,600.00 for operations,**  
**\$1,407,300.00 for operations increase, and \$1,606,800.00 for costs**  
**incurred under the North American Indian tuition waiver.**

(b) The appropriation for Eastern Michigan University is ~~\$83,144,700.00, \$78,798,800.00 for operations, \$0.00 for per-~~  
~~student floor funding, \$3,939,900.00 for operations increase, and~~  
~~\$406,000.00 for costs incurred under the North American Indian~~  
~~tuition waiver.~~ **\$84,381,000.00, \$82,738,700.00 for operations,**  
**\$1,241,100.00 for operations increase, and \$401,200.00 for costs**  
**incurred under the North American Indian tuition waiver.**

(c) The appropriation for Ferris State University is ~~\$59,646,500.00, \$56,126,000.00 for operations, \$0.00 for per-~~  
~~student floor funding, \$2,806,300.00 for operations increase, and~~  
~~\$714,200.00 for costs incurred under the North American Indian~~  
~~tuition waiver.~~ **\$60,548,400.00, \$58,932,300.00 for operations,**  
**\$884,000.00 for operations increase, and \$732,100.00 for costs**  
**incurred under the North American Indian tuition waiver.**

(d) The appropriation for Grand Valley State University is ~~\$97,365,000.00, \$79,974,500.00 for operations, \$11,560,000.00 for~~  
~~per student floor funding, \$4,576,700.00 for operations increase,~~



1 ~~and \$1,253,800.00 for costs incurred under the North American~~  
 2 ~~Indian tuition waiver.~~**\$98,876,100.00, \$96,111,200.00 for**  
 3 **operations, \$1,441,700.00 for operations increase, and**  
 4 **\$1,323,200.00 for costs incurred under the North American Indian**  
 5 **tuition waiver.**

6 (e) The appropriation for Lake Superior State University is  
 7 ~~\$15,190,300.00, \$13,573,100.00 for operations, \$0.00 for per-~~  
 8 ~~student floor funding, \$678,700.00 for operations increase, and~~  
 9 ~~\$938,500.00 for costs incurred under the North American Indian~~  
 10 ~~tuition waiver.~~**\$15,838,800.00, \$14,251,800.00 for operations,**  
 11 **\$213,800.00 for operations increase, and \$1,373,200.00 for costs**  
 12 **incurred under the North American Indian tuition waiver.**

13 (f) The appropriation for Michigan State University is  
 14 ~~\$390,452,600.00, \$301,681,300.00 for operations, \$0.00 for per-~~  
 15 ~~student floor funding, \$15,084,100.00 for operations increase,~~  
 16 ~~\$1,943,800.00 for costs incurred under the North American Indian~~  
 17 ~~tuition waiver, \$38,518,400.00 for MSU AgBioResearch, and~~  
 18 ~~\$33,225,000.00 for MSU Extension.~~**\$396,479,600.00, \$316,765,400.00**  
 19 **for operations, \$4,751,500.00 for operations increase,**  
 20 **\$2,143,100.00 for costs incurred under the North American Indian**  
 21 **tuition waiver, \$39,096,200.00 for MSU AgBioResearch, and**  
 22 **\$33,723,400.00 for MSU Extension.**

23 (g) The appropriation for Michigan Technological University is  
 24 ~~\$54,525,700.00, \$51,103,600.00 for operations, \$0.00 for per-~~  
 25 ~~student floor funding, \$2,555,200.00 for operations increase, and~~  
 26 ~~\$866,900.00 for costs incurred under the North American Indian~~  
 27 ~~tuition waiver.~~**\$55,245,300.00, \$53,658,800.00 for operations,**  
 28 **\$804,900.00 for operations increase, and \$781,600.00 for costs**  
 29 **incurred under the North American Indian tuition waiver.**



(h) The appropriation for Northern Michigan University is ~~\$53,320,000.00, \$49,589,800.00 for operations, \$0.00 for per-~~  
~~student floor funding, \$2,479,500.00 for operations increase, and~~  
~~\$1,250,700.00 for costs incurred under the North American Indian~~  
~~tuition waiver.~~ **\$54,263,000.00, \$52,069,300.00 for operations,**  
**\$781,000.00 for operations increase, and \$1,412,700.00 for costs**  
**incurred under the North American Indian tuition waiver.**

(i) The appropriation for Oakland University is ~~\$72,288,800.00, \$60,406,600.00 for operations, \$8,123,900.00 for~~  
~~per-student floor funding, \$3,426,500.00 for operations increase,~~  
~~and \$331,800.00 for costs incurred under the North American Indian~~  
~~tuition waiver.~~ **\$73,327,600.00, \$71,957,000.00 for operations,**  
**\$1,079,400.00 for operations increase, and \$291,200.00 for costs**  
**incurred under the North American Indian tuition waiver.**

(j) The appropriation for Saginaw Valley State University is ~~\$33,894,500.00, \$32,086,300.00 for operations, \$0.00 for per-~~  
~~student floor funding, \$1,604,300.00 for operations increase, and~~  
~~\$203,900.00 for costs incurred under the North American Indian~~  
~~tuition waiver.~~ **\$34,394,500.00, \$33,690,600.00 for operations,**  
**\$505,400.00 for operations increase, and \$198,500.00 for costs**  
**incurred under the North American Indian tuition waiver.**

(k) The appropriation for University of Michigan - Ann Arbor  
is ~~\$356,568,800.00, \$338,360,300.00 for operations, \$0.00 for per-~~  
~~student floor funding, \$16,918,000.00 for operations increase, and~~  
~~\$1,290,500.00 for costs incurred under the North American Indian~~  
~~tuition waiver.~~ **\$362,128,600.00, \$355,278,300.00 for operations,**  
**\$5,329,000.00 for operations increase, and \$1,521,300.00 for costs**  
**incurred under the North American Indian tuition waiver.**

(l) The appropriation for University of Michigan - Dearborn is



~~\$31,233,500.00, \$27,869,700.00 for operations, \$1,699,800.00 for per-student floor funding, \$1,478,500.00 for operations increase, and \$185,500.00 for costs incurred under the North American Indian tuition waiver.~~ **\$31,722,500.00, \$31,048,000.00 for operations, \$465,700.00 for operations increase, and \$208,800.00 for costs incurred under the North American Indian tuition waiver.**

(m) The appropriation for University of Michigan - Flint is ~~\$26,404,700.00, \$24,774,800.00 for operations, \$0.00 for per-student floor funding, \$1,238,700.00 for operations increase, and \$391,200.00 for costs incurred under the North American Indian tuition waiver.~~ **\$26,695,600.00, \$26,013,500.00 for operations, \$390,200.00 for operations increase, and \$291,900.00 for costs incurred under the North American Indian tuition waiver.**

(n) The appropriation for Wayne State University is ~~\$224,354,500.00, \$213,286,600.00 for operations, \$0.00 for per-student floor funding, \$10,664,300.00 for operations increase, and \$403,600.00 for costs incurred under the North American Indian tuition waiver.~~ **\$227,735,900.00, \$223,950,900.00 for operations, \$3,359,300.00 for operations increase, and \$425,700.00 for costs incurred under the North American Indian tuition waiver.**

(o) The appropriation for Western Michigan University is ~~\$119,983,900.00, \$113,752,600.00 for operations, \$0.00 for per-student floor funding, \$5,687,600.00 for operations increase, and \$543,700.00 for costs incurred under the North American Indian tuition waiver.~~ **\$121,845,400.00, \$119,440,200.00 for operations, \$1,791,600.00 for operations increase, and \$613,600.00 for costs incurred under the North American Indian tuition waiver.**

(3) The amount appropriated in subsection (2) for public universities is ~~\$1,713,787,300.00,~~ **\$1,740,316,000.00,** appropriated



1 from the following:

2 (a) State school aid fund, \$443,168,300.00.

3 (b) State general fund/general purpose money,

4 ~~\$1,270,619,000.00.~~ **\$1,297,147,700.00.**

5 (4) The amount appropriated for Michigan public school  
6 employees' retirement system reimbursement is \$0.00.

7 (5) The amount appropriated for state and regional programs is  
8 \$316,800.00, appropriated from general fund/general purpose money  
9 and allocated as follows:

10 (a) Higher education database modernization and conversion,  
11 \$200,000.00.

12 (b) Midwestern Higher Education Compact, \$116,800.00.

13 (6) The amount appropriated for the Martin Luther King, Jr. -  
14 Cesar Chavez - Rosa Parks program is \$2,691,500.00, appropriated  
15 from general fund/general purpose money and allocated as follows:

16 (a) Select student support services, \$1,956,100.00.

17 (b) Michigan college/university partnership program,  
18 \$586,800.00.

19 (c) Morris Hood, Jr. educator development program,  
20 \$148,600.00.

21 (7) Subject to subsection (8), the amount appropriated for  
22 grants and financial aid is ~~\$447,283,200.00,~~ **\$542,453,600.00,**  
23 allocated as follows:

24 (a) State competitive scholarships,  
25 ~~\$26,861,700.00.~~ **\$19,930,900.00.**

26 (b) Tuition grants, ~~\$42,021,500.00.~~ **\$41,522,700.00.**

27 (c) Tuition incentive program, ~~\$73,800,000.00.~~ **\$93,800,000.00.**

28 (d) Children of veterans and officer's survivor tuition grant  
29 programs, ~~\$1,400,000.00.~~ **\$2,000,000.00.**





(e) Project GEAR-UP, \$3,200,000.00.

(f) Michigan achievement scholarships, ~~\$300,000,000.00.~~  
**\$330,000,000.00.** From this amount, up to \$10,000,000.00 may be used  
 to award skills scholarships under section 248a.

**(g) Michigan reconnect, \$52,000,000.00.**

(8) The money appropriated in subsection (7) for grants and  
 financial aid is appropriated from the following:

(a) Federal revenues under the United States Department of  
 Education, Office of Elementary and Secondary Education, GEAR-UP  
 program, \$3,200,000.00.

~~(b) Federal revenues under the social security act, temporary  
 assistance for needy families, \$127,826,400.00.~~

**(b) ~~(e)~~ Postsecondary scholarship fund,**  
~~\$300,000,000.00.~~**\$330,000,000.00.**

**(c) ~~(d)~~ State general fund/general purpose money,**  
~~\$16,256,800.00.~~**\$209,253,600.00.**

**(d) At the close of the fiscal year, state general  
 fund/general purpose money appropriated in subsection (7) for  
 grants and scholarships that is unspent must be deposited into the  
 postsecondary scholarship fund created in section 236j.**

(9) For fiscal year ~~2023-2024~~**2024-2025** only, in addition to  
 the allocation under subsection (4), from the appropriations  
 described in subsection (1), there is allocated an amount not to  
 exceed ~~\$9,100,000.00~~**\$8,500,000.00** for payments to participating  
 public universities, appropriated from the state school aid fund. A  
 public university that receives money under this subsection shall  
 use that money solely for the purpose of offsetting the normal cost  
 contribution rate. As used in this subsection, "participating  
 public universities" means public universities that are a reporting



1 unit of the Michigan public school employees' retirement system  
2 under the public school employees retirement act of 1979, 1980 PA  
3 300, MCL 38.1301 to 38.1437, and that pay contributions to the  
4 Michigan public school employees' retirement system for the state  
5 fiscal year.

6 ~~(10) For fiscal year 2023-2024 only, from the appropriations~~  
7 ~~described in subsection (1), the amount appropriated for Michigan~~  
8 ~~Technological University for the creation of a bachelor of science~~  
9 ~~degree in nursing program is \$870,000.00, appropriated from state~~  
10 ~~general fund/general purpose money.~~

11 ~~(11) For fiscal year 2023-2024 only, from the appropriations~~  
12 ~~described in subsection (1), \$3,000,000.00 is appropriated from~~  
13 ~~state general fund/general purpose money to the Michigan geological~~  
14 ~~survey for costs related to the development, construction, and~~  
15 ~~equipment purchases for a new facility.~~

16 ~~(12) For fiscal year 2023-2024 only, from the appropriations~~  
17 ~~described in subsection (1), \$5,000,000.00 is appropriated from~~  
18 ~~state general fund/general purpose money for critical incident~~  
19 ~~mapping. These funds must be distributed to universities~~  
20 ~~proportionately to the amounts in subsection (2) for operations.~~

21 ~~(13) For fiscal year 2023-2024 only, from the appropriations~~  
22 ~~described in subsection (1), subject to sections 236m and 236o,~~  
23 ~~\$79,000,000.00 is appropriated from general fund/general purpose~~  
24 ~~money for infrastructure, technology, equipment, maintenance, and~~  
25 ~~safety.~~

26 ~~(14) For fiscal year 2023-2024 only, from the appropriations~~  
27 ~~described in subsection (1), \$30,000,000.00 is appropriated from~~  
28 ~~the state school aid fund to Michigan State University for the~~  
29 ~~Engineering and Digital Innovation Center.~~



(10) For fiscal year 2024-2025 only, from the appropriation described in subsection (1), \$1,000,000.00 is appropriated from the state general fund/general purpose money for Michigan Transfer Pathways. The department of lifelong education, advancement, and potential shall use funds appropriated under this subsection to work with the Michigan Transfer Network, community colleges, public universities, and other institutions of higher education in this state to facilitate the transfer of students and acceptance of credits among these institutions. The department may hire limited time FTEs or external consultants with the funds. The funds allocated under this subsection for fiscal year 2024-2025 are a work project appropriation, and any unexpended funds remaining at the end of fiscal year 2024-2025 are carried forward into fiscal year 2025-2026, and any unexpended funds remaining at the end of fiscal year 2025-2026 are carried forward into fiscal year 2026-2027. The purpose of the work project is to support transfer pathways at postsecondary institutions in this state. The estimated completion date of the work project is September 30, 2027.

