

**SUBSTITUTE FOR
HOUSE BILL NO. 5503**

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 3, 11, 11a, 11j, 11k, 11m, 11s, 11x, 15, 20,
20d, 21h, 22a, 22b, 22d, 22k, 22l, 22m, 22p, 23g, 23i, 24, 24a, 25f,
25g, 26a, 26b, 26c, 26d, 27a, 27b, 27c, 27d, 27g, 27m, 27n, 27o,
27p, 28, 29, 30d, 30e, 31a, 31d, 31f, 31j, 31n, 31p, 31aa, 32d,
32n, 32p, 33, 35a, 35d, 35j, 39, 39a, 41, 41b, 51a, 51c, 51d, 51e,
51g, 53a, 54, 54b, 54d, 56, 61a, 61b, 61c, 61d, 61s, 62, 65, 67,
67f, 74, 81, 94, 94a, 95b, 97a, 97i, 97k, 98, 98d, 99a, 99b, 99e,
99g, 99h, 99s, 99t, 99u, 99x, 99aa, 99gg, 99hh, 104, 104h, 107,
147, 147a, 147c, 147e, 152a, 152b, and 163 (MCL 388.1603, 388.1611,
388.1611a, 388.1611j, 388.1611k, 388.1611m, 388.1611s, 388.1611x,
388.1615, 388.1620, 388.1620d, 388.1621h, 388.1622a, 388.1622b,



388.1622d, 388.1622k, 388.1622l, 388.1622m, 388.1622p, 388.1623g, 388.1623i, 388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1626a, 388.1626b, 388.1626c, 388.1626d, 388.1627a, 388.1627b, 388.1627c, 388.1627d, 388.1627g, 388.1627m, 388.1627n, 388.1627o, 388.1627p, 388.1628, 388.1629, 388.1630d, 388.1630e, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631n, 388.1631p, 388.1631aa, 388.1632d, 388.1632n, 388.1632p, 388.1633, 388.1635a, 388.1635d, 388.1635j, 388.1639, 388.1639a, 388.1641, 388.1641b, 388.1651a, 388.1651c, 388.1651d, 388.1651e, 388.1651g, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1656, 388.1661a, 388.1661b, 388.1661c, 388.1661d, 388.1661s, 388.1662, 388.1665, 388.1667, 388.1667f, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1695b, 388.1697a, 388.1697i, 388.1697k, 388.1698, 388.1698d, 388.1699a, 388.1699b, 388.1699e, 388.1699g, 388.1699h, 388.1699s, 388.1699t, 388.1699u, 388.1699x, 388.1699aa, 388.1699gg, 388.1699hh, 388.1704, 388.1704h, 388.1707, 388.1747, 388.1747a, 388.1747c, 388.1747e, 388.1752a, 388.1752b, and 388.1763), sections 3, 11a, 11j, 11k, 11m, 11s, 11x, 15, 20d, 21h, 22a, 22b, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 27a, 27b, 27c, 28, 31d, 31f, 31j, 31n, 31p, 31aa, 32d, 32n, 32p, 35a, 35d, 39, 39a, 41b, 51d, 51e, 51g, 53a, 54, 54b, 54d, 56, 61a, 61b, 61c, 61d, 62, 65, 67, 74, 81, 94, 97a, 98, 99h, 99s, 99t, 99u, 99x, 99aa, 104, 104h, 107, 147, 147c, 147e, 152a, 152b, and 163 as amended and sections 22k, 23g, 23i, 27g, 27m, 27n, 27o, 27p, 29, 30d, 30e, 33, 35j, 67f, 97i, 98d, 99a, 99b, 99e, 99g, 99gg, and 99hh as added by 2023 PA 103, sections 11, 20, 22l, 31a, 41, 51a, 51c, 61s, 94a, 95b, 97k, and 147a as amended by 2023 PA 320, and section 27d as added by 2022 PA 144, and by adding sections 27f, 27r, 27s, 27t, 31gg, 51h, 54f, 55, 67b, 67d, 94e, 97m, 99, 99c, 99bb, 99nn, 147g, and 164j; and to repeal acts and parts of acts.



THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

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

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

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

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

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

20 (7) "District" means, except as otherwise specifically
21 provided in this act, a local school district established under the
22 revised school code or, except in sections 6(4), 6(6), 11x, ~~11y,~~
23 ~~11aa, 12e,~~ 13, 20, 22a, 22p, ~~27l,~~ 31a, 51a(14), 105, 105c, and 166b,
24 a public school academy. Except in section 20, district also
25 includes a community district.

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



1 in section 24b, the pupil's district of residence is the district
 2 in which the pupil enrolls under that section. For a pupil
 3 described in section 6(4)(d), the pupil's district of residence is
 4 considered to be the district or intermediate district in which the
 5 pupil is counted in membership under that section. For a pupil
 6 under court jurisdiction who is placed outside the district in
 7 which the pupil's custodial parent or parents or legal guardian
 8 resides, the pupil's district of residence is considered to be the
 9 educating district or educating intermediate district.

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

12 Sec. 11. (1) ~~For the fiscal year ending September 30, 2023,~~
 13 ~~there is appropriated for the public schools of this state and~~
 14 ~~certain other state purposes relating to education the sum of~~
 15 ~~\$17,290,268,900.00 from the state school aid fund, the sum of~~
 16 ~~\$124,350,000.00 from the general fund, an amount not to exceed~~
 17 ~~\$72,000,000.00 from the community district education trust fund~~
 18 ~~created under section 12 of the Michigan trust fund act, 2000 PA~~
 19 ~~489, MCL 12.262, an amount not to exceed \$200,000.00 from the~~
 20 ~~school transportation fund created under section 22k, an amount not~~
 21 ~~to exceed \$25,000,000.00 from the school meals reserve fund created~~
 22 ~~under section 30e, and an amount not to exceed \$140,400,000.00 from~~
 23 ~~the MPSERS retirement obligation reform reserve fund created under~~
 24 ~~section 147b.~~ For the fiscal year ending September 30, 2024, there
 25 is appropriated for the public schools of this state and certain
 26 other state purposes relating to education the sum of
 27 ~~\$18,364,157,800.00~~ **\$18,423,957,800.00** from the state school aid
 28 fund, the sum of ~~\$87,900,000.00~~ **\$88,400,000.00** from the general
 29 fund, an amount not to exceed \$72,000,000.00 from the community



1 district education trust fund created under section 12 of the
 2 Michigan trust fund act, 2000 PA 489, MCL 12.262, an amount not to
 3 exceed \$245,000,000.00 from the school consolidation and
 4 infrastructure fund created under section 11x, an amount not to
 5 exceed \$125,000,000.00 from the school transportation fund created
 6 under section 22k, an amount not to exceed \$71,000,000.00 from the
 7 enrollment stabilization fund created under section 29, an amount
 8 not to exceed ~~\$60,000,000.00~~ **\$90,000,000.00** from the school meals
 9 reserve fund created under section 30e, an amount not to exceed
 10 \$18,000,000.00 from the great start readiness program reserve fund
 11 created under section 32e, and an amount not to exceed
 12 \$215,800,000.00 from the MPERS retirement obligation reform
 13 reserve fund created under section 147b. **For the fiscal year ending**
 14 **September 30, 2025, there is appropriated for the public schools of**
 15 **this state and certain other state purposes relating to education**
 16 **the sum of \$17,680,130,100.00 from the state school aid fund, the**
 17 **sum of \$97,975,800.00 from the general fund, an amount not to**
 18 **exceed \$41,000,000.00 from the community district education trust**
 19 **fund created under section 12 of the Michigan trust fund act, 2000**
 20 **PA 489, MCL 12.262, an amount not to exceed \$125,000,000.00 from**
 21 **the school transportation fund created under section 22k, an amount**
 22 **not to exceed \$92,600,000.00 from the enrollment stabilization fund**
 23 **created under section 29, an amount not to exceed \$80,000,000.00**
 24 **from the school meals reserve fund created under section 30e, an**
 25 **amount not to exceed \$21,000,000.00 from the great start readiness**
 26 **program reserve fund created under section 32e, an amount not to**
 27 **exceed \$84,100,000.00 from the MPERS retirement obligation reform**
 28 **reserve fund created under section 147b, an amount not to exceed**
 29 **\$45,000,000.00 from the educator fellowship public provider fund**



1 **created in section 27d, and an amount not to exceed \$5,000,000.00**
 2 **from the educator fellowship private provider fund created in**
 3 **section 27e.** In addition, all available federal funds are only
 4 appropriated as allocated in this article for the fiscal years
 5 ending September 30, ~~2023-2024~~ and September 30, ~~2024-2025~~.

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

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

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

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

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

23 (b) Money statutorily dedicated to the school aid
 24 stabilization fund.

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

26 (3) Money available in the school aid stabilization fund may
 27 not be expended without a specific appropriation from the school
 28 aid stabilization fund. Money in the school aid stabilization fund
 29 must be expended only for purposes for which state school aid fund



1 money may be expended.

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

6 (5) Money in the school aid stabilization fund at the close of
7 a fiscal year remains in the school aid stabilization fund and does
8 not lapse to the unreserved school aid fund balance or the general
9 fund.

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

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

27 Sec. 11j. From the state school aid fund money appropriated in
28 section 11, there is allocated an amount not to exceed
29 ~~\$111,000,000.00~~ **\$23,000,000.00** for ~~2023-2024~~ **2024-2025** for payments



1 to the school loan bond redemption fund in the department of
 2 treasury on behalf of districts and intermediate districts.
 3 Notwithstanding section 296 or any other provision of this act,
 4 funds allocated under this section are not subject to proration and
 5 must be paid in full.

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

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

20 Sec. 11s. (1) From the state school aid fund money
 21 appropriated in section 11, there is allocated \$5,000,000.00 for
 22 ~~2022-2023~~ and ~~2023-2024~~ **2024-2025** and from the general fund money
 23 appropriated in section 11, there is allocated \$3,075,000.00 for
 24 ~~2022-2023~~ and ~~2023-2024~~ **2024-2025** for the purpose of providing
 25 services and programs to children who reside within the boundaries
 26 of a district with the majority of its territory located within the
 27 boundaries of a city for which an executive proclamation of
 28 emergency concerning drinking water is issued in the current or
 29 immediately preceding ~~8-9~~ fiscal years under the emergency



1 management act, 1976 PA 390, MCL 30.401 to 30.421, and that has at
2 least 4,500 pupils in membership for the 2016-2017 fiscal year or
3 has at least 2,800 pupils in membership for a fiscal year after
4 2016-2017.

5 (2) From the general fund money allocated in subsection (1),
6 there is allocated to a district with the majority of its territory
7 located within the boundaries of a city for which an executive
8 proclamation of emergency concerning drinking water is issued in
9 the current or immediately preceding ~~8-9~~ fiscal years under the
10 emergency management act, 1976 PA 390, MCL 30.401 to 30.421, and
11 that has at least 4,500 pupils in membership for the 2016-2017
12 fiscal year or has at least 2,800 pupils in membership for a fiscal
13 year after 2016-2017, an amount not to exceed \$2,425,000.00 for
14 ~~2022-2023 and 2023-2024~~ **2024-2025** for the purpose of employing
15 school nurses, classroom aides, school social workers, and
16 community health workers; for the provision of behavioral or mental
17 health supports, parental engagement activities, community
18 coordination activities, and other support services; and for
19 purchasing program supplies. The district shall provide a report to
20 the department in a form, manner, and frequency prescribed by the
21 department. The department shall provide a copy of that report to
22 the governor, the house and senate school aid subcommittees, the
23 house and senate fiscal agencies, and the state budget director
24 within 5 days after receipt. The report must provide at least the
25 following information:

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

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



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

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

6 ~~(3) For 2022-2023, from the state school aid fund money~~
7 ~~allocated in subsection (1), there is allocated an amount not to~~
8 ~~exceed \$2,000,000.00 to an intermediate district that has a~~
9 ~~constituent district described in subsection (2) to provide state~~
10 ~~early intervention services for children described in subsection~~
11 ~~(1) who are between age 3 and age 5. The intermediate district~~
12 ~~shall use these funds to provide state early intervention services~~
13 ~~that are similar to the services described in the early on Michigan~~
14 ~~state plan.~~

15 ~~(4) From the state school aid fund money allocated in~~
16 ~~subsection (1), there is allocated an amount not to exceed~~
17 ~~\$1,000,000.00 for 2022-2023 to the intermediate district described~~
18 ~~in subsection (3) to enroll children described in subsection (1) in~~
19 ~~school-day great start readiness programs, regardless of household~~
20 ~~income eligibility requirements contained in section 32d. The~~
21 ~~department shall administer this funding consistent with all other~~
22 ~~provisions that apply to great start readiness programs under~~
23 ~~sections 32d and 39.~~

24 **(3)** ~~(5) For 2022-2023 and 2023-2024,~~ **2024-2025**, from the
25 general fund money allocated in subsection (1), there is allocated
26 an amount not to exceed \$650,000.00 for nutritional services to
27 children described in subsection (1).

28 **(4)** ~~(6) For 2022-2023,~~ **2024-2025**, from the state school aid
29 fund money allocated in subsection (1), ~~there is allocated an~~



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

12 ~~(7) In addition to the allocation under subsection (1), from~~
13 ~~the general fund money appropriated under section 11, there is~~
14 ~~allocated an amount not to exceed \$1,000,000.00 for 2022-2023 and~~
15 ~~2023-2024 only for an early childhood collaborative that serves~~
16 ~~students located in a county with a population of not less than~~
17 ~~390,000 or more than 450,000. The funds allocated under this~~
18 ~~subsection must be used to continue the expansion of early~~
19 ~~childhood services in response to an executive proclamation of~~
20 ~~emergency described in this section concerning drinking water.~~

21 ~~(8) In addition to other funding allocated and appropriated in~~
22 ~~this section, there is appropriated an amount not to exceed~~
23 ~~\$5,000,000.00 for 2022-2023 for state restricted contingency funds.~~
24 ~~These contingency funds are not available for expenditure until~~
25 ~~they have been transferred to a section within this article under~~
26 ~~section 393(2) of the management and budget act, 1984 PA 431, MCL~~
27 ~~18.1393.~~

28 **(5)** ~~(9)~~ Notwithstanding section 17b, the department shall make
29 payments under this section on a schedule determined by the



1 department.

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

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

14 (3) Money in the school consolidation and infrastructure fund
15 at the close of the fiscal year remains in the school consolidation
16 and infrastructure fund and does not lapse to the state school aid
17 fund or the general fund.

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

20 (5) Money available in the school consolidation and
21 infrastructure fund must not be expended without a specific
22 appropriation.

23 ~~(6) From the state school aid fund money appropriated under~~
24 ~~section 11, there is allocated for 2022-2023 only an amount not to~~
25 ~~exceed \$5,000,000.00 for grants to districts and intermediate~~
26 ~~districts to support the cost of a feasibility study or analysis of~~
27 ~~consolidation or the consolidation of services among 1 or more~~
28 ~~buildings within a district, among 1 or more districts, or among 1~~
29 ~~or more intermediate districts. Districts and intermediate~~



1 ~~districts may apply for a grant under this subsection to the~~
 2 ~~department on a first-come, first-serve basis. The maximum amount~~
 3 ~~of a grant to be distributed under this subsection may not exceed~~
 4 ~~\$250,000.00. Notwithstanding section 17b, the department shall make~~
 5 ~~payments under this subsection on a schedule determined by the~~
 6 ~~department.~~

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

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

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

21 ~~(i) Financial services, which may include, but is not limited~~
 22 ~~to, the following:~~

23 ~~(A) Budgeting and staffing.~~

24 ~~(B) Payroll.~~

25 ~~(C) Employee benefits.~~

26 ~~(D) State reporting.~~

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

29 ~~(ii) Human resources, which may include, but is not limited to,~~



1 ~~the following:~~

2 ~~(A) Onboarding.~~

3 ~~(B) Title IX administration.~~

4 ~~(C) Hiring.~~

5 ~~(D) Software consolidation to achieve common software~~

6 ~~throughout the intermediate district.~~

7 ~~(iii) Information technology, which may include, but is not~~

8 ~~limited to, the following:~~

9 ~~(A) Software consolidation to achieve common software~~

10 ~~throughout the intermediate district.~~

11 ~~(B) Fiber projects.~~

12 ~~(C) Cybersecurity.~~

13 ~~(D) One-to-one device management.~~

14 ~~(iv) Grant management and reporting, which may include, but is~~

15 ~~not limited to, the following:~~

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

17 ~~(B) Grant reporting.~~

18 ~~(v) Cash management, which may include, but is not limited to,~~

19 ~~the opportunities for intermediate districts and districts to~~

20 ~~contract on cash flow management to maximize interest earnings.~~

21 ~~(vi) Debt issuance and management, including at least all of~~

22 ~~the following:~~

23 ~~(A) Refunding opportunities.~~

24 ~~(B) New bond issue analysis.~~

25 ~~(vii) School facility consolidation.~~

26 ~~(viii) Consolidation of transportation-related activities.~~

27 ~~(ix) The physical consolidation of districts.~~

28 ~~(8) An intermediate district that receives a grant under this~~

29 ~~section shall meet with its constituent districts located within~~



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

5 (6) ~~(9)~~—To be eligible for the receipt of funding for
 6 infrastructure-related projects appropriated from the school
 7 consolidation and infrastructure fund created under this section, a
 8 district must allow for the facility condition assessments
 9 described in **the former** section 11y to be conducted in the
 10 district. It is the intent of the legislature that money in the
 11 school consolidation and infrastructure fund will not be
 12 appropriated for infrastructure projects until the completion of
 13 the facility condition assessments described in **the former** section
 14 11y.

15 Sec. 15. (1) If a district or intermediate district fails to
 16 receive its proper apportionment, the department, upon satisfactory
 17 proof that the district or intermediate district was entitled
 18 justly, shall apportion the deficiency in the next apportionment.
 19 Subject to subsections (2) and (3), if a district or intermediate
 20 district has received more than its proper apportionment, the
 21 department, upon satisfactory proof, shall deduct the excess in the
 22 next apportionment. Notwithstanding any other provision in this
 23 article, state aid overpayments to a district, other than
 24 overpayments in payments for special education or special education
 25 transportation, may be recovered from any payment made under this
 26 article other than a special education or special education
 27 transportation payment, from the proceeds of a loan to the district
 28 under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to
 29 141.942, or from the proceeds of millage levied or pledged under



1 section 1211 of the revised school code, MCL 380.1211. State aid
2 overpayments made in special education or special education
3 transportation payments may be recovered from subsequent special
4 education or special education transportation payments, from the
5 proceeds of a loan to the district under the emergency municipal
6 loan act, 1980 PA 243, MCL 141.931 to 141.942, or from the proceeds
7 of millage levied or pledged under section 1211 of the revised
8 school code, MCL 380.1211.

9 (2) If the result of an audit conducted by or for the
10 department affects the current fiscal year membership, the
11 department shall adjust affected payments in the current fiscal
12 year. A deduction due to an adjustment made as a result of an audit
13 conducted by or for the department, or as a result of information
14 obtained by the department from the district, an intermediate
15 district, the department of treasury, or the office of auditor
16 general, must be deducted from the district's apportionments when
17 the adjustment is finalized. At the request of the district and
18 upon the district presenting evidence satisfactory to the
19 department of the hardship, the department may grant up to an
20 additional 4 years for the adjustment and may advance payments to
21 the district otherwise authorized under this article if the
22 district would otherwise experience a significant hardship in
23 satisfying its financial obligations. However, a district that
24 presented satisfactory evidence of hardship and was undergoing an
25 extended adjustment during 2018-2019 may continue to use the period
26 of extended adjustment as originally granted by the department.

27 (3) If, based on an audit by the department or the
28 department's designee or because of new or updated information
29 received by the department, the department determines that the



1 amount paid to a district or intermediate district under this
 2 article for the current fiscal year or a prior fiscal year was
 3 incorrect, the department shall make the appropriate deduction or
 4 payment in the district's or intermediate district's allocation in
 5 the next apportionment after the adjustment is finalized. The
 6 department shall calculate the deduction or payment according to
 7 the law in effect in the fiscal year in which the incorrect amount
 8 was paid. If the district does not receive an allocation for the
 9 fiscal year or if the allocation is ~~not sufficient~~ **insufficient** to
 10 pay the amount of any deduction, the amount of any deduction
 11 otherwise applicable must be satisfied from the proceeds of a loan
 12 to the district under the emergency municipal loan act, 1980 PA
 13 243, MCL 141.931 to 141.942, or from the proceeds of millage levied
 14 or pledged under section 1211 of the revised school code, MCL
 15 380.1211, as determined by the department.

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

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

28 (6) Expenditures made by the department under this article
 29 that are caused by the write-off of prior year accruals may be



1 funded by revenue from the write-off of prior year accruals.

2 (7) In addition to funds appropriated in section 11 for all
3 programs and services, there is appropriated for ~~2023-2024-2024-~~
4 **2025** for obligations in excess of applicable appropriations an
5 amount equal to the collection of overpayments, but not to exceed
6 amounts available from overpayments.

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

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

10 ~~(b) For 2023-2024, 2024-2025, the target foundation allowance~~
11 ~~is \$9,608.00.~~ **\$9,825.00.**

12 (2) The department shall calculate the amount of each
13 district's foundation allowance as provided in this section, using
14 a target foundation allowance in the amount specified in subsection
15 (1).

16 (3) Except as otherwise provided in this section, the
17 department shall calculate the amount of a district's foundation
18 allowance as follows, using in all calculations the total amount of
19 the district's foundation allowance as calculated before any
20 proration:

21 (a) For a district that had a foundation allowance for the
22 immediately preceding fiscal year that was equal to the target
23 foundation allowance for the immediately preceding fiscal year, the
24 district receives a foundation allowance in an amount equal to the
25 target foundation allowance described in subsection (1) for the
26 current fiscal year.

27 (b) For a district that had a foundation allowance for the
28 immediately preceding fiscal year that was greater than the target
29 foundation allowance for the immediately preceding fiscal year, the



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

13 (c) For a district that had a foundation allowance in the
14 immediately preceding fiscal year that was less than the target
15 foundation allowance in effect for that fiscal year, the district's
16 foundation allowance is an amount equal to the lesser of (the sum
17 of district's foundation allowance for the immediately preceding
18 fiscal year plus any per pupil amount calculated under section
19 20m(2) in the immediately preceding fiscal year plus the increase
20 in the target foundation allowance for the current fiscal year, as
21 compared to the immediately preceding fiscal year) or (the product
22 of the district's foundation allowance for the immediately
23 preceding fiscal year times the percentage increase in the United
24 States Consumer Price Index in the calendar year ending in the
25 immediately preceding fiscal year as reported by the May revenue
26 estimating conference conducted under section 367b of the
27 management and budget act, 1984 PA 431, MCL 18.1367b).

28 (d) For a district that has a foundation allowance that is not
29 a whole dollar amount, the department shall round the district's



1 foundation allowance up to the nearest whole dollar.

2 (4) Except as otherwise provided in this subsection, the state
3 portion of a district's foundation allowance is an amount equal to
4 the district's foundation allowance or the target foundation
5 allowance for the current fiscal year, whichever is less, minus the
6 local portion of the district's foundation allowance. Except as
7 otherwise provided in this subsection, for a district described in
8 subsection (3) (b) and (c), the state portion of the district's
9 foundation allowance is an amount equal to the target foundation
10 allowance minus the district's foundation allowance supplemental
11 payment per pupil calculated under section 20m and minus the local
12 portion of the district's foundation allowance. For a district that
13 has a millage reduction required under section 31 of article IX of
14 the state constitution of 1963, the department shall calculate the
15 state portion of the district's foundation allowance as if that
16 reduction did not occur. For a receiving district, if school
17 operating taxes continue to be levied on behalf of a dissolved
18 district that has been attached in whole or in part to the
19 receiving district to satisfy debt obligations of the dissolved
20 district under section 12 of the revised school code, MCL 380.12,
21 the taxable value per membership pupil of property in the receiving
22 district used for the purposes of this subsection does not include
23 the taxable value of property within the geographic area of the
24 dissolved district. For a community district, if school operating
25 taxes continue to be levied by a qualifying school district under
26 section 12b of the revised school code, MCL 380.12b, with the same
27 geographic area as the community district, the taxable value per
28 membership pupil of property in the community district to be used
29 for the purposes of this subsection does not include the taxable



1 value of property within the geographic area of the community
2 district.

3 (5) The allocation calculated under this section for a pupil
4 is based on the foundation allowance of the pupil's district of
5 residence. For a pupil enrolled under section 105 or 105c in a
6 district other than the pupil's district of residence, the
7 allocation calculated under this section is based on the lesser of
8 the foundation allowance of the pupil's district of residence or
9 the foundation allowance of the educating district. For a pupil in
10 membership in a K-5, K-6, or K-8 district who is enrolled in
11 another district in a grade not offered by the pupil's district of
12 residence, the allocation calculated under this section is based on
13 the foundation allowance of the educating district if the educating
14 district's foundation allowance is greater than the foundation
15 allowance of the pupil's district of residence. The calculation
16 under this subsection must take into account a district's per-pupil
17 allocation under section 20m.

18 (6) Except as otherwise provided in this subsection, for
19 pupils in membership, other than special education pupils, in a
20 public school academy, the allocation calculated under this section
21 is an amount per membership pupil other than special education
22 pupils in the public school academy equal to the target foundation
23 allowance specified in subsection (1), or, for a public school
24 academy that was issued a contract under section 552 of the revised
25 school code, MCL 380.552, to operate as a school of excellence that
26 is a cyber school, \$9,150.00. Notwithstanding section 101, for a
27 public school academy that begins operations after the pupil
28 membership count day, the amount per membership pupil calculated
29 under this subsection must be adjusted by multiplying that amount



1 per membership pupil by the number of hours of pupil instruction
 2 provided by the public school academy after it begins operations,
 3 as determined by the department, divided by the minimum number of
 4 hours of pupil instruction required under section 101(3). The
 5 result of this calculation must not exceed the amount per
 6 membership pupil otherwise calculated under this subsection.

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

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

29 (9) The department shall round each fraction used in making



1 calculations under this section to the fourth decimal place and
 2 shall round the dollar amount of an increase in the target
 3 foundation allowance to the nearest whole dollar.

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

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

9 ~~(b) Seventy five percent is calculated under section 51e.~~

10 **(10)** ~~(11) For 2023-2024, state~~ **State** payments related to
 11 payment of the foundation allowance for a special education pupil
 12 are not calculated under this section but are instead calculated
 13 under section 51e.

14 **(11)** ~~(12)~~ To assist the legislature in determining the target
 15 foundation allowance for the subsequent fiscal year, each revenue
 16 estimating conference conducted under section 367b of the
 17 management and budget act, 1984 PA 431, MCL 18.1367b, must
 18 calculate a pupil membership factor, a revenue adjustment factor,
 19 and an index as follows:

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



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

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

26 (12) ~~(13)~~ Payments to districts and public school academies
27 are not made under this section. Rather, the calculations under
28 this section are used to determine the amount of state payments
29 under section 22b.



1 (13) ~~(14)~~—If an amendment to section 2 of article VIII of the
2 state constitution of 1963 allowing state aid to some or all
3 nonpublic schools is approved by the voters of this state, each
4 foundation allowance or per-pupil payment calculation under this
5 section may be reduced.

6 (14) ~~(15)~~—As used in this section:

7 (a) "Certified mills" means the lesser of 18 mills or the
8 number of mills of school operating taxes levied by the district in
9 1993-94.

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

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

16 (d) "Immediately preceding fiscal year" means the fiscal year
17 immediately preceding the current fiscal year.

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

29 (f) "Membership" means the definition of that term under



1 section 6 as in effect for the particular fiscal year for which a
2 particular calculation is made.

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

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

13 (i) "Receiving district" means a district to which all or part
14 of the territory of a dissolved district is attached under section
15 12 of the revised school code, MCL 380.12.

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

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

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

27 (m) "Taxable value per membership pupil" means taxable value,
28 as certified by the county treasurer and reported to the
29 department, for the calendar year ending in the current state



1 fiscal year divided by the district's membership excluding special
2 education pupils for the school year ending in the current state
3 fiscal year.

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

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

24 (b) If a district had an adjustment made to its 1993-94 total
25 state school aid that excluded payments made under former section
26 146 and under section 147 on behalf of the district's employees who
27 provided direct services for intermediate district center programs
28 operated by the district under former section 51 and sections 51a
29 to 56, if nonresident pupils attending the center programs were



1 included in the district's membership for purposes of calculating
2 the combined state and local revenue per membership pupil for 1993-
3 94, and if there is a signed agreement by all constituent districts
4 of the intermediate district agreeing to an adjustment under this
5 subdivision, the department shall calculate the foundation
6 allowances for 1995-96 and 1996-97 of all districts that had pupils
7 attending the intermediate district center program operated by the
8 district that had the adjustment as if their combined state and
9 local revenue per membership pupil for 1993-94 included resident
10 pupils attending the center program and excluded nonresident pupils
11 attending the center program.

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



1 improve student achievement. Assignment of a district to a
2 partnership is made by the superintendent in consultation with the
3 state treasurer.

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

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

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

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

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

28 (b) Develop an academic and financial operating or
29 intervention plan that has been approved by the superintendent and



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

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

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

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

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

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



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

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

16 (5) From the funds allocated under subsection (1), there is
17 allocated for ~~2023-2024~~ **2024-2025** an amount not to exceed
18 \$137,400.00 for the purchase of a data analytics tool to be used by
19 districts described in subsection (1). The superintendent of public
20 instruction shall require districts described in subsection (1) to
21 purchase a data analytics tool funded under this subsection as part
22 of the agreements described in this section.

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



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

14 Sec. 22a. (1) From the state school aid fund money
 15 appropriated in section 11, there is allocated an amount not to
 16 exceed ~~\$4,327,000,000.00~~ **\$4,149,000,000.00** for ~~2022-2023~~ **2023-2024**
 17 and there is allocated an amount not to exceed ~~\$4,206,000,000.00~~
 18 **\$4,008,000,000.00** for ~~2023-2024~~ **2024-2025** for payments to districts
 19 and qualifying public school academies to guarantee each district
 20 and qualifying public school academy an amount equal to its 1994-95
 21 total state and local per-pupil revenue for school operating
 22 purposes under section 11 of article IX of the state constitution
 23 of 1963. Pursuant to section 11 of article IX of the state
 24 constitution of 1963, this guarantee does not apply to a district
 25 in a year in which the district levies a millage rate for school
 26 district operating purposes less than it levied in 1994. However,
 27 subsection (2) applies to calculating the payments under this
 28 section. Funds allocated under this section that are not expended
 29 in the fiscal year for which they were allocated, as determined by



1 the department, may be used to supplement the allocations under
2 sections 22b and 51c to fully fund those allocations for the same
3 fiscal year.

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

9 (a) Except as otherwise provided in this subsection, the state
10 portion of a district's 1994-95 foundation allowance is an amount
11 equal to the district's 1994-95 foundation allowance or \$6,500.00,
12 whichever is less, minus the difference between the sum of the
13 product of the taxable value per membership pupil of all property
14 in the district that is nonexempt property times the district's
15 certified mills and, for a district with certified mills exceeding
16 12, the product of the taxable value per membership pupil of
17 property in the district that is commercial personal property times
18 the certified mills minus 12 mills and the quotient of the ad
19 valorem property tax revenue of the district captured under tax
20 increment financing acts divided by the district's membership. For
21 a district that has a millage reduction required under section 31
22 of article IX of the state constitution of 1963, the department
23 shall calculate the state portion of the district's foundation
24 allowance as if that reduction did not occur. 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 taxable value per membership pupil of all property in the receiving



1 district that is nonexempt property and taxable value per
2 membership pupil of property in the receiving district that is
3 commercial personal property do not include property within the
4 geographic area of the dissolved district; ad valorem property tax
5 revenue of the receiving district captured under tax increment
6 financing acts does not include ad valorem property tax revenue
7 captured within the geographic boundaries of the dissolved district
8 under tax increment financing acts; and certified mills do not
9 include the certified mills of the dissolved district. For a
10 community district, the department shall reduce the allocation as
11 otherwise calculated under this section by an amount equal to the
12 amount of local school operating tax revenue that would otherwise
13 be due to the community district if not for the operation of
14 section 386 of the revised school code, MCL 380.386, and the amount
15 of this reduction is offset by the increase in funding under
16 section 22b(2).

17 (b) For a district that had a 1994-95 foundation allowance
18 greater than \$6,500.00, the state payment under this subsection is
19 the sum of the amount calculated under subdivision (a) plus the
20 amount calculated under this subdivision. The amount calculated
21 under this subdivision must be equal to the difference between the
22 district's 1994-95 foundation allowance minus \$6,500.00 and the
23 current year hold harmless school operating taxes per pupil. If the
24 result of the calculation under subdivision (a) is negative, the
25 negative amount is an offset against any state payment calculated
26 under this subdivision. If the result of a calculation under this
27 subdivision is negative, there is not a state payment or a
28 deduction under this subdivision. The taxable values per membership
29 pupil used in the calculations under this subdivision are as



1 adjusted by ad valorem property tax revenue captured under tax
2 increment financing acts divided by the district's membership. For
3 a receiving district, if school operating taxes are to be levied on
4 behalf of a dissolved district that has been attached in whole or
5 in part to the receiving district to satisfy debt obligations of
6 the dissolved district under section 12 of the revised school code,
7 MCL 380.12, ad valorem property tax revenue captured under tax
8 increment financing acts do not include ad valorem property tax
9 revenue captured within the geographic boundaries of the dissolved
10 district under tax increment financing acts.

11 (3) For pupils in membership in a qualifying public school
12 academy, there is allocated under this section to the authorizing
13 body that is the fiscal agent for the qualifying public school
14 academy for forwarding to the qualifying public school academy an
15 amount equal to the 1994-95 per-pupil payment to the qualifying
16 public school academy under section 20.

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

21 (5) Except as otherwise provided in this subsection, for a
22 district that is formed or reconfigured after June 1, 2000 by
23 consolidation of 2 or more districts or by annexation, the
24 resulting district's 1994-95 foundation allowance under this
25 section beginning after the effective date of the consolidation or
26 annexation is the average of the 1994-95 foundation allowances of
27 each of the original or affected districts, calculated as provided
28 in this section, weighted as to the percentage of pupils in total
29 membership in the resulting district in the fiscal year in which



1 the consolidation takes place who reside in the geographic area of
2 each of the original districts. If an affected district's 1994-95
3 foundation allowance is less than the 1994-95 basic foundation
4 allowance, the amount of that district's 1994-95 foundation
5 allowance is considered for the purpose of calculations under this
6 subsection to be equal to the amount of the 1994-95 basic
7 foundation allowance. This subsection does not apply to a receiving
8 district unless there is a subsequent consolidation or annexation
9 that affects the district.

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

11 (7) As used in this section:

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

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

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

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



1 value of property within the geographic area of the dissolved
2 district.

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

7 (f) "Hold harmless millage" means, for a district with a 1994-
8 95 foundation allowance greater than \$6,500.00, the number of mills
9 by which the exemption from the levy of school operating taxes on a
10 principal residence, qualified agricultural property, qualified
11 forest property, supportive housing property, industrial personal
12 property, commercial personal property, and property occupied by a
13 public school academy could be reduced as provided in section 1211
14 of the revised school code, MCL 380.1211, and the number of mills
15 of school operating taxes that could be levied on all property as
16 provided in section 1211(2) of the revised school code, MCL
17 380.1211, as certified by the department of treasury for the 1994
18 tax year. 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, school operating taxes do not
23 include school operating taxes levied within the geographic area of
24 the dissolved district.

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

28 (h) "Nonexempt property" means property that is not a
29 principal residence, qualified agricultural property, qualified



1 forest property, supportive housing property, industrial personal
2 property, commercial personal property, or property occupied by a
3 public school academy.

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

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

12 (k) "Receiving district" means a district to which all or part
13 of the territory of a dissolved district is attached under section
14 12 of the revised school code, MCL 380.12.

15 (l) "School operating taxes" means local ad valorem property
16 taxes levied under section 1211 of the revised school code, MCL
17 380.1211, and retained for school operating purposes as defined in
18 section 20.

19 (m) "Tax increment financing acts" means parts 2, 3, 4, and 6
20 of the recodified tax increment financing act, 2018 PA 57, MCL
21 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield
22 redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

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

25 (i) For the number of mills by which the exemption from the
26 levy of school operating taxes on a principal residence, qualified
27 agricultural property, qualified forest property, supportive
28 housing property, industrial personal property, commercial personal
29 property, and property occupied by a public school academy may be



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

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

24 Sec. 22b. (1) Except as otherwise provided in this section,
 25 for discretionary nonmandated payments to districts under this
 26 section, there is allocated for ~~2022-2023~~**2023-2024** an amount not
 27 to exceed ~~\$5,663,000,000.00~~**\$6,221,000,000.00** from the state school
 28 aid fund and general fund appropriations in section 11 and an
 29 amount not to exceed \$72,000,000.00 from the community district



1 education trust fund appropriation in section 11, and there is
 2 allocated for ~~2023-2024-2024-2025~~ an amount not to exceed
 3 ~~\$6,236,200,000.00~~ **\$6,500,000,000.00** from the state school aid fund
 4 and general fund appropriations in section 11 and an amount not to
 5 exceed ~~\$72,000,000.00~~ **\$41,000,000.00** from the community district
 6 education trust fund appropriation in section 11. For ~~2022-2023,~~
 7 ~~\$22,400,000.00~~ **2023-2024, \$32,800,000.00** must be deposited from the
 8 general fund into the state school aid fund to reimburse the state
 9 school aid fund for community district education trust fund costs
 10 in excess of \$72,000,000.00, as required under section 12 of the
 11 Michigan trust fund act, 2000 PA 489, MCL 12.262. For ~~2023-2024,~~
 12 ~~\$28,200,000.00~~ **2024-2025, the amount necessary, estimated at**
 13 **\$68,800,000.00** must be deposited from the general fund into the
 14 state school aid fund to reimburse the state school aid fund for
 15 community district education trust fund costs in excess of
 16 ~~\$72,000,000.00,~~ **\$41,000,000.00**, as required under section 12 of the
 17 Michigan trust fund act, 2000 PA 489, MCL 12.262. If the amount
 18 allocated under this subsection from the community district
 19 education trust fund appropriation under section 11 is insufficient
 20 to pay for an increase under this section, any amount exceeding
 21 that allocation may be paid from other allocations under this
 22 subsection. Except for money allocated under this section from the
 23 community district education trust fund appropriation in section
 24 11, funds allocated under this section that are not expended in the
 25 fiscal year for which they were allocated, as determined by the
 26 department, may be used to supplement the allocations under
 27 sections 22a and 51c to fully fund those allocations for the same
 28 fiscal year.

29 (2) Subject to subsection (3) and section 296, the allocation



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

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

16 (a) Comply with section 1280b of the revised school code, MCL
17 380.1280b.

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

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

23 (d) Comply with section 1230g of the revised school code, MCL
24 380.1230g.

25 (e) Comply with section 21f.

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

28 (4) Districts are encouraged to use funds allocated under this
29 section for the purchase and support of payroll, human resources,



1 and other business function software that is compatible with that
2 of the intermediate district in which the district is located and
3 with other districts located within that intermediate district.

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

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

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



1 be awarded to districts as a result of litigation. The work project
2 is completed upon resolution of the litigation.

3 (8) If the local claims review board or a court of competent
4 jurisdiction makes a final determination that this state is in
5 violation of section 29 of article IX of the state constitution of
6 1963 regarding state payments to districts, the state budget
7 director shall use work project funds under subsection (7) or
8 allocate from the discretionary funds for nonmandated payments
9 under this section the amount as may be necessary to satisfy the
10 amount owed to districts before making any payments to districts
11 under subsection (2).

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

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

27 (11) If a lawsuit challenging payments made to districts
28 related to costs reimbursed by federal title XIX Medicaid funds is
29 filed against this state, then, for the purpose of addressing



1 potential liability under such a lawsuit, the state budget director
 2 may place funds allocated under this section in escrow or allocate
 3 money from the funds otherwise allocated under this section, up to
 4 a maximum of 50% of the amount allocated in subsection (1). If
 5 funds are placed in escrow under this subsection, those funds are a
 6 work project appropriation and the funds are carried forward into
 7 the following fiscal year. The purpose of the work project is to
 8 provide for any payments that may be awarded to districts as a
 9 result of the litigation. The work project is completed upon
 10 resolution of the litigation. In addition, this state reserves the
 11 right to terminate future federal title XIX Medicaid reimbursement
 12 payments to districts if the amount or allocation of reimbursed
 13 funds is challenged in the lawsuit. As used in this subsection,
 14 "title XIX" means title XIX of the social security act, 42 USC 1396
 15 to 1396w-6.

16 ~~(12) For 2022-2023 only, from the allocation in subsection (1)~~
 17 ~~the department may use the amount necessary, estimated at~~
 18 ~~\$1,000,000.00, for payments to districts for state compliance with~~
 19 ~~federal maintenance of equity requirements described in the~~
 20 ~~American rescue plan act of 2021, Public Law 117-2. Notwithstanding~~
 21 ~~section 17b, the department shall make calculations and payments~~
 22 ~~under this subsection in a form and manner determined by the~~
 23 ~~department.~~

24 **(12)** ~~(13)~~ As used in this section:

25 (a) "Dissolved district" means that term as defined in section
 26 20.

27 (b) "Local school operating revenue" means school operating
 28 taxes levied under section 1211 of the revised school code, MCL
 29 380.1211. For a receiving district, if school operating taxes are



1 to be levied on behalf of a dissolved district that has been
 2 attached in whole or in part to the receiving district to satisfy
 3 debt obligations of the dissolved district under section 12 of the
 4 revised school code, MCL 380.12, local school operating revenue
 5 does not include school operating taxes levied within the
 6 geographic area of the dissolved district.

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

9 Sec. 22d. (1) From the state school aid fund money
 10 appropriated under section 11, ~~an amount not to exceed~~
 11 ~~\$8,858,000.00 is allocated for 2022-2023~~ and an amount not to
 12 exceed ~~\$11,601,000.00~~ **\$12,455,400.00** is allocated for ~~2023-2024~~
 13 **2024-2025** for supplemental payments to rural districts under this
 14 section.

15 (2) From the allocation under subsection (1), there is
 16 allocated for ~~2022-2023 an amount not to exceed \$1,638,300.00~~ and
 17 ~~there is allocated for 2023-2024~~ **2024-2025** an amount not to exceed
 18 ~~\$3,520,200.00~~ **\$3,779,500.00** for payments under this subsection to
 19 eligible districts. A district that meets all of the following is
 20 an eligible district under this subsection:

21 (a) Operates grades K to 12.

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

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

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

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

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



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

16 (4) Subject to subsection (7), from the allocation in
 17 subsection (1), there is allocated for ~~2022-2023 an amount not to~~
 18 ~~exceed \$7,219,700.00 and there is allocated for 2023-2024~~ **2024-2025**
 19 an amount not to exceed ~~\$7,580,800.00~~ **\$8,139,000.00** for payments
 20 under this subsection to districts that have fewer than 10.0 pupils
 21 per square mile, as determined by the department, or that have
 22 greater than 250 square miles.

23 (5) The funds allocated under subsection (4) are allocated as
 24 follows:

25 (a) ~~For 2022-2023, an amount equal to \$5,470,400.00 and for~~
 26 ~~2023-2024, an~~ **An** amount equal to ~~\$5,743,900.00~~ **\$6,166,900.00** is
 27 allocated to districts with fewer than 8.0 pupils per square mile,
 28 as determined by the department, on an equal per-pupil basis.

29 (b) The balance of the funding under subsection (4) is



1 allocated as follows:

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

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

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

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

24 (6) Subject to subsection (7), from the allocation under
25 subsection (1), there is allocated for ~~2023-2024~~ **2024-2025** an
26 amount not to exceed ~~\$500,000.00~~ **\$536,900.00** for payments under
27 this subsection to districts where each school building operated by
28 the district is located on an island that is accessible by bridge.

29 (7) A district receiving funds allocated under subsection (2)



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

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

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

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

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

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

20 (6) For the fiscal year ending September 30, ~~2023-2025~~ only,
 21 ~~\$350,000,000.00~~ **\$150,000,000.00** from the state school aid fund must
 22 be deposited into the school transportation fund.

23 Sec. 22l. (1) From the school transportation fund money
 24 appropriated under section 11, there is allocated for ~~2023-2024~~
 25 **2024-2025** only an amount not to exceed \$125,000,000.00 to districts
 26 and intermediate districts for transportation costs. Funding for
 27 each district or intermediate district is as follows:

28 (a) The department must assign each district and intermediate
 29 district to a ~~quartile~~ **an octile** based on the number of riders per



1 square mile and calculate the median cost per rider for each
 2 ~~quartile~~.**octile.**

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

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

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

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

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

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



1 department.

2 Sec. 22m. (1) From the state school aid fund money
3 appropriated in section 11, there is allocated for ~~2023-2024-2024-~~
4 **2025** an amount not to exceed \$3,500,000.00 for supporting the
5 integration of local data systems into the Michigan data hub
6 network based on common standards and applications that are in
7 compliance with section 19(6).

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

14 (3) The center shall work with an advisory committee composed
15 of representatives from intermediate districts within each of the
16 data hub regions to coordinate the activities of the Michigan data
17 hub network.

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

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

26 (6) To receive funding under this section, a regional data hub
27 must have a governance model that ensures local control of data,
28 data security, and student privacy issues. The integration of data
29 within each of the regional data hubs must provide for the



1 actionable use of data by districts and intermediate districts
2 through common reports and dashboards and for efficiently providing
3 information to meet state and federal reporting purposes.

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

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

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

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

16 (c) Promoting the use of a more common set of applications by
17 promoting systems that integrate with the Michigan data hub
18 network.

19 (d) Promoting 100% district adoption of the Michigan data hub
20 network.

21 (e) Ensuring local control of data, data security, and student
22 data privacy.

23 (f) Utilizing the infrastructure to promote the actionable use
24 of data through common reports and dashboards that are consistent
25 statewide.

26 (g) Creating a governance model to facilitate sustainable
27 operations of the infrastructure in the future, including
28 administration, legal agreements, documentation, staffing, hosting,
29 and funding.



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

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

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

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

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

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

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



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

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

6 (iv) Outcomes that measure attendance rates.

7 (b) Accountability measures to be imposed if the district or
 8 public school academy does not achieve the measurable academic
 9 outcomes described in subdivision (a) for each school operated by
 10 the district or public school academy that is subject to the
 11 partnership agreement. For a district assigned as a partnership
 12 district as described in this subsection, accountability measures
 13 under this subdivision must include the reconstitution of the
 14 school. For a public school academy assigned as a partnership
 15 district as described in this subsection, accountability measures
 16 under this subdivision may include the reconstitution of the
 17 school.

18 (c) For a public school academy assigned as a partnership
 19 district as described in this subsection, a requirement that, if
 20 reconstitution is imposed on a school that is operated by the
 21 public school academy and that is subject to the partnership
 22 agreement, the school must be reconstituted as described in section
 23 507, 528, or 561, as applicable, of the revised school code, MCL
 24 380.507, 380.528, and 380.561.

25 (d) For a district assigned as a partnership district as
 26 described in this subsection, a provision that, if reconstitution
 27 is imposed on a school that is operated by the district and that is
 28 subject to the partnership agreement, reconstitution may require
 29 closure of the school building, but, if the school building remains



1 open, reconstitution must include, but is not limited to, all of
2 the following:

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

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

9 (iii) The reconstitution plan for the school must require the
10 adoption of goals similar to the goals included in the partnership
11 agreement, with a limit of 3 years to achieve the goals. If the
12 goals are not achieved within 3 years, the superintendent of public
13 instruction shall impose a second reconstitution plan.

14 (2) If a district or public school academy is assigned as a
15 partnership district as described in subsection (1) during the
16 current fiscal year, it shall ensure that it has a signed
17 partnership agreement as described in subsection (1) in place by
18 not later than 90 days after the date that it is assigned as a
19 partnership district. If a district or public school academy
20 described in this subsection does not comply with this subsection,
21 the department shall withhold funding under section 22b for that
22 district or public school academy until the district or public
23 school academy has a signed partnership agreement as described in
24 subsection (1) in place.

25 Sec. 23g. (1) From the state school aid fund money
26 appropriated in section 11, there is allocated for 2022-2023 only
27 an amount not to exceed \$150,000,000.00 for payments to eligible
28 recipients for implementing the MI Kids Back-on-Track program as
29 described in this section.



1 (2) The department shall pay to each eligible recipient an
2 equal amount per membership pupil who is not proficient in math or
3 reading based on the most recent state summative assessment.
4 Eligible recipients must use funding received under this section
5 only for costs related to implementation of the MI Kids Back-on-
6 Track program as described in this section. Implementation costs of
7 the program include, but are not limited to, costs related to
8 staffing, high-quality training, curriculum needs, student
9 transportation needs, technology needs, materials, any purpose for
10 which any district previously used funds allocated under section
11 98c, or other costs incurred as a result of the provision of
12 services for the program.

13 (3) From the allocation in subsection (1), there is allocated
14 \$600,000.00 to the Clinton County Regional Educational Service
15 Agency to work with the Michigan Association of Intermediate School
16 Administrators (MAISA), to do all of the following:

17 (a) Provide a report on tutoring programs eligible to be
18 purchased by eligible recipients using the funding allocated under
19 subsection (1).

20 (b) Develop and provide technical assistance to eligible
21 recipients in selecting high-impact tutoring strategies and include
22 their integration into eligible recipients' Michigan Integrated
23 Continuous Improvement Process (MICIP) plans. Developing and
24 providing technical assistance may include the design and
25 integration of eligible tutoring programs within the
26 MiStrategyBank.

27 (c) Collect, aggregate, and report data in collaboration with
28 the MAISA Michigan Collaborative Hub. An amount not to exceed
29 \$300,000.00 of the funds allocated under this subsection may be



1 used for this purpose.

2 (d) Provide an annual report of tutoring programs to the
3 office of the governor, senate and house education committees, the
4 senate and house appropriations subcommittees on school aid, the
5 state budget director, and the department based on the criteria
6 described in subsection (4) to be included in the MiStrategyBank,
7 and the educational effectiveness as documented at least through
8 data submitted through the Michigan data hub.

9 (4) The list of eligible tutoring programs contained within
10 the MiStrategyBank must only consist of tutoring programs,
11 including, but not limited to, those created by for-profit vendors,
12 nonprofit vendors, intermediate districts, districts, and the
13 Michigan Schools for the Deaf and Blind, that are aligned with
14 high-impact tutoring that must include all of the following
15 criteria:

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

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

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

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

25 (e) Trained tutors provide the tutoring. Trained tutors may
26 include teachers, paraprofessionals, community providers,
27 AmeriCorps members, or other individuals who have received
28 training.

29 (f) The program uses a high-quality curriculum that utilizes



1 research-based strategies that are aligned with state academic
2 standards.

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

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

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

11 (ii) Implementation of standardized procedures for collecting
12 data.

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

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

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

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

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

23 (i) Have a sufficient number of alternate forms.

24 (ii) Specify minimum acceptable growth.

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

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

29 (j) Tutoring fidelity is established through direct



1 observation using a checklist with immediate performance feedback
2 provided by a qualified staff person, such as an instructional
3 coach.

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

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

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

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

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

18 (b) A representative from the MiMTSS TA Center.

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

21 (d) Two representatives of the department.

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

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

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

28 (6) A district, intermediate district, or the Michigan Schools
29 for the Deaf and Blind that meets all of the following is an



1 eligible recipient under this section:

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

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

12 (i) Reflect input from educators, parents and legal guardians,
13 and community members.

14 (ii) Include an analysis of student data and describe student
15 needs.

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

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

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

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



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

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

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

8 (iii) Support and provide initial and ongoing professional
9 development or training of tutors.

10 (iv) Participate in or lead data review meetings of graphed
11 progress monitoring data of all students being tutored every 4 to 8
12 weeks.