(11) For fiscal year 2024-2025 only, from the appropriation described in subsection (1), \$980,000.00 is appropriated from the state general fund/general purpose money for the FAFSA completion incentive. The department of lifelong education, advancement, and potential shall use funds appropriated under this subsection to run a promotional activity to promote completing the Free Application for Federal Student Aid (FAFSA) for the first time consistent with the promotional-activity exception provided for in section 372(2) of the Michigan penal code, 1931 PA 328, MCL 750.372. The promotional activity must offer prize funds that are available to a number, chosen by the department, of randomly selected Michigan



1 residents who satisfactorily demonstrate to the department that  
2 they have completed the FAFSA for the first time.

3 (12) For fiscal year 2024-2025 only, from the appropriation  
4 described in subsection (1), \$750,000.00 is appropriated from state  
5 general fund/general purpose money to Western Michigan University  
6 to support the Project Clean program.

7 (13) For fiscal year 2024-2025 only, from the appropriation  
8 described in subsection (1), \$70,000.00 is appropriated from state  
9 general fund/general purpose money to a city with a population  
10 between 70,000 and 80,000 in a county with a population between  
11 225,000 and 275,00 according to the most recent federal decennial  
12 census for investments to improve safety on the campus of a public  
13 university based in that city.

14 (14) For fiscal year 2024-2025 only, subject to section 236r,  
15 from the appropriation described in subsection (1), \$200,000.00 is  
16 appropriated from state general fund/general purpose money for an  
17 education performance study.

18 (15) All of the following apply for fiscal year 2024-2025  
19 only:

20 (a) In addition to the allocations under subsections (4) and  
21 (9), there is allocated an amount not to exceed \$10,000,000.00 for  
22 payments to participating public universities, appropriated from  
23 the state school aid fund. A public university that receives money  
24 under this subsection shall use that money solely for the purpose  
25 of payments toward the pension and other postemployment benefit  
26 unfunded actuarial accrued liabilities associated with members and  
27 pension recipients of those participating public universities.

28 (b) The amount allocated in subdivision (a) must be allocated  
29 to each participating public university based on each participating



1 public university's percentage of the total combined payrolls of  
 2 the universities' employees who are members of the retirement  
 3 system and who were hired before January 1, 1996 and the  
 4 universities' employees who would have been members of the  
 5 retirement system on or after January 1, 1996, but for the  
 6 enactment of 1995 PA 272 for all public universities that are  
 7 participating public universities for the immediately preceding  
 8 state fiscal year.

9 (c) Participating public universities receiving funds under  
 10 this subsection shall forward an amount equal to the amount  
 11 allocated under subdivision (a) to the retirement system in a form,  
 12 manner, and time frame determined by the retirement system.

13 (d) Amounts allocated in subdivision (a) must be paid to  
 14 participating public universities in 1 lump-sum installment no  
 15 later than October 31, 2024.

16 (e) As used in this subsection, "participating public  
 17 universities" means public universities that are reporting units of  
 18 the Michigan public school employees' retirement system under the  
 19 public school employees retirement act of 1979, 1980 PA 300, MCL  
 20 38.1301 to 38.1437, and that pay contributions to the Michigan  
 21 public school employees' retirement system for the state fiscal  
 22 year.

23 Sec. 236c. In addition to the funds appropriated for fiscal  
 24 year ~~2023-2024-2024-2025~~ in section 236, appropriations to the  
 25 department of technology, management, and budget in the act  
 26 providing general appropriations for fiscal year ~~2023-2024-2024-~~  
 27 ~~2025~~ for state building authority rent, totaling an estimated  
 28 ~~\$134,595,300.00,~~ **\$140,195,300.00**, provide funding for the state  
 29 share of costs for previously constructed capital projects for



state universities. These appropriations for state building authority rent represent additional state general fund support provided to public universities, and the following is an estimate of the amount of that support to each public university:

(a) Central Michigan University,

~~\$13,013,100.00.~~ **\$12,927,300.00.**

(b) Eastern Michigan University, ~~\$6,068,200.00.~~ **\$6,028,200.00.**

(c) Ferris State University, ~~\$9,756,300.00.~~ **\$9,555,800.00.**

(d) Grand Valley State University,

~~\$8,680,100.00.~~ **\$8,622,800.00.**

(e) Lake Superior State University,

~~\$2,246,100.00.~~ **\$2,231,300.00.**

(f) Michigan State University, ~~\$16,725,300.00.~~ **\$16,615,000.00.**

(g) Michigan Technological University,

~~\$4,030,700.00.~~ **\$5,787,900.00.**

(h) Northern Michigan University, ~~\$7,768,000.00.~~ **\$8,917,700.00.**

(i) Oakland University, ~~\$9,517,400.00.~~ **\$11,256,500.00.**

(j) Saginaw Valley State University,

~~\$7,880,000.00.~~ **\$7,828,000.00.**

(k) University of Michigan - Ann Arbor,

~~\$11,757,500.00.~~ **\$12,280,600.00.**

(l) University of Michigan - Dearborn,

~~\$10,807,200.00.~~ **\$10,736,000.00.**

(m) University of Michigan - Flint,

~~\$6,103,500.00.~~ **\$6,063,200.00.**

(n) Wayne State University, ~~\$10,092,800.00.~~ **\$10,082,300.00.**

(o) Western Michigan University,

~~\$10,149,100.00.~~ **\$11,262,700.00.**

**Sec. 236d. (1) In addition to the funds appropriated under**



section 232(2) for university operations, for fiscal year 2024-2025 only, there is appropriated an amount not to exceed \$16,297,300.00 from the state general fund/general purpose money for 1-time operations increase payments. These funds are intended to be used for the same purposes as the funds appropriated under section 236(2) for university operations.

(2) From the amount appropriated under subsection (1), each university is allocated the following:

- (a) Central Michigan University, \$938,200.00.
- (b) Eastern Michigan University, \$827,400.00.
- (c) Ferris State University, \$589,300.00.
- (d) Grand Valley State University, \$961,100.00.
- (e) Lake Superior State University, \$142,500.00.
- (f) Michigan State University, \$3,167,700.00.
- (g) Michigan Technological University, \$536,600.00.
- (h) Northern Michigan University, \$520,700.00.
- (i) Oakland University, \$719,600.00.
- (j) Saginaw Valley State University, \$336,900.00.
- (k) University of Michigan - Ann Arbor, \$3,552,800.00.
- (l) University of Michigan - Dearborn, \$310,500.00.
- (m) University of Michigan - Flint, \$260,100.00.
- (n) Wayne State University, \$2,239,500.00.
- (o) Western Michigan University, \$1,194,400.00.

(3) In addition to the funds appropriated in section 236(2) for MSU AgBioResearch, for fiscal year 2024-2025 only, there is appropriated an amount not to exceed \$385,200.00 from the state general fund/general purpose money for MSU AgBioResearch.

(4) In addition to the funds appropriated in section 236(2) for MSU Extension, for fiscal year 2024-2025 only, there is



1 appropriated an amount not to exceed \$332,200.00 from the state  
2 general fund/general purpose money for MSU Extension.

3       Sec. 236f. For fiscal year 2023-2024 only, for purposes of the  
4 appropriation to the Michigan geological survey described in  
5 section 236(11) as amended by 2023 PA 103 and 2023 PA 320, costs  
6 related to the development, construction, and equipment purchases  
7 for a new facility include costs related to the development,  
8 construction, renovation, and equipment purchases for a new or  
9 existing facility.

10       Sec. 236j. (1) The postsecondary scholarship fund is created  
11 in the department of treasury for the purpose of providing  
12 scholarship awards to eligible students who attend eligible  
13 postsecondary educational institutions in this state, as provided  
14 in subsection (5).

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

21       (3) Money in the postsecondary scholarship fund at the close  
22 of the fiscal year must remain in the postsecondary scholarship  
23 fund and not lapse to the general fund.

24       (4) The department of treasury shall be the administrator of  
25 the postsecondary scholarship fund for auditing purposes.

26       (5) Money must be expended from the postsecondary scholarship  
27 fund only for the purpose of providing Michigan achievement  
28 scholarship awards to eligible students who attend eligible  
29 postsecondary educational institutions in this state **and for other**





**purposes described in this section.** Not more than \$10,000,000.00 may be used by the department **of lifelong education, advancement, and potential** annually for the purposes of outreach and marketing programs as specified in section ~~248(9)~~.**248.**

(6) For the fiscal year ending September 30, ~~2024,~~ ~~\$300,000,000.00~~**2025, \$300,000,000.00 of ongoing funding and \$30,000,000.00 of 1-time funding** is deposited into the postsecondary scholarship fund from the state general fund/general purpose money.

(7) It is the intent of the legislature that the postsecondary scholarship fund serves as the primary funding source of the Michigan achievement scholarship. To ensure the Michigan achievement scholarship provides ongoing supports for students, it is the intent of the legislature to increase annual deposits into the postsecondary scholarship fund ~~by \$50,000,000.00 per year until~~ the fully implemented costs of the Michigan achievement scholarship are deposited annually into the postsecondary scholarship fund.

(8) In addition to the appropriations in section 236, if the amount of general fund allocated in section 236(7) is not sufficient to fully fund the awards under section 236(7), there is appropriated from the postsecondary scholarship fund the amount necessary to fully fund those awards. The state budget director shall provide written notification to the house and senate appropriations subcommittee on higher education and the house and senate fiscal agencies prior to any additional appropriation described in this subsection.

Sec. 236n. For fiscal year ~~2022-2023~~**2023-2024** only, in addition to allocations under section 236(7) and (8), ~~\$2,500,000.00~~ **\$8,000,000.00** is allocated to the tuition incentive program,



1 appropriated from federal revenues under the social security act,  
 2 temporary assistance for needy families. The allocation in this  
 3 section must be distributed in the same manner as funds for the  
 4 tuition incentive program are distributed under section 256.

5       **Sec. 236r. (1) Funds appropriated in section 236(14) for an**  
 6 **education performance study must be used by the department of**  
 7 **education to review, analyze, and provide recommendations based on**  
 8 **the reports submitted under sections 217c and 275k. The study must**  
 9 **be posted on the department of education's website.**

10       **(2) The department shall contract with at least 1 educational**  
 11 **research institution based in this state to fulfill the**  
 12 **requirements of this section. An entity that is a part of, owned**  
 13 **by, or otherwise under the control of an authorizing body as that**  
 14 **term is defined in section 501 of the revised school code, 1976 PA**  
 15 **451, MCL 380.501, is not eligible to receive a contract under this**  
 16 **subsection.**

17       **(3) It is the intent of the legislature that the**  
 18 **superintendent of public instruction use the analysis developed**  
 19 **under this section, the reports under sections 217c and 275k, and**  
 20 **all other relevant available resources to inform a determination**  
 21 **under section 502(5) of the revised school code, 1976 PA 451, MCL**  
 22 **380.502.**

23       Sec. 241. Subject to sections 241a, 241b, 241c, **241e**, and 244,  
 24 the funds appropriated in ~~section~~**sections 236 and 236d** to public  
 25 universities must be paid out of the state treasury and distributed  
 26 by the state treasurer to the respective institutions in 11 equal  
 27 monthly installments on the sixteenth of each month, or the next  
 28 succeeding business day, beginning with October 16, ~~2023.~~**2024.**  
 29 Except for Wayne State University, each institution shall accrue



1 its July and August ~~2024~~**2025** payments to its institutional fiscal  
2 year ending June 30, ~~2024~~**2025**.

3 Sec. 241a. (1) All public universities shall submit higher  
4 education institutional data inventory (HEIDI) data and associated  
5 financial aid program information requested by and in a manner  
6 prescribed by the state budget director. For public universities  
7 with fiscal years ending June 30, these data must be submitted to  
8 the state budget director by October 15 of each fiscal year. Public  
9 universities with a fiscal year ending September 30, ~~2023~~ shall  
10 submit preliminary HEIDI data by November 15, ~~2023~~ and final data  
11 by December 15. ~~2023~~.

12 (2) It is intended that accountability reporting for public  
13 universities will be streamlined through HEIDI. The state budget  
14 director and the center will work to combine the reporting  
15 requirements outlined in this subsection with the existing HEIDI  
16 collection cycle. All of the following must be reported to the  
17 house and senate fiscal agencies and the state budget director:

18 (a) Each public university's certification of its compliance  
19 with the requirements described in subsections (4) and (5).

20 (b) The reporting requirements described in sections 241b and  
21 241c.

22 (3) If a public university fails to submit HEIDI data and  
23 associated financial aid program information in accordance with the  
24 required reporting schedule, the state treasurer may withhold the  
25 monthly installments under section 241 to the public university  
26 until those data are submitted. If a public university does not  
27 comply with all of the requirements described in subsections (4)  
28 and (5) by the end of the fiscal year, the public university  
29 forfeits the amount withheld. The state budget director shall



1 notify the chairs of the house and senate appropriations  
2 subcommittees on higher education at least 10 days before  
3 withholding funds from any public university.

4 (4) No later than October 15 each year, a public university  
5 shall maintain a public transparency website available through a  
6 link on its website homepage. The website must include all of the  
7 following concerning the public university:

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

10 (b) A summary of current expenditures for the most recent  
11 fiscal year for which they are available, expressed as pie charts  
12 in the following 2 categories:

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

15 (A) Earnings and wages.

16 (B) Employee benefit costs, including, but not limited to,  
17 medical, dental, vision, life, disability, and long-term care  
18 benefits.

19 (C) Retirement benefit costs.

20 (D) All other personnel costs.

21 (ii) A chart of all current expenditures the public university  
22 reported as part of its higher education institutional data  
23 inventory data under subsection (1), broken into the same  
24 subcategories in which it reported those data.

25 (c) Links to all of the following for the public university:

26 (i) The current collective bargaining agreement for each  
27 bargaining unit.