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

15 (f) By September 1 of each fiscal year for which it receives
16 funding under this section, it pledges to provide data through
17 MiDataHub that includes the outcomes and performance measures of
18 the tutoring program, including, but not limited to, the degree to
19 which tutoring is demonstrating sufficient efficacy and impact. The
20 data submission under this subdivision must include all of the
21 following:

22 (i) Children and schools receiving tutoring.

23 (ii) Number of children and schools served.

24 (iii) Demographics of children served.

25 (iv) Dosage of tutoring, including frequency and minutes per
26 week.

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

28 (vi) Whether the assessments and interventions are implemented
29 with fidelity. This portion of the report must include details on



1 the total number of assessments and intervention fidelity checks
2 completed and the range and mean of fidelity.

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

6 (viii) Exit rates of students who successfully complete the
7 tutoring program.

8 (ix) Percentage of students who exit and then maintain their
9 learning through the end of the school year as demonstrated by a
10 valid and reliable assessment designed for this purpose, such as a
11 universal screening assessment.

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

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

17 (7) If the department determines that the eligible recipient
18 has misused the funds allocated under this section, the eligible
19 recipient shall reimburse the department for the amount of state
20 funding misused.

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

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



1 (10) The superintendent of public instruction shall provide
2 guidelines to eligible recipients on evidence-based best practices
3 and effective strategies an eligible recipient may use to respond
4 to unfinished learning and shall provide resources to assist
5 eligible recipients in implementing the evidence-based practices,
6 including through high-impact tutoring programs listed in the
7 MiStrategyBank described in subsection (4). Guidelines may include
8 technical assistance that may include, but is not limited to,
9 planning, implementation, and training or coaching.

10 (11) The funds allocated under this section for 2022-2023 are
11 a work project appropriation, and any unexpended funds for 2022-
12 2023 are carried forward into 2023-2024. The purpose of the work
13 project is to address unfinished learning. The estimated completion
14 date of the work project is September 30, 2025.

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

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

27 **(14) Notwithstanding section 18a, funds allocated under this**
28 **section may be available for expenditure until September 30, 2027.**
29 **A recipient of funding under this section must return any**



1 unexpended funds to the department in the manner prescribed by the
2 department by not later than October 30, 2027.

3 Sec. 23i. (1) From the ~~state school aid~~ **general** fund money
4 appropriated under section 11, there is allocated an amount not to
5 exceed ~~\$397,000.00~~ **\$100.00** for ~~2023-2024~~ **2024-2025** only to ~~River~~
6 ~~Rouge School District to partner with a~~ **an organization that is**
7 **exempt from taxation under section** 501(c)(3) ~~nonprofit organization~~
8 ~~that of the internal revenue code of 1986, 26 USC 501, and that~~
9 employs salaried professional mentors who support youth and their
10 families from grades K to 12.

11 (2) The funds allocated under subsection (1) must be used for
12 a salaried professional mentorship program that meets all of the
13 following:

14 (a) The program employs a 2-generational approach to
15 supporting youth in and outside of the classroom, particularly in
16 reading and math comprehension.

17 (b) The program supports students and their families by
18 connecting them to concrete supports like education and employment
19 pathways, housing, utility assistance, and food security.

20 (c) The program is located in a city with a population greater
21 than 600,000 in a county with a population greater than 1,500,000
22 according to the most recent federal decennial census.

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

26 Sec. 24. (1) From the state school aid fund money appropriated
27 in section 11, there is allocated for ~~2023-2024~~ **2024-2025** an amount
28 not to exceed \$7,650,000.00 for payments to the educating district
29 or intermediate district for educating pupils assigned by a court



1 or the department of health and human services to reside in or to
 2 attend a juvenile detention facility or child caring institution
 3 licensed by the department of health and human services and
 4 approved by the department to provide an on-grounds education
 5 program. The amount of the payment under this section to a district
 6 or intermediate district is calculated as prescribed under
 7 subsection (2).

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

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

28 (b) "Department's approved per-pupil allocation" for a
 29 district or intermediate district is determined by dividing the



1 total amount allocated under this section for a fiscal year by the
 2 full-time equated membership total for all pupils approved by the
 3 department to be funded under this section for that fiscal year for
 4 the district or intermediate district.

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

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

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



1 educational programs for pupils described in this section. Pupils
 2 described in this section are not eligible to be funded under
 3 section 24. However, a program responsibility or other fiscal
 4 responsibility associated with these pupils must not be transferred
 5 from the department of health and human services to a district or
 6 intermediate district unless the district or intermediate district
 7 consents to the transfer.

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

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

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



1 membership for eligible strict discipline academies and qualified
 2 districts in the immediately preceding year. However, the sum of
 3 the amounts received by a strict discipline academy or qualified
 4 district under this section and under section 24 must not exceed
 5 the product of the strict discipline academy's or qualified
 6 district's per-pupil allocation calculated under section 20
 7 multiplied by the strict discipline academy's or qualified
 8 district's full-time equated membership. The department shall
 9 allocate funds to strict discipline academies and qualified
 10 districts under this section on a monthly basis.

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

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

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

20 (6) ~~(7)~~—For purposes of this section, the pupil membership for
 21 the current fiscal year for a qualified district is the actual
 22 number of pupils that are in the custody of a county juvenile
 23 agency as described in subsection ~~(8)(e)~~. **(7) (a)** .

24 (7) ~~(8)~~—As used in this section:

25 ~~(a) "Added cost" means 100% of the added cost each fiscal year~~
 26 ~~for educating all pupils enrolled and in regular daily attendance~~
 27 ~~at a strict discipline academy or qualified district. Added cost~~
 28 ~~must be computed by deducting all other revenue received under this~~
 29 ~~article for pupils described in this subdivision from total costs,~~



1 ~~as approved by the department, in whole or in part, for educating~~
 2 ~~those pupils in a strict discipline academy or qualified district.~~
 3 ~~The department shall include all costs, including, but not limited~~
 4 ~~to, educational costs, insurance, management fees, technology~~
 5 ~~costs, legal fees, auditing fees, interest, pupil accounting costs,~~
 6 ~~and any other administrative costs necessary to operate the program~~
 7 ~~or to comply with statutory requirements. Costs reimbursed by~~
 8 ~~federal funds are not included.~~

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

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

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

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

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

27 Sec. 25g. (1) From the state school aid fund money
 28 appropriated in section 11, there is allocated an amount not to
 29 exceed ~~\$750,000.00~~ **\$3,000,000.00** for ~~2023-2024~~ **2024-2025** for the



1 purposes of this section. Except as otherwise provided in this
 2 section, if the operation of the special membership counting
 3 provisions under section 6(4)(dd) and the other membership counting
 4 provisions under section 6(4) result in a pupil being counted as
 5 more than 1.0 FTE in a fiscal year, ~~then~~ the payment made for the
 6 pupil under sections 22a and 22b must not be based on more than 1.0
 7 FTE for that pupil, and that portion of the FTE that exceeds 1.0 is
 8 paid under this section in an amount equal to that portion
 9 multiplied by the educating district's foundation allowance or per-
 10 pupil payment calculated under section 20.

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

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

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

19 Sec. 26a. From the state school aid fund money appropriated in
 20 section 11, there is allocated an amount not to exceed
 21 \$14,000,000.00 for ~~2023-2024~~ **2024-2025** to reimburse districts and
 22 intermediate districts under section 12 of the Michigan renaissance
 23 zone act, 1996 PA 376, MCL 125.2692, for taxes levied in ~~2023-~~
 24 **2024**. The department shall pay the allocations **by** not later than 60
 25 days after the department of treasury certifies to the department
 26 and to the state budget director that the department of treasury
 27 has received all necessary information to properly determine the
 28 amounts due to each eligible recipient.

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



1 appropriated in section 11, there is allocated an amount not to
 2 exceed \$5,084,000.00 for ~~2023-2024~~**2024-2025** for payments to
 3 districts, intermediate districts, and community college districts
 4 for the portion of the payment in lieu of taxes obligation that is
 5 attributable to districts, intermediate districts, and community
 6 college districts under section 2154 of the natural resources and
 7 environmental protection act, 1994 PA 451, MCL 324.2154.

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

12 Sec. 26c. (1) From the state school aid fund money
 13 appropriated under section 11, there is allocated an amount not to
 14 exceed ~~\$20,500,000.00~~**\$28,300,000.00** for ~~2022-2023~~**2023-2024** and
 15 there is allocated an amount not to exceed ~~\$26,000,000.00~~
 16 **\$35,100,000.00** for ~~2023-2024~~**2024-2025** to the promise zone fund
 17 created in subsection (3). The funds allocated under this section
 18 reflect the amount of revenue from the collection of the state
 19 education tax captured under section 17 of the Michigan promise
 20 zone authority act, 2008 PA 549, MCL 390.1677.

21 (2) Funds allocated to the promise zone fund under this
 22 section must be used solely for payments to eligible districts and
 23 intermediate districts, in accordance with section 17 of the
 24 Michigan promise zone authority act, 2008 PA 549, MCL 390.1677,
 25 that have a promise zone development plan approved by the
 26 department of treasury under section 7 of the Michigan promise zone
 27 authority act, 2008 PA 549, MCL 390.1667. Eligible districts and
 28 intermediate districts shall use payments made under this section
 29 for reimbursement for qualified educational expenses as that term



1 is defined in section 3 of the Michigan promise zone authority act,
2 2008 PA 549, MCL 390.1663.

3 (3) The promise zone fund is created as a separate account
4 within the state school aid fund to be used solely for the purposes
5 of the Michigan promise zone authority act, 2008 PA 549, MCL
6 390.1661 to 390.1679. All of the following apply to the promise
7 zone fund:

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

11 (b) Money in the promise zone fund at the close of a fiscal
12 year remains in the promise zone fund and does not lapse to the
13 general fund.

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

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

22 Sec. 26d. (1) From the state school aid fund money
23 appropriated under section 11, there is allocated an amount not to
24 exceed \$14,400,000.00 ~~for 2022-2023 and 2023-2024~~ **for 2024-2025** for
25 reimbursements to intermediate districts as required under section
26 15b of the brownfield redevelopment financing act, 1996 PA 381, MCL
27 125.2665b.

28 (2) The amounts reimbursed under subsection (1) must be used
29 by the intermediate district only for the purposes for which the



1 property taxes were originally levied.

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

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

9 Sec. 27a. (1) From the ~~state school aid~~ **educator fellowship**
10 **public provider** fund money appropriated in section 11, there is
11 allocated for ~~2023-2024-2024-2025~~ an amount not to exceed
12 \$20,000,000.00 and from the ~~general~~ **educator fellowship private**
13 **provider** fund money appropriated in section 11, there is allocated
14 for ~~2023-2024-2024-2025~~ an amount not to exceed \$5,000,000.00 for
15 the MI future educator fellowship program. The funds allocated
16 under this section must be used to offset tuition costs for
17 individuals who are working toward earning their initial teacher
18 certification.

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

22 (a) Have graduated from high school with a diploma or
23 certificate of completion or achieved a high school equivalency
24 certificate.

25 (b) Be admitted to an eligible educator preparation program;
26 be working toward a teacher certification; be enrolled in enough
27 coursework to be considered enrolled full-time during the academic
28 year, as determined by the student's educator preparation program,
29 or the equivalent of full-time participation for individuals



1 enrolled in an alternative certification program, as defined by the
 2 department; and, for students at institutions of higher education,
 3 be considered at least a junior-level student, as determined by the
 4 institution of higher education.

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

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

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

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

13 (g) Agree to repay any funds received from funding under this
 14 section if the individual does not maintain enrollment in their
 15 educator preparation program, the individual does not successfully
 16 complete their educator program, or the individual does not
 17 complete the work requirement described in subsection (7).

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

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

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

25 (a) Maintain full-time continuous enrollment in an eligible
 26 educator preparation program, as determined by the educator
 27 preparation program, or the equivalent of full-time participation
 28 for individuals enrolled in an alternative certification program,
 29 as defined by the department, excluding any period of time missed



1 due to a medical or other emergency, as determined by the
 2 department of ~~treasury-~~**lifelong education, advancement, and**
 3 **potential.**

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

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

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

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

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

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



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

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

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

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

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

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

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

29 (8) If an award recipient does not maintain enrollment in



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

14 (9) An individual may not concurrently receive funding through
 15 programs funded under this section and grow your own programs
 16 funded under section 27b.

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

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



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

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

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

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

14 (a) Is approved by the department to offer teacher preparation
 15 programming.

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

17 (c) Has not increased tuition and fee rates above the
 18 limitations described in section 241c.

19 Sec. 27b. (1) From the state school aid fund money
 20 appropriated in section 11, there is allocated for ~~2022-2023~~ **2024-**
 21 **2025** only an amount not to exceed ~~\$20,000,000.00~~ and from the
 22 federal funding appropriated under section 11, there is allocated
 23 for ~~2022-2023~~ only an amount not to exceed ~~\$155,000,000.00~~ from the
 24 federal funding awarded to this state from the coronavirus state
 25 fiscal recovery fund under the American rescue plan act of 2021,
 26 title IX, subtitle M of Public Law 117-2, ~~\$50,000,000.00~~ to
 27 districts and intermediate districts for a grow your own program as
 28 described in subsection (2).

29 (2) Districts and intermediate districts receiving funding



1 under this section shall use the funding to implement a grow your
 2 own program. A grow your own program described in this subsection
 3 must be implemented to improve the teacher talent pipeline and
 4 provide a no-cost pathway for support staff members to become
 5 certified teachers. Allowable expenses for grow your own programs
 6 include, but are not limited to:

7 (a) Tuition and fees for attendance at a state-approved
 8 education preparation provider for an accelerated degree, for a
 9 traditional bachelor's degree for current staff who are not
 10 teachers, or for an advanced degree. As used in this subdivision,
 11 "advanced degree" includes, but is not limited to, a
 12 postbaccalaureate credential or certificate.

13 (b) Books.

14 (c) Testing fees.

15 (d) Travel to and from coursework.

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

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

25 (3) The department shall establish a grant process to
 26 distribute funds under this section. A district or intermediate
 27 ~~school~~-district must apply for funds in a form and manner
 28 prescribed by the department. As part of the application described
 29 in this subsection, a district or intermediate district must submit



1 the following information and assurances:

2 (a) Demonstrated need for funding in the district or
3 intermediate district or the broader community, including projected
4 workforce needs, and a proposed spending plan on how the funds will
5 be utilized that includes expected tuition, fees, and books for the
6 program.

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

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

12 (d) Assurances that the pathway will be no cost for
13 participants and that participants will be compensated as an
14 employee for the duration of their training, including a paid
15 residency or student teaching.

16 (e) Identification of eligible recipients and a pledge to hire
17 an eligible recipient as a full-time teacher upon their receipt of
18 an initial teaching certificate and provide for student teaching
19 opportunities.

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



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

4 ~~(5) The federal funding allocated under this section is~~
 5 ~~intended to respond to the COVID-19 public health emergency and its~~
 6 ~~negative impacts.~~

7 (5) ~~(6)~~ Notwithstanding section 17b, the department shall make
 8 payments under this section on a schedule determined by the
 9 department.

10 (6) ~~(7)~~ The funds allocated under this section for ~~2022-2023~~
 11 **2024-2025** are a work project appropriation, and any unexpended
 12 funds for ~~2022-2023-2024-2025~~ are carried forward into ~~2023-2024-~~
 13 **2025-2026**. The purpose of the work project is to continue support
 14 for grow your own programs in districts and intermediate districts.
 15 The estimated completion date of the work project is ~~December 31,~~
 16 ~~2026.~~ **September 30, 2028.**

17 Sec. 27c. (1) From the state school aid fund money
 18 appropriated in section 11, there is allocated ~~\$50,000,000.00~~
 19 **\$25,000,000.00** for ~~2023-2024-2024-2025~~ and from the educator
 20 **fellowship public provider fund money appropriated in section 11,**
 21 **there is allocated \$25,000,000.00 for 2024-2025** for the MI future
 22 educator student teacher stipend program. Except as otherwise
 23 provided in this section, the funds allocated under this section
 24 must be paid to eligible educator preparation programs for payments
 25 to eligible student teachers working in a district.

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

28 (a) The individual must be admitted to an eligible educator
 29 preparation program, be working toward a teacher certification, be



1 participating in required student teaching coursework, and be
2 maintaining satisfactory academic progress. As used in this
3 subdivision, "required student teaching coursework" means credit
4 hours, or the program equivalent, required by an eligible educator
5 preparation program for successful completion of the program. This
6 coursework must include regular placement in a district where the
7 student gains real-world, first-hand experience working in a
8 classroom, teaching students, engaging in the day-to-day activities
9 of a certified teacher, and working daily under the guidance of a
10 certified teacher.

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

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

29 (d) If an individual is employed by their district as a



1 teacher of record, they are not eligible for payment under this
2 section.

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

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

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

28 (5) Notwithstanding section 17b, the department of ~~treasury~~
29 **lifelong education, advancement, and potential** shall make payments



1 under this section on a schedule determined by the department of
 2 ~~treasury-lifelong education, advancement, and potential.~~

3 (6) If the amount allocated in subsection (1) is insufficient
 4 to fully fund awards under this section, there is appropriated from
 5 the educator fellowship public provider fund in section 27d the
 6 amount necessary to fully fund the programs described in this
 7 section. The state budget director shall notify the house and
 8 senate appropriations subcommittees on K to 12 school aid and the
 9 house and senate fiscal agencies of any additional appropriation
 10 described in this subsection.

11 (7) ~~(6)~~—As used in this section, "eligible educator
 12 preparation program" means an institution of higher education that
 13 meets all of the following:

14 (a) Is a public or private institution of higher education in
 15 this state.

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

18 (c) Has not increased tuition and fee rates above the
 19 limitations described in section 241c.

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

25 (2) The state treasurer may receive money or other assets from
 26 any source for deposit into the educator fellowship public provider
 27 fund. The state treasurer shall direct the investment of the
 28 educator fellowship public provider fund. The state treasurer shall
 29 credit to the educator fellowship public provider fund interest and



1 earnings from educator fellowship public provider fund investments.

2 (3) Money in the educator fellowship public provider fund at
3 the close of the fiscal year remains in the educator fellowship
4 public provider fund and does not lapse to the state school aid
5 fund.

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

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

13 ~~(6) For the fiscal year ending September 30, 2022 only,~~
14 ~~\$235,000,000.00 from the state school aid fund is deposited into~~
15 ~~the educator fellowship public programs fund.~~

16 **Sec. 27f. (1) From the state school aid fund money**
17 **appropriated in section 11, there is allocated for 2024-2025 only**
18 **\$4,000,000.00 to a district or intermediate district to partner**
19 **with the Michigan Education Justice Coalition for the purposes of**
20 **this section.**

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

28 (3) From the allocation in subsection (1), \$600,000.00 is
29 allocated to fund a participatory action research study with



1 teachers of color in districts with higher concentrations of
2 poverty and lower academic outcomes, as determined by the Michigan
3 Education Justice Coalition. The purpose of the research in this
4 subsection is to increase recruitment and retention for educators
5 in Michigan.

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

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

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

28 (7) Notwithstanding section 18a, funds allocated under this
29 section for 2024-2025 may be available for expenditure until



1 September 30, 2027. A recipient of funding under this section must
 2 return any unexpended funds to the department in the manner
 3 prescribed by the department by not later than October 30, 2027.

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

7 Sec. 27g. (1) From the state school aid fund money
 8 appropriated in section 11, there is allocated for ~~2022-2023-2024-~~
 9 **2025** only an amount not to exceed ~~\$10,000,000.00~~ **\$18,000,000.00** to
 10 intermediate districts and consortia of intermediate districts
 11 based on the number of pupils in membership in constituent
 12 districts of the intermediate district or consortium of
 13 intermediate districts to support ~~the Talent Together coalition as~~
 14 ~~described in this section.~~ **educator talent initiatives and programs.**

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

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

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

23 (c) Provide school leader development programs to increase
 24 educator retention and efficacy.

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

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



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

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

7 (a) Is based in this state.

8 (b) Operates statewide.

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

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

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

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

19 (i) Teacher recruitment.

20 (ii) Teacher development.

21 (iii) Teacher retention.

22 (iv) Teacher certification.

23 (v) School leader development.

24 (vi) School leader retention.

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

27 Sec. 27n. **(1)** From the state school aid fund money
 28 appropriated in section 11, \$2,000,000.00 is allocated for 2023-
 29 2024 only to Saginaw Public School District to fund the enrollment



1 of employees of Saginaw Public School District in the Accelerated
 2 Certification with Residency (ACR) Program at Saginaw Valley State
 3 University for the employees to earn their teaching certificate.
 4 Saginaw Public School District shall directly make payments to
 5 Saginaw Valley State University for the enrollment of employees as
 6 described in this section.

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

12 Sec. 27m. (1) From the state school aid fund money
 13 appropriated under section 11, there is allocated for ~~2023-2024~~
 14 ~~only,~~ **2024-2025** \$4,000,000.00 to districts and intermediate
 15 districts to fund financial awards to eligible Michigan teachers
 16 who hold National Board Certification.

17 (2) A district or intermediate district must apply in a form
 18 and manner determined by the department. Awards must be granted as
 19 \$4,000.00 to all eligible teachers who hold National Board
 20 Certification, and an additional \$6,000.00 for eligible teachers
 21 who hold National Board Certification and serve in ~~Title~~ **title** I
 22 schools.

23 (3) To be eligible to receive an award, eligible teachers must
 24 meet the following, as applicable:

25 (a) Be employed in classroom teaching at least 50% of the
 26 teacher's full-time hours, as determined by the district or
 27 intermediate district.

28 (b) To receive an award under subsection (4), hold National
 29 Board Certification by January 1 ~~, 2024.~~ **of the current fiscal year.**



1 (4) Subject to subsection (6), and notwithstanding section
 2 17b, awards under subsection (2) must be paid to the districts and
 3 intermediate districts by April 30 ~~, 2024.~~ **of the current fiscal**
 4 **year.**

5 (5) If the amount allocated under subsection (1) is
 6 insufficient to fully make payments to all eligible participants as
 7 required under subsection (1), the department shall prorate the
 8 amount paid to districts and intermediate districts to distribute
 9 to all eligible participants on an equal basis.

10 (6) If funding remains after the awards under subsection (4)
 11 are granted, the department shall grant additional awards under
 12 subsection (2) on a first-come, first-served basis. An eligible
 13 teacher may receive more than 1 award under subsection (2), but
 14 shall not receive more than 1 award in a single fiscal year.

15 (7) ~~In addition to~~ **From** the funds allocated in subsection (1),
 16 an amount not to exceed \$1,000,000.00 ~~for 2023-2024 only from the~~
 17 ~~state school aid fund money appropriated in section 11 must be used~~
 18 **is allocated** for eligible teachers to cover National Board for
 19 Professional Teaching Standards Certification fees for first-time
 20 candidates in ~~Title~~ **title** I schools.

21 (8) A district or intermediate district shall apply for
 22 funding under subsection (7) in a form and manner determined by the
 23 department. The department shall approve applications under
 24 subsection (7) on a first-come, first-served basis. Notwithstanding
 25 section 17b, awards under subsection (7) must be paid on a schedule
 26 determined by the department.

27 (9) The funds allocated under this section for ~~2023-2024-2024-~~
 28 **2025** are a work project appropriation, and any unexpended funds for
 29 ~~2023-2024-2024-2025~~ are carried forward into ~~2024-2025-~~ **2025-2026.**



1 The purpose of the work project is to enable and encourage teachers
 2 to get National Board Certification. The estimated completion date
 3 of the work project is September 30, ~~2026-2027~~.

4 (10) As used in this section, "eligible teacher" includes
 5 individuals who hold a valid or expired Michigan teaching
 6 certificate and are employed by the district or intermediate
 7 district as teachers, including those in teacher leadership roles
 8 as a peer assistance and review coach, mentor, or other teacher
 9 support provider if the position does not require a school
 10 administrator certificate.

11 Sec. 27o. (1) From the ~~state school aid~~ **general** fund money
 12 appropriated in section 11, there is allocated for ~~2023-2024~~ **2024-**
 13 **2025** only an amount not to exceed ~~\$2,000,000.00~~ **\$100.00** for ~~Eaton~~
 14 ~~Regional Education Service Agency~~ for a Learner Wallet pilot
 15 tutoring initiative that includes all of the following:

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

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

27 (c) The ability for each student engaged in tutoring services
 28 to share the real-time tracker tool under subdivision (b) with the
 29 student's tutor and allow the tutor to input credentials to the



1 student tracking tool under subdivision (a) to give credit for
2 frequency, type, and achievements for the tutoring program.

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

6 Sec. 27p. (1) From the state school aid fund money
7 appropriated in section 11, there is allocated for ~~2022-2023-2024-~~
8 **2025** only an amount not to exceed ~~\$66,353,000.00~~ **\$42,000,000.00** to
9 Marquette-Alger RESA for an apprenticeship model grow your own
10 program as part of a consortia of at least 45 intermediate
11 districts.

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

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

22 (b) Books.

23 (c) Testing fees.

24 (d) Travel to and from coursework.

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

28 (f) Costs for curriculum, materials, professional development,
29 and hands-on-learning experiences to implement a program within the



1 district or intermediate district to encourage students in any of
 2 grades 6 to 12 to consider a career in education. Not more than 10%
 3 of funds received by a district or intermediate district under this
 4 section may be used for this purpose.

5 (3) An intermediate district may not concurrently receive
 6 funding under this section and receive funding under section 27b
 7 for ~~2022-2023, 2024-2025~~, unless already awarded by the department
 8 under section 27b before July 1, ~~2023-2024~~. **An intermediate**
 9 **district receiving funding under this section shall not give**
 10 **funding received under this section to a constituent district that**
 11 **is receiving funding under section 27b.**

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

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

21 **Sec. 27r. (1) From the state school aid fund money**
 22 **appropriated in section 11, there is allocated for 2024-2025 only**
 23 **\$10,000,000.00 to eligible districts to create a teacher leadership**
 24 **program within schools.**

25 (2) A district shall apply in a form and manner determined by
 26 the department. The application must include at least all of the
 27 following:

28 (a) Certification that teacher leaders will be selected from
 29 teachers who work within title I schools.



1 (b) Certification that the district will pay each teacher
2 leader an additional stipend of at least \$15,000.00 per year for 2
3 years using the funds under this section.

4 (c) A description of the teacher leader role the district will
5 use.

6 (d) The criteria that will be used to select teacher leaders.

7 (e) An agreement that the district will share data related to
8 the program, as requested by the selected district or intermediate
9 district under subsection (7).

10 (3) The grant amount must be \$60,000.00 per teacher leader
11 position identified in the application. Teacher leader roles must
12 be paid an additional stipend of at least \$15,000.00 per year and
13 the positions must be funded for 2 years. The amount of the grant
14 remaining after payment of the stipend must be made available to
15 the district to be used for other costs associated with
16 administering the program, including, but not limited to,
17 supplementing staff, operational support, professional development,
18 and other teacher leader related activities. If a selected
19 candidate is unable to maintain the additional leadership
20 responsibilities for at least 2 years, as determined either by the
21 candidate or the district, the district must select another
22 eligible candidate for the remainder of the 2 years or return a
23 proportionate amount of the grant to the department.

24 (4) The responsibilities of teacher leaders must include at
25 least all of following:

26 (a) The teacher must serve as the lead teacher in a classroom
27 for not less than 50% of the typical school day.

28 (b) The teacher's classroom must serve as a model classroom
29 for observation.



1 (c) The teacher must lead professional development or serve as
2 a mentor or coach for novice teachers.

3 (d) The teacher must have some school- or district-level
4 responsibilities, as determined by the district.

5 (5) Districts shall use the following criteria to select
6 candidates for the teacher leadership program:

7 (a) A track record of strong student academic outcomes, as
8 determined by the district.

9 (b) The ability to foster noncognitive skills in the
10 candidate's students, as determined by the district.

11 (c) The ability to create educational opportunity and equity
12 inside and outside of the candidate's classroom, as determined by
13 the district.

14 (d) The ability to serve as an example to other educators, as
15 determined by the district.

16 (e) Any other qualifications the district determines would
17 make a candidate ideal for a leadership position within a school.

18 (6) If funding is insufficient to pay full grant amounts for
19 all eligible applicants, the department must reduce the number of
20 teacher leader grants approved. In making reductions, the
21 department shall attempt to ensure that grants are allocated to
22 urban, suburban, and rural districts in roughly the same proportion
23 as the total distribution of pupils.

24 (7) From the funds allocated in subsection (1), \$2,000,000.00
25 is allocated to a district or an intermediate district to study the
26 impact of the teacher leadership program. The selected district or
27 intermediate district shall assist the department to answer
28 questions from districts regarding the teacher leadership program.
29 The selected district or intermediate district shall collect data



1 from participating districts to help determine the success of the
2 teacher leadership program. By not later than December 31, 2026,
3 the selected district or intermediate district shall share the
4 selected district's or intermediate district's findings with the
5 department, the state budget office, the senate appropriations
6 subcommittee on pre-K to 12, and the house appropriations
7 subcommittee on school aid and education.

8 (8) The funds allocated under this section for 2024-2025 are a
9 work project appropriation, and any unexpended funds for 2024-2025
10 are carried forward into 2025-2026. The purpose of the work project
11 is to fund teacher leadership programs and to study the impact of
12 the teacher leadership program. The estimated completion date of
13 the work project is September 30, 2026.

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

17 Sec. 27s. (1) From the state school aid fund money
18 appropriated in section 11, there is allocated for 2024-2025 only
19 \$2,500,000.00 to a district or an intermediate district to support
20 the activities of the Black Male Educators Alliance. The district
21 or intermediate district shall use the funding allocated in this
22 section to partner with the Black Male Educator Alliance.

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

26 Sec. 27t. (1) From the state school aid fund money
27 appropriated in section 11, there is allocated for 2024-2025 only
28 \$1,000,000.00 to Delta-Schoolcraft Intermediate School District to
29 partner with the Michigan Association of Secondary School



1 Principals to implement the Michigan Leadership for Equity and
2 Transformation Fellowship.

3 (2) The Michigan Leadership for Equity and Transformation
4 Fellowship must do all of the following:

5 (a) Enroll at least 5 cohorts of at least 20 assistant
6 principals each.

7 (b) Select fellows to prioritize regional, cultural, and
8 gender diversity.

9 (c) Use the Center for Educational Leadership's Four
10 Dimensions of Leadership to develop the capacity of the emerging
11 principals.

12 (d) Engage fellows in collaborative action research to study
13 and create solutions for current problems of practice on equity and
14 post-secondary attainment that challenge students in this state
15 within the students' current school context and design and test
16 solutions that can be applied to address the broader challenges
17 facing this state.

18 (3) The funds allocated under this section for 2024-2025 are a
19 work project appropriation, and any funds for 2024-2025 are carried
20 forward into 2025-2026. The purpose of the work project is to
21 implement the Michigan Leadership for Equity and Transformation
22 Fellowship as described in this section. The estimated completion
23 date of the work project is September 30, 2029. It is the intent of
24 the legislature that up to \$200,000.00 be expended for each cohort
25 described in subsection (2) (a).

26 Sec. 28. (1) To recognize differentiated instructional costs
27 for different types of pupils **as well as additional costs to**
28 **provide essential services** in ~~2023-2024, 2024-2025~~, the following
29 sections provide a weighted foundation allocation or an additional



1 payment of some type in the following amounts, as allocated under
2 those sections:

3 (a) Section 22d, isolated and rural districts,
4 ~~\$11,601,000.00.~~ **\$12,455,400.00.**

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

6 **(c) Section 29, declining enrollment, \$92,600,000.00.**

7 ~~(d) (e) Section 31a, at risk,~~
8 ~~\$952,000,000.00.~~ **\$1,022,100,000.00.**

9 **(e) Section 32d, great start readiness program,**
10 **\$639,370,000.00.**

11 ~~(f) (d) Section 41, bilingual education for English language~~
12 ~~learners, \$39,766,500.00.~~ **\$44,727,500.00**

13 ~~(g) (e) Section 51c, special education, mandated percentages,~~
14 ~~\$820,000,000.00.~~ **\$1,014,500,000.00.**

15 **(h) Section 54d, early on, \$39,313,000.00.**

16 ~~(i) (f) Section 61a, career and technical education, standard~~
17 ~~reimbursement, \$48,011,300.00.~~

18 ~~(j) (g) Section 61d, career and technical education~~
19 ~~incentives, \$5,000,000.00.~~

20 **(k) Section 147a(1), Michigan public school employees'**
21 **retirement system cost offset, \$402,739,000.00.**

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

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

28 (2) The state treasurer may receive money or other assets from
29 any source for deposit into the enrollment stabilization fund. The



1 state treasurer shall direct the investment of the enrollment
 2 stabilization fund. The state treasurer shall credit to the
 3 enrollment stabilization fund interest and earnings from enrollment
 4 stabilization fund investments.

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

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

10 (5) Money available in the enrollment stabilization fund must
 11 not be expended without a specific appropriation.

12 (6) For the fiscal year ending September 30, ~~2023-2025~~ only,
 13 ~~\$314,000,000.00~~ **\$100,000,000.00** from the state school aid fund is
 14 deposited into the enrollment stabilization fund.

15 (7) From the enrollment stabilization fund money appropriated
 16 under section 11, there is allocated an amount not to exceed
 17 ~~\$71,000,000.00~~ **\$92,600,000.00** for ~~2023-2024~~ **2024-2025** for districts
 18 and intermediate districts for which membership in the immediately
 19 preceding fiscal year, as calculated under section 6 in the
 20 immediately preceding fiscal year, exceeds membership in the
 21 current fiscal year, as calculated under section 6 in the current
 22 fiscal year.

23 (8) The allocation under subsection (7) must be an amount
 24 equal to the sum of the product of .50 and the district's or
 25 intermediate district's membership for the immediately preceding
 26 fiscal year, as calculated under section 6 of the immediately
 27 preceding fiscal year, and the product of .50 and the district's or
 28 intermediate district's membership in the current fiscal year, as
 29 calculated under section 6 of the current fiscal year, minus the



1 district's or intermediate district's membership in the current
 2 fiscal year, as calculated under section 6 of the current fiscal
 3 year, multiplied by the target foundation allowance for the current
 4 fiscal year.

5 **(9) If the amount allocated under subsection (7) is**
 6 **insufficient to provide funding as calculated under subsection (8),**
 7 **there is appropriated from the enrollment stabilization fund the**
 8 **amount necessary to fully provide funding.**

9 Sec. 30d. (1) From the state school aid fund money
 10 appropriated in section 11, there is allocated an amount not to
 11 exceed \$100,000,000.00 for 2023-2024, and **an amount not to exceed**
 12 **\$120,000,000.00 for 2024-2025, and** from the school meals reserve
 13 fund money appropriated in section 11, there is allocated an amount
 14 not to exceed ~~\$25,000,000.00~~ **\$90,000,000.00** for ~~2022-2023~~ **2023-2024**
 15 and an amount not to exceed ~~\$60,000,000.00~~ **\$80,000,000.00** for ~~2023-~~
 16 ~~2024~~ **2024-2025** for the purpose of making payments to participating
 17 entities to provide free school lunch and breakfast to public
 18 school pupils in grades pre-K to 12.

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

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

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

28 (c) Maximize federal reimbursement for reimbursable breakfasts
 29 and reimbursable lunches by operating under the CEP if the



1 participating entity has an identified student percentage greater
 2 than or equal to the minimum requirement to be eligible to
 3 participate in the CEP. For purposes of this subdivision, all
 4 eligible participating entities must elect CEP on behalf of a
 5 single school, a group or groups of schools, or all schools in the
 6 participating entity, as applicable, in a manner that maximizes
 7 federal reimbursement.

8 ~~The participating entity meets~~ **Meet** all applicable state
 9 and federal standards in its school breakfast and lunch programs,
 10 as determined by the department.

11 ~~The participating entity takes~~ **Take** all efforts to
 12 maximize and implement policies that require parents or guardians
 13 to fill out relevant family income information, in a manner
 14 prescribed by the department, for the purposes of determining
 15 student eligibility for federal free or reduced cost meal
 16 reimbursement rates and CEP eligibility determinations.

17 ~~By not later than February 1, 2024,~~ **Forgive** all school
 18 meal debt, ~~has been forgiven by the participating entity,~~ as
 19 determined by the department.

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

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

27 (a) The amount equal to the federal rate per student paid per
 28 pupil per free breakfast and lunch under the Child Nutrition Act of
 29 1966, 42 USC 21 1771 to 1793, and the Richard B. Russell National



1 School Lunch Act, 42 USC 1751 to 1769j, multiplied by the number of
2 breakfasts and lunches provided by the participating entity to
3 students, less the federal revenue received by the participating
4 entity under the school breakfast program and the school lunch
5 program under the Child Nutrition Act of 1966, 42 USC 21 1771 to
6 1793, and the Richard B. Russell National School Lunch Act, 42 USC
7 1751 to 1769j, and other state lunch payments received under
8 section 31d.

9 (b) The amount equal to the federal rate per student paid per
10 pupil per free breakfast and lunch under the Child Nutrition Act of
11 1966, 42 USC 21 1771 to 1793, and the Richard B. Russell National
12 School Lunch Act, 42 USC 1751 to 1769j, multiplied by the number of
13 breakfasts and lunches provided by the participating entity, as
14 applicable, to children participating in the Great Start Readiness
15 Program under section 32d at the participating entity, less all
16 other federal and state lunch payments made for those children. For
17 purposes of this subdivision, compliance with 7 CFR 226.9 is
18 required. The department shall assign rates of reimbursement
19 pursuant to 7 CFR 226.9, at least annually, on the basis of family
20 size and income information reported by each eligible participating
21 entity. Assigned rates of reimbursement must be adjusted annually
22 to reflect changes in the national average payment rates.

23 (5) Notwithstanding section 17b, the department may make
24 payments under this section on a schedule determined by the
25 department.

26 (6) As used in this section:

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

29 (b) "Participating entity" means a district, intermediate



1 district, or the Michigan Schools for the Deaf and Blind.

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

8 Sec. 30e. (1) The school meals reserve fund is created as a
9 separate account in the state school aid fund for the purpose of
10 covering the cost of student school meals.

11 (2) The state treasurer may receive money or other assets from
12 any source for deposit into the school meals reserve fund. The
13 state treasurer shall direct the investment of the school meals
14 reserve fund. The state treasurer shall credit to the school meals
15 reserve fund interest and earnings from school meals reserve fund
16 investments.

17 (3) Money in the school meals reserve fund at the close of the
18 fiscal year remains in the school meals reserve fund and does not
19 lapse to the state school aid fund or the general fund.

20 (4) The department of treasury is the administrator of the
21 school meals reserve fund for auditing purposes.

22 (5) Money available in the school meals reserve fund must not
23 be expended without a specific appropriation.

24 (6) For the fiscal year ending September 30, ~~2023~~ **2025** only,
25 ~~\$245,000,000.00~~ **\$50,000,000.00** from the state school aid fund is
26 deposited into the school meals reserve fund.

27 (7) At the close of each fiscal year, unspent funds from state
28 sources allocated in sections 30d, 31d, and 31f must be deposited
29 into the school meals reserve fund.



1 Sec. 31a. (1) ~~From the state school aid fund money~~
 2 ~~appropriated in section 11, there~~ **There** is allocated for 2023-2024
 3 an amount not to exceed \$1,035,150,000.00 ~~, and from the state~~
 4 **school aid fund money appropriated in section 11 and an amount not**
 5 **to exceed \$1,500,000.00 from** the general fund money appropriated in
 6 section 11, **and** there is allocated for ~~2023-2024~~ **2024-2025** an
 7 amount not to exceed ~~\$1,500,000.00~~ **\$1,065,250,000.00 from the state**
 8 **school aid fund money appropriated in section 11 and an amount not**
 9 **to exceed \$1,500,000.00 from the general fund money appropriated in**
 10 **section 11** for payments to eligible districts and eligible public
 11 school academies for the purposes of ensuring that pupils are
 12 proficient in English language arts by the end of grade 3, that
 13 pupils are proficient in mathematics by the end of grade 8, that
 14 pupils are attending school regularly, that high school graduates
 15 are career and college ready, and for the purposes under
 16 subsections (7), (8), (19), and (20).

17 (2) For a district or public school academy to be eligible to
 18 receive funding under this section, other than funding under
 19 subsection (7), (8), (19), or (20), the district or public school
 20 academy, for grades K to 12, must comply with the requirements
 21 under section 1280f of the revised school code, MCL 380.1280f, and
 22 must use resources to address early literacy and numeracy, and for
 23 at least grades K to 12 or, if the district or public school
 24 academy does not operate all of grades K to 12, for all of the
 25 grades it operates, must implement a multi-tiered system of
 26 supports that is an evidence-based framework that uses data driven
 27 problem solving to integrate academic and behavioral instruction
 28 and that uses intervention delivered to all pupils in varying
 29 intensities based on pupil needs. The multi-tiered system of



1 supports described in this subsection must provide at least all of
2 the following essential components:

3 (a) Team-based leadership.

4 (b) A tiered delivery system.

5 (c) Selection and implementation of instruction,
6 interventions, and supports.

7 (d) A comprehensive screening and assessment system.

8 (e) Continuous data-based decision making.

9 (3) From the state school aid fund money allocated under
10 subsection (1), there is allocated for 2023-2024 an amount not to
11 exceed \$952,000,000.00, **and there is allocated for 2024-2025 an**
12 **amount not to exceed \$1,022,100,000.00** to continue a weighted
13 foundation per pupil payment for districts and public school
14 academies enrolling economically disadvantaged pupils. The
15 department shall pay under this subsection to each eligible
16 district or eligible public school academy an amount per pupil
17 equal to a percentage calculated under subsection (4) multiplied by
18 the target foundation allowance for the following, as applicable:

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

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

26 (ii) If the district or public school academy is in the
27 community eligibility program, the number of pupils determined to
28 be eligible based on the product of the identified student
29 percentage multiplied by the total number of pupils in the district



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

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



1 (c) If the district or public school academy began operations
2 as a district or public school academy after the pupil membership
3 count day of the current fiscal year, the number of membership
4 pupils in the district or public school academy who are determined
5 to be economically disadvantaged, as reported to the center in the
6 form and manner prescribed by the center not later than the fifth
7 Wednesday after the supplemental count day of the current fiscal
8 year.

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

24 (4) Each district or public school academy must be assigned to
25 an opportunity index score each fiscal year, the value of which is
26 the quotient of the number of economically disadvantaged pupils as
27 determined under subsection (3) for the district or public school
28 academy and the total number of pupils in the district or public
29 school academy in the immediately preceding fiscal year, multiplied



1 by 100 and rounded up to the nearest whole number. Each district or
2 public school academy must be assigned an opportunity index band as
3 follows:

4 (a) A district or public school academy with an opportunity
5 index score greater than or equal to 0 but less than 20 must be
6 assigned to band 1 and shall receive reimbursement under subsection
7 (3) at a rate of at least 35.0% and less than 36.0%. The
8 reimbursement rate under this subdivision must be an amount equal
9 to the district's opportunity index score minus 1, multiplied by
10 the band adjustment factor applicable to this subdivision, plus
11 35.0%.

12 (b) A district or public school academy with an opportunity
13 index score greater than or equal to 20 but less than 44 must be
14 assigned to band 2 and shall receive reimbursement under subsection
15 (3) at a rate of at least 36.0% and less than 37.5%. The
16 reimbursement rate under this subdivision must be an amount equal
17 to the district's opportunity index score minus 20, multiplied by
18 the band adjustment factor applicable to this subdivision, plus
19 36.0%.

20 (c) A district or public school academy with an opportunity
21 index score greater than or equal to 44 but less than 59 must be
22 assigned to band 3 and shall receive reimbursement under subsection
23 (3) at a rate of at least 37.5% and less than 39.0%. The
24 reimbursement rate under this subdivision must be an amount equal
25 to the district's opportunity index score minus 44, multiplied by
26 the band adjustment factor applicable to this subdivision, plus
27 37.5%.

28 (d) A district or public school academy with an opportunity
29 index score greater than or equal to 59 but less than 73 must be



1 assigned to band 4 and shall receive reimbursement under subsection
2 (3) at a rate of at least 39.0% and less than 42.0%. The
3 reimbursement rate under this subdivision must be an amount equal
4 to the district's opportunity index score minus 59, multiplied by
5 the band adjustment factor applicable to this subdivision, plus
6 39.0%.

7 (e) A district or public school academy with an opportunity
8 index score greater than or equal to 73 but less than 85 must be
9 assigned to band 5 and shall receive reimbursement under subsection
10 (3) at a rate of at least 42.0% and less than 47.0%. The
11 reimbursement rate under this subdivision must be an amount equal
12 to the district's opportunity index score minus 73, multiplied by
13 the band adjustment factor applicable to this subdivision, plus
14 42.0%.

15 (f) A district or public school academy with an opportunity
16 index score greater than or equal to 85 must be assigned to band 6
17 and shall receive reimbursement under subsection (3) at a rate of
18 47.0%.

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

23 (5) Except as otherwise provided in this section, a district
24 or public school academy receiving funding under this section shall
25 use that money only to provide instructional programs and direct
26 noninstructional services, including, but not limited to, medical,
27 mental health, or counseling services, for at-risk pupils; for
28 school health clinics; and for the purposes of subsection (6), (7),
29 (8), (19), or (20). In addition, a district that is a school



1 district of the first class or a district or public school academy
2 in which at least 50% of the pupils in membership were determined
3 to be economically disadvantaged in the immediately preceding state
4 fiscal year, as determined and reported as described in subsection
5 (3), may use the funds it receives under this section for school
6 security or school parent liaison personnel. The uses of the funds
7 described in the immediately preceding sentence must align to the
8 needs assessment and the multi-tiered system of supports model and,
9 for funds spent on parent liaison personnel, must connect parents
10 to the school community. A district or public school academy shall
11 not use any of the money received under this section for
12 administrative costs. The instruction or direct noninstructional
13 services provided under this section may be conducted before or
14 after regular school hours or by adding extra school days to the
15 school year.

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

24 (7) From the state school aid fund money allocated under
25 subsection (1), there is allocated for 2023-2024 an amount not to
26 exceed \$33,000,000.00, **and there is allocated for 2024-2025 an**
27 **amount not to exceed \$38,000,000.00** to support primary health care
28 services provided to children and adolescents up to age 21. These
29 funds must be expended in a form and manner determined jointly by



1 the department and the department of health and human services.
 2 When making funding decisions for new adolescent health centers
 3 under this subsection, the department and department of health and
 4 human services shall prioritize support for primary health care
 5 services in unserved **and underserved** counties **as determined by the**
 6 **department of health and human services.** ~~as of July 14, 2022. An~~
 7 **For 2023-2024,** an amount not to exceed 4% of the funds allocated
 8 for 2023-2024 under this subsection, **and for 2024-2025, an amount**
 9 **equal to 4% of the funds allocated for 2024-2025 under this**
 10 **subsection** must be made available for technical support and
 11 coordination services from a nonprofit organization exclusively
 12 dedicated to serving adolescent health centers in this state and
 13 that has a membership that includes federally qualified health
 14 centers, local public health departments, hospital systems, and
 15 public school districts. As a requirement of being awarded the
 16 funds under this subsection as prescribed under this subsection, a
 17 nonprofit organization described in this subsection shall make
 18 readily available technical support and coordination services to
 19 all child and adolescent health centers in this state. Funds
 20 appropriated under this subsection **for 2023-2024 only** are a work
 21 project appropriation and any unexpended funds for 2023-2024 are
 22 carried forward into 2024-2025. The purpose of the work project is
 23 to continue to improve child and adolescent health center program
 24 sites and improve delivery of patient care. The estimated
 25 completion date of the work project is September 30, 2025.

26 (8) From the state school aid fund money allocated under
 27 subsection (1), there is allocated for 2023-2024 an amount not to
 28 exceed \$5,150,000.00 **and for 2024-2025 an amount not to exceed**
 29 **\$5,150,000.00** for the state portion of the hearing and vision



1 screenings as described in part 93 of the public health code, 1978
 2 PA 368, MCL 333.9301 to 333.9329, and, from the general fund money
 3 allocated under subsection (1), there is allocated for 2023-2024 an
 4 amount not to exceed \$1,500,000.00 **and for 2024-2025 an amount not**
 5 **to exceed \$1,500,000.00** for the state portion of the dental
 6 screenings as described in part 93 of the public health code, 1978
 7 PA 368, MCL 333.9301 to 333.9329. A local public health department
 8 shall pay at least 50% of the total cost of the screenings. The
 9 frequency of the vision screenings must be as required under R
 10 325.13091 to R 325.13096 of the Michigan Administrative Code and
 11 the frequency of the hearing screenings must be as required under R
 12 325.3271 to R 325.3276 of the Michigan Administrative Code. Funds
 13 must be awarded in a form and manner approved jointly by the
 14 department and the department of health and human services.
 15 Notwithstanding section 17b, the department shall make payments to
 16 eligible entities under this subsection on a schedule determined by
 17 the department.

18 (9) Each district or public school academy receiving funds
 19 under this section shall submit to the department by July 15 of
 20 each fiscal year a report, in the form and manner prescribed by the
 21 department, that includes a brief description of each program
 22 conducted or services performed by the district or public school
 23 academy using funds under this section, the amount of funds under
 24 this section allocated to each of those programs or services, the
 25 total number of at-risk pupils served by each of those programs or
 26 services, and the data necessary for the department and the
 27 department of health and human services to verify matching funds
 28 for the temporary assistance for needy families program. In
 29 prescribing the form and manner of the report, the department shall



1 ensure that districts are allowed to expend funds received under
2 this section on any activities that are permissible under this
3 section. If a district or public school academy does not comply
4 with this subsection, the department shall withhold an amount equal
5 to the August payment due under this section until the district or
6 public school academy complies with this subsection. If the
7 district or public school academy does not comply with this
8 subsection by the end of the fiscal year, the withheld funds are
9 forfeited to the school aid fund.

10 (10) To receive funds under this section, a district or public
11 school academy must allow access for the department or the
12 department's designee to audit all records related to the program
13 for which it receives those funds. The district or public school
14 academy shall reimburse the state for all disallowances found in
15 the audit.

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

29 (12) A district or public school academy that receives funds



1 under this section may use those funds to provide research based
 2 professional development and to implement a coaching model that
 3 supports the multi-tiered system of supports framework.
 4 Professional development may be provided to district and school
 5 leadership and teachers and must be aligned to professional
 6 learning standards; integrated into district, school building, and
 7 classroom practices; and solely related to the following:

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

11 (b) Implementing section 1280f of the revised school code, MCL
 12 380.1280f, as required under subsection (2), with fidelity.

13 (13) ~~For 2023-2024 a~~ **A** district or public school academy that
 14 receives funds under subsection (3) may use funds received under
 15 subsection (3) for support staff providing services to at-risk
 16 pupils. **Beginning in 2024-2025, a district of the first class may**
 17 **use up to 40% of the funds it receives under subsection (3) for**
 18 **salary and benefit increases for currently employed instructional**
 19 **staff or to hire additional instructional staff. A district shall**
 20 **not use any of the money described in this subsection for**
 21 **administrative costs or to supplant existing funding. A district**
 22 **shall report its intent to use funds under this subsection to the**
 23 **department by not later than November 1 of the current fiscal year.**

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



1 (15) Except as otherwise provided in this subsection, if
2 necessary, the department shall prorate payments under this
3 section, except payments under subsection (7), (8), (19), or (20),
4 by reducing the amount of the allocation as otherwise calculated
5 under this section by an equal percentage per district. Subject to
6 the availability of funds, if proration is necessary under this
7 subsection, the department must ensure that no district receives an
8 amount less than 11.5% of the target foundation for each
9 economically disadvantaged pupil enrolled in the district.

10 (16) If a district is dissolved pursuant to section 12 of the
11 revised school code, MCL 380.12, the intermediate district to which
12 the dissolved district was constituent shall determine the
13 estimated number of pupils that are economically disadvantaged and
14 that are enrolled in each of the other districts within the
15 intermediate district and provide that estimate to the department
16 for the purposes of distributing funds under this section within 60
17 days after the district is declared dissolved.