28 (ii) Each health care benefits plan, including, but not limited  
29 to, medical, dental, vision, disability, long-term care, or any



1 other type of benefits that would constitute health care services,  
2 offered to any bargaining unit or employee of the public  
3 university.

4 (iii) Audits and financial reports for the most recent fiscal  
5 year for which they are available.

6 (d) General fund revenue and expenditure projections for the  
7 current fiscal year and the next fiscal year.

8 (e) A listing of all debt service obligations, detailed by  
9 project, anticipated fiscal year payment for each project, and  
10 total outstanding debt for the current fiscal year.

11 (f) The institution's policy regarding the transferability of  
12 core college courses between community colleges and the public  
13 university.

14 (g) A listing of all community colleges that have entered into  
15 reverse transfer agreements with the public university.

16 (h) A dashboard or report card demonstrating the public  
17 university's performance in several "best practice" measures. The  
18 dashboard or report card must include at least all of the following  
19 for the 3 most recent academic years for which the data are  
20 available:

21 (i) Enrollment.

22 (ii) Student retention rate.

23 (iii) Six-year graduation rates.

24 (iv) Number of Pell grant recipients and graduating Pell grant  
25 recipients.

26 (v) Geographic origination of students, categorized as in-  
27 state, out-of-state, and international.

28 (vi) Faculty to student ratios and total public university  
29 employee to student ratios.



1 (vii) Teaching load by faculty classification.

2 (viii) Graduation outcome rates, including employment and  
3 continuing education.

4 (i) An icon badge that provides statewide consistency and  
5 public visibility. For this purpose, public universities shall use  
6 the icon badge provided by the department of technology,  
7 management, and budget consistent with the icon badge developed by  
8 the department of education for K-12 school districts. It must  
9 appear on the front of each public university's homepage. The size  
10 of the icon may be reduced to 150 x 150 pixels. The font size and  
11 style for this reporting must be consistent with other documents on  
12 each public university's website.

13 (j) A collection and report of the number and percentage of  
14 all enrolled students who complete the Free Application for Federal  
15 Student Aid, broken out by undergraduate and graduate/professional  
16 classifications, reported to the center and posted on its website  
17 under the budget transparency icon badge.

18 (5) No later than October 15 each year, a public university  
19 shall develop, maintain, and update a "campus safety information  
20 and resources" link, prominently displayed on the homepage of its  
21 website, to a section of its website containing, at a minimum, all  
22 of the following information:

23 (a) Emergency contact numbers for police, fire, health, and  
24 other services.

25 (b) Hours, locations, telephone numbers, and email contacts  
26 for campus public safety offices and title IX offices.

27 (c) A list of safety and security services provided by the  
28 public university, including transportation, escort services,  
29 building surveillance, anonymous tip lines, and other available



1 security services.

2 (d) The public university's policies applicable to minors on  
3 university property.

4 (e) A directory of resources available at the public  
5 university or surrounding community for students or employees who  
6 are survivors of sexual assault or sexual abuse.

7 (f) An electronic copy of "A Resource Handbook for Campus  
8 Sexual Assault Survivors, Friends and Family", published in 2018.

9 (g) Campus security policies and crime statistics pursuant to  
10 the student right-to-know and campus security act, Public Law 101-  
11 542, 104 Stat 2381. Information must include all material prepared  
12 pursuant to the public information reporting requirements under the  
13 crime awareness and campus security act of 1990, title II of the  
14 student right-to-know and campus security act, Public Law 101-542,  
15 104 Stat 2381.

16 Sec. 241c. (1) No later than the last business day of August  
17 each year, each public university that receives an appropriation in  
18 section 236 shall submit the amount of tuition and fees actually  
19 charged to a full-time resident undergraduate student for academic  
20 year ~~2023-2024~~ **2024-2025** as part of the public university's higher  
21 education institutional data inventory (HEIDI) data. A public  
22 university shall report any revisions for any semester of the  
23 reported academic year to HEIDI within 15 days of being adopted.

24 (2) Payments under section 236 for operations increase and  
25 ~~per-student floor funding under~~ **section 236d** must be made only to a  
26 public university that certifies to the state budget director by  
27 the last business day of August each year that its board did not  
28 adopt an increase in tuition and fee rates for resident  
29 undergraduate students after September 1, ~~2022~~ **2023** for the ~~2022-~~



~~2023-2023-2024~~ academic year and that its board will not adopt an increase in tuition and fee rates for resident undergraduate students for the ~~2023-2024-2024-2025~~ academic year that is greater than 4.5% or ~~\$676.00, \$703.00~~, whichever is greater. **For the academic year 2025-2026, the tuition and fee restraint rate for resident undergraduate students is an increase of not greater than 4.5% or \$735.00, whichever is greater. It is the intent of the legislature that in the next fiscal year, the tuition and fee restraint rate will be adjusted only for the subsequent academic year.** As used in this subsection:

(a) "Fee" means any board-authorized fee that will be paid by more than 1/2 of all resident undergraduate students at least once during their enrollment at a public university, as described in the higher education institutional data inventory (HEIDI) user manual. A public university increasing a fee that applies to a specific subset of students or courses shall provide sufficient information to prove that the increase applied to that subset will not cause the increase in the average amount of board-authorized total tuition and fees paid by resident undergraduate students in the ~~2023-2024-2024-2025~~ academic year to exceed the limit established in this subsection.

(b) "Tuition and fee rate" means the average of full-time rates paid by a majority of students in each undergraduate class, based on an unweighted average of the rates authorized by the public university board and actually charged to students, deducting any uniformly rebated or refunded amounts, for the 2 semesters with the highest levels of full-time equated resident undergraduate enrollment during the academic year, as described in the higher education institutional data inventory (HEIDI) user manual.





(3) Each public university must certify to the state budget director by the last business day of August each year that it complies with all of the following requirements:

(a) The public university participates in reverse transfer agreements described in section 286 with at least 3 community colleges in this state.

(b) The public university does not and will not apply any of the following criteria when determining whether credits earned outside the public university by a student count toward a degree or certificate program offered by the public university:

(i) Whether the credits were earned in a dual enrollment program that counted the credits toward high school graduation requirements.

(ii) Whether the credits were earned in a course that was delivered in a high school classroom, community college classroom or campus, or another location.

(iii) Whether the credits were earned in a course that was delivered online, in person, or hybrid.

(iv) Whether other students enrolled in the course in which the credits were earned were enrolled in high school or counted the course toward high school graduation requirements.

(c) The public university actively participates in and submits timely updates to the Michigan Transfer Network created as part of the Michigan Association of Collegiate Registrars and Admissions Officers transfer agreement.

(4) The state budget director shall implement uniform reporting requirements to ensure that a public university receiving a payment under section 236 for operations increase ~~or per-student floor funding~~ **and under section 236d** has satisfied the tuition



1 restraint requirements of this section. The state budget director  
2 has the sole authority to determine if a public university has met  
3 the requirements of this section. Information reported by a public  
4 university to the state budget director under this subsection must  
5 also be reported to the house and senate appropriations  
6 subcommittees on higher education and the house and senate fiscal  
7 agencies.

8       **Sec. 241e. (1) Payments under section 236 for operations**  
9 **increase and under section 236d must be made only to a public**  
10 **university that certifies to the state budget director by the last**  
11 **business day of August each year that it complies with the**  
12 **following:**

13           (a) The institutional best practice described in subdivision  
14 (c).

15           (b) One or more of the institutional best practices described  
16 in subdivisions (d) to (g).

17           (c) The public university accepts the Michigan Transfer  
18 Agreement, partners with the Michigan Transfer Network, and  
19 promotes clear transfer pathways for interested students by doing  
20 all of the following:

21           (i) Has a policy to help transfer or accept associate degrees  
22 from other accredited Michigan postsecondary education  
23 institutions.

24           (ii) Publishes the policy described in subparagraph (i) on the  
25 institution's website in an easily accessible way and in admissions  
26 materials.

27           (iii) Provides publicly available information on the Michigan  
28 Transfer Network, applicable transfer pathways, and financial aid  
29 available to transfer students, at no cost to the student.



1 (iv) Begins negotiations to increase the number of reverse  
2 transfer agreements or articulation agreements and reports on the  
3 progress toward completing the agreements to the state budget  
4 director by the last business day in February.

5 (d) The public university requires all students to receive an  
6 academic degree or certificate map that outlines required course  
7 sequencing, program and institution requirements, declared minor  
8 program academic requirements, and a recommended timeline within  
9 which courses should be taken and in which specific semester or  
10 term in order to satisfy all program requirements to allow the  
11 student to graduate on time.

12 (e) The public university provides non-credit-bearing  
13 developmental or remedial courses at a reduced cost to students.

14 (f) The public university provides each degree- or  
15 certificate-seeking student with a designated, trained academic  
16 advisor to support student retention, persistence, and completion.  
17 The public university shall require students to meet with their  
18 academic advisor at least once per semester or term.

19 (g) The public university provides employees during business  
20 hours to assist prospective and current students complete the Free  
21 Application for Federal Student Aid.

22 (2) The state budget director shall implement uniform  
23 reporting requirements to ensure that a public university receiving  
24 a payment under section 236 for operations increase and under  
25 section 236d has satisfied the institutional best practices  
26 requirements of this section. The state budget director has the  
27 sole authority to determine if a public university has met the  
28 requirements of this section. Information reported by a public  
29 university to the state budget director under this subsection must

1 also be reported to the house and senate appropriations  
2 subcommittees on higher education and the house and senate fiscal  
3 agencies.

4 (3) If a public university fails to comply with the  
5 certification requirements of this section, the state treasurer may  
6 withhold the monthly installments under section 241 to the public  
7 university until the report is submitted. If a public university  
8 does not comply with the certification requirements described in  
9 this section by the end of the fiscal year, the public university  
10 forfeits the amount withheld. Forfeited funds must lapse to the  
11 fund from which the funds were appropriated. The state budget  
12 director shall notify the chairs of the house and senate  
13 appropriations subcommittees on higher education at least 10 days  
14 before withholding funds from any public university.

15 Sec. 244. By October 15 of each year, a public university  
16 receiving funds in section 236 shall provide its longitudinal data  
17 system data set for the preceding academic year to the center for  
18 inclusion in the statewide P-20 longitudinal data system described  
19 in section 94a. If the state budget director finds that a  
20 university has not complied with this section, the state budget  
21 director is authorized to withhold the monthly installments  
22 provided to that university under section 241 until ~~he or she~~ **the**  
23 **state budget director** finds **that** the university has complied with  
24 this section.

25 Sec. 247. (1) The funds appropriated in section 236 for  
26 Michigan reconnect must be distributed and administered by the  
27 department of lifelong education, advancement, and potential  
28 pursuant to the Michigan reconnect grant act, 2020 PA 84, MCL  
29 390.1701 to 390.1709, the Michigan reconnect grant recipient act,



2020 PA 68, MCL 390.1711 to 390.1723, and the department's administrative procedures for Michigan reconnect.

(2) For fiscal year 2024-2025 only, after administering Michigan reconnect pursuant to subsection (1), the department may use any remaining funds appropriated in section 236 for Michigan reconnect for outreach, enrollment support, administration of the program, and grants to institutions of higher education or nonprofit organizations to provide support to reconnect eligible students to increase degree or credential completion.

Sec. 248. (1) The funds appropriated in section 236 for Michigan achievement scholarships must be distributed as provided in this section and section 248a, pursuant to the administrative procedures for Michigan achievement scholarships of the department.

(2) As used in this section:

(a) "Cost of attendance" means expenses for a student's tuition, mandatory fees, and contact hours for the student's actual program of study; books, supplies, and equipment required for courses of instruction; housing and food costs; transportation expenses; federal student loan fees; miscellaneous expenses, including a reasonable amount for the documented cost of a personal computer, allowance for child care, or allowance for other dependent care; costs related to a disability; costs of obtaining a license, certification, or first professional credential; and reasonable costs for study abroad programs.

(b) ~~(a)~~ "Department" means the department of ~~treasury~~ **lifelong education, advancement, and potential**.

(c) ~~(b)~~ "Eligible institution" means a public university that receives an appropriation in section 236, a community college that receives an appropriation in section 201, a federally recognized



tribal college in this state, or an independent nonprofit college or university in this state as described in section 1 of 1966 PA 313, MCL 390.991.

**(d)** ~~(e)~~—"Gift aid" includes federal Pell grants under 20 USC 1070a, tuition incentive program benefits under section 256, state tuition grants under section 252, awards received for minimum payments awarded in subsection (4), higher education expenses paid under the Michigan promise zone authority act, 2008 PA 549, MCL 390.1661 to 390.1679, and all other federal, state, local, or institutional aid in the form of grants, scholarships, or discounts applied toward tuition and mandatory fees. Gift aid does not include student loans, work-study awards, qualified withdrawals made from education savings accounts to pay higher education expenses pursuant to the Michigan education savings program act, 2000 PA 161, MCL 390.1471 to 390.1486, or higher education expenses paid under the Michigan education trust program pursuant to the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1442.

**(e)** ~~(d)~~—"High school equivalency certificate" means that term as defined in section 4.

**(f)** "Last-dollar payment amount" means 1 of the following:

**(i)** For a student attending a community college or federally recognized tribal college, an amount equal to the student's tuition, mandatory fees, and contact hours for the student's actual program of study, minus all gift aid received by the student.

**(ii)** For a student attending a public university or an independent nonprofit college or university, or for a student enrolled in a baccalaureate degree program described in section 121 of the community college act of 1966, 1966 PA 331, MCL 389.121, an



1 amount equal to the student's individual cost of attendance, minus  
2 all gift aid received by the student.

3 (g) "Minimum payment" means a payment for any eligible cost  
4 within the student's individual cost of attendance. The minimum  
5 payment must be awarded as a separate payment not included in the  
6 student's need-based financial aid. The minimum payment must not be  
7 reduced.