18 (17) A district or public school academy that receives funds
19 under this section may use funds received under this section to
20 provide an anti-bullying or crisis intervention program.

21 (18) The department shall collaborate with the department of
22 health and human services to prioritize assigning Pathways to
23 Potential success coaches to elementary schools that have a high
24 percentage of pupils in grades K to 3 who are not proficient in
25 English language arts, based upon state assessments for pupils in
26 those grades.

27 (19) From the state school aid fund money allocated under
28 subsection (1), there is allocated for 2023-2024 only an amount not
29 to exceed \$35,000,000.00 to support primary health care services



1 provided to children and adolescents up to age 21 and for the
2 provision of space upgrades in child and adolescent health center
3 programs. All of the following apply to this allocation:

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

5 (i) Modernizing antiquated medical equipment.

6 (ii) Improving security and patient safety measures.

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

8 (iv) Renovating physical spaces to improve patient privacy and
9 the care setting.

10 (b) The funds must be expended in a form and manner determined
11 jointly by the department and the department of health and human
12 services.

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

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



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

7 (20) From the state school aid fund money appropriated under
8 section 11, there is allocated for 2023-2024 only an amount not to
9 exceed \$10,000,000.00 for an electronic patient data and health
10 care analytic system to be made available to each child and
11 adolescent health center program. The department of health and
12 human services shall collaborate on system implementation with a
13 nonprofit organization exclusively dedicated to serving child and
14 adolescent health center programs in this state and that has a
15 membership that includes federally qualified health centers, local
16 public health departments, hospital systems, and public school
17 districts, including, but not limited to, technology assessment,
18 design, coordination, and system implementation with child and
19 adolescent health center programs.

20 (21) As used in this section:

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

24 (i) The pupil is economically disadvantaged.

25 (ii) The pupil is an English language learner.

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

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

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



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

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

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

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

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

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

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

23 **(b)** ~~(d)~~ "Economically disadvantaged" means a pupil who has
24 been determined eligible for free or reduced-price meals as
25 determined under the Richard B. Russell national school lunch act,
26 42 USC 1751 to 1769j; who is in a household receiving supplemental
27 nutrition assistance program or temporary assistance for needy
28 families assistance; or who is homeless, migrant, or in foster
29 care, as reported to the center.



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

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

7 Sec. 31d. (1) From the state school aid fund money
 8 appropriated in section 11, there is allocated an amount not to
 9 exceed ~~\$27,553,400.00 for 2022-2023 and there is allocated an~~
 10 ~~amount not to exceed \$29,553,400.00 for 2023-2024~~ **2024-2025** for the
 11 purpose of making payments to districts and other eligible entities
 12 under this section.

13 (2) The amounts allocated from state sources under this
 14 section are used to pay the amount necessary to reimburse districts
 15 for 6.0127% of the necessary costs of the state mandated portion of
 16 lunch programs provided by those districts. The department shall
 17 calculate the amount due to each district under this section using
 18 the methods of calculation adopted by the Michigan supreme court in
 19 the consolidated cases known as *Durant v State of Michigan*, 456
 20 Mich 175 (1997).

21 (3) The payments made under this section include all state
 22 payments made to districts so that each district receives at least
 23 6.0127% of the necessary costs of operating the state mandated
 24 portion of the lunch program in a fiscal year.

25 (4) The payments made under this section to districts and
 26 other eligible entities that are not required under section 1272a
 27 of the revised school code, MCL 380.1272a, to provide a lunch
 28 program must be in an amount not to exceed \$10.00 per eligible
 29 pupil plus 5 cents for each free lunch and 2 cents for each reduced



1 price lunch provided, as determined by the department.

2 (5) From the federal funds appropriated in section 11, there
3 is allocated for ~~2022-2023 all available federal funding, estimated~~
4 ~~at \$901,400,000.00, and there is allocated for 2023-2024~~ **2024-2025**
5 all available federal funding, estimated at \$901,400,000.00 for
6 child nutrition programs and, ~~for 2022-2023, all available federal~~
7 ~~funding, estimated at \$15,000,000.00, and, for 2023-2024,~~ **2024-**
8 **2025**, all available federal funding, estimated at \$15,000,000.00,
9 for food distribution programs.

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

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

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

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

26 (a) The district participates in the federal school breakfast
27 program and meets all standards as prescribed by 7 CFR parts 210,
28 220, 225, 226, and 245.

29 (b) Each breakfast eligible for payment meets the federal



1 standards described in subdivision (a).

2 (3) The payment for a district under this section is at a per
3 meal rate equal to the lesser of the district's actual cost or 100%
4 of the statewide average cost of a meal served, as determined and
5 approved by the department, less federal reimbursement, participant
6 payments, and state breakfast reimbursements received under section
7 30d. The department shall determine the statewide average cost
8 using costs as reported in a manner approved by the department for
9 the preceding school year.

10 (4) Notwithstanding section 17b, the department may make
11 payments under this section pursuant to an agreement with the
12 department.

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

17 Sec. 31j. (1) From the general fund money appropriated in
18 section 11, there is allocated for ~~2023-2024~~ **2024-2025** an amount
19 not to exceed \$500,000.00 and from the state school aid fund money
20 appropriated in section 11, there is allocated an amount not to
21 exceed \$8,800,000.00 for ~~2023-2024~~ **2024-2025** for a program to
22 support districts and other non-school sponsors in the purchase of
23 locally grown fruits, ~~and vegetables,~~ **and legumes** as described in
24 this section. ~~It is the intent of the legislature that, for 2024-~~
25 ~~2025, the allocation from the state school aid fund money~~
26 ~~appropriated in section 11 for purposes described in this section~~
27 ~~will be \$4,000,000.00.~~

28 (2) Funding under this section retained by the department for
29 administration must not exceed 5%. Funding under this section



1 retained by project partners for data collection, outreach, and
2 training must not exceed ~~1%~~ **2%** for each partner.

3 (3) The department shall develop and implement a competitive
4 grant program for districts and other non-school sponsors to assist
5 in paying for the costs incurred by the district or other non-
6 school sponsor to purchase or increase purchases of whole or
7 minimally processed fruits, vegetables, and legumes grown in this
8 state. The maximum amount that may be drawn down on a grant to a
9 district or other non-school sponsor is based on the number of
10 meals served by the district during the previous school year under
11 the Richard B. Russell national school lunch act, 42 USC 1751 to
12 1769j, or meals served by the other non-school sponsor in the
13 previous school year. The department shall collaborate with the
14 Michigan department of agriculture and rural development to provide
15 training to newly participating schools and other non-school
16 sponsors and electronic information on Michigan agriculture.

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

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

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

27 (i) ~~(a)~~ For each fiscal year, were purchased for use in meals
28 and supportive activities as part of the United States Department
29 of Agriculture child nutrition programs provided between ~~September~~



1 **October** 1 through ~~August~~ **September** 30 of that fiscal year.

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

4 (b) **Pay for labor and food transportation of locally grown**
5 **fruits, vegetables, and legumes that directly support the**
6 **activities and goals of the program described in this section. The**
7 **amount paid under this subdivision must not exceed 25% of the grant**
8 **award.**

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

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

22 (8) The department shall give preference to districts or other
23 non-school sponsors that propose educational activities that meet 1
24 or more of the following: promote healthy food activities; have
25 clear educational objectives; involve parents or the community;
26 connect to a school's or child care center's farm-to-school or
27 farm-to-early-child-care procurement activities; and market and
28 promote the program, leading to increased pupil knowledge and
29 consumption of Michigan-grown products. The department shall give



1 stronger weighting and consideration to applications with robust
2 marketing and promotional activities.

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

5 (a) The percentage of children who qualify for free or reduced
6 price school meals under the Richard B. Russell national school
7 lunch act, 42 USC 1751 to 1769j.

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

10 (c) Existing or planned collaboration between child care
11 sponsors, between districts, or with agricultural businesses and
12 essential local food infrastructure, such as farms, farm
13 cooperatives, processors, distributors, and local food hubs.

14 (10) As a condition of receiving a grant under this section, a
15 district or other non-school sponsor shall provide or direct its
16 vendors to provide to the department copies of monthly receipts
17 that show the quantity of different Michigan-grown fruits,
18 vegetables, and legumes purchased, the amount of money spent on
19 each of these products, the name and Michigan location of the farm
20 that grew the products, and the methods or plans to market and
21 promote the program. The district or other non-school sponsor also
22 shall provide to the department monthly United States Department of
23 Agriculture child nutrition reimbursable meal numbers and must
24 retain monthly menus noting when and how Michigan-grown products
25 were used in meals. The district or other non-school sponsor and
26 school or non-school sponsor food service director or directors
27 also shall agree to respond to brief online surveys and to provide
28 a report that shows the percentage relationship of Michigan
29 spending compared to total food spending. ~~Not~~ **By not** later than 60



1 days after the end of the period in which funds under this section
2 were received, and in which federal child nutrition programs
3 require submission of claims, each district or each non-school
4 sponsor shall submit a report to the department on outcomes and
5 related measurements for economic development and children's
6 nutrition and readiness to learn. The report must include at least
7 both of the following:

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

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

22 (ii) The district or other non-school sponsor shall use
23 purchasing data collected for the program and surveys of school and
24 non-school sponsor food service directors on the impact and success
25 of the program as the source for the data described in subparagraph
26 (i).

27 (b) The ability to which pupils can access a variety of
28 healthy Michigan-grown foods through schools and other non-school
29 sponsor centers and increase their consumption of those foods. All



1 of the following apply for purposes of this subdivision:

2 (i) The data used to determine whether this subdivision is met
 3 are the number of pupils exposed to Michigan-grown fruits,
 4 vegetables, and legumes at schools and non-school sponsor centers;
 5 the variety of products served; new items taste-tested or placed on
 6 menus; and the increase in pupil willingness to try new local
 7 healthy foods.

8 (ii) The district or other non-school sponsor shall use
 9 purchasing data collected for the project, meal count and
 10 enrollment numbers, school menu calendars, and surveys of school
 11 and non-school sponsor food service directors as the source for the
 12 data described in subparagraph (i).

13 (11) The department shall compile the reports provided by
 14 districts and other non-school sponsors under subsection (10) into
 15 1 legislative report. The department shall provide this report not
 16 later than April 1 of each fiscal year following the fiscal year
 17 for which funding is allocated under this section to the house and
 18 senate subcommittees responsible for school aid, the house and
 19 senate fiscal agencies, and the state budget director.

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

23 Sec. 31n. (1) From the state school aid fund money
 24 appropriated in section 11, there is allocated for ~~2023-2024-2024-~~
 25 **2025** for the purposes of this section an amount not to exceed
 26 ~~\$106,545,000.00~~ **\$111,545,000.00** and from the general fund money
 27 appropriated in section 11, there is allocated for ~~2023-2024-2024-~~
 28 **2025** for the purposes of this section an amount not to exceed
 29 \$1,300,000.00. The department and the department of health and



1 human services shall continue a program to distribute this funding
2 to add licensed behavioral health providers for general education
3 pupils, and recipients of the funds under subsection (6) shall
4 continue to seek federal Medicaid match funding for all eligible
5 mental health and support services.

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

23 (3) The advisory council shall develop a fiduciary agent
24 checklist for intermediate districts to facilitate development of a
25 plan to submit to the department and to the department of health
26 and human services. The department and department of health and
27 human services shall determine the requirements and format for
28 intermediate districts to submit a plan for possible funding under
29 subsection (6). The department shall make applications for funding



1 for this program available to districts and intermediate districts
2 **by** not later than December 1 of each fiscal year for which funds
3 are allocated under this section and shall award the funding **by** not
4 later than February 1 of each fiscal year for which funds are
5 allocated under this section.

6 (4) The department of health and human services shall amend
7 the state Medicaid plan to obtain appropriate Medicaid waivers as
8 necessary for the purpose of generating additional Medicaid match
9 funding for school mental health and support services for general
10 education pupils, and this expansion is called Caring for Students
11 (C4S).

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



1 districts. A payment from funding allocated under this subsection
2 must not be paid to an entity that is not part of the network
3 described in this subsection.

4 (6) From the state school aid fund money allocated under
5 subsection (1), there is allocated for ~~2023-2024~~**2024-2025** an
6 amount not to exceed \$87,245,000.00 to be distributed to
7 intermediate districts for the provision of mental health and
8 support services to general education students. Recipients of funds
9 under this subsection shall continue to seek federal Medicaid match
10 funding for all eligible mental health and support services. If a
11 district or intermediate district is not able to procure the
12 services of a licensed master's level behavioral health provider,
13 the district or intermediate district shall notify the department
14 and the department of health and human services and, if the
15 department and department of health and human services verify that
16 the district or intermediate district attempted to procure services
17 from a master's level behavioral health provider and was not able
18 to do so, then the district or intermediate district may instead
19 procure services from a provider with less than a master's degree
20 in behavioral health. To be able to use the exemption in the
21 immediately preceding sentence, the district or intermediate
22 district must submit evidence satisfactory to the department and
23 department of health and human services demonstrating that the
24 district or intermediate district took measures to procure the
25 services of a licensed master's level behavioral health provider
26 but was unable to do so, and the department and department of
27 health and human services must be able to verify this evidence.
28 From the first \$56,173,600.00 of the funds allocated under this
29 subsection, the department shall distribute up to \$1,003,100.00 for



1 ~~2023-2024~~**2024-2025** to each intermediate district that submits a
2 plan approved by the department and the department of health and
3 human services by February 1 of each fiscal year for which funds
4 are allocated under this section. The department shall distribute
5 the remaining \$31,071,400.00 of the funds allocated under this
6 subsection for ~~2023-2024~~**2024-2025** to intermediate districts on an
7 equal per-pupil basis based on the combined total number of pupils
8 in membership in the intermediate district and 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. The department and department of health and
12 human services shall work cooperatively in providing oversight and
13 assistance to intermediate districts and shall monitor the program
14 upon implementation. An intermediate district shall use funds
15 awarded under this subsection to provide funding to its constituent
16 districts, including public school academies that are considered to
17 be constituent districts under section 705(7) of the revised school
18 code, MCL 380.705, for the provision of mental health and support
19 services to general education students. In addition to the criteria
20 identified under subsection (9), an intermediate district shall
21 consider geography, cost, or other challenges when awarding funding
22 to its constituent districts. Districts receiving funding under
23 this subsection are encouraged to provide suicide prevention and
24 awareness education and counseling.

25 (7) If funding awarded to an intermediate district remains
26 after funds are provided by the intermediate district to its
27 constituent districts, the intermediate district shall notify the
28 department and department of health and human services and submit
29 evidence satisfactory to the department and department of health



1 and human services demonstrating how it would like to use funds for
2 purposes other than hiring licensed behavioral health providers for
3 general education pupils. With permission from the department and
4 department of health and human services, the intermediate district
5 may hire or contract for experts to provide mental health and
6 support services to general education students residing within the
7 boundaries of the intermediate district, including, but not limited
8 to, expanding, hiring, or contracting for staff and experts to
9 provide those services directly or to increase access to those
10 services through coordination with outside mental health agencies;
11 the intermediate district may also contract with 1 or more other
12 intermediate districts for coordination and the facilitation of
13 activities related to providing mental health and support services
14 to general education students residing within the boundaries of the
15 intermediate district; the intermediate district may also use the
16 funds under this section to create or strengthen school-based
17 behavioral health assessment teams that focus on providing age-
18 appropriate interventions, identifying behaviors that suggest a
19 pupil may be struggling with mental health challenges, providing
20 treatment and support of the pupil, and using disciplinary
21 interventions and the criminal justice system as methods of last
22 resort; and the intermediate district may also use the funds under
23 this section to provide evidence-based trainings that support
24 student mental health.

25 (8) If funding awarded to an intermediate district under this
26 section remains unspent, or if the intermediate district submits an
27 application requesting a lower allocation than the maximum amount
28 permitted, the department, in conjunction with the intermediate
29 district, may reallocate the funds to another intermediate district



1 or other intermediate districts capable of expending the funds
2 before the funding deadline in accordance with this section as if
3 those funds were originally allocated to the intermediate district
4 or intermediate districts to which the funds are being reallocated.

5 (9) A district requesting funds under this section from the
6 intermediate district in which it is located shall submit an
7 application for funding for the provision of mental health and
8 support services to general education pupils. A district receiving
9 funding from the application process described in this subsection
10 shall provide services to nonpublic students upon request. An
11 intermediate district shall not discriminate against an application
12 submitted by a public school academy simply on the basis of the
13 applicant being a public school academy. The department shall
14 approve grant applications based on the following criteria:

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

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

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

27 (d) The extent of the district's existing partnerships with
28 community health care providers or the ability of the district to
29 establish such partnerships.



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

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

6 (g) Whether the district will participate in ongoing
7 trainings.

8 (h) Whether the district will submit an annual report to the
9 state.

10 (i) Whether the district demonstrates a willingness to work
11 with the state to establish program and service delivery
12 benchmarks.

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

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

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

20 (11) Both of the following are allocated to the department of
21 health and human services from the general fund money allocated
22 under subsection (1):

23 (a) For ~~2023-2024~~, **2024-2025**, an amount not to exceed
24 \$1,000,000.00 for the purpose of upgrading technology and systems
25 infrastructure and other administrative requirements to support the
26 programs funded under this section.

27 (b) For ~~2023-2024~~, **2024-2025**, an amount not to exceed
28 \$300,000.00 for the purpose of administering the programs under
29 this section and working on generating additional Medicaid funds as



1 a result of programs funded under this section.

2 (12) From the state school aid fund money allocated under
3 subsection (1), there is allocated for ~~2023-2024~~**2024-2025** an
4 amount not to exceed \$5,000,000.00 to intermediate districts on an
5 equal per intermediate district basis for the purpose of
6 administering programs funded under this section. Recipients of the
7 funds under this subsection shall continue to seek federal Medicaid
8 match funding for all eligible mental health and support services
9 and participate in all learning collaboratives about C4S required
10 by the department and department of health and human services.

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



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

5 Sec. 31p. (1) From the ~~federal funding~~ **state school aid fund**
 6 **money** appropriated under section 11, there is allocated for ~~2022-~~
 7 ~~2023-2024-2025~~ only an amount not to exceed ~~\$50,000,000.00~~ from the
 8 ~~federal funding awarded to this state from the coronavirus state~~
 9 ~~fiscal recovery fund under the American rescue plan act of 2021,~~
 10 ~~title IX, subtitle M of Public Law 117-2,~~ **\$12,500,000.00** for grants
 11 to intermediate districts to implement a TRAILS program as
 12 described in subsection (2).

13 (2) The TRAILS program described in this subsection must
 14 improve youth access to evidence-based mental health services by
 15 training school mental health professionals in effective practices,
 16 such as cognitive behavioral therapy and mindfulness. **It is**
 17 **intended that a TRAILS program that received federal funding under**
 18 **this section in a prior fiscal year allocated from the American**
 19 **rescue plan act of 2021, title IX, subtitle M of Public Law 117-2,**
 20 **first expend those dollars before spending dollars allocated from**
 21 **state school aid money received from intermediate districts under**
 22 **this section.**

23 (3) The department shall establish a grant process to
 24 distribute funds under this section.

25 ~~(4) The department shall award, in an equal amount, grants~~
 26 ~~under this section to each intermediate district that has an~~
 27 ~~approved grant application for funding under this section.~~
 28 ~~Intermediate districts must forward to the TRAILS program described~~
 29 ~~in subsection (2) an amount equal to the amount awarded to the~~



1 ~~intermediate district under this subsection to contract with the~~
2 ~~TRAILS program. The TRAILS program must use funding received from~~
3 ~~intermediate districts to satisfy the terms of the contracts with~~
4 ~~the intermediate districts on a statewide basis.~~

5 (4) ~~(5)~~ Notwithstanding section 17b, the department shall make
6 payments under this section on a schedule determined by the
7 department.

8 (5) ~~(6)~~ The funds allocated under this section for ~~2022-2023~~
9 **2024-2025** are a work project appropriation, and any unexpended
10 funds for ~~2022-2023-2024-2025~~ are carried forward into ~~2023-2024-~~
11 **2025-2026**. The purpose of the work project is to continue support
12 for the TRAILS program. The estimated completion date of the work
13 project is ~~December 31, 2026.~~ **September 30, 2029.**

14 ~~(7) The federal funding allocated under this section is~~
15 ~~intended to respond to the COVID-19 public health emergency and its~~
16 ~~negative impacts.~~

17 Sec. 31aa. (1) From the state school aid fund money
18 appropriated in section 11, there is allocated ~~\$310,000,000.00~~
19 **\$300,000,000.00** for ~~2023-2024 only and 2024-2025~~, from the general
20 fund money appropriated in section 11, there is allocated
21 \$18,000,000.00 for ~~2023-2024 only~~ **2024-2025 only, and from the**
22 **federal fund money appropriated under section 11, there is**
23 **allocated for 2024-2025 only the amount remaining, estimated at**
24 **\$13,300,000.00, from the federal funding awarded to this state that**
25 **has reverted to the governor's emergency education relief fund**
26 **under the provisions of section 2002 of the American rescue plan**
27 **act of 2021, Public Law 117-2, to provide payments to districts,**
28 intermediate districts, nonpublic schools, and the Michigan Schools
29 for the Deaf and Blind, for activities to improve student mental



1 health and improve student safety. **It is the intent of the**
 2 **legislature that, for 2025-2026, the allocation from the state**
 3 **school aid fund money appropriated in section 11 for the purposes**
 4 **described in this section will be \$150,000,000.00.** It is the intent
 5 of the legislature that recipients will use at least 50% of the
 6 funds on **evidence-based or emerging best practice** activities
 7 related to improving student mental health **based on a thorough**
 8 **needs assessment that includes community input and resource**
 9 **mapping.** 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~~
 13 ~~psychologists, 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) Employee wellness programs.

27 (h) Evidence-based trainings to support mental health.

28 (i) Costs associated with collaboration between school
 29 employees, families, and community partners to address the



1 academic, behavioral, and social needs of all students through
 2 collaborative partnerships, resource coordination, data collection,
 3 and data sharing.

4 (j) Costs associated with conducting a systematic school
 5 mental health needs assessment and resource mapping that identifies
 6 programmatic and systemic needs and helps staff determine
 7 priorities and create action plans.

8 (k) ~~(e)~~—Coordination with local law enforcement.

9 (l) ~~(f)~~—Training for school staff on threat assessment.

10 (m) ~~(g)~~—Training for school staff and students on threat
 11 response.

12 (n) ~~(h)~~—Training for school staff on crisis communication.

13 (o) ~~(i)~~—Safety infrastructure, including, but not limited to,
 14 cameras, door blocks, hardened vestibules, window screening, and
 15 technology necessary to operate buzzer systems. This may also
 16 include firearm detection software that integrates to existing
 17 security cameras to detect and alert school personnel and first
 18 responders to visible firearms on school property. ~~The software~~
 19 ~~described in the immediately preceding sentence must be organically~~
 20 ~~developed and proprietary to the company it is purchased from and~~
 21 ~~should not include any third party or open source data.~~

22 (p) ~~(j)~~—Age-appropriate training for students and families on
 23 responsible ~~gun~~-firearm ownership, **including safe handling and safe**
 24 **storage of firearms.**

25 (q) ~~(k)~~—School resource officers.

26 ~~(l)~~ ~~Any other school safety service or product necessary to~~
 27 ~~improve or maintain security in buildings.~~

28 (r) ~~(m)~~—Student Safety Management System, the information
 29 technology platform and related services to improve student safety



1 by mitigating cyberbullying, school violence, human trafficking,
2 and self-harm that supports students from grades K to 12.

3 **(s)** ~~(n)~~—A secure platform, administered by the department of
4 state police, for school officials, emergency responders, and
5 emergency management coordinators to house all school safety-
6 related items, including, but not limited to, EOP templates, EOP
7 guidance, reference documents, and security assessments. The
8 platform should use existing password-protected access control
9 methods schools currently utilize and, to the extent possible, be
10 capable of integrating with existing platforms or technologies used
11 by districts for school safety. Through permissions-based access
12 control, the platform should be able to relay information clearly
13 and in real time to each person or entity necessary to provide a
14 unified response to a safety incident, or to take appropriate
15 action in response to an anticipated disruption to the normal
16 functions of the surrounding community.

17 **(t) Emergency infrastructure needs to respond to an immediate**
18 **threat to the health or safety of students and staff in the**
19 **district, intermediate district, nonpublic school, or the Michigan**
20 **Schools for the Deaf and Blind. A district, intermediate district,**
21 **nonpublic school, or the Michigan Schools for the Deaf and Blind**
22 **shall not expend funds for this purpose without first obtaining**
23 **approval from the department. In making a determination of**
24 **approval, the department shall, at a minimum, assess whether the**
25 **district, intermediate district, nonpublic school, or the Michigan**
26 **Schools for the Deaf and Blind is responding to an immediate threat**
27 **to the health or safety of students and staff, and whether the**
28 **district, intermediate district, nonpublic school, or the Michigan**
29 **Schools for the Deaf and Blind has other sources of funding that**



1 should be utilized first.

2 (u) A contract with a vendor for a comprehensive safety and
3 security assessment or a comprehensive safety and security event
4 assessment in schools operated by the district, intermediate
5 district, nonpublic school, or the Michigan Schools for the Deaf
6 and Blind.

7 (2) ~~From the state school aid fund money allocated in~~
8 ~~subsection (1), the~~ **The** department shall make payments to
9 districts, ~~and~~ intermediate districts, **and the Michigan Schools for**
10 **the Deaf and Blind** in an equal amount per pupil based on the total
11 number of pupils in membership in each district, **intermediate**
12 **district, and the Michigan Schools for the Deaf and Blind.** From the
13 general fund money allocated in subsection (1), the department
14 shall make payments to nonpublic schools in an equal amount per
15 pupil, using pupil counts determined by the department. The
16 department shall ensure that the amount per pupil paid to nonpublic
17 schools does not exceed the amount per pupil paid to districts and
18 intermediate districts.