8 (h) "SAI eligible student" means a student who has completed  
9 the Free Application for Federal Student Aid and meets at least 1  
10 of the following:

11 (i) For awards made during academic year 2023-2024, has an  
12 expected family contribution of \$25,000.00 or less. An individual  
13 is considered to have met the requirements of subsection (4) if the  
14 individual received the Michigan achievement scholarship in  
15 academic year 2023-2024, was determined to have an expected family  
16 contribution of \$25,000.00 or less in academic year 2023-2024, and  
17 has completed the Free Application for Federal Student Aid for the  
18 subsequent award cycles.

19 (ii) For awards made during academic year 2024-2025 or a  
20 subsequent academic year, has completed the Free Application for  
21 Federal Student Aid and has a student aid index number of 1 of the  
22 following, as applicable:

23 (A) For a student indicating on the student's Free Application  
24 for Federal Student Aid that the student is the only member of the  
25 student's household or the student's parents' household attending a  
26 postsecondary institution during that academic year, \$30,000.00 or  
27 less.

28 (B) For a student indicating on the student's Free Application  
29 for Federal Student Aid that the student is not the only member of



the student's household or the student's parents' household attending a postsecondary institution during that academic year, the greater of the number described in sub-subparagraph (A) or guidance determined by the department. For the purposes of this sub-subparagraph, the department, in collaboration with the state budget office and the house and senate fiscal agencies, may calculate a student aid index number or may issue administrative guidance for the student aid index eligibility of students with more than 1 member of the student's household or the student's parents' household attending a postsecondary institution during that academic year. It is intended that the utilization of a student aid index instead of expected family contribution does not adversely impact the eligibility of students with multiple members of the student's household or student's parents' household attending postsecondary institutions. It is further intended that the legislature and executive branch work collaboratively to use Michigan achievement scholarship uptake and other relevant data to establish a more permanent measure of financial need for the Michigan achievement scholarship for subsequent academic years.

(3) An individual must meet all of the following criteria ~~and financial thresholds~~ each year to be eligible for a Michigan achievement scholarship awarded under this section:

(a) ~~Be a resident of this state for at least the immediately preceding year.~~ **Maintain residency in this state, as determined for purposes of the Free Application for Federal Student Aid.**

(b) Have graduated from high school in this state with a diploma or certificate of completion or achieved a high school equivalency certificate in 2023 or after.

(c) Be a full-time undergraduate student at an eligible





1 institution, as defined by that eligible institution, and be a  
 2 first-time enrollee in an eligible institution during the 2023-2024  
 3 academic year, or a subsequent academic year, within 15 months  
 4 after high school graduation or attainment of a high school  
 5 equivalency certificate or have received a Michigan achievement  
 6 scholarship in a previous academic year. For the purposes of this  
 7 subdivision, participation in a dual enrollment, early college, or  
 8 other similar program while attending high school does not  
 9 disqualify a student from being considered a first-time enrollee.

10 (d) Maintain satisfactory academic progress, as defined by the  
 11 eligible institution in which the student is enrolled.

12 ~~(c) Not be incarcerated in a corrections institution.~~

13 **(e)** ~~(f)~~ Not be in default on a federal student loan.

14 ~~(g) For awards made during academic year 2023-2024, complete~~  
 15 ~~the Free Application for Federal Student Aid and have an expected~~  
 16 ~~family contribution of \$25,000.00 or less. For awards made during~~  
 17 ~~academic year 2024-2025 or a subsequent academic year, except as~~  
 18 ~~otherwise provided in this subdivision and subdivision (h),~~  
 19 ~~complete the Free Application for Federal Student Aid and have a~~  
 20 ~~student aid index number of 1 of the following, as applicable:~~

21 ~~(i) For a student indicating on the student's Free Application~~  
 22 ~~for Federal Student Aid that the student is the only member of the~~  
 23 ~~student's household or the student's parents' household attending a~~  
 24 ~~postsecondary institution during that academic year, \$30,000.00 or~~  
 25 ~~less.~~

26 ~~(ii) For a student indicating on the student's Free Application~~  
 27 ~~for Federal Student Aid that the student is not the only member of~~  
 28 ~~the student's household or the student's parents' household~~  
 29 ~~attending a postsecondary institution during that academic year,~~



~~the greater of the number described in subparagraph (i) or a number determined by the department of treasury. For the purposes of this subparagraph, the department of treasury, in collaboration with the state budget office and the house and senate fiscal agencies, may calculate a student aid index number or may issue administrative guidance for the student aid index eligibility of students with more than 1 member of the student's household or the student's parents' household attending a postsecondary institution during that academic year. It is the intent of the legislature that the utilization of a student aid index instead of expected family contribution does not adversely impact the eligibility of students with multiple members of the student's household or the student's parents' household in college.~~

~~(h) For the purpose of determining eligibility under subdivision (g), an individual is considered to have met the requirements of subdivision (g) if the individual received the Michigan achievement scholarship in academic year 2023-2024, was determined to have an expected family contribution of \$25,000.00 or less in academic year 2023-2024, and has completed the Free Application for Federal Student Aid for the subsequent award years.~~

~~(i) The legislature finds and declares that the student aid index thresholds in subdivision (g) are temporary and intended to apply only for academic year 2024-2025. It is the intent of the legislature that the legislature and executive branch work collaboratively to use Michigan achievement scholarship uptake and other relevant data to establish a more permanent measure of financial need for the Michigan achievement scholarship for subsequent academic years.~~



(f) ~~(j)~~ Apply for all available gift aid for each academic year in which the individual applies for a Michigan achievement scholarship.

(g) For a student who is enrolled at an eligible institution that is a public university or an independent nonprofit college or university, or who is enrolled in a baccalaureate degree program described in section 121 of the community college act of 1966, 1966 PA 331, MCL 389.121, at an eligible institution, be an SAI eligible student.

~~(4) Michigan achievement scholarships are subject to all of the following:~~ The amount awarded to an eligible student at an eligible institution must equal 1 of the following, as applicable:

~~(a) Subject to section 248a(3)(f)(i), an eligible student may receive an award under this section or section 248a for a maximum of 5 academic years, not more than 3 of which may be for attending eligible institutions that are community colleges or federally recognized tribal colleges unless the student is enrolled in a baccalaureate degree program described in section 121 of the community college act of 1966, 1966 PA 331, MCL 389.121. A student may not receive an award under this subsection and section 248a(3)(f)(i) during the same academic year.~~ The amount awarded to an eligible student who is enrolled at an eligible institution that is a community college or federally recognized tribal college where the student is eligible for that institution's in-district tuition rate must be equal to the sum of the last-dollar payment amount. The amount awarded to an eligible student who is eligible for a federal Pell grant under 20 USC 1070a must include an additional amount of \$1,000.00.

(b) The amount awarded to an eligible student who is enrolled



1 at an eligible institution that is a community college or federally  
 2 recognized tribal college ~~must equal the sum of following:~~ **where the**  
 3 **student is not eligible for that institution's in-district tuition**  
 4 **rate must be the lesser of the last-dollar payment amount, or the**  
 5 **in-district tuition rate. The amount awarded to an eligible student**  
 6 **who is eligible for a federal Pell grant under 20 USC 1070a must**  
 7 **include an additional amount of \$1,000.00.**

8 ~~(i) A minimum payment of \$1,750.00, which is comprised of a~~  
 9 ~~base payment of \$1,000.00 plus an additional payment of \$750.00.~~

10 ~~(ii) The lesser of \$1,000.00 or the student's last-dollar~~  
 11 ~~payment amount.~~

12 (c) The amount awarded to an eligible student **who is enrolled**  
 13 at an eligible institution that is a public university or **is**  
 14 enrolled in a baccalaureate degree program described in section 121  
 15 of the community college act of 1966, 1966 PA 331, MCL 389.121, **at**  
 16 **an eligible institution** must equal the sum of following:

17 (i) A minimum payment of \$2,500.00. ~~, which is comprised of a~~  
 18 ~~base payment of \$1,000.00 plus an additional payment of \$1,500.00.~~

19 (ii) The lesser of \$3,000.00 or the student's last-dollar  
 20 payment amount.

21 (d) The amount awarded to an eligible student at an eligible  
 22 institution that is an independent nonprofit college or university  
 23 must equal the sum of the following:

24 (i) A minimum payment of ~~\$1,000.00.~~ **\$2,500.00.**

25 (ii) The lesser of \$3,000.00 or the student's last-dollar  
 26 payment amount.

27 (e) Money awarded under this subsection for a Michigan  
 28 achievement scholarship must be paid to the eligible institution  
 29 for credit to the student's account.



~~(f) As used in this subsection:~~

~~(i) "Last-dollar payment amount" means an amount equal to the tuition, mandatory fees, and contact hours for each student's actual program of study, minus all gift aid received by the student.~~

~~(ii) "Minimum payment" means a payment eligible for any cost within the student's individual cost of attendance. The minimum payment must be awarded as a separate payment not included in the student's need-based financial aid. The minimum payment must not be reduced.~~

**(5) Subject to section 248a(3)(f)(i), an eligible student may receive a Michigan achievement scholarship award under this section or section 248a for a maximum of 5 academic years, not more than 3 of which may be for attending eligible institutions that are community colleges or federally recognized tribal colleges unless the student is enrolled in a baccalaureate degree program described in section 121 of the community college act of 1966, 1966 PA 331, MCL 389.121. A student may not receive an award under this section and section 248a(3)(f)(i) during the same academic year.**

**(6)** ~~(5)~~—The department shall work closely with participating institutions to provide the highest level of participation and ensure that all requirements of the program are met.

**(7)** ~~(6)~~—From the funds appropriated in section 236(7) for the Michigan achievement scholarships, the department may not use more than \$10,000,000.00 for the purposes of outreach programs to raise awareness of the Michigan achievement scholarship described in this section and section 248a and shall ensure that Michigan achievement scholarships are well publicized and that high school students are provided information on the program. The department may receive and



1 expend funds received from outside sources for scholarships,  
 2 marketing, or other purposes related to the Michigan achievement  
 3 scholarship. The department shall provide the necessary funding and  
 4 staff to fully operate the program.

5 (8) ~~(7)~~ The department shall convene a workgroup ~~during the~~  
 6 ~~fiscal year ending September 30, 2024~~ to consider and advise the  
 7 department on implementing policies for administering the Michigan  
 8 achievement scholarship. The workgroup shall include participation  
 9 from the Michigan Association of State Universities and its  
 10 institutional members, the Michigan College Access Network, the  
 11 Michigan Community College Association and its institutional  
 12 members, the Michigan Independent Colleges and Universities and its  
 13 institutional members, and any other interested stakeholders and  
 14 offices as determined by the department. The workgroup shall make  
 15 recommendations on packaging order, packaging structure,  
 16 definitions of terms not otherwise defined in statute, and other  
 17 administrative regulatory requirements as necessary to implement  
 18 the Michigan achievement scholarship.

19 (9) ~~(8)~~ The following reporting obligations apply to the  
 20 Michigan achievement scholarship program:

21 (a) By ~~May 1 and December 1~~ **February 15** of each year, the  
 22 department shall provide a written report, organized by eligible  
 23 institution, to the house and senate appropriations subcommittees  
 24 on higher education, the house and senate fiscal agencies, and the  
 25 state budget director that includes the following information for  
 26 the previous academic year:

27 (i) The number of students who qualified for a Michigan  
 28 achievement scholarship.

29 (ii) The number of students who received a Michigan achievement



1 scholarship.

2 (iii) The average number of credits earned by students who  
3 received a Michigan achievement scholarship.

4 (iv) The number of Michigan achievement scholarships that were  
5 canceled due to failure to maintain satisfactory academic progress  
6 ~~under as described in~~ subsection (3)(d).

7 (v) The number of Michigan achievement scholarships that were  
8 canceled due to a student ceasing attendance at an eligible  
9 institution. The number must not include any known transfers to  
10 another eligible institution.

11 (vi) The number of Michigan achievement scholarships that were  
12 canceled due to a student's failure to maintain full-time status.

13 (vii) The average Michigan achievement scholarship award per  
14 student, delineated by sector, including community colleges, tribal  
15 colleges, public universities, independent colleges and  
16 universities, and training institutions. As used in this  
17 subparagraph, "training institutions" means training institutions  
18 accepted to participate in the Michigan achievement scholarship  
19 program under section 248a.

20 (b) Each eligible institution whose students receive awards  
21 under this section shall cooperate with the department in a timely  
22 manner to facilitate the creation of the report under subdivision  
23 (a).

24 **(10)** ~~(9) Beginning April 1, 2024, by~~ **By** April 1 of each year,  
25 each eligible institution shall submit a report to the department,  
26 the state budget office, and the house and senate fiscal agencies  
27 providing information as to the ~~total institutional grant aid per~~  
28 ~~full-year equated undergraduate student for the current institution~~  
29 ~~fiscal year and~~ **average amount of institutional grant aid awarded**



1 **to full-time first-time undergraduate students** for the immediately  
 2 preceding ~~3-2~~ institution fiscal years. ~~If the institution does not~~  
 3 ~~maintain total institutional grant aid per full-year equated~~  
 4 ~~undergraduate student at the average amount provided over the~~  
 5 ~~immediately preceding 3 institution fiscal years,~~ **If the average**  
 6 **amount of institutional grant aid awarded to full-time first-time**  
 7 **undergraduate students in fiscal year 2023-2024 is less than the**  
 8 **average amount of institutional grant aid awarded to full-time**  
 9 **first-time undergraduate students in fiscal year 2022-2023,** the  
 10 institution must include in the report a description of **any** changes  
 11 to **the** institutional finances ~~or the student population that~~  
 12 ~~prevented the institution from maintaining support for~~  
 13 ~~institutional aid.~~ **financial aid during the 2 immediately preceding**  
 14 **fiscal years.** An institution's report of ~~total institutional grant~~  
 15 ~~aid per full year equated undergraduate student~~ **the average amount**  
 16 **of institutional grant aid awarded to full-time first-time**  
 17 **undergraduate students** pursuant to this ~~subdivision~~ **subsection** must  
 18 be consistent with data most recently reported to the Integrated  
 19 Postsecondary Education Data System.