19 (3) If funding remains after the **initial** distribution of funds
20 as described in subsection (2), the department may provide
21 additional per-pupil allocations to allocate remaining dollars. ~~7~~
22 ~~using for those calculations the same requirements described in~~
23 ~~subsection (2).~~

24 (4) Except as otherwise provided in this section, to receive
25 funding under this section, districts, intermediate districts, ~~and~~
26 nonpublic schools, **and the Michigan Schools for the Deaf and Blind**
27 must apply for funding under this section in a form and manner
28 prescribed by the department. In its application described in this
29 subsection, a district, intermediate district, ~~or~~ nonpublic school,



1 or the Michigan Schools for the Deaf and Blind, as applicable,
2 shall document how it or, if an intermediate district is applying
3 on behalf of a constituent district, its constituent district, will
4 use community input to guide the expenditure of the funds it or the
5 constituent district will receive under this section and it shall
6 pledge to host, or shall pledge on behalf of its constituent
7 district that the constituent district will host, at least 1
8 community conversation about student mental health and school
9 safety. With consent of its constituent districts, an intermediate
10 district may apply for funding under this section on behalf of its
11 constituent districts. As used in this section, "constituent
12 district" means that term as defined in section 3 of the revised
13 school code, MCL 380.3.

14 (5) In addition to the eligible expenses under subsection (1),
15 a recipient of funding under this section may use the funds for any
16 other mental health or school safety activities or products if the
17 recipient receives written permission from the department, in a
18 form and manner determined by the department.

19 (6) Recipients of funding under this section using those
20 dollars on products or activities related to improving student
21 safety shall prioritize needs identified by the district,
22 intermediate district, nonpublic school, or the Michigan Schools
23 for the Deaf and Blind on its most recent school safety risk
24 assessment.

25 (7) Federal funding received under this section must be used
26 for allowable uses that respond to the COVID-19 public health
27 emergency and its negative impacts, as determined by the
28 department. The department shall develop a process to award and
29 make federal funding available to districts, intermediate



1 districts, nonpublic schools, and the Michigan Schools for the Deaf
2 and Blind on a time frame that allows districts, intermediate
3 districts, nonpublic schools, and the Michigan Schools for the Deaf
4 and Blind to properly obligate these funds before the federal
5 obligation deadlines for these funds.

6 (8) ~~(5)~~ Districts receiving funds under this section must
7 coordinate with intermediate school districts to avoid duplication
8 of services and to streamline delivery of services to students.

9 (9) ~~(6) Notwithstanding section 17b, the~~ **The** department shall
10 ~~make payments under this section on a schedule determined by the~~
11 ~~department.~~ **begin distributing funds under this section to**
12 **districts, intermediate districts, nonpublic schools, and the**
13 **Michigan Schools for the Deaf and Blind in the October payment**
14 **under section 17b of the current fiscal year. The department must**
15 **ensure that the federal funding under this section is distributed**
16 **in the October payment under section 17b of the current fiscal**
17 **year.**

18 (10) As provided under section 18a, recipients may expend
19 funds under this section until the end of the fiscal year
20 immediately following the fiscal year in which the funds are
21 received.

22 Sec. 31gg. (1) From the state school aid fund money
23 appropriated in section 11, there is allocated for 2024-2025 an
24 amount not to exceed \$5,000,000.00 for grants to eligible
25 intermediate districts to hire a school nurse consultant.

26 (2) School nurse consultants hired using funds under this
27 section shall do at least both of the following:

28 (a) Plan and implement activities supporting the constituent
29 districts of the intermediate district in developing and



1 maintaining quality school nursing services, school health
 2 services, and other programs through professional development,
 3 community partnerships, and other whole child initiatives that
 4 support safe and healthy schools.

5 (b) Provide consultant and leadership services to constituent
 6 districts of the intermediate district to promote quality school
 7 nursing and school health policies, programs, and services that
 8 safely, legally, and effectively address the physical, social, and
 9 mental health needs of students.

10 (3) The department shall distribute funding under this section
 11 to intermediate districts demonstrating the highest need for a
 12 school nurse consultant. The department shall ensure that an
 13 intermediate district does not receive funding for more than 1
 14 school nurse consultant.

15 (4) To be eligible for funding under this section, an
 16 intermediate district must apply in a form and manner determined by
 17 the department.

18 Sec. 32d. (1) From the state school aid fund money
 19 appropriated in section 11, there is allocated to eligible
 20 intermediate districts and consortia of intermediate districts for
 21 great start readiness programs an amount not to exceed
 22 ~~\$369,120,000.00 for 2022-2023 and an amount not to exceed~~
 23 ~~\$524,720,000.00~~ **\$616,020,000.00** for 2023-2024. In addition, from
 24 the federal funding appropriated in section 11, there is allocated
 25 for 2022-2023 an amount not to exceed ~~\$83,000,000.00~~ from the
 26 federal funding awarded to this state from the coronavirus state
 27 fiscal recovery fund under the American rescue plan act of 2021,
 28 title IX, subtitle M of Public Law 117-2, to eligible intermediate
 29 districts and consortia of intermediate districts for great start



1 ~~readiness programs.~~ **2024-2025.** An intermediate district or
 2 consortium shall use funds allocated under this section for great
 3 start readiness programs to provide part-day, school-day, GSRP
 4 extended programs, or GSRP/Head Start blended comprehensive free
 5 compensatory classroom programs designed to improve the readiness
 6 and subsequent achievement of ~~educationally disadvantaged~~ children
 7 who meet the participant eligibility and prioritization guidelines
 8 as defined by the department **of lifelong education, advancement,**
 9 **and potential.** For a child to be eligible to participate in a
 10 program under this section, the child must be at least 4, but less
 11 than 5, years of age as of September 1 of the school year in which
 12 the program is offered and must meet those eligibility and
 13 prioritization guidelines. A child who is not 4 years of age as of
 14 September 1, but who will be 4 years of age **by** not later than
 15 December 1, is eligible to participate if the child's parent or
 16 legal guardian seeks a waiver from the September 1 eligibility date
 17 by submitting a request for enrollment in a program to the
 18 responsible intermediate district, if the program has capacity on
 19 or after September 1 of the school year, and if the child meets
 20 eligibility and prioritization guidelines.

21 (2) From the state school aid fund money allocated under
 22 subsection (1), an amount not to exceed ~~\$367,120,000.00 for 2022-~~
 23 ~~2023 and \$522,720,000.00~~ **\$616,020,000.00** for 2023-2024, and from
 24 ~~the federal funds allocated under subsection (1), an amount not to~~
 25 ~~exceed \$83,000,000.00 for 2022-2023,~~ **2024-2025** is allocated to
 26 intermediate districts or consortia of intermediate districts based
 27 on the formula in section 39. An intermediate district or
 28 consortium of intermediate districts receiving funding under this
 29 section shall act as the fiduciary for the great start readiness



1 programs. An intermediate district or consortium of intermediate
 2 districts receiving funding under this section may collaborate with
 3 local governments to identify children eligible for programs funded
 4 under this section and may contract with local governments to
 5 provide services. ~~In order to~~ **To** be eligible to receive funds
 6 allocated under this subsection from an intermediate district or
 7 consortium of intermediate districts, a district, a consortium of
 8 districts, a local government, or a public or private for-profit or
 9 nonprofit legal entity or agency must comply with this section and
 10 section 39. If, due to the number of GSRP extended program slots
 11 awarded, the amount allocated in this subsection is ~~not sufficient~~
 12 **insufficient** to award at least the same number of part-day program
 13 and school-day program slots as awarded in the immediately
 14 preceding fiscal year, there is appropriated from the great start
 15 readiness program reserve fund the amount necessary to fully award
 16 the same number of part-day program and full-day program slots as
 17 awarded in the immediately preceding fiscal year.

18 (3) In addition to the allocation under subsection (1), from
 19 the general fund money appropriated under section 11, there is
 20 allocated an amount not to exceed ~~\$500,000.00 for 2022-2023 and~~
 21 ~~\$600,000.00~~ **\$350,000.00** for ~~2023-2024~~ **2024-2025** for a competitive
 22 grant to continue a longitudinal evaluation of children who have
 23 participated in great start readiness programs.

24 (4) To be eligible for funding under this section, a program
 25 must prepare children for success in school through comprehensive
 26 part-day, school-day, GSRP extended programs, or GSRP/Head Start
 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 review and make recommendations
28 regarding the program components listed in this subsection. The
29 advisory committee also shall make recommendations to the great



1 start collaborative regarding other community services designed to
2 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) An application for funding under this section must provide
9 for the following, in a form and manner determined by the
10 department **of lifelong education, advancement, and potential:**

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

13 (b) Except as otherwise provided in this subdivision, ensure
14 that at least 85% of the children participating in an eligible
15 great start readiness program for whom the intermediate district is
16 receiving funds under this section are children who live with
17 families with a household income that is equal to or less than ~~7~~
18 ~~for 2022-2023, 250%, and, for 2023-2024, 300%~~ **350%** of the federal
19 poverty guidelines. If the intermediate district determines that
20 all eligible children are being served and that there are no
21 children on the waiting list who live with families with a
22 household income that is equal to or less than ~~, for 2022-2023,~~
23 ~~250%, and, for 2023-2024, 300%~~ **350%** of the federal poverty
24 guidelines, the intermediate district may then enroll children who
25 live with families with a household income that is equal to or less
26 than ~~, for 2022-2023, 300%, and, for 2023-2024, 400%~~ **450%** of the
27 federal poverty guidelines. The enrollment process must consider
28 income and risk factors, such that children determined with higher
29 need are enrolled before children with lesser need. For purposes of



1 this subdivision, all age-eligible children served in foster care
2 or who are experiencing homelessness or who have individualized
3 education programs recommending placement in an inclusive preschool
4 setting are considered to live with families with household income
5 equal to or less than ~~, for 2022-2023, 250%, and, for 2023-2024,~~
6 ~~300%~~ **350%** of the federal poverty guidelines regardless of actual
7 family income and are prioritized for enrollment within the lowest
8 quintile. **The department of lifelong education, advancement, and**
9 **potential shall publish the household income thresholds under this**
10 **subdivision in a clear manner on its website and the great start to**
11 **quality website.**

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

14 (i) Teachers possessing proper training. A lead teacher must
15 have a valid Michigan teaching certificate with an early childhood
16 or lower elementary endorsement or a bachelor's or higher degree in
17 child development or early childhood education with specialization
18 in preschool teaching. However, except as otherwise provided in
19 this subparagraph, if an applicant demonstrates to the department
20 **of lifelong education, advancement, and potential** that it is unable
21 to fully comply with this subparagraph after making reasonable
22 efforts to comply, teachers or paraprofessionals with at least 5
23 years of experience as a paraprofessional in a great start
24 readiness program, Head Start, or licensed child care center
25 classroom who have significant but incomplete training in early
26 childhood education or child development may be used if the
27 applicant provides to the department **of lifelong education,**
28 **advancement, and potential,** and the department **of lifelong**
29 **education, advancement, and potential** approves, a plan for each



1 teacher to come into compliance with the standards in this
 2 subparagraph. ~~Beginning in 2023-2024, individuals~~ **Individuals** may
 3 qualify with at least 3 years of experience and significant
 4 training in early childhood education or child development, based
 5 on the recommendation of the intermediate district after a
 6 classroom observation. A teacher's compliance plan must be
 7 completed within 3 years of the date of employment. Progress toward
 8 completion of the compliance plan consists of at least 2 courses
 9 per calendar year.

10 (ii) Paraprofessionals possessing proper training in early
 11 childhood education, including an associate degree in early
 12 childhood education or child development or the equivalent, or a
 13 child development associate (CDA) credential. However, if an
 14 applicant demonstrates to the department **of lifelong education,**
 15 **advancement, and potential** that it is unable to fully comply with
 16 this subparagraph after making reasonable efforts to comply, the
 17 applicant may use paraprofessionals who have completed at least 1
 18 course that earns college credit in early childhood education or
 19 child development or ~~, beginning in 2023-2024,~~ enrolls in a child
 20 development associate credential with at least 6 months of verified
 21 experience in early education and care, if the applicant provides
 22 to the department **of lifelong education, advancement, and**
 23 **potential,** and the department **of lifelong education, advancement,**
 24 **and potential** approves, a plan for each paraprofessional to come
 25 into compliance with the standards in this subparagraph. A
 26 paraprofessional's compliance plan must be completed within 3 years
 27 of the date of employment. Progress toward completion of the
 28 compliance plan consists of at least 2 courses, 60 clock hours, or
 29 an equivalent of training per calendar year.



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

12 (e) **Include a description of all child care services provided**
13 **by the provider that are not eligible great start readiness**
14 **programs. The department of lifelong education, advancement, and**
15 **potential shall compile the data collected under this subdivision**
16 **and annually report the results to the house and senate**
17 **subcommittees on school aid, the house and senate fiscal agencies,**
18 **and the state budget director.**

19 (6) For a grant recipient that enrolls pupils in a school-day
20 program or GSRP extended program funded under this section, each
21 child enrolled in the school-day program or GSRP extended program
22 is counted as described in section 39 for purposes of determining
23 the amount of the grant award.

24 (7) For a grant recipient that enrolls pupils in a GSRP/Head
25 Start blended program, the grant recipient shall ensure that all
26 Head Start and GSRP policies and regulations are applied to the
27 blended slots, with adherence to the highest standard from either
28 program, to the extent allowable under federal law. A grant
29 recipient may request a waiver from the department **of lifelong**



1 **education, advancement, and potential** to align GSRP policies and
2 regulations with Head Start national standards for quality,
3 including ratios, and the department **of lifelong education,**
4 **advancement, and potential** may approve the waiver. Not later than
5 March 1 of each year, the department **of lifelong education,**
6 **advancement, and potential** will report to the legislature and post
7 on a publicly available website a list by intermediate district or
8 consortium with the number and type of each waiver requested and
9 approved.

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

16 (9) An intermediate district or consortium of intermediate
17 districts may retain for administrative services provided by the
18 intermediate district or consortium of intermediate districts an
19 amount not to exceed 4% of the grant amount. Expenses incurred by
20 subrecipients engaged by the intermediate district or consortium of
21 intermediate districts for directly running portions of the program
22 are considered program costs or a contracted program fee for
23 service. Subrecipients operating with a federally approved indirect
24 rate for other early childhood programs may include indirect costs,
25 not to exceed the federal 10% de minimis.

26 (10) An intermediate district or consortium of intermediate
27 districts may expend not more than 2% of the total grant amount for
28 outreach, recruiting, and public awareness of the program, if the
29 intermediate district or consortium of intermediate districts also



1 participates in related statewide marketing and outreach efforts.

2 (11) Each grant recipient shall enroll children identified
 3 under subsection (5) (b) according to how far the child's household
 4 income is below ~~, for 2022-2023, 250%, and, for 2023-2024, 300%~~
 5 **350%** of the federal poverty guidelines by ranking each applicant
 6 child's household income from lowest to highest and dividing the
 7 applicant children into quintiles based on how far the child's
 8 household income is below ~~, for 2022-2023, 250%, and, for 2023-~~
 9 ~~2024, 300%~~ **350%** of the federal poverty guidelines, and then
 10 enrolling children in the quintile with the lowest household income
 11 before enrolling children in the quintile with the next lowest
 12 household income until slots are completely filled. If the grant
 13 recipient determines that all eligible children are being served
 14 and that there are no children on the waiting list who live with
 15 families with a household income that is equal to or less than ~~,
 16 for 2022-2023, 250%, and, for 2023-2024, 300%~~ **350%** of the federal
 17 poverty guidelines, the grant recipient may then enroll children
 18 who live with families with a household income that is equal to or
 19 less than ~~, for 2022-2023, 300%, and, for 2023-2024, 400%~~ **450%** of
 20 the federal poverty guidelines. The enrollment process must
 21 consider income and risk factors, such that children determined
 22 with higher need are enrolled before children with lesser need. For
 23 purposes of this subsection, all age-eligible children served in
 24 foster care or who are experiencing homelessness or who have
 25 individualized education programs recommending placement in an
 26 inclusive preschool setting are considered to live with families
 27 with household income equal to or less than ~~, for 2022-2023, 250%,
 28 and, for 2023-2024, 300%~~ **350%** of the federal poverty guidelines
 29 regardless of actual family income and are prioritized for



1 enrollment within the lowest quintile.

2 (12) An intermediate district or consortium of intermediate
3 districts receiving a grant under this section shall allow parents
4 of eligible children who are residents of the intermediate district
5 or within the consortium to choose a program operated by or
6 contracted with another intermediate district or consortium of
7 intermediate districts and shall enter into a written agreement
8 regarding payment, in a manner prescribed by the department **of**
9 **lifelong education, advancement, and potential.**

10 (13) An intermediate district or consortium of intermediate
11 districts receiving a grant under this section ~~shall~~ **may** conduct a
12 local process to contract with interested and eligible public and
13 private for-profit and nonprofit community-based providers that
14 meet all requirements of subsection (4). ~~for at least 30% of its~~
15 ~~total allocation. For the purposes of this 30% allocation, an~~
16 ~~intermediate district or consortium of intermediate districts may~~
17 ~~count children served by a Head Start grantee or delegate in a~~
18 ~~blended Head Start, CSRP extended program, and great start~~
19 ~~readiness school-day program. Children served in a program funded~~
20 ~~only through Head Start are not counted toward this 30% allocation.~~
21 ~~The~~ **An** intermediate district or consortium **that contracts with**
22 **community-based providers** shall report to the department **of**
23 **lifelong education, advancement, and potential,** in a manner
24 prescribed by the department **of lifelong education, advancement,**
25 **and potential,** a detailed list of community-based providers by
26 provider type, including private for-profit, private nonprofit,
27 community college or university, Head Start grantee or delegate,
28 and district or intermediate district, and the number and
29 proportion of its total allocation allocated to each provider as



1 subrecipient. If the intermediate district or consortium is not
 2 able to contract for at least 30% of its total allocation, the
 3 grant recipient shall notify the department and, if the department
 4 verifies that the intermediate district or consortium attempted to
 5 contract for at least 30% of its total allocation and was not able
 6 to do so, then the intermediate district or consortium may retain
 7 and use all of its allocation as provided under this section. To be
 8 able to use this exemption, the intermediate district or consortium
 9 shall demonstrate to the department that the intermediate district
 10 or consortium increased the percentage of its total allocation for
 11 which it contracts with a community-based provider and the
 12 intermediate district or consortium shall submit evidence
 13 satisfactory to the department, and the department must be able to
 14 verify this evidence, demonstrating that the intermediate district
 15 or consortium took measures to contract for at least 30% of its
 16 total allocation as required under this subsection, including, but
 17 not limited to, at least all of the following measures:

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

23 (b) The intermediate district or consortium provided to each
 24 nonparticipating licensed child care center located in the service
 25 area of the intermediate district or consortium information
 26 regarding great start readiness program requirements and a
 27 description of the application and selection process for community-
 28 based providers.

29 (c) The intermediate district or consortium provided to the



1 ~~public and to participating families a list of community-based~~
 2 ~~great start readiness program subrecipients with a great start to~~
 3 ~~quality rating of at least, for 2022-2023, 3 stars, and, for 2023-~~
 4 ~~2024, enhancing quality level.~~

5 ~~(14) If an intermediate district or consortium of intermediate~~
 6 ~~districts receiving a grant under this section fails to submit~~
 7 ~~satisfactory evidence to demonstrate its effort to contract for at~~
 8 ~~least 30% of its total allocation, as required under subsection~~
 9 ~~(13), the department shall reduce the allocation to the~~
 10 ~~intermediate district or consortium by a percentage equal to the~~
 11 ~~difference between the percentage of an intermediate district's or~~
 12 ~~consortium's total allocation awarded to community-based providers~~
 13 ~~and 30% of its total allocation.~~

14 ~~(14)~~ ~~(15) In order to~~ **To** assist intermediate districts and
 15 consortia in complying with the requirement to contract **contracting**
 16 with community-based providers, ~~for at least 30% of their total~~
 17 ~~allocation,~~ the department **of lifelong education, advancement, and**
 18 **potential** shall do all of the following:

19 (a) Ensure that a great start resource center or the
 20 department **of lifelong education, advancement, and potential**
 21 provides each intermediate district or consortium receiving a grant
 22 under this section with the contact information for each licensed
 23 child care center located in the service area of the intermediate
 24 district or consortium by March 1 of each year.

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



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

9 (d) ~~Not~~ **By not** later than March 1 of each year, compile the
 10 results of the information reported by each intermediate district
 11 or consortium under subsection (13) and report to the legislature
 12 and post on a publicly available website a list by intermediate
 13 district or consortium with the number and percentage of each
 14 intermediate district's or consortium's total allocation allocated
 15 to community-based providers by provider type, including private
 16 for-profit, private nonprofit, community college or university,
 17 Head Start grantee or delegate, and district or intermediate
 18 district.

19 (e) Allow intermediate districts and consortia and eligible
 20 community-based providers to utilize materials and supplies
 21 purchased for great start readiness programs within their
 22 facilities for other early ~~care and~~ education activities, in the
 23 following order of priority:

24 (i) Early ~~care and~~ education activities under a federal award.

25 (ii) Early ~~care and~~ education activities under other state
 26 awards.

27 (iii) Early ~~care and~~ education activities under local or
 28 regional awards.

29 **(15)** ~~(16)~~ A recipient of funds under this section shall report



1 to the center in a form and manner prescribed by the center the
 2 information necessary to derive the number of children
 3 participating in the program who meet the program eligibility
 4 criteria under subsection (5)(b), the number of eligible children
 5 not participating in the program and on a waitlist, and the total
 6 number of children participating in the program by various
 7 demographic groups and eligibility factors necessary to analyze
 8 equitable and priority access to services for the purposes of
 9 subsection (3).

10 **(16)** ~~(17)~~—As used in this section:

11 (a) "GSRP/Head Start blended program" means a part-day program
 12 funded under this section and a Head Start program, which are
 13 combined for a school-day program.

14 (b) "GSRP extended program" means a program that operates for
 15 at least the same length of day as a district's first grade program
 16 for a minimum of 5 days per week, 36 weeks per year.

17 (c) "Federal poverty guidelines" means the guidelines
 18 published annually in the Federal Register by the United States
 19 Department of Health and Human Services under its authority to
 20 revise the poverty line under 42 USC 9902.

21 (d) "Part-day program" means a program that operates at least
 22 4 days per week, 30 weeks per year, for at least 3 hours of
 23 teacher-child contact time per day but for fewer hours of teacher-
 24 child contact time per day than a school-day program.

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



1 **(17)** ~~(18)~~—An intermediate district or consortium of
 2 intermediate districts receiving funds under this section shall
 3 establish and charge tuition according to a sliding scale of
 4 tuition rates based ~~upon~~**on** household income for children
 5 participating in an eligible great start readiness program who live
 6 with families with a household income that is more than ~~, for 2022-~~
 7 ~~2023, 250%, and, for 2023-2024, 300%~~**350%** of the federal poverty
 8 guidelines to be used by all of its providers, as approved by the
 9 department **of lifelong education, advancement, and potential.**

10 **(18)** ~~(19)~~—From the amount allocated in subsection (2), there
 11 is allocated for ~~2022-2023 and 2023-2024~~**2024-2025** an amount not to
 12 exceed \$10,000,000.00 and, from the great start readiness program
 13 reserve fund appropriated in section 11, there is allocated for
 14 ~~2023-2024~~**2024-2025** an amount not to exceed ~~\$18,000,000.00~~
 15 **\$21,000,000.00** for reimbursement of transportation costs for
 16 children attending great start readiness programs funded under this
 17 section. **A program receiving state school aid fund money under this**
 18 **subsection must first expend those dollars before spending dollars**
 19 **allocated from the great start readiness program reserve fund under**
 20 **this subsection.** To receive reimbursement under this subsection, **by**
 21 not later than November 1 of each year, a program funded under this
 22 section that provides transportation shall submit to the
 23 intermediate district that is the fiscal agent for the program a
 24 projected transportation budget. The amount of the reimbursement
 25 for transportation under this subsection is no more than the
 26 projected transportation budget or ~~, for 2022-2023, \$300.00, and,~~
 27 ~~for 2023-2024, \$500.00~~ multiplied by the number of children funded
 28 for the program under this section. If the amount allocated under
 29 this subsection is insufficient to fully reimburse the



1 transportation costs for all programs that provide transportation
 2 and submit the required information, the department **of lifelong**
 3 **education, advancement, and potential** shall prorate the
 4 reimbursement in an equal amount per child funded. The department
 5 **of lifelong education, advancement, and potential** shall make
 6 payments to the intermediate district that is the fiscal agent for
 7 each program, and the intermediate district shall then reimburse
 8 the program provider for transportation costs as prescribed under
 9 this subsection.

10 (19) ~~(20)~~—Subject to, and from the funds allocated under,
 11 subsection ~~(19)~~, **(18)**, the department **of lifelong education,**
 12 **advancement, and potential** shall reimburse a program for
 13 transportation costs related to parent- or guardian-accompanied
 14 transportation provided by transportation service companies, buses,
 15 or other public transportation services. To be eligible for
 16 reimbursement under this subsection, a program must submit to the
 17 intermediate district or consortia of intermediate districts all of
 18 the following:

19 (a) The names of families provided with transportation support
 20 along with a documented reason for the need for transportation
 21 support and the type of transportation provided.

22 (b) Financial documentation of actual transportation costs
 23 incurred by the program, including, but not limited to, receipts
 24 and mileage reports, as determined by the department **of lifelong**
 25 **education, advancement, and potential**.

26 (c) Any other documentation or information determined
 27 necessary by the department **of lifelong education, advancement, and**
 28 **potential**.

29 (20) ~~(21)~~—The department **of lifelong education, advancement,**



1 **and potential** shall implement a process to review and approve age-
 2 appropriate comprehensive classroom level quality assessments for
 3 GSRP grantees that support the early childhood standards of quality
 4 for prekindergarten children adopted by the state board. The
 5 department **of lifelong education, advancement, and potential** shall
 6 make available to intermediate districts at least 2 classroom level
 7 quality assessments that were approved in 2018.

8 (21) ~~(22)~~—An intermediate district that is a GSRP grantee may
 9 approve the use of a supplemental curriculum that aligns with and
 10 enhances the age-appropriate educational curriculum in the
 11 classroom. If the department **of lifelong education, advancement,**
 12 **and potential** objects to the use of a supplemental curriculum
 13 approved by an intermediate district, the superintendent shall
 14 establish a review committee independent of the department **of**
 15 **lifelong education, advancement, and potential**. The review
 16 committee shall meet within 60 days of the department **of lifelong**
 17 **education, advancement, and potential** registering its objection in
 18 writing and provide a final determination on the validity of the
 19 objection within 60 days of the review committee's first meeting.

20 (22) ~~(23)~~—The department **of lifelong education, advancement,**
 21 **and potential** shall implement a process to evaluate and approve
 22 age-appropriate educational curricula that are in compliance with
 23 the early childhood standards of quality for prekindergarten
 24 children adopted by the state board.

25 (23) ~~(24)~~ ~~From the funds~~ **In addition to the amount** allocated
 26 under subsection (1), **from the state school aid fund money**
 27 **appropriated under section 11,** there is allocated for ~~2022-2023~~ an
 28 ~~amount not to exceed \$2,000,000.00 and there is allocated for 2023-~~
 29 ~~2024-2024-2025~~ an amount not to exceed \$2,000,000.00 for payments



1 to intermediate districts or consortia of intermediate districts
 2 for professional development and training materials for educators
 3 in programs implementing new curricula or child assessment tools
 4 approved for use in the great start readiness program.

5 ~~(24) (25)~~—A great start readiness program or a GSRP/Head Start
 6 blended program funded under this section is permitted to utilize
 7 AmeriCorps Pre-K Reading Corps members in classrooms implementing
 8 research-based early literacy intervention strategies.

9 ~~(25) (26)~~—In addition to the allocation under subsection (1),
 10 from the state school aid fund money appropriated under section 11,
 11 there is allocated an amount not to exceed ~~\$35,000,000.00~~
 12 **\$20,000,000.00** for ~~2022-2023 only~~ **2024-2025** for classroom start up
 13 grants to intermediate districts and consortia of intermediate
 14 districts for new or expanding great start readiness classrooms.
 15 All of the following apply to funding allocated under this
 16 subsection:

17 (a) To receive funding under this subsection, intermediate
 18 districts and consortia of intermediate districts must apply for
 19 the funding in a form and manner prescribed by the department **of**
 20 **lifelong education, advancement, and potential.**

21 (b) The department **of lifelong education, advancement, and**
 22 **potential** shall pay an amount not to exceed \$25,000.00 for each new
 23 or expanded classroom. If funding is ~~not sufficient~~ **insufficient** to
 24 fully fund all eligible applicants, the department **of lifelong**
 25 **education, advancement, and potential** must prorate the per-
 26 classroom amount on an equal basis. If the allocation is not fully
 27 paid in the current fiscal year, the department **of lifelong**
 28 **education, advancement, and potential** may award any remaining
 29 funding during fiscal year ~~2023-2024~~ **2025-2026** for each new or



1 expanded classroom at an equal amount per classroom, based on
2 remaining available funds, not to exceed \$25,000.00 per classroom.

3 (c) Funds received under this subsection by intermediate
4 districts and consortia of intermediate districts must ~~be paid in~~
5 ~~full to the entity operating the classroom and may be~~ used for any
6 of the following purposes:

7 (i) Costs associated with attracting, recruiting, retaining,
8 and licensing required classroom education personnel to staff new
9 or expanded classrooms.

10 (ii) Supporting facility improvements or purchasing facility
11 space necessary to provide a safe, high-quality learning
12 environment for children in each new or expanded classroom.

13 (iii) Outreach material necessary for public awareness that the
14 great start readiness program has openings in the area and for
15 costs associated with enrolling eligible children in new or
16 expanded classrooms.

17 (iv) Supporting costs in each new or expanded classroom
18 associated with improving a provider's great start to quality
19 rating.

20 (d) **Funds received under this subsection must be used for**
21 **classrooms directly operated by the intermediate district,**
22 **consortium of intermediate districts, or constituent districts of**
23 **the intermediate district or consortium of intermediate districts**
24 **and must not be used for classrooms operated by community-based**
25 **providers.**

26 (e) ~~(d)~~—The funds allocated under this subsection for 2022-
27 2023 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. **The director shall lapse the work project funds**
 4 **described in this subdivision under section 451a of the management**
 5 **and budget act, 1984 PA 431, MCL 18.1451a, by not later than**
 6 **October 1, 2024.**

7 (f) The funds allocated under this subsection for 2024-2025
 8 are a work project appropriation, and any unexpended funds for
 9 2024-2025 do not lapse to the state school aid fund and are carried
 10 forward into 2025-2026. The purpose of the work project is to
 11 continue support for new or expanded great start readiness
 12 classrooms. The estimated completion date of the work project is
 13 September 30, 2027.

14 ~~(27) In addition to the funds allocated in subsection (1),~~
 15 ~~there is allocated from the state school aid fund money~~
 16 ~~appropriated under section 11 for 2022-2023 only an amount not to~~
 17 ~~exceed \$5,000,000.00 for a consortium of intermediate districts to~~
 18 ~~partner with the department and community-based organizations to~~
 19 ~~implement a multiyear statewide campaign to raise awareness about~~
 20 ~~the availability of services through the great start readiness~~
 21 ~~program and to develop systems to identify and reach out to~~
 22 ~~eligible families. All of the following apply to funding under this~~
 23 ~~subsection:~~

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 ~~(b) The funds allocated under this subsection for 2022-2023~~
10 ~~are a work project appropriation, and any unexpended funds for~~
11 ~~2022-2023 are carried forward into 2023-2024. The purpose of the~~
12 ~~work project is to raise awareness of and participation in great~~
13 ~~start readiness programming. The estimated completion date of the~~
14 ~~work project is September 30, 2027.~~

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

18 Sec. 32n. (1) From the state school aid fund money
19 appropriated in section 11, there is allocated for ~~2023-2024-2024-~~
20 ~~2025~~ only an amount not to exceed ~~\$50,000,000.00~~ **\$75,000,000.00** to
21 Clinton County RESA, to collaborate with the department **of lifelong**
22 **education, advancement, and potential**, for the purposes of this
23 section. The department **of lifelong education, advancement, and**
24 **potential** shall develop a competitive grant program to distribute
25 this funding to eligible entities, as described in subsection (2),
26 as prescribed under this section.

27 (2) The department **of lifelong education, advancement, and**
28 **potential** shall establish competitive grant criteria for the grant
29 program described in subsection (1) for eligible applicants to



1 expand access to quality, affordable programming before and after
2 the school day or during the summer for young people. To be
3 eligible for a grant under this section, the applicant must meet,
4 at a minimum, all of the following criteria:

5 (a) Serve children in any of grades K to 12.

6 (b) Be a community-based organization that is exempt from
7 federal income tax under section 501(c)(3) of the internal revenue
8 code, 26 USC 501, an institution of higher education, a community
9 or adult education program, a public library, a local government,
10 or an intermediate district.

11 (c) Provide before-school, after-school, before-and-after-
12 school, or summer school programming to children described in
13 subdivision (a). These programs must be used to support expanded
14 learning opportunities, including, but not limited to, mentoring,
15 leadership, community engagement, agriculture, art, music,
16 literacy, science, technology, engineering, mathematics, health,
17 and recreation programming.

18 (d) Address measurable goals, including, but not limited to,
19 improved school attendance, academic outcomes, positive behaviors,
20 and skill acquisition, and include activities linked to research or
21 quality practices.

22 (3) The department **of lifelong education, advancement, and**
23 **potential** shall establish a competitive grant process for awarding
24 funding under this section. The department **of lifelong education,**
25 **advancement, and potential** shall develop the form and manner for
26 applying for the grants. The application must include a request for
27 information on the applicant's outreach to children, youth, and
28 families who are eligible for free or reduced-price meals under the
29 Richard B. Russell national school lunch act, 42 USC 1751 to 1769j.



1 The application must be open for not less than 30 calendar days. At
 2 least 30 days before the application is opened, the department **of**
 3 **lifelong education, advancement, and potential** must publish on its
 4 public website the criteria that will be used in evaluating the
 5 application that must include, but are not limited to, priorities
 6 under subsection (5).

7 (4) Subject to subsection (8), in determining award amounts
 8 under this subsection, the department **of lifelong education,**
 9 **advancement, and potential** shall, to the extent practicable, ensure
 10 that eligible entities in all geographic regions of this state are
 11 represented in the distribution of grant funding under this
 12 section.

13 (5) Subject to subsection (8), the department **of lifelong**
 14 **education, advancement, and potential** shall prioritize the
 15 distribution of grant funding under this section based on, at a
 16 minimum, the following:

17 (a) An applicant's demonstrated need.

18 (b) The percentage of low-income families in the geographic
 19 area being served. Prioritization must be determined by the average
 20 percentage of pupils in the district who are eligible for free and
 21 reduced-priced meals as determined under the Richard B. Russell
 22 national school lunch act, 42 USC 1751 to 1769j, where eligible
 23 entities will provide before-and-after-school or summer school
 24 programs.

25 (c) Whether the application provides services for the full
 26 school year.

27 (d) The applicant's track record for providing quality,
 28 affordable before-and-after-school or summer school services.

29 (e) Whether an applicant serving children in any of grades K



1 through 8 is licensed or is in the process of becoming licensed or
2 has implemented the Michigan Out-of-School Time Standards of
3 Quality issued by the state board of education. This does not
4 preclude a nonlicensed entity from applying for funding under this
5 section and being funded under this section.

6 (6) Subject to subsection (7), an eligible entity that
7 receives grant funding under this section shall use the funding
8 only to provide before-school, after-school, before-and-after-
9 school, or summer school programming to children described in
10 subsection (2)(a). The programming offered under this subsection
11 must meet all of the following:

12 (a) Be provided to children in a manner in which the children
13 are physically present at a building or location designated by the
14 eligible entity.

15 (b) Provide educational programming in core subject areas,
16 including, but not limited to, mathematics, reading, and science.

17 (c) Provide data to evaluate the program in a form and manner
18 as prescribed by the department **of lifelong education, advancement,**
19 **and potential.**

20 (7) Subject to subsections (2), (4), and (5), up to 2% of
21 funding allocated under this section must be allocated to a
22 nonprofit entity with experience serving youth-serving
23 organizations to provide start-up grants and capacity building,
24 professional development, and technical assistance for
25 implementation of high-quality, evidence-based out-of-school time
26 learning opportunities.

27 (8) The department **of lifelong education, advancement, and**
28 **potential** shall award no less than 60% of the funding under this
29 section to community-based organizations.



1 (9) The department of lifelong education, advancement, and
2 potential shall ensure that at least \$65,000,000.00 of the funds
3 under this section are awarded to applicants located in districts
4 for which at least 70% of students are economically disadvantaged.
5 The department of lifelong education, advancement, and potential
6 shall collaborate with the department of health and human services
7 to ensure that at least \$45,000,000.00 of the funds under this
8 section are allowable expenses for the purposes of meeting state-
9 level maintenance of effort requirements for the federal temporary
10 assistance for needy family programs.

11 (10) To ensure that the requirements under subsection (9) are
12 met, recipients of funding under this section must submit to the
13 department of lifelong education, advancement, and potential by
14 July 15 of each fiscal year a report, in the form and manner
15 prescribed by the department of lifelong education, advancement,
16 and potential, that includes the following:

17 (a) A description of each program conducted or service
18 performed by the applicant using funds received under this section.

19 (b) The amount of funds received under this section allocated
20 to each of the programs or services described in subdivision (a).

21 (c) An assurance that funds were only expended on income-
22 eligible students.

23 (d) The data necessary for the department of lifelong
24 education, advancement, and potential and the department of health
25 and human services to verify maintenance of effort funds for the
26 temporary assistance for needy families program.

27 (11) ~~(9)~~—Notwithstanding section 17b, the department of
28 lifelong education, advancement, and potential shall make payments
29 under this section in full upon grant award. Grantees that do not



1 comply with reporting requirements, fail to provide the services
 2 proposed in their grant application, or close during the grant
 3 period may be required to repay the funding they received under
 4 this section to the department **of lifelong education, advancement,**
 5 **and potential.**

6 (12) ~~(10)~~—The department **of lifelong education, advancement,**
 7 **and potential,** in collaboration with the Michigan Afterschool
 8 Partnership, shall convene an advisory committee to review the
 9 program components listed within this section and make
 10 recommendations to the department **of lifelong education,**
 11 **advancement, and potential** for changes on the program described in
 12 this section. The advisory committee shall meet at a schedule set
 13 by the department **of lifelong education, advancement, and**
 14 **potential,** or at least quarterly. The advisory committee shall
 15 provide for the involvement of, but not limited to, community-based
 16 organizations, regional intermediaries, district administrators,
 17 youth, parents, and representatives from the business and
 18 philanthropic communities, as appropriate.

19 Sec. 32p. (1) From the state school aid fund money
 20 appropriated in section 11, there is allocated an amount not to
 21 exceed ~~\$19,400,000.00~~ **\$20,400,000.00** to intermediate districts for
 22 ~~2023-2024~~ **2024-2025** for the purpose of providing early childhood
 23 funding to intermediate districts to support the goals and outcomes
 24 under subsections (2) and (4), and to provide supports for early
 25 childhood programs for children from birth through age 8. The
 26 funding provided to each intermediate district under this section
 27 is determined by the distribution formula established by the
 28 ~~department's~~ **department of lifelong education, advancement, and**
 29 **potential's** office of great start to provide equitable funding



1 statewide. ~~In order to~~ **To** receive funding under this section, each
2 intermediate district must provide an application to the office of
3 great start **by** not later than September 15 of the immediately
4 preceding fiscal year indicating the strategies planned to be
5 provided.

6 (2) Each intermediate district or consortium of intermediate
7 districts that receives funding under this section shall convene a
8 local great start collaborative and a family coalition that
9 includes an active partnership with at least 1 community-based
10 organization. The goal of each great start collaborative and family
11 coalition is to ensure the coordination and expansion of local
12 early childhood systems and programs that allow every child in the
13 community to achieve the following outcomes:

14 (a) Children born healthy.

15 (b) Children healthy, thriving, and developmentally on track
16 from birth to grade 3.

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

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

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

26 (a) Physical and social-emotional health.

27 (b) Family supports, including, but not limited to, the
28 provision of basic needs and economic self-sufficiency.

29 (c) Parent leadership and family engagement.



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

3 (e) Community infrastructure.

4 (4) From the funds allocated in subsection (1), at least
5 ~~\$3,500,000.00~~ **\$4,500,000.00** must be used for the purpose of
6 providing home visits to at-risk children and their families. The
7 home visits must be conducted as part of a locally coordinated,
8 family-centered, evidence-based, data-driven home visit strategic
9 plan that is approved by the department **of lifelong education,**
10 **advancement, and potential.** The goals of the home visits funded
11 under this subsection are to improve school readiness using
12 evidence-based methods, including a focus on developmentally
13 appropriate outcomes for early literacy, to improve positive
14 parenting practices, and to improve family economic self-
15 sufficiency while reducing the impact of high-risk factors through
16 community resources and referrals. The department **of lifelong**
17 **education, advancement, and potential** shall coordinate the goals of
18 the home visit strategic plans approved under this subsection with
19 other state agency home visit programs in a way that strengthens
20 Michigan's home visiting infrastructure and maximizes federal funds
21 available for the purposes of at-risk family home visits. The
22 coordination among departments and agencies is intended to avoid
23 duplication of state services and spending, and should emphasize
24 efficient service delivery of home visiting programs. **The**
25 **department of lifelong education, advancement, and potential shall**
26 **collaborate with the department of health and human services to**
27 **ensure that funds spent under this subsection are allowable**
28 **expenses for the purpose of meeting state-level maintenance of**
29 **effort requirements for the federal temporary assistance for needy**



1 **families program.**

2 (5) ~~Not~~ **By not** later than December 1 of each year, each
3 intermediate district shall provide a report to the department **of**
4 **lifelong education, advancement, and potential** detailing the
5 strategies actually implemented during the immediately preceding
6 school year and the families and children actually served. At a
7 minimum, the report must include an evaluation of the services
8 provided with additional funding under subsection (4) for home
9 visits, using the goals identified in subsection (4) as the basis
10 for the evaluation, including the degree to which school readiness
11 was improved, the degree to which positive parenting practices were
12 improved, the degree to which there was improved family economic
13 self-sufficiency, and the degree to which community resources and
14 referrals were utilized. The department **of lifelong education,**
15 **advancement, and potential** shall compile and summarize these
16 reports and submit its summary to the house and senate
17 appropriations subcommittees on school aid and to the house and
18 senate fiscal agencies **by** not later than February 15 of each year.

19 (6) In addition to the funds allocated in subsection (1), from
20 the state school aid fund money appropriated in section 11, there
21 is allocated an amount not to exceed \$4,000,000.00 for ~~2023-2024~~
22 **2024-2025** only for the purpose of improving access to books and
23 other literacy materials for children from birth to age 5. The
24 formula described in subsection (1) must be used to allocate funds
25 to intermediate districts under this subsection. An intermediate
26 district may use the funding to support programs, including, but
27 not limited to, the Dolly Parton Imagination Library, Reach Out and
28 Read Michigan, or any other program that provides books and
29 literacy materials to children from birth to age 5. If funding



1 under this subsection is ~~not sufficient~~ **insufficient** to enroll all
2 interested families in the service, each intermediate district must
3 prioritize enrollment to those families with the highest levels of
4 economic need. If an intermediate district will not fully utilize
5 funding under this subsection, those funds must be returned to the
6 department **of lifelong education, advancement, and potential** for
7 redistribution for the purposes under this subsection.

8 (7) An intermediate district or consortium of intermediate
9 districts that receives funding under this section may carry over
10 any unexpended funds received under this section into the next
11 fiscal year and may expend those unused funds through June 30 of
12 the next fiscal year. However, an intermediate district or
13 consortium of intermediate districts that receives funding for the
14 purposes described in subsection (2) in the current fiscal year
15 shall not carry over into the next fiscal year any amount exceeding
16 15% of the amount awarded to the intermediate district or
17 consortium in the current fiscal year. A recipient of a grant shall
18 return any unexpended grant funds to the department **of lifelong**
19 **education, advancement, and potential** in the manner prescribed by
20 the department **of lifelong education, advancement, and potential**
21 not later than September 30 of the next fiscal year after the
22 fiscal year in which the funds are received.

23 Sec. 33. (1) From the state school aid fund money appropriated
24 in section 11, there is allocated an amount not to exceed
25 \$11,000,000.00 for 2023-2024 only for grants to eligible districts
26 for the purposes described in this section.

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



1 (3) A district that meets both of the following is an eligible
2 district under this section:

3 (a) The district must enroll students in grades K to 5. ~~and~~
4 ~~must not currently have a music education program for grades K to~~
5 ~~5.~~

6 (b) The district must, in its application described in
7 subsection (2), pledge to do all of the following:

8 (i) Provide for all pupils in grades K to 5 at least ~~90~~**60**
9 minutes per week of instruction in music **or visual arts**, taught by
10 a certificated teacher ~~with a JX or JQ who has, or is working~~
11 **towards, the appropriate** endorsement issued by the department. **For**
12 **teaching music, the appropriate endorsement is a JX or JQ**
13 **endorsement. For teaching visual arts, the appropriate endorsement**
14 **is an LQ, LX, or LZ endorsement.**

15 (ii) Maintain staffing that includes at least 1 certificated
16 teacher with a JX or JQ **music endorsement or an LQ, LX, or LZ**
17 **visual arts** endorsement issued by the department for every 400
18 pupils enrolled in grades K to 5.

19 (iii) Adopt and implement, **or maintain**, specific curricula for
20 music **or visual arts**.

21 (iv) Maintain in each elementary school at least 1 space that
22 is **either dedicated to music or visual arts instruction or**
23 **designated to be used** for music **or visual arts** instruction and that
24 allows for effective implementation of the music **or visual arts**
25 curriculum, with consideration given to the physical materials and
26 tools needed for music **or visual arts** instruction.

27 (v) Establish and maintain a separate dedicated budget for
28 music **or visual arts** instruction in grades K to 5, **and maintain**
29 **ongoing funding for this purpose.**



1 (vi) Participate in the collection of data in the fall and
2 spring of the 2024-2025 school year on changes in course offerings,
3 instructor qualifications, student course enrollments, and other
4 aspects of the district's music or visual arts programs as
5 determined by the department and MI Creative Potential.

6 (vii) Commit to including music and visual arts in district and
7 school continuous improvement planning using the program review
8 tool that accompanies the Michigan Blueprint of a Quality Arts
9 Education, available in the Michigan Integrated Continuous
10 Improvement Process database.

11 (viii) Adopt and implement a plan to satisfy the recommendations
12 listed in the Michigan Blueprint of a Quality Arts Education
13 program.

14 (4) Grants awarded under this section must be awarded for the
15 coverage of costs for 1 year of additional costs, including 1-time
16 costs, for the district to implement **or maintain** a music **or visual**
17 **arts** program.

18 (5) In awarding grants under this section, the department
19 shall prioritize as follows:

20 (a) The department shall first award grants to districts that
21 meet 1 of the following:

22 (i) The district currently has a music or visual arts program
23 that meets the requirements of subsection (3) (b) (i) to (vii) but does
24 not meet the recommendations listed in the Michigan Blueprint of a
25 Quality Arts Education program and the district will use the grant
26 to move toward implementing those recommendations.

27 (ii) The district does not currently have a music program that
28 meets the requirements of subsection (3) (b) (i) to (vii) or does not
29 currently have a visual arts program that meets the requirements of



1 subsection (3) (b) (i) to (vii) .

2 (b) If there is funding remaining after awarding grants to
3 districts described in subdivision (a) , the department shall award
4 grants to other eligible districts.

5 (6) ~~(5) All~~ **Notwithstanding section 17b**, grants under this
6 section must be awarded ~~by not later than February 1, 2024.~~ **in the**
7 **October payment under section 17b of the fiscal year in which the**
8 **grant is approved.**

9 (7) ~~(6)~~ If the total funding allocated under this section is
10 ~~not sufficient~~ **insufficient** to fully fund payments to all eligible
11 districts under this section, the department shall prorate payments
12 to all eligible districts on an equal percentage basis.

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

16 (8) **The funds allocated under this section for 2023-2024 are a**
17 **work project appropriation, and any unexpended funds for 2023-2024**
18 **are carried forward into 2024-2025. The purpose of the work project**
19 **is to provide for music or visual arts education. The estimated**
20 **completion date of the work project is September 30, 2026.**

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

26 Sec. 35a. (1) From the appropriations in section 11, there is
27 allocated for ~~2023-2024~~ **2024-2025** for the purposes of this section
28 an amount not to exceed ~~\$77,900,000.00~~ **\$81,150,000.00** from the
29 state school aid fund, and there is allocated for ~~2023-2024~~ **2024-**



1 **2025 only** for the purposes of subsection (8) an amount not to
 2 exceed \$5,000,000.00 from the general fund. Excluding staff or
 3 contracted employees funded under subsection (8), the
 4 superintendent shall designate staff or contracted employees funded
 5 under this section as critical shortage. ~~Programs funded under this~~
 6 ~~section are intended to ensure that this state will be a top 10~~
 7 ~~state in grade 4 reading proficiency by 2025 according to the~~
 8 ~~National Assessment of Educational Progress (NAEP). By December 31~~
 9 ~~of each fiscal year in which funding is allocated under this~~
 10 ~~section, the superintendent of public instruction shall do both of~~
 11 ~~the following:~~

12 ~~(a) Report in person to the house and senate appropriations~~
 13 ~~subcommittees on school aid regarding progress on the goal~~
 14 ~~described in this subsection and be available for questioning as~~
 15 ~~prescribed through a process developed by the chairs of the house~~
 16 ~~and senate appropriations subcommittees on school aid.~~

17 ~~(b) Submit a written report to the house and senate~~
 18 ~~appropriations subcommittees on school aid regarding progress on~~
 19 ~~the goal described in this subsection.~~

20 (2) A district that receives funds under subsection (5) may
 21 spend up to 5% of those funds for professional development for
 22 educators in a department-approved research-based training program
 23 related to current state literacy standards for pupils in grades
 24 pre-K to 3. The professional development must also include training
 25 in the use of screening and diagnostic tools, progress monitoring,
 26 and intervention methods used to address barriers to learning and
 27 delays in learning that are diagnosed through the use of these
 28 tools.

29 (3) A district that receives funds under subsection (5) may



1 use up to 5% of those funds to administer department-approved
 2 screening and diagnostic tools to monitor the development of early
 3 literacy and early reading skills, and risk factors for word-level
 4 reading difficulties of pupils in grades pre-K to 3 and to support
 5 evidence-based professional learning described in subsection (11)
 6 for educators in administering and using screening, progress
 7 monitoring, and diagnostic assessment data to inform instruction
 8 through prevention and intervention in a multi-tiered system of
 9 supports framework. A department-approved screening and diagnostic
 10 tool administered by a district using funding under this section
 11 must include all of the following components: phonemic awareness,
 12 phonics, fluency, rapid automatized naming (RAN), and
 13 comprehension. Further, all of the following sub-skills must be
 14 assessed within each of these components:

15 (a) Phonemic awareness - segmentation, blending, and sound
 16 manipulation (deletion and substitution).

17 (b) Phonics - decoding (reading) and encoding (spelling).

18 (c) Fluency.

19 (d) Comprehension - making meaning of text.

20 (4) From the allocation under subsection (1), there is
 21 allocated an amount not to exceed ~~\$42,000,000.00~~ **\$45,250,000.00** for
 22 ~~2023-2024~~ **2024-2025** for the purpose of providing early literacy
 23 coaches at intermediate districts to assist teachers in developing
 24 and implementing instructional strategies for pupils in grades pre-
 25 K to 3 so that pupils are reading at grade level by the end of
 26 grade 3. All of the following apply to funding under this
 27 subsection:

28 (a) The department shall develop an application process
 29 consistent with the provisions of this subsection. An application



1 must provide assurances that literacy coaches funded under this
2 subsection are knowledgeable about at least the following:

3 (i) Current state literacy standards for pupils in grades pre-K
4 to 3.

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

10 (iii) The use of data from diagnostic tools to determine the
11 necessary additional supports and interventions needed by
12 individual pupils in grades pre-K to 3 ~~in order to be reading~~ **read**
13 at grade level.