20 **(11)** ~~(10)~~ For each fiscal year, an eligible institution  
 21 ~~becomes ineligible for funding under this section if, in the~~  
 22 ~~immediately preceding fiscal year, the institution exceeds 1 of~~  
 23 **must maintain and report its compliance with** the following tuition  
 24 restraint requirements, as applicable:

25 (a) For an eligible institution that is a community college,  
 26 the tuition restraint described in section 217b.

27 (b) For an eligible institution that is a public university or  
 28 independent nonprofit college or university, the tuition restraint  
 29 described in section 241c.



(12) The state budget director shall implement reporting requirements to ensure that an eligible institution has satisfied the tuition restraint requirements of this section. The state budget director has the sole authority to determine if an eligible institution has met the requirements of this section.

(13) If an eligible institution exceeds the applicable tuition restraint level for 2 consecutive years, the state budget director may consider the institution ineligible for funding under this section in the subsequent academic year.

(14) If an institution is considered ineligible for funding under this section, the state budget director must reevaluate the status of the ineligible institution after 1 academic year.

(15) ~~(11)~~—It is the intent of the legislature that an eligible institution will not make reductive changes to scholarship or financial aid programs offered by that eligible institution that have the goal or net effect of shifting the cost burden of those programs to the program described in this section.

Sec. 248a. (1) The funds appropriated in section 236 for Michigan achievement scholarships must be distributed as provided in this section and section 248, pursuant to the administrative procedures for Michigan achievement scholarship private training program of the department.

(2) As used in this section:

(a) "Department" means the department of ~~labor and economic opportunity~~. **lifelong education, advancement, and potential.**

(b) "High school equivalency certificate" means that term as defined in section 4.

(c) "Qualified occupational training program" means that term as defined in section 13 of the Michigan reconnect grant recipient



act, 2020 PA 68, MCL 390.1713, or a program that provides not less than 150 clock hours of instructional time over a period of not less than 8 weeks in career-oriented skilled trades instruction in maritime trades, at an independent nonprofit institution incorporated in this state that is nationally accredited and approved for federal financial aid.

(3) The department shall do all of the following:

(a) Develop and implement a process by which those seeking to participate in the Michigan achievement scholarship private training program as training institutions offering qualified occupational training programs must apply to the department.

(b) Approve as a qualified occupational training program a program for which an application is submitted under subdivision (a) that meets all of the criteria to qualify as a qualified occupational training program, and post these criteria to the department's website.

(c) Ensure that an applicant under subdivision (a) is first included on this state's eligible training provider list before each of the applicant's programs receives separate approval from the department as being a qualified occupational training program.

(d) Require that training institutions accepted to participate in the Michigan achievement scholarship private training program comply with data requests from the department as a condition of continued participation. For purposes of this subdivision, the department shall require institutions operating apprenticeship programs subject to this section to provide data that tracks relevant work experience required to verify a student's status as an apprentice.

(e) Maintain on its website a list of all qualified



1 occupational training program options available to potential skills  
2 scholarship recipients.

3 (f) Award skills scholarships, subject to all of the  
4 following:

5 (i) A skills scholarship is a grant not to exceed \$2,000.00 per  
6 year to contribute to tuition costs for a qualified occupational  
7 training program at a training institution, both of which are  
8 approved under this section, for a training program participant who  
9 meets the requirements of subparagraph (ii). A skills scholarship  
10 must not exceed the full amount of the tuition charged for the  
11 training program. A program participant may receive a skills  
12 scholarship under this section for a maximum of 2 academic years.

13 (ii) To receive the skills scholarship described in  
14 subparagraph (i), a qualified occupational training program  
15 participant must meet all of the following:

16 (A) Be a resident of this state for at least the immediately  
17 preceding year.

18 (B) Have graduated from a high school in this state with a  
19 diploma or certificate of completion or achieved a high school  
20 equivalency certificate in 2023 or after.

21 (C) Not have previously earned an associate or baccalaureate  
22 degree.

23 (D) Not have previously earned a degree, certificate, or other  
24 credential using a skills scholarship awarded under this section.

25 (E) Timely complete a Michigan achievement scholarship private  
26 training program skills scholarship application in a form and  
27 manner determined by the department.

28 (iii) The department may award skills scholarships under this  
29 section only until money appropriated to the Michigan achievement



1 scholarship private training program has been fully committed.

2 (g) Inform each recipient of a skills scholarship that the  
3 recipient will remain eligible for the Michigan achievement  
4 scholarship under section 248 for a maximum of 5 years, less any  
5 years of eligibility used for a skills scholarship awarded under  
6 this section, to pursue an associate degree, baccalaureate degree,  
7 or occupational certificate upon completion of a certification  
8 course of study in a qualified occupational training program.

9 (4) Except as otherwise provided in subsection (5), the  
10 department shall promulgate rules to implement subsection (3)(a),  
11 (b), and (d) only, pursuant to the administrative procedures act of  
12 1969, 1969 PA 306, MCL 24.201 to 24.328, subject to all of the  
13 following:

14 (a) Under subsection (3)(a), the department is limited to  
15 developing the form for the application described in subsection  
16 (3)(a) and prescribing the time and manner of its completion.

17 (b) Under subsection (3)(b), the department is limited to  
18 applying the eligibility criteria described in subsection (3)(b)  
19 and shall not apply any other eligibility criteria.

20 (c) Under subsection (3)(d), the department is limited to  
21 requiring compliance with data requests as described in subsection  
22 (3)(d).

23 (5) To facilitate implementation of the Michigan achievement  
24 scholarship private training program prior to final rules being  
25 adopted, the department may develop and administer the program in  
26 accordance with its proposed rules or other policy or directive of  
27 the department established pursuant to this section.

28 (6) It is the intent of the legislature that a training  
29 institution will not make changes to scholarship or financial aid



1 programs offered by that training institution that have the goal or  
 2 net effect of shifting the cost burden of those programs to the  
 3 program described in this section.

4 Sec. 250. To be considered eligible for any scholarship or  
 5 grant financial aid program administered by the department of  
 6 ~~treasury~~, **lifelong education, advancement, and potential**, the  
 7 student must file the Free Application for Federal Student Aid  
 8 (FAFSA) annually, **unless annual filing is not required by the**  
 9 **department.**

10 Sec. 251. (1) Payments of the amounts included in section 236  
 11 for the state competitive scholarship program must be distributed  
 12 pursuant to 1964 PA 208, MCL 390.971 to 390.981.

13 (2) Pursuant to section 6 of 1964 PA 208, MCL 390.976, the  
 14 department of ~~treasury~~ **lifelong education, advancement, and**  
 15 **potential** shall determine an actual state competitive scholarship  
 16 award per student, which must be \$1,500.00, that ensures that the  
 17 aggregate payments for the state competitive scholarship program do  
 18 not exceed the appropriation contained in section 236 for the state  
 19 competitive scholarship program. If the department determines that  
 20 insufficient funds are available to establish an award amount equal  
 21 to \$1,500.00, the department shall immediately report to the house  
 22 and senate appropriations subcommittees on higher education, the  
 23 house and senate fiscal agencies, and the state budget director  
 24 regarding the estimated amount of additional funds necessary to  
 25 establish a \$1,500.00 award amount. For the purpose of determining  
 26 a student's financial need under section 6 of 1964 PA 208, MCL  
 27 390.976, the department of ~~treasury~~ **lifelong education,**  
 28 **advancement, and potential** shall presume that a student who  
 29 receives a Michigan achievement scholarship under section ~~248(4)(b)~~



~~or (e)~~ **248** has no need for a state competitive scholarship under this section. It is the intent of the legislature that 1964 PA 208, MCL 390.971 to 390.981, will be amended to end competitive scholarship eligibility of students enrolling in college for the first time after the fiscal year ending on September 30, 2023, as those students may be eligible for the Michigan achievement scholarship.

(3) The department of ~~treasury~~ **lifelong education, advancement, and potential** shall implement a proportional competitive scholarship award level for recipients enrolled less than full-time in a given semester or term.

~~(4) If a student who receives an award under this section has the student's tuition, contact hours, and fees paid under the Michigan educational trust program, pursuant to the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1442, and still has financial need, the funds awarded under this section may be used for educational expenses other than tuition and fees.~~

(4) ~~(5)~~ If the department of ~~treasury~~ **lifelong education, advancement, and potential** increases the award per eligible student from that provided in the previous fiscal year, it must not have the effect of reducing the number of eligible students receiving awards in relation to the total number of eligible applicants. Any increase in the award must be proportional for all eligible students receiving awards.

(5) ~~(6)~~ Veterans Administration benefits must not be considered in determining eligibility for the award of scholarships under 1964 PA 208, MCL 390.971 to 390.981.

Sec. 252. (1) The amounts appropriated in section 236 for the state tuition grant program must be distributed pursuant to 1966 PA



1 313, MCL 390.991 to 390.997a.

2 (2) Tuition grant awards must be made to all eligible Michigan  
3 residents enrolled in undergraduate degree programs who are  
4 qualified.

5 (3) Pursuant to section 5 of 1966 PA 313, MCL 390.995, and  
6 subject to subsections (6) and (7), the department of ~~treasury~~  
7 **lifelong education, advancement, and potential** shall determine an  
8 actual tuition grant award per student, which must be \$3,000.00,  
9 that ensures that the aggregate payments for the tuition grant  
10 program do not exceed the appropriation contained in section 236  
11 for the state tuition grant program. If the department determines  
12 that insufficient funds are available to establish an award amount  
13 equal to \$3,000.00, the department shall immediately report to the  
14 house and senate appropriations subcommittees on higher education,  
15 the house and senate fiscal agencies, and the state budget director  
16 regarding the estimated amount of additional funds necessary to  
17 establish a \$3,000.00 award amount. If the department determines  
18 that sufficient funds are available to establish an award amount  
19 equal to \$3,000.00, the department shall immediately report to the  
20 house and senate appropriations subcommittees on higher education,  
21 the house and senate fiscal agencies, and the state budget director  
22 regarding the award amount established and the projected amount of  
23 any projected year-end appropriation balance based on that award  
24 amount. By February 18 of each fiscal year, the department shall  
25 analyze the status of award commitments, shall make any necessary  
26 adjustments, and shall confirm that those award commitments will  
27 not exceed the appropriation contained in section 236 for the  
28 tuition grant program. The determination and actions must be  
29 reported to the state budget director and the house and senate



fiscal agencies no later than the final day of February of each year. If award adjustments are necessary, the students must be notified of the adjustment by March 4 of each year. **Subject to subsection (9), for the purposes of determining a student's financial need under 1966 PA 313, MCL 390.991 to 390.997a, the department of lifelong education, advancement, and potential shall presume that a student who is eligible for the Michigan tuition grant for the first time during academic year 2024-2025 or any subsequent year, has no need for a state tuition grant under this section. It is the intent of the legislature that 1966 PA 313, MCL 390.991 to 390.997a, will be amended to end tuition grant eligibility of students enrolling in college for the first time after the fiscal year ending on September 30, 2024, as those students may be eligible for the Michigan achievement scholarship.**

(4) The department of ~~treasury~~**lifelong education, advancement, and potential** shall continue a proportional tuition grant award level for recipients enrolled less than full-time in a given semester or term.

(5) If the department of ~~treasury~~**lifelong education, advancement, and potential** increases the award per eligible student from that provided in the previous fiscal year, it must not have the effect of reducing the number of eligible students receiving awards in relation to the total number of eligible applicants. Any increase in the grant must be proportional for all eligible students receiving awards for that fiscal year.

(6) The department of ~~treasury~~**lifelong education, advancement, and potential** shall not award more than \$5,000,000.00 in tuition grants to eligible students enrolled in the same independent nonprofit college or university in this state. Any





1 decrease in the grant must be proportional for all eligible  
2 students enrolled in that college or university, as determined by  
3 the department.

4 (7) The department of ~~treasury~~**lifelong education,**  
5 **advancement, and potential** shall not award tuition grants to  
6 otherwise eligible students enrolled in an independent college or  
7 university that does not report, in a form and manner directed by  
8 and satisfactory to the department of ~~treasury~~**lifelong education,**  
9 **advancement, and potential**, by October 31 of each year, all of the  
10 following:

11 (a) The number of students in the most recently completed  
12 academic year who in any academic year received a state tuition  
13 grant at the reporting institution and successfully completed a  
14 program or graduated.

15 (b) The number of students in the most recently completed  
16 academic year who in any academic year received a state tuition  
17 grant at the reporting institution and took a remedial education  
18 class.

19 (c) The number of students in the most recently completed  
20 academic year who in any academic year received a Pell grant at the  
21 reporting institution and successfully completed a program or  
22 graduated.

23 (8) By February 1 of each year, each independent college and  
24 university participating in the tuition grant program shall report  
25 to the house and senate appropriations subcommittees on higher  
26 education, the house and senate fiscal agencies, and the state  
27 budget director on its efforts to develop and implement sexual  
28 assault response training for the institution's title IX  
29 coordinator, campus law enforcement personnel, campus public safety



1 personnel, and any other campus personnel charged with responding  
 2 to on-campus incidents, including information on sexual assault  
 3 response training materials and the status of implementing sexual  
 4 assault response training for institutional personnel.

5 (9) A student who received a scholarship under this section  
 6 prior to the academic year 2024-2025 may continue to receive a  
 7 tuition grant award under this section provided that the student  
 8 meets all other criteria required for the receipt of a tuition  
 9 grant award.

10 Sec. 253. The auditor general may audit selected enrollments,  
 11 degrees, and awards at selected independent colleges and  
 12 universities receiving awards that are administered by the  
 13 department of ~~treasury~~. **lifelong education, advancement, and**  
 14 **potential**. The audits ~~shall~~ **must** be based ~~upon~~ **on** definitions and  
 15 requirements established by the department of ~~treasury~~, **lifelong**  
 16 **education, advancement, and potential**, the state budget director,  
 17 and the senate and house fiscal agencies. The auditor general shall  
 18 accept the Free Application for Federal Student Aid (FAFSA) form as  
 19 the standard of residency documentation.

20 Sec. 254. The sums appropriated in section 236 for the state  
 21 competitive scholarship, tuition incentive, ~~and~~ tuition grant,  
 22 **Michigan reconnect, and Michigan achievement scholarship** programs  
 23 must be paid out of the state treasury and must be distributed to  
 24 the respective institutions under a quarterly payment system as  
 25 follows:

26 (a) For the state competitive scholarship and tuition grant  
 27 programs, 50% must be paid at the beginning of the state's first  
 28 fiscal quarter, 30% during the state's second fiscal quarter, 10%  
 29 during the state's third fiscal quarter, and 10% during the state's



1 fourth fiscal quarter.

2 (b) For the tuition incentive program, **Michigan reconnect**, and  
 3 Michigan achievement scholarship, 65% must be paid at the beginning  
 4 of the state's first fiscal quarter, and 35% during the state's  
 5 second fiscal quarter.

6 Sec. 255. The department of ~~treasury-lifelong~~ **education,**  
 7 **advancement, and potential** shall determine the needs analysis  
 8 criteria for students to qualify for the state competitive  
 9 scholarship program and tuition grant program. To be consistent  
 10 with federal requirements, the department of ~~treasury-lifelong~~  
 11 **education, advancement, and potential** may take student wages into  
 12 consideration when determining the amount of the award.

13 Sec. 256. (1) The funds appropriated in section 236 for the  
 14 tuition incentive program must be distributed as provided in this  
 15 section and pursuant to the administrative procedures for the  
 16 tuition incentive program of the department of ~~treasury-lifelong~~  
 17 **education, advancement, and potential.**

18 (2) As used in this section:

19 (a) "Phase I" means the first part of the tuition incentive  
 20 program defined as the academic period of 80 semester or 120 term  
 21 credits, or less, leading to an associate degree or certificate.  
 22 Students must be enrolled in a certificate or associate degree  
 23 program and taking classes within the program of study for a  
 24 certificate or associate degree. Tuition will not be covered for  
 25 courses outside of a certificate or associate degree program.

26 (b) "Phase II" means the second part of the tuition incentive  
 27 program that provides assistance in the third and fourth year of 4-  
 28 year degree programs.

29 (c) "Department" means the department of ~~treasury-lifelong~~



1 **education, advancement, and potential.**

2 (d) "High school equivalency certificate" means that term as  
3 defined in section 4.

4 (3) An individual must meet the following basic criteria and  
5 financial thresholds to be eligible for tuition incentive program  
6 benefits:

7 (a) To be eligible for phase I, an individual must meet all of  
8 the following criteria:

9 (i) Be less than 20 years of age at the time the individual  
10 graduates from high school with a diploma or certificate of  
11 completion or achieves a high school equivalency certificate or,  
12 for students attending a 5-year middle college approved by the  
13 Michigan department of education, be less than 21 years of age when  
14 the individual graduates from high school.

15 (ii) Be a United States citizen and ~~a resident of this state~~  
16 ~~according to institutional criteria.~~ **maintain residency in this**  
17 **state, as determined for purposes of the Free Application for**  
18 **Federal Student Aid.**

19 (iii) Be at least a half-time student, earning less than 80  
20 semester or 120 term credits at a participating educational  
21 institution within 4 years of high school graduation or achievement  
22 of a high school equivalency certificate. All program eligibility  
23 expires 10 years after initial enrollment at a participating  
24 educational institution.

25 (iv) Meet the satisfactory academic progress policy of the  
26 educational institution attended by the individual.

27 (b) To be eligible for phase II, an individual must meet  
28 either of the following criteria in addition to the criteria in  
29 subdivision (a):



1 (i) Complete at least 56 transferable semester or 84  
2 transferable term credits.

3 (ii) Obtain an associate degree or certificate at a  
4 participating institution.

5 (c) To be eligible for phase I or phase II, an individual must  
6 be financially eligible as determined by the department. An  
7 individual is financially eligible for the tuition incentive  
8 program if the individual was eligible for Medicaid from this state  
9 for 24 months within any 36 months prior to completion of high  
10 school or achievement of a high school equivalency certificate. The  
11 department shall accept certification of Medicaid eligibility only  
12 from the department of health and human services for the purposes  
13 of verifying if a person is Medicaid eligible for 24 months within  
14 any 36 months prior to completion of high school or achievement of  
15 a high school equivalency certificate. Certification of eligibility  
16 may begin in the sixth grade.

17 (4) For phase I, the department shall provide payment on  
18 behalf of a person eligible under subsection (3). The department  
19 shall only accept standard per-credit hour tuition billings and  
20 shall reject billings that are excessive or outside the guidelines  
21 for the type of educational institution.

22 (5) For phase I, all of the following apply:

23 (a) Payments for associate degree or certificate programs must  
24 not be made for more than 80 semester or 120 term credits for any  
25 individual student at any participating institution. The department  
26 shall not do either of the following:

27 (i) Adopt or apply any total semester-credit or term-credit  
28 maximum that is less than the 80 semester-credit or 120 term-credit  
29 maximum provided in this subdivision.



1           (ii) Adopt or apply any per-semester or per-term credit maximum  
2 for a student whose semester-credit or term-credit load will not  
3 result in exceeding the total 80 semester-credit or 120 term-credit  
4 maximum provided in this subdivision.

5           (b) For persons enrolled at a Michigan community college, the  
6 department shall pay the current in-district tuition and mandatory  
7 fees. For persons residing in an area that is not included in any  
8 community college district, the out-of-district tuition rate may be  
9 authorized.

10          (c) For persons enrolled at a Michigan public university, the  
11 department shall pay lower division resident tuition and mandatory  
12 fees for the current year.

13          (d) For persons enrolled at a Michigan independent, nonprofit  
14 degree-granting college or university, a Michigan federal tribally  
15 controlled community college, or Focus: HOPE, the department shall  
16 pay mandatory fees for the current year and a per-credit payment  
17 that does not exceed the average community college in-district per-  
18 credit tuition rate as reported by the last business day of August  
19 for the immediately preceding academic year.

20          (6) A person participating in phase II may be eligible for  
21 additional funds not to exceed \$500.00 per semester or \$400.00 per  
22 term up to a maximum of \$2,000.00 subject to the following  
23 conditions:

24           (a) Credits are earned in a 4-year program at a Michigan  
25 degree-granting 4-year college or university.

26           (b) The tuition reimbursement is for coursework completed  
27 within 30 months of completion of the phase I requirements.

28          (7) The department shall work closely with participating  
29 institutions to provide the highest level of participation and



1 ensure that all requirements of the program are met.

2 (8) The department shall notify students of their financial  
3 eligibility for the program any time after the student begins sixth  
4 grade.

5 (9) Except as otherwise provided in sections 13(c) and 17 of  
6 the Michigan reconnect grant recipient act, 2020 PA 68, MCL  
7 390.1713 and 390.1717, each institution shall ensure that all known  
8 available restricted grants for tuition and fees are used before  
9 billing the tuition incentive program for any portion of a  
10 student's tuition and fees.

11 (10) The department shall ensure that the tuition incentive  
12 program is well publicized and that eligible Medicaid clients are  
13 provided information on the program. The department shall provide  
14 the necessary funding and staff to fully operate the program.

15 (11) The department shall collaborate with the center to use  
16 the P-20 longitudinal data system to report the following  
17 information for each qualified postsecondary institution:

18 (a) The number of phase I students in the most recently  
19 completed academic year who in any academic year received a tuition  
20 incentive program award and who successfully completed a degree or  
21 certificate program. Cohort graduation rates for phase I students  
22 must be calculated using the established success rate methodology  
23 developed by the center in collaboration with the postsecondary  
24 institutions.

25 (b) The number of students in the most recently completed  
26 academic year who in any academic year received a Pell grant at the  
27 reporting institution and who successfully completed a degree or  
28 certificate program. Cohort graduation rates for students who  
29 received Pell grants must be calculated using the established



1 success rate methodology developed by the center in collaboration  
2 with the postsecondary institutions.

3 (12) If a qualified postsecondary institution does not report  
4 the data necessary to complete the reporting in subsection (11) to  
5 the P-20 longitudinal data system by October 15 for the prior  
6 academic year, the department shall not award phase I tuition  
7 incentive program funding to otherwise eligible students enrolled  
8 in that institution until the data are submitted.

9 Sec. 258. By February 15 of each year, the department of  
10 ~~treasury~~**-lifelong education, advancement, and potential** shall post  
11 to its publicly available website a report for the preceding fiscal  
12 year on all student financial aid programs for which funds are  
13 appropriated in section 236. For each student financial aid  
14 program, the report ~~shall~~**must** include, but is not limited to, the  
15 total number of awards paid in the preceding fiscal year, the total  
16 dollar amount of those awards, and the number of students receiving  
17 awards and the total amount of those awards at each eligible  
18 postsecondary institution. To the extent information is available,  
19 the report ~~shall~~**must** also include information on household income  
20 and other demographic characteristics of students receiving awards  
21 under each program and historical information on the number of  
22 awards and total award amounts for each program.

23 Sec. 259. The department of ~~treasury~~**-lifelong education,**  
24 **advancement, and potential** shall continue an aggressive campaign to  
25 inform high school students about the financial aid programs  
26 offered by this state and the eligibility requirements for  
27 participation in those financial aid programs, including free or  
28 reduced tuition programs provided by community colleges and  
29 universities in this state.





1       Sec. 260. (1) The department of ~~treasury~~**lifelong education,**  
2 **advancement, and potential** shall work with student and  
3 postsecondary education groups, including the Michigan College  
4 Access Network, the Michigan Association of School Counselors, the  
5 Michigan Association of State Universities, the Michigan Community  
6 College Association, and the Michigan Independent Colleges and  
7 Universities, to provide and update an online informational  
8 resource for students in grades 9 through 12 and prospective and  
9 current students and families. The online informational resource  
10 must be a website or a portion of an existing website titled  
11 "Paying for College in Michigan" and designed and maintained by the  
12 department of ~~treasury~~**lifelong education, advancement, and**  
13 **potential** that, to the extent practicable, contains information,  
14 including, but not limited to, all of the following:

15       (a) A list of public and private community support centers,  
16 student debt clinics, and other organizations and their contact  
17 information submitted by Michigan College Access Network that  
18 provides free information and services for student loan borrowers  
19 to help educate them about repayment options and to help them  
20 access student loan programs or benefits for which they may be  
21 eligible.

22       (b) Links to state and federal financial aid programs,  
23 including FAFSA and College Scorecard.

24       (c) Links to each promise zone website and the financial aid  
25 website to each community college, public university, and  
26 independent college and university in this state.

27       (d) Benefits of federal student loans that may no longer be  
28 available if a borrower refinances a loan.

29       (e) Direct links to net price calculators for each community



1 college receiving an appropriation in section 201 and each public  
2 university receiving an appropriation in section 236.

3 (f) Definitions that clearly delineate the differences between  
4 scholarships, grants, and loans.

5 (g) A description of net price calculators and how to use them  
6 to create a personalized estimate of a student's out-of-pocket cost  
7 for the coming year based on basic family and financial information  
8 and likely financial aid eligibility.

9 (h) Information on the fundamentals of borrowing and  
10 repayment, including, but not limited to, all of the following:

11 (i) A link to the federal Public Service Loan Forgiveness  
12 Program or other state or federal loan forgiveness programs.

13 (ii) Deciding how much to borrow.

14 (iii) Creating a plan for borrowing and repayment.

15 (iv) Estimating how much borrowing is needed for a given school  
16 year.

17 (v) Factors that affect total student loan costs.

18 (vi) Tips for graduating with less student loan debt.

19 (vii) A loan payment calculator or a link to a loan payment  
20 calculator that can be used for different types of loans.

21 (viii) Links to federal student loan entrance and exit  
22 counseling services and the FACT tool.

23 (ix) Student loan debt relief scams.

24 (i) Loan amortization information.

25 (2) A public university receiving an appropriation in section  
26 236 shall place a prominent link to the website created under this  
27 section on its website homepage.

28 (3) Independent colleges and universities in this state are  
29 encouraged to place a link to the website created under this



1 section on their website homepages.

2 (4) By November 1 of each year, the department of ~~treasury~~  
3 **lifelong education, advancement, and potential** shall inform each  
4 high school in this state about the website described in this  
5 section and encourage them to distribute the information to all  
6 students in grades 9 through 12.

7 (5) The department shall audit the website not less than once  
8 per year to ensure links continue to be accurate, active, and up-  
9 to-date for students and families.

10 Sec. 263. (1) Included in the appropriation in section 236 for  
11 fiscal year ~~2023-2024-2024-2025~~ for MSU AgBioResearch is  
12 \$2,982,900.00 and included in the appropriation in section 236 for  
13 MSU Extension is \$2,645,200.00 for Project GREEN. Project GREEN  
14 is intended to address critical regulatory, food safety, economic,  
15 and environmental problems faced by this state's plant-based  
16 agriculture, forestry, and processing industries. "GREEN" is an  
17 acronym for Generating Research and Extension to Meet Environmental  
18 and Economic Needs.

19 (2) The department of agriculture and rural development and  
20 Michigan State University, in consultation with agricultural  
21 commodity groups and other interested parties, shall develop  
22 Project GREEN and its program priorities.

23 Sec. 263a. (1) Not later than September 30 of each year,  
24 Michigan State University shall submit a report on MSU  
25 AgBioResearch and MSU Extension to the house and senate  
26 appropriations subcommittees on agriculture and on higher  
27 education, the house and senate standing committees on agriculture,  
28 the house and senate fiscal agencies, and the state budget director  
29 for the preceding academic fiscal year.



(2) The report required under subsection (1) must include all of the following:

(a) Total funds expended by MSU AgBioResearch and by MSU Extension identified by state, local, private, federal, and university fund sources.

(b) A review of major programs within both MSU AgBioResearch and MSU Extension with specific reference to accomplishments, impacts, and a specific accounting of Project GREEN and the ~~SEEDSS Initiative~~ **Agricultural Climate Resiliency Program** expenditures and the impact of those expenditures. The program review for MSU AgBioResearch and MSU Extension should include the following:

(i) The number of agriculture and food-related firms collaborating with and using services of research and extension faculty and staff.

(ii) The number of individuals utilizing MSU Extension's educational services.

(iii) External funds generated in support of research and extension.

(iv) Efforts to improve access to healthy foods for Michigan consumers.

Sec. 263b. Included in the appropriation in section 236 for fiscal year ~~2023-2024-2024-2025~~ for MSU AgBioResearch and MSU Extension is funding for the ~~SEEDSS Initiative~~. **Agricultural Climate Resiliency Program**. The ~~SEEDSS Initiative~~ **Agricultural Climate Resiliency Program** is intended to address environmental sustainability of Michigan agriculture and ~~enhance efforts to educate agricultural workers on improving agricultural environmental sustainability. "SEEDSS" is an acronym for Solving Emerging Environmental Developments and Securing~~



~~Sustainability.~~**promote the protection and efficient use of Michigan's water resources.**

Sec. 264. Included in the appropriation in section 236 for fiscal year ~~2023-2024~~**2024-2025** for Michigan State University is \$80,000.00 for the Michigan Future Farmers of America Association. This \$80,000.00 allocation must not supplant any existing support that Michigan State University provides to the Michigan Future Farmers of America Association.

Sec. 268. (1) For the fiscal year ending September 30, ~~2024,~~**2025**, it is the intent of the legislature that funds be allocated for unfunded North American Indian tuition waiver costs incurred by public universities under 1976 PA 174, MCL 390.1251 to 390.1253, from the general fund.

(2) By January 15 of each year, the department of ~~civil rights~~**lifelong education, advancement, and potential** shall annually submit to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies a report on North American Indian tuition waivers for the preceding academic year that includes, but is not limited to, all of the following information:

(a) The number of waiver applications received and the number of waiver applications approved.

(b) For each public university submitting information under subsection (3), all of the following:

(i) The number of graduate and undergraduate North American Indian students enrolled each term for the previous academic year.

(ii) The number of North American Indian waivers granted each term, including to continuing education students, and the monetary value of the waivers for the previous academic year.



(iii) The number of North American Indian students who receive a granted waiver for the previous academic year.

(iv) The number of graduate and undergraduate students attending under a North American Indian tuition waiver who withdrew from the public university each term during the previous academic year. For purposes of this subparagraph, a withdrawal occurs when a student who has been awarded the waiver withdraws from the institution at any point during the term, regardless of enrollment in subsequent terms.

(v) The number of graduate and undergraduate students attending under a North American Indian tuition waiver who successfully transfer to a 4-year public or private university, or complete a degree or certificate program, separated by degree or certificate level, and the graduation rate for graduate and undergraduate students attending under a North American Indian tuition waiver who complete a degree or certificate within 150% of the normal time to complete, separated by the level of the degree or certificate.

(3) By January 1 of each year, a public university that receives an appropriation in section 236, or a tribal college receiving pass-through funds under section 269 or 270c, shall provide to the department of ~~civil rights~~ **lifelong education, advancement, and potential** any information necessary for preparing the report detailed in subsection (2), using guidelines and procedures developed by the department of ~~civil rights~~. **lifelong education, advancement, and potential.**

(4) The department of ~~civil rights~~ **lifelong education, advancement, and potential** may consolidate the report required under this section with the report required under section 223, but



1 a consolidated report must separately identify data for public  
2 universities and data for community colleges.

3 Sec. 269. For fiscal year ~~2023-2024~~, **2024-2025**, from the  
4 amount appropriated in section 236 to Central Michigan University  
5 for costs incurred under the North American Indian tuition waiver,  
6 ~~\$63,200.00~~ **\$76,300.00** must be paid to Saginaw Chippewa Tribal  
7 College for the costs of waiving tuition for North American Indians  
8 under 1976 PA 174, MCL 390.1251 to 390.1253. It is the intent of  
9 the legislature that Saginaw Chippewa Tribal College provide the  
10 department of ~~civil rights~~ **lifelong education, advancement, and**  
11 **potential** the necessary information for the college to be included  
12 in the report required under section 268.

13 Sec. 270. For fiscal year **2024-2025**, from the amount  
14 appropriated in section 236 to Lake Superior State University for  
15 costs incurred under the North American Indian tuition waiver,  
16 **\$498,800.00** must be paid to Bay Mills Community College for the  
17 costs of waiving tuition for North American Indians under 1976 PA  
18 174, MCL 390.1251 to 390.1253. It is the intent of the legislature  
19 that Bay Mills Community College provide the department of lifelong  
20 education, advancement, and potential the necessary information for  
21 the college to be included in the report required under section  
22 268.

23 Sec. 270c. For fiscal year ~~2023-2024~~, **2024-2025**, from the  
24 amount appropriated in section 236 to Northern Michigan University  
25 for costs incurred under the North American Indian tuition waiver,  
26 ~~\$90,200.00~~ **\$155,200.00** is to be paid to Keweenaw Bay Ojibwa  
27 Community College for the costs of waiving tuition for North  
28 American Indians under 1976 PA 174, MCL 390.1251 to 390.1253. It is  
29 the intent of the legislature that Keweenaw Bay Ojibwa Community



1 College provide the department of ~~civil rights~~ **lifelong education,**  
 2 **advancement, and potential** the necessary information for the  
 3 community college to be included in the report required under  
 4 section 268.

5 Sec. 275b. (1) Each public university receiving an  
 6 appropriation in section 236 shall ensure that the public  
 7 university does all of the following in its admission application  
 8 process if it knows that an applicant for admission is currently  
 9 serving, or has ever served, as a member of the military, the  
 10 National Guard, or the military reserves:

11 (a) Inform the applicant that ~~he or she~~ **the applicant** may  
 12 receive academic credit for college-level training and education ~~he~~  
 13 ~~or she~~ **the applicant** received while serving in the military.

14 (b) Inform the applicant that ~~he or she~~ **the applicant** may  
 15 submit a transcript of ~~his or her~~ **the applicant's** college-level  
 16 military training and education to the public university.

17 (c) If the applicant submits a transcript described in  
 18 subdivision (b), evaluate that transcript and notify the applicant  
 19 of what transfer credits are available to the applicant from the  
 20 public university for ~~his or her~~ **the applicant's** college-level  
 21 military training and education.

22 (d) Inform the applicant of college level equivalent credit  
 23 examination opportunities.

24 (2) As used in this section, "transcript" includes a joint  
 25 services transcript prepared for the applicant under the American  
 26 council on education registry of credit recommendations.

27 Sec. 275k. (1) Not later than December 1 of each year, each  
 28 university that receives an appropriation in section 236 that, in  
 29 the current or previous academic year, serves or has served as an





1 ~~authorizing body as that term is defined in section 501 of the~~  
2 ~~revised school code, 1976 PA 451, MCL 380.501,~~ shall submit a  
3 report to the house and senate appropriations ~~committees~~  
4 **subcommittees on higher education, the house and senate fiscal**  
5 **agencies, the state budget director,** and the department of  
6 education containing, at a minimum, all of the following  
7 information, as applicable:

8 (a) A list of all of the schools currently authorized, and the  
9 following information for each school:

10 (i) The year in which the school was authorized.

11 (ii) The location of each school.

12 (iii) The owner of the property at which each school is located  
13 and the physical buildings utilized by the school, as applicable.

14 (b) A list identifying any schools that were closed or lost  
15 their authorization in the current or previous academic year.

16 (c) A description of any new contracts for the operation of a  
17 public school academy that will operate as the successor to a  
18 public school academy that is currently being operated under a  
19 contract issued by another authorizing body that is currently  
20 performing in the bottom 5% of schools.

21 (d) The academic performance of each school currently  
22 authorized, including whether a school is identified by the  
23 department of education as a partnership school. **If a school is**  
24 **identified as a partnership school under this subdivision, the**  
25 **authorizing body must include a description of corrective actions**  
26 **in the school's partnership agreement, the duration of the**  
27 **partnership agreement, and an assessment of progress toward**  
28 **improvement.**

29 (e) The total enrollment of each school at the time of



1 submission, the grades served, and student turnover rate compared  
2 to the previous academic year, as applicable.

3 **(f) Aggregated student enrollment data for students with an**  
4 **individualized education program as well as the total amount of**  
5 **special education cost reimbursements received by each school**  
6 **during the school's most recently completed fiscal year.**

7 **(g) ~~(f)~~**—The total number of fees, reimbursements,  
8 contributions, or charges permitted under section 502(6) of the  
9 revised school code, 1976 PA 451, MCL 380.502, that are assigned to  
10 each school currently authorized in a single academic year.

11 **(h) ~~(g)~~**—The names of the members of the board of directors of  
12 each school currently authorized and the date that each member of  
13 each board was appointed, **and a description of the methodology used**  
14 **by the authorizing body to select members for the boards of**  
15 **directors for each school currently authorized by the authorizing**  
16 **body.**

17 **(i) ~~(h)~~**—The name of the applicant who applied and received  
18 approval to organize each currently authorized school.

19 **(j) ~~(i)~~**—The list of contracts and length of their terms, with  
20 education service providers associated with each school currently  
21 authorized pursuant to section 502 of the revised school code, 1976  
22 PA 451, MCL 380.502, as applicable. The contracts described in this  
23 subdivision include, but are not limited to, those described in  
24 section 502(2)(d) of the revised school code, 1976 PA 451, MCL  
25 380.502.

26 **(k) ~~(j)~~**—Activities undertaken by each university to ensure  
27 that the board of directors of each school complies with the open  
28 meetings act, 1976 PA 267, MCL 15.261 to 15.275, the freedom of  
29 information act, 1976 PA 442, MCL 15.231 to 15.246, and laws



1 prohibiting conflicts of interest.

2       (l) ~~(k)~~—A description of the activities undertaken by the  
3 university to meet the functions of an authorizing body under  
4 section 502 of the revised school code, 1976 PA 451, MCL 380.502,  
5 as applicable.

6       (m) A financial report of the authorizing body's use of fees,  
7 reimbursements, contributions, or charges collected or retained  
8 under section 502(6) of the revised school code, 1976 PA 451, MCL  
9 380.502. This report must include all of the following, at a  
10 minimum:

11       (i) The total amount of fees collected or retained under  
12 section 502(6) of the revised school code, 1976 PA 451, MCL  
13 380.502, by the authorizing body for the authorizing body's most  
14 recent fiscal year.

15       (ii) The amount of funds reported under subparagraph (i) that  
16 were spent on compensation for faculty and staff employed primarily  
17 to meet the functions of an authorizing body. For the purpose of  
18 this subparagraph, an employee is presumed to be primarily employed  
19 to meet the functions of an authorizing body if that employee  
20 spends more than 50% of the employee's time on those activities.

21       (iii) The number of positions, organized by job title,  
22 associated with expenditures reported under subparagraph (ii).

23       (iv) The amount of funds reported under subparagraph (i) that  
24 were spent on contractual services to meet the functions of an  
25 authorizing body.

26       (v) The amount of funds reported under subparagraph (i) that  
27 were spent on other overhead costs to meet the functions of an  
28 authorizing body.

29       (vi) The amount of funds reported under subparagraph (i) that



1 were transferred to another operating unit within the university.

2 (vii) The amount of funds reported under subparagraph (i) that  
3 were spent on activities other than functioning as an authorizing  
4 body, including a list of those activities and the amount  
5 associated with each activity.

6 (n) An executive summary section that provides relevant  
7 summary data for reporting requirements under subdivisions (a) to  
8 (m) .

9 (2) A report submitted under this section must be in a format  
10 that meets accessibility standards for viewing on the internet  
11 under the Americans with disabilities act of 1990, Public Law 101-  
12 336.

13 (3) ~~(2) The department of education shall compile and publish~~  
14 ~~on its website the reports required in this section.~~ A report  
15 submitted under this section must be published and updated through  
16 a link on the homepage of the public university's website.

17 (4) As used in this section, "authorizing body" means that  
18 term as defined in section 501 of the revised school code, 1976 PA  
19 451, MCL 380.501.

20 Sec. 275m. (1) Each public university that receives an  
21 appropriation in section 236 and requires students to reside on  
22 campus for any amount of time shall report all of the following:

23 (a) Whether the university requires any students to reside on  
24 campus as a condition of enrollment at that university.

25 (b) A summary of any policy or policies requiring students to  
26 reside on campus, if applicable.

27 (c) The average charge for room and board at the university  
28 for the current academic year. The average charge under this  
29 subdivision must be calculated based on the accommodation and meal



1 plan that is most commonly selected by students subject to a policy  
2 reported under subdivision (b).

3 (d) The average charge for room and board for the  
4 accommodation and meal plan selection reported in subdivision (c)  
5 for the previous 5 academic years. If the accommodation and meal  
6 plan reported under subdivision (c) was not offered in a previous  
7 academic year, the university shall report the charge for a similar  
8 alternative instead.

9 (2) Each public university required to submit a report under  
10 subsection (1) shall submit that report to the house and senate  
11 appropriations subcommittees on higher education, the house and  
12 senate fiscal agencies, the state budget director, and the director  
13 of the department of lifelong education, advancement, and potential  
14 by November 30 of each year.

15 Sec. 276. (1) Included in the appropriation for fiscal year  
16 ~~2023-2024~~**2024-2025** for each public university in section 236 is  
17 funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks  
18 future faculty **fellowship** program that is intended to increase the  
19 pool of academically or economically disadvantaged candidates  
20 pursuing faculty or administration careers in postsecondary  
21 education in this state. Preference may not be given to applicants  
22 on the basis of race, color, ethnicity, gender, or national origin.  
23 Institutions should encourage applications from applicants who  
24 would otherwise not adequately be represented in the graduate  
25 student, faculty, or administration populations. Each public  
26 university shall apply the percentage change applicable to every  
27 public university in the calculation of appropriations in section  
28 236 to the amount of funds allocated to the future faculty  
29 **fellowship** program.



(2) Each public university shall administer the program in a manner prescribed by the department of labor and economic opportunity. The department of labor and economic opportunity shall use a good-faith effort standard to evaluate whether a fellowship is in default. All of the following apply to the program:

(a) By June 15 of each year, public universities shall report any anticipated unexpended or unencumbered program funds to the department of labor and economic opportunity. Encumbered funds are those funds that were committed by a fellowship agreement that is signed during the current fiscal year or administrative expenses that have been approved by the department of labor and economic opportunity.

(b) Before September 1 of each year, unexpended or unencumbered funds may be transferred, under the direction of the department of labor and economic opportunity, to a future faculty **fellowship** program at another public university to be awarded to an eligible candidate at that public university.

(c) Program allocations not expended or encumbered by September 30, ~~2025~~**2026** must be returned to the department of labor and economic opportunity so that those funds may lapse to the state general fund.

(d) Not more than 5% of each public university's allocation for the program may be used for administration of the program.

(e) In addition to the appropriation for fiscal year ~~2023~~**2024**, ~~2024~~**2024-2025**, any revenue received during prior fiscal years by the department of labor and economic opportunity from defaulted fellowship agreements is appropriated for the purposes originally intended.

Sec. 277. (1) Included in the appropriation for fiscal year



~~2023-2024-2024-2025~~ for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college day program that is intended to introduce academically or economically disadvantaged schoolchildren to the potential of a college education in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Public universities should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) Individual program plans of each public university must include a budget of equal contributions from this program, the participating public university, the participating school district, and the participating independent degree-granting college. College day funds must not be expended to cover indirect costs. Not more than 20% of the university match may be attributable to indirect costs. Each public university shall apply the percentage change applicable to every public university in the calculation of appropriations in section 236 to the amount of funds allocated to the college day program.

(3) Each public university shall administer the program described in this section in a manner prescribed by the department of labor and economic opportunity.

Sec. 278. (1) Included in the appropriation for fiscal year ~~2023-2024-2024-2025~~ for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks select student support services program for developing academically or economically disadvantaged student retention programs for 4-year public and independent educational institutions in this state. Preference may not be given to participants on the basis of race,

1 color, ethnicity, gender, or national origin. Institutions should  
2 encourage participation from those who would otherwise not  
3 adequately be represented in the student population.

4 (2) An award made under this program to any 1 institution must  
5 not be greater than \$150,000.00, must have an award period of no  
6 more than 2 years, and must be matched on a 70% state, 30% college  
7 or university basis.

8 (3) The department of labor and economic opportunity shall  
9 administer the program described in this section.

10 Sec. 279. (1) Included in the appropriation for fiscal year  
11 ~~2023-2024~~**2024-2025** for each public university in section 236 is  
12 funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks  
13 college/university partnership program between 4-year public and  
14 independent colleges and universities and public community  
15 colleges, which is intended to increase the number of academically  
16 or economically disadvantaged students who transfer from community  
17 colleges into baccalaureate programs in this state. Preference may  
18 not be given to participants on the basis of race, color,  
19 ethnicity, gender, or national origin. Institutions should  
20 encourage participation from those who would otherwise not  
21 adequately be represented in the transfer student population.

22 (2) The grants must be made under the program described in  
23 this section to Michigan public and independent colleges and  
24 universities. An award to any 1 institution must not be greater  
25 than \$150,000.00, must have an award period of no more than 2  
26 years, and must be matched on a 70% state, 30% college or  
27 university basis.

28 (3) The department of labor and economic opportunity shall  
29 administer the program described in this section.





1       Sec. 280. (1) Included in the appropriation for fiscal year  
2 ~~2023-2024-2024-2025~~ for each public university in section 236 is  
3 funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks  
4 visiting professors program, which is intended to increase the  
5 number of instructors in the classroom to provide role models for  
6 academically or economically disadvantaged students. Preference may  
7 not be given to participants on the basis of race, color,  
8 ethnicity, gender, or national origin. Public universities should  
9 encourage participation from those who would otherwise not  
10 adequately be represented in the student population.

11       (2) The department of labor and economic opportunity shall  
12 administer the program described in this section.

13       (3) The amount allocated to each public university is  
14 ~~\$11,019.00~~ **\$11,184.00** and is subject to an award period of no more  
15 than 2 years. Each public university receiving funds for fiscal  
16 year ~~2023-2024-2024-2025~~ under this section shall report to the  
17 department of labor and economic opportunity by April 15, ~~2024-2025~~  
18 the amount of its unobligated and unexpended funds as of March 31,  
19 ~~2024-2025~~ and a plan to expend the remaining funds by the end of  
20 the fiscal year. The amount of funding reported as not being  
21 expended may be transferred, under the direction of the department,  
22 to another public university for use under this section.

23       Sec. 281. (1) Included in the appropriation for fiscal year  
24 ~~2023-2024-2024-2025~~ for each public university in section 236 is  
25 funding under the Martin Luther King, Jr. - Cesar Chavez - Rosa  
26 Parks initiative for the Morris Hood, Jr. educator development  
27 program, which is intended to increase the number of academically  
28 or economically disadvantaged students who enroll in and complete  
29 K-12 teacher education programs at the baccalaureate level and



1 teach in this state. Preference may not be given to participants on  
2 the basis of race, color, ethnicity, gender, or national origin.  
3 Institutions should encourage participation from those who would  
4 otherwise not adequately be represented in the teacher education  
5 student population.

6 (2) The program described in this section must be administered  
7 by each state-approved teacher education institution in a manner  
8 prescribed by the department of labor and economic opportunity.

9 (3) Approved teacher education institutions may and are  
10 encouraged to use select student support services funding in  
11 coordination with the Morris Hood, Jr. funding to achieve the goals  
12 of the program described in this section.

13 Sec. 282. (1) Each institution receiving funds for fiscal year  
14 ~~2023-2024-2024-2025~~ under section 278, 279, or 281 shall provide to  
15 the department of labor and economic opportunity by April 15, ~~2024~~  
16 ~~2025~~ the unobligated and unexpended funds as of March 31, ~~2024-2025~~  
17 and a plan to expend the remaining funds by the end of the fiscal  
18 year. Notwithstanding the award limitations in sections 278 and  
19 279, the amount of funding reported as not being expended will be  
20 reallocated to the institutions that intend to expend all funding  
21 received under section 278, 279, or 281.

22 (2) Funds received for the purpose of administering programs  
23 under sections 278, 279, and 281 must not be used for direct  
24 financial aid or indirect financial aid. However, a public  
25 university may provide academic incentives to motivate  
26 participating students as approved by the department. As used in  
27 this subsection:

28 (a) "Direct financial aid" includes, but is not limited to,  
29 scholarships, payment of tuition, stipends, and work-studies.



1 (b) "Indirect financial aid" includes, but is not limited to,  
2 transportation, textbook allowances, child care support, and  
3 assistance with medical premiums or expenses.

4 **Sec. 287. Not later than the first business day of January of**  
5 **each year, the center shall work with the department of lifelong**  
6 **education, advancement, and potential to collect and publish the**  
7 **average cost of attendance data for full-time first-time students**  
8 **from the federal Integrated Postsecondary Education Data System**  
9 **(IPEDS) for each community college that receives an appropriation**  
10 **in section 201, each federally recognized tribal college in this**  
11 **state, each public university that receives an appropriation in**  
12 **section 236, and each independent nonprofit college or university**  
13 **in this state as described in section 1 of 1966 PA 313, MCL**  
14 **390.991, using the most recently released data from IPEDS.**

15 Enacting section 1. (1) In accordance with section 30 of  
16 article IX of the state constitution of 1963, total state spending  
17 on school aid under article I of the state school aid act of 1979,  
18 1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2023 PA 103,  
19 2023 PA 320, and this amendatory act from state sources for fiscal  
20 year 2023-2024 is estimated at \$19,367,907,800.00 and state  
21 appropriations for school aid to be paid to local units of  
22 government for fiscal year 2023-2024 are estimated at  
23 \$17,837,248,400.00. In accordance with section 30 of article IX of  
24 the state constitution of 1963, total state spending on school aid  
25 under article I of the state school aid act of 1979, 1979 PA 94,  
26 MCL 388.1601 to 388.1772, as amended by this amendatory act, from  
27 state sources for fiscal year 2024-2025 is estimated at  
28 \$18,371,481,900.00 and state appropriations for school aid to be  
29 paid to local units of government for fiscal year 2024-2025 are



1 estimated at \$16,928,443,900.00.

2 (2) In accordance with section 30 of article IX of the state  
3 constitution of 1963, total state spending from state sources for  
4 community colleges for fiscal year 2023-2024 under article II of  
5 the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to  
6 388.1830, as amended by 2023 PA 103, 2023 PA 320, and this  
7 amendatory act, is estimated at \$550,817,500.00 and the amount of  
8 that state spending from state sources to be paid to local units of  
9 government for fiscal year 2023-2024 is estimated at  
10 \$550,817,500.00. In accordance with section 30 of article IX of the  
11 state constitution of 1963, total state spending from state sources  
12 for community colleges for fiscal year 2024-2025 under article II  
13 of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to  
14 388.1830, as amended by this amendatory act, is estimated at  
15 \$462,220,800.00 and the amount of that state spending from state  
16 sources to be paid to local units of government for fiscal year  
17 2024-2025 is estimated at \$461,720,800.00.

18 (3) In accordance with section 30 of article IX of the state  
19 constitution of 1963, total state spending from state sources for  
20 higher education for fiscal year 2023-2024 under article III of the  
21 state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891,  
22 as amended by 2023 PA 103, 2023 PA 320, and this amendatory act, is  
23 estimated at \$2,160,022,400.00 and the amount of that state  
24 spending from state sources to be paid to local units of government  
25 for fiscal year 2023-2024 is estimated at \$0.00. In accordance with  
26 section 30 of article IX of the state constitution of 1963, total  
27 state spending from state sources for higher education for fiscal  
28 year 2024-2025 under article III of the state school aid act of  
29 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by this



amendatory act, is estimated at \$2,321,092,600.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2024-2025 is estimated at \$70,000.00.

Enacting section 2. Sections 11v, 11w, 23i, 25k, 27i, 27q, 31k, 31r, 32w, 32x, 35f, 35i, 35k, 35l, 61c, 61k, 61l, 61m, 61n, 61o, 61p, 61q, 61r, 61t, 61u, 67c, 67g, 74b, 95b, 97e, 97i, 97l, 99a, 99e, 99f, 99m, 99n, 99gg, 99kk, 99ll, 104i, 147f, 164h, 216c, 216d, 236b, 236h, 236k, 236m, 236o, and 241d of the state school aid act of 1979, 1979 PA 94, MCL 388.1611v, 388.1611w, 388.1623i, 388.1625k, 388.1627i, 388.1627q, 388.1631k, 388.1631r, 388.1632w, 388.1632x, 388.1635f, 388.1635i, 388.1635k, 388.1635l, 388.1661c, 388.1661k, 388.1661l, 388.1661m, 388.1661n, 388.1661o, 388.1661p, 388.1661q, 388.1661r, 388.1661t, 388.1661u, 388.1667c, 388.1667g, 388.1674b, 388.1695b, 388.1697e, 388.1697i, 388.1697l, 388.1699a, 388.1699e, 388.1699f, 388.1699m, 388.1699n, 388.1699gg, 388.1699kk, 388.1699ll, 388.1704i, 388.1747f, 388.1764h, 388.1816c, 388.1816d, 388.1836b, 388.1836h, 388.1836k, 388.1836m, 388.1836o, and 388.1841d, are repealed effective October 1, 2024.

Enacting section 3. (1) Sections 11, 12c, 22a, 22b, 23g, 26c, 27k, 27l, 27n, 30d, 31a, 33, 51a, 51c, 51d, 51e, 56, 61j, 62, 74, 99jj, 147a, 147e, 163, and 236n of the state school aid act of 1979, 1979 PA 94, MCL 388.1611, 388.1612c, 388.1622a, 388.1622b, 388.1623g, 388.1626c, 388.1627k, 388.1627l, 388.1627n, 388.1630d, 388.1631a, 388.1633, 388.1651a, 388.1651c, 388.1651d, 388.1651e, 388.1656, 388.1661j, 388.1662, 388.1674, 388.1699jj, 388.1747a, 388.1747e, 388.1763, and 388.1836n, as amended and sections 11bb, 12d, 99, 164j, 201h, and 236f of the state school aid act of 1979, 1979 PA 94, as added by this amendatory act, if granted immediate effect pursuant to section 27 of article IV of the state



1 constitution of 1963, take effect on enactment of this amendatory  
2 act.

3 (2) Except as otherwise provided for those sections listed in  
4 subsection (1), the remaining sections of this amendatory act take  
5 effect October 1, 2024.