14 (b) From the allocation under this subsection, the department
15 shall award grants to intermediate districts for the support of
16 early literacy coaches. The department shall provide this funding
17 in the following manner:

18 (i) The department shall award each intermediate district grant
19 funding to support the cost of 2 early literacy coaches in an equal
20 amount per early literacy coach, not to exceed \$125,000.00.

21 (ii) After distribution of the grant funding under subparagraph
22 (i), the department shall distribute the remainder of grant funding
23 for additional early literacy coaches in an amount not to exceed
24 \$125,000.00 per early literacy coach. The number of funded early
25 literacy coaches for each intermediate district is based on the
26 percentage of the total statewide number of pupils in grades K to 3
27 who meet the income eligibility standards for the federal free and
28 reduced-price lunch programs who are enrolled in districts in the
29 intermediate district. **The department shall ensure that each**



1 **intermediate district is eligible to receive funding to support at**
2 **least 1 early literacy coach under this subparagraph.**

3 (c) If an intermediate district that receives funding under
4 this subsection uses an assessment tool that screens for
5 characteristics of dyslexia, the intermediate district shall use
6 the assessment results from that assessment tool to identify pupils
7 who demonstrate characteristics of dyslexia.

8 (d) All literacy coaches funded under this subsection must
9 have already received, or be making progress toward receiving,
10 professional learning by the approved provider described in
11 subsection (11).

12 (e) **To be eligible to receive funding under this subsection,**
13 **an intermediate district must provide the department with a list by**
14 **September 1 of the immediately preceding fiscal year containing**
15 **contact information for all literacy coaches funded under this**
16 **subsection, in a form and manner determined by the department. An**
17 **intermediate district shall communicate any personnel changes and**
18 **changes to contact information for literacy coaches funded under**
19 **this subsection to the department within 30 days of the personnel**
20 **change or change in contact information.**

21 (5) From the allocation under subsection (1), there is
22 allocated an amount not to exceed \$19,900,000.00 for ~~2023-2024~~
23 **2024-2025** to districts that provide additional instructional time
24 to those pupils in grades pre-K to 5 who have been identified by
25 using department-approved screening and diagnostic tools as needing
26 additional supports and interventions ~~in order to be reading~~ **read**
27 at grade level by the end of grade 3. Additional instructional time
28 may be provided before, during, and after regular school hours or
29 as part of a year-round balanced school calendar. All of the



1 following apply to funding under this subsection:

2 (a) ~~In order to~~ **To** be eligible to receive funding, a district
3 must demonstrate to the satisfaction of the department that the
4 district has done all of the following:

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

12 (A) Team-based leadership.

13 (B) A tiered delivery system.

14 (C) Selection and implementation of instruction,
15 interventions, and supports.

16 (D) A comprehensive screening and assessment system.

17 (E) Continuous data-based decision making.

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

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

25 (iv) Provided teachers of pupils in grades pre-K to 5 with
26 research-based professional development in diagnostic data
27 interpretation.

28 (v) Complied with the requirements under section 1280f of the
29 revised school code, MCL 380.1280f.



1 (b) The department shall distribute funding allocated under
2 this subsection to eligible districts on an equal per-first-grade-
3 pupil basis.

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

8 (6) ~~Not~~ **By not** later than September 1 of each year, a district
9 that receives funding under subsection (5) in conjunction with the
10 Michigan student data system, if possible, shall provide to the
11 department a report that includes at least both of the following,
12 in a form and manner prescribed by the department:

13 (a) For pupils in grades pre-K to 3, the teachers, pupils,
14 schools, and grades served with funds under this section and the
15 categories of services provided.

16 (b) For pupils in grades pre-K to 3, pupil proficiency and
17 growth data that allows analysis both in the aggregate and by each
18 of the following subgroups, as applicable:

19 (i) School.

20 (ii) Grade level.

21 (iii) Gender.

22 (iv) Race.

23 (v) Ethnicity.

24 (vi) Economically disadvantaged status.

25 (vii) Disability.

26 (viii) Pupils identified as having reading deficiencies.

27 (7) From the allocation under subsection (1), there is
28 allocated an amount not to exceed \$6,000,000.00 for ~~2023-2024-2024-~~
29 **2025** to an intermediate district in which the combined total number



1 of pupils in membership of all of its constituent districts is the
2 fewest among all intermediate districts. All of the following apply
3 to the funding under this subsection:

4 (a) Funding under this subsection must be used by the
5 intermediate district, in partnership with an association that
6 represents intermediate district administrators in this state, to
7 implement all of the following:

8 (i) Literacy essentials teacher and principal training modules.

9 (ii) Face-to-face and online professional learning of literacy
10 essentials teacher and principal training modules for literacy
11 coaches, principals, and teachers.

12 (iii) The placement of regional lead literacy coaches to
13 facilitate professional learning for early literacy coaches. These
14 regional lead literacy coaches shall provide support for new
15 literacy coaches, building teachers, and administrators and shall
16 facilitate regional data collection to evaluate the effectiveness
17 of statewide literacy coaches funded under this section.

18 (iv) Provide \$500,000.00 from this subsection for literacy
19 training, modeling, coaching, and feedback for district principals
20 or chief administrators, as applicable. The training described in
21 this subparagraph must use the pre-K and K to 3 essential
22 instructional practices in literacy created by the general
23 education leadership network as the framework for all training
24 provided under this subparagraph.

25 (v) Job-embedded professional learning opportunities for
26 mathematics teachers through mathematics instructional coaching.
27 Funding must be used for professional learning for coaches,
28 professional developers, administrators, and teachers; coaching for
29 early mathematics educators; the development of statewide and



1 regional professional learning networks in mathematics
2 instructions; and the development and support of digital
3 professional learning modules.

4 (b) Not later than September 1 of each year, the intermediate
5 district described in this subsection, in consultation with grant
6 recipients, shall submit a report to the chairs of the senate and
7 house appropriations subcommittees on school aid, the chairs of the
8 senate and house standing committees responsible for education
9 legislation, the house and senate fiscal agencies, and the state
10 budget director. The report described under this subdivision must
11 include student achievement results in English language arts and
12 mathematics and survey results with feedback from parents and
13 teachers regarding the initiatives implemented under this
14 subsection.

15 (c) Up to 2% of funds allocated under this subsection may be
16 used by the association representing intermediate district
17 administrators that is in partnership with the intermediate
18 district specified in this subsection to administer this
19 subsection.

20 (8) From the general fund money allocated in subsection (1),
21 the department shall allocate the amount of \$5,000,000.00 for ~~2023-~~
22 ~~2024-2024-2025~~ only to the Michigan Education Corps for the PreK
23 Reading Corps, the K3 Reading Corps, and the Math Corps. All of the
24 following apply to funding under this subsection:

25 (a) By September 1 of the current fiscal year, the Michigan
26 Education Corps shall provide a report concerning its use of the
27 funding to the senate and house appropriations subcommittees on
28 school aid, the senate and house fiscal agencies, and the senate
29 and house caucus policy offices on outcomes and performance



1 measures of the Michigan Education Corps, including, but not
2 limited to, the degree to which the Michigan Education Corps'
3 replication of the PreK Reading Corps, the K3 Reading Corps, and
4 the Math Corps programs is demonstrating sufficient efficacy and
5 impact. The report must include data pertaining to at least all of
6 the following:

7 (i) The current impact of the programs on this state in terms
8 of numbers of children and schools receiving support. This portion
9 of the report must specify the number of children tutored,
10 including dosage and completion, and the demographics of those
11 children.

12 (ii) Whether the assessments and interventions are implemented
13 with fidelity. This portion of the report must include details on
14 the total number of assessments and interventions completed and the
15 range, mean, and standard deviation.

16 (iii) Whether the literacy or math improvement of children
17 participating in the programs is consistent with expectations. This
18 portion of the report must detail at least all of the following:

19 (A) Growth rate by grade or age level, in comparison to
20 targeted growth rate.

21 (B) Average linear growth rates.

22 (C) Exit rates.

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

25 (iv) The impact of the programs on organizations and
26 stakeholders, including, but not limited to, school administrators,
27 internal coaches, and AmeriCorps members.

28 (b) If the department determines that the Michigan Education
29 Corps has misused the funds allocated under this subsection, the



1 Michigan Education Corps shall reimburse this state for the amount
2 of state funding misused.

3 (c) The department may not reserve any portion of the
4 allocation provided under this subsection for an evaluation of the
5 Michigan Education Corps, the Michigan Education Corps' funding, or
6 the Michigan Education Corps' programming unless agreed to in
7 writing by the Michigan Education Corps. The department shall award
8 the entire amount allocated under this subsection to the Michigan
9 Education Corps and shall not condition the awarding of this
10 funding on the implementation of an independent evaluation.

11 (9) If a district or intermediate district expends any funding
12 received under subsection (4) or (5) for professional development
13 in research-based effective reading instruction, the district or
14 intermediate district shall select a professional development
15 program from the list described under subdivision (a). All of the
16 following apply to the requirement under this subsection:

17 (a) The department shall issue a request for proposals for
18 professional development programs in research-based effective
19 reading instruction to develop an initial approved list of
20 professional development programs in research-based effective
21 reading instruction. The department shall make the initial approved
22 list public and shall determine if it will, on a rolling basis,
23 approve any new proposals submitted for addition to its initial
24 approved list.

25 (b) To be included as an approved professional development
26 program in research-based effective reading instruction under
27 subdivision (a), an applicant must demonstrate to the department in
28 writing the program's competency in all of the following topics:

29 (i) Understanding of phonemic awareness, phonics, fluency,



1 vocabulary, and comprehension.

2 (ii) Appropriate use of assessments and differentiated
3 instruction.

4 (iii) Selection of appropriate instructional materials.

5 (iv) Application of research-based instructional practices.

6 (c) As used in this subsection, "effective reading
7 instruction" means reading instruction scientifically proven to
8 result in improvement in pupil reading skills.

9 (10) From the allocation under subsection (1), there is
10 allocated an amount not to exceed \$10,000,000.00 for ~~2023-2024~~
11 **2024-2025** only for the provision of professional learning by the
12 approved provider described in subsection (11), first to educators
13 in pre-K, kindergarten, and grade 1 next to educators in grade 2
14 and grade 3; and then to additional elementary school educators and
15 pre-K to grade 12 certificated special education personnel with
16 endorsements in learning disabilities, emotional impairments, or
17 speech and language impairments. For purposes of this subsection,
18 the department must establish and manage professional learning
19 opportunities that are open to all school personnel described in
20 this subsection as follows:

21 (a) The department must first open voluntary enrollment for
22 any pre-K through grade 3 teacher on a first-come, first-served
23 basis, with voluntary enrollment prioritized for pre-K,
24 kindergarten, and grade 1 teachers. The department shall then open
25 voluntary enrollment for the remaining school personnel described
26 in this subsection.

27 (b) The department must maintain open enrollment until all
28 funds are expended.

29 (11) For the provision of professional learning to the school



1 personnel described in subsection (10), the department shall
2 approve LETRS as the approved provider of professional learning, if
3 LETRS continues to meet all of the following:

4 (a) Be offered through a system of training that provides
5 educators with the knowledge base to effectively implement any
6 class-wide, supplemental, or intervention reading approach and to
7 determine why some students struggle with reading, writing,
8 spelling, and language.

9 (b) Provide training activities that direct educators to
10 implement effective reading and spelling instruction supported by
11 scientifically based research and foster a direct explicit
12 instructional sequence that uses techniques to support teachers'
13 independence in using their newly-learned skills with students in
14 the classroom.

15 (c) Include integrated components for educators and
16 administrators in pre-K to grade 3 with embedded evaluation or
17 assessment of knowledge. Evaluation or assessment of knowledge
18 under this subdivision must incorporate evaluations of learning
19 throughout each unit and include a summative assessment that must
20 be completed to demonstrate successful course completion.

21 (d) Build teacher content knowledge and pedagogical knowledge
22 of the critical components of literacy including how the brain
23 learns to read, phonological and phonemic awareness; letter
24 knowledge; phonics; advanced phonics; vocabulary and oral language;
25 fluency; comprehension; spelling and writing; and the organization
26 of language.

27 (e) Support educators in understanding how to effectively use
28 screening, progress monitoring, and diagnostic assessment data to
29 improve literacy outcomes through prevention and intervention for



1 reading difficulties in a multi-tiered system of supports. The
2 multi-tiered system of supports must include at least all of the
3 following essential components:

4 (i) Team-based leadership.

5 (ii) A tiered delivery system.

6 (iii) Selection and implementation of instruction,
7 interventions, and supports.

8 (iv) A comprehensive screening and assessment system.

9 (v) Continuous data-based decision making.

10 (12) Notwithstanding section 17b, the department shall make
11 payments made under subsections (7) and (8) on a schedule
12 determined by the department.

13 (13) As used in this section:

14 (a) "Dyslexia" means both of the following:

15 (i) A specific learning disorder that is neurobiological in
16 origin and characterized by difficulties with accurate or fluent
17 word recognition and by poor spelling and decoding abilities that
18 typically result from a deficit in the phonological component of
19 language that is often unexpected in relation to other cognitive
20 abilities and the provision of effective classroom instruction.

21 (ii) A specific learning disorder that may include secondary
22 consequences, such as problems in reading comprehension and a
23 reduced reading experience that can impede the growth of vocabulary
24 and background knowledge and lead to social, emotional, and
25 behavioral difficulties.

26 (b) "Evidence-based" means an activity, program, process,
27 service, strategy, or intervention that demonstrates statistically
28 significant effects on improving pupil outcomes or other relevant
29 outcomes and that meets at least both of the following:



1 (i) At least 1 of the following:

2 (A) Is based on strong evidence from at least 1 well-designed
3 and well-implemented experimental study.

4 (B) Is based on moderate evidence from at least 1 well-
5 designed and well-implemented quasi-experimental study.

6 (C) Is based on promising evidence from at least 1 well-
7 designed and well-implemented correlational study with statistical
8 controls for selection bias.

9 (D) Demonstrates a rationale based on high-quality research
10 findings or positive evaluation that the activity, program,
11 process, service, strategy, or intervention is likely to improve
12 pupil outcomes or other relevant outcomes.

13 (ii) Includes ongoing efforts to examine the effects of the
14 activity, program, process, service, strategy, or intervention.

15 (c) "Explicit" means direct and deliberate instruction through
16 continuous pupil-teacher interaction that includes teacher
17 modeling, guided practice, and independent practice.

18 (d) "Fluency" means the ability to read with speed, accuracy,
19 and proper expression.

20 (e) "Multi-tiered system of supports" means a comprehensive
21 framework that includes 3 distinct tiers of instructional support
22 and is composed of a collection of evidence-based strategies
23 designed to meet the individual needs and assets of a whole pupil
24 at all achievement levels.

25 (f) "Phonemic awareness" means the conscious awareness of all
26 of the following:

27 (i) Individual speech sounds, including, but not limited to,
28 consonants and vowels, in spoken syllables.

29 (ii) The ability to consciously manipulate through, including,



1 but not limited to, matching, blending, segmenting, deleting, or
 2 substituting, individual speech sounds described in subparagraph
 3 (i).

4 (iii) All levels of the speech sound system, including, but not
 5 limited to, word boundaries, rhyme recognition, stress patterns,
 6 syllables, onset-rime units, and phonemes.

7 (g) "Phonological" means relating to the system of contrastive
 8 relationships among the speech sounds that constitute the
 9 fundamental components of a language.

10 (h) "Progress monitoring" means the assessing of students'
 11 academic performance, quantifying students' rates of improvement or
 12 progress toward goals, and determining how students are responding
 13 to instruction.

14 (i) "Rapid automatized naming (RAN)" means a task that
 15 measures how quickly individuals can name objects; pictures;
 16 colors; or symbols, including letters and digits, aloud, which can
 17 predict later reading abilities for preliterate children.

18 Sec. 35d. (1) From the state school aid fund money
 19 appropriated under section 11, for ~~2023-2024~~**2024-2025** only, there
 20 is allocated an amount not to exceed \$1,000,000.00 for the
 21 department to provide grants to districts and intermediate
 22 districts for the purchase of 1 or more components or trainings
 23 through an eligible teacher training program for children with
 24 dyslexia from a provider of an eligible teacher training program
 25 for children with dyslexia as provided under this section.

26 (2) A provider that provides programming that meets all of the
 27 following is considered to be a provider of an eligible teacher
 28 training program for purposes of this section:

29 (a) Allows teachers to incorporate the 5 components essential



1 to an effective reading program into their daily lessons. The 5
2 components described in this subdivision are phonemic awareness,
3 phonics, vocabulary, fluency, and comprehension.

4 (b) Trains educators to teach reading using a proven,
5 multisensory approach.

6 (c) Educates teachers on how to explicitly and effectively
7 teach reading to beginning readers.

8 (d) Breaks reading and spelling down into smaller skills
9 involving letters and sounds, and then builds on these skills over
10 time.

11 (e) Uses multisensory teaching strategies to teach reading by
12 using sight, hearing, touch, and movement to help students connect
13 and learn the concepts being taught.

14 (3) Districts and intermediate districts may apply to the
15 department for grants to purchase components or training through an
16 eligible teacher training program from a provider of an eligible
17 teacher training program, and, upon receiving an application but
18 except as otherwise provided in this subsection, the department
19 shall make payments to districts and intermediate districts for
20 those purchases. The department shall make payments under this
21 section on a first-come, first-served basis until funds are
22 depleted.

23 Sec. 35j. (1) From the state school aid fund money
24 appropriated in section 11, there is allocated for 2023-2024 only
25 an amount not to exceed \$140,000,000.00 for payments to districts
26 and intermediate districts to improve literacy instructional
27 practices by investing in quality, research-based best practices,
28 and professional learning.

29 (2) Subject to subsection (4), to be eligible to receive



1 funding under this section, a district or intermediate district
2 must apply for the funding in a form and manner prescribed by the
3 department. Intermediate districts may apply for funding under this
4 section on behalf of their constituent districts.

5 (3) From the allocation under subsection (1), the department
6 shall make payments to eligible districts and intermediate
7 districts in an equal amount per pupil based on the number of
8 pupils in the district or intermediate district in grades pre-K to
9 5. Districts and intermediate districts receiving funding under
10 this section must use that funding for all of the following
11 purposes:

12 (a) Providing professional learning for all pre-K to grade 5
13 teachers, administrators, and instructional coaches in literacy
14 instruction best practices.

15 (b) Complementing existing efforts to improve literacy
16 instruction.

17 (c) Developing and implementing a comprehensive literacy
18 system.

19 (4) For a district or intermediate district to be eligible for
20 funding under this section, the district or intermediate district
21 must do all of the following:

22 (a) Use a valid screening tool, as determined by the
23 department, to identify gaps in current literacy practices and
24 complete a needs assessment.

25 (b) Submit a plan to the department targeting identified focus
26 areas to address gaps in literacy practices.

27 (c) Ensure 100% of current pre-K to grade 5 teachers complete
28 selected training.

29 (d) Report to the department and post on its website which



1 pre-K to grade 5 literacy curriculum and benchmark assessment the
2 district or intermediate districts utilized.

3 (5) Except as otherwise provided in this subsection and
4 notwithstanding section 17b, the department shall make payments
5 under this section on a schedule determined by the department. The
6 department must not pay more than 50% of the amount allocated in
7 subsection (1) in 2023-2024 and must pay remaining eligible
8 payments during 2024-2025.

9 (6) Funds allocated under this section for 2023-2024 are a
10 work project appropriation, and any unexpended funds for 2023-2024
11 are carried forward into 2024-2025. The purpose of the work project
12 is to improve literacy instructional practices. The estimated
13 completion date of the work project is September 30, ~~2025~~ **2026**.

14 Sec. 39. (1) An eligible applicant receiving funds under
15 section 32d shall submit an application, in a form and manner
16 prescribed by the department **of lifelong education, advancement,**
17 **and potential**, by a date specified by the department **of lifelong**
18 **education, advancement, and potential** in the immediately preceding
19 fiscal year. An eligible applicant is not required to amend the
20 applicant's current accounting cycle or adopt this state's fiscal
21 year accounting cycle in accounting for financial transactions
22 under this section. The application must include all of the
23 following:

24 (a) The estimated total number of children in the community
25 who meet the criteria of section 32d and the total number of age-
26 eligible children in the community, as provided to the applicant by
27 the department **of lifelong education, advancement, and potential**
28 utilizing the most recent population data available from the
29 American Community Survey conducted by the United States Census



1 Bureau. The department **of lifelong education, advancement, and**
2 **potential** shall ensure that it provides updated American Community
3 Survey population data at least once every 3 years.

4 (b) The estimated number of children in the community who meet
5 the criteria of section 32d and are being served exclusively by
6 Head Start programs operating in the community.

7 (c) The number of children whom the applicant has the capacity
8 to serve who meet the criteria of section 32d including a
9 verification of physical facility and staff resources capacity.

10 (2) After notification of funding allocations, an applicant
11 receiving funds under section 32d shall also submit an
12 implementation plan for approval, in a form and manner prescribed
13 by the department **of lifelong education, advancement, and**
14 **potential**, by a date specified by the department **of lifelong**
15 **education, advancement, and potential**, that details how the
16 applicant complies with the program components established by the
17 department **of lifelong education, advancement, and potential** under
18 section 32d.

19 (3) The initial allocation to each eligible applicant under
20 section 32d is the lesser of the following:

21 (a) The sum of the number of children served in a school-day
22 program in the preceding school year multiplied by ~~\$9,608.00,~~
23 **\$10,317.00**, the number of children served in a GSRP extended
24 program in the preceding school year multiplied by ~~\$11,530.00,~~
25 **\$12,380.00**, and the number of children served in a GSRP/Head Start
26 blended program or a part-day program in the preceding school year
27 multiplied by ~~\$4,804.00.~~**\$5,159.00.**

28 (b) The sum of the number of children the applicant has the
29 capacity to serve in the current school year in a school-day



1 program multiplied by ~~\$9,608.00,~~ **\$10,317.00**, the number of children
 2 served in a GSRP extended program the applicant has the capacity to
 3 serve in the current school year multiplied by ~~\$11,530.00,~~
 4 **\$12,380.00**, and the number of children served in a GSRP/Head Start
 5 blended program or a part-day program the applicant has the
 6 capacity to serve in the current school year multiplied by
 7 ~~\$4,804.00.~~ **\$5,159.00.**

8 (4) If funds remain after the allocations under subsection
 9 (3), the department **of lifelong education, advancement, and**
 10 **potential** shall distribute the remaining funds to each intermediate
 11 district or consortium of intermediate districts that serves less
 12 than the state percentage benchmark determined under subsection
 13 (5). The department **of lifelong education, advancement, and**
 14 **potential** shall distribute these remaining funds to each eligible
 15 applicant based upon each applicant's proportionate share of the
 16 remaining unserved children necessary to meet the statewide
 17 percentage benchmark in intermediate districts or consortia of
 18 intermediate districts serving less than the statewide percentage
 19 benchmark. When all applicants have been given the opportunity to
 20 reach the statewide percentage benchmark, the statewide percentage
 21 benchmark may be reset, as determined by the department **of lifelong**
 22 **education, advancement, and potential**, until greater equity of
 23 opportunity to serve eligible children across all intermediate
 24 school districts has been achieved.

25 (5) For the purposes of subsection (4), the department **of**
 26 **lifelong education, advancement, and potential** shall calculate a
 27 percentage of children served by each intermediate district or
 28 consortium of intermediate districts by adding the number of
 29 children served in the immediately preceding year by that



1 intermediate district or consortium with the number of eligible
2 children under section 32d served exclusively by Head Start, as
3 reported in a form and manner prescribed by the department **of**
4 **lifelong education, advancement, and potential**, within the
5 intermediate district or consortia service area and dividing that
6 total by the total number of children within the intermediate
7 district or consortium of intermediate districts who meet the
8 criteria of section 32d as determined by the department **of lifelong**
9 **education, advancement, and potential** utilizing the most recent
10 population data available from the American Community Survey
11 conducted by the United States Census Bureau. The department **of**
12 **lifelong education, advancement, and potential** shall compare the
13 resulting percentage of eligible children served to a statewide
14 percentage benchmark to determine if the intermediate district or
15 consortium is eligible for additional funds under subsection (4).
16 The statewide percentage benchmark is 100%.

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

24 (7) The department **of lifelong education, advancement, and**
25 **potential** shall review the program components under section 32d and
26 under this section at least biennially. The department **of lifelong**
27 **education, advancement, and potential** also shall convene a
28 committee of internal and external stakeholders at least once every
29 5 years to ensure that the funding structure under this section



1 reflects current system needs under section 32d.

2 (8) As used in this section, "GSRP/Head Start blended
3 program", "GSRP extended program", "part-day program", and "school-
4 day program" mean those terms as defined in section 32d.

5 Sec. 39a. (1) From the federal funds appropriated in section
6 11, there is allocated for ~~2022-2023 to districts, intermediate~~
7 ~~districts, and other eligible entities all available federal~~
8 ~~funding, estimated at \$782,600,000.00, and there is allocated for~~
9 ~~2023-2024-2024-2025~~ to districts, intermediate districts, and other
10 eligible entities all available federal funding, estimated at
11 \$754,700,000.00, for the federal programs under the no child left
12 behind act of 2001, Public Law 107-110, or the every student
13 succeeds act, Public Law 114-95. These funds are allocated as
14 follows:

15 (a) An amount estimated at ~~\$1,200,000.00 for 2022-2023 and~~
16 ~~\$1,200,000.00 for 2023-2024-2024-2025~~ to provide students with
17 drug- and violence-prevention programs and to implement strategies
18 to improve school safety, funded from DED-OESE, drug-free schools
19 and communities funds.

20 (b) An amount estimated at ~~\$100,000,000.00 for 2022-2023 and~~
21 ~~\$100,000,000.00 for 2023-2024-2024-2025~~ for the purpose of
22 preparing, training, and recruiting high-quality teachers and class
23 size reduction, funded from DED-OESE, improving teacher quality
24 funds.

25 (c) An amount estimated at ~~\$13,000,000.00 for 2022-2023 and~~
26 ~~\$13,000,000.00 for 2023-2024-2024-2025~~ for programs to teach
27 English to limited English proficient (LEP) children, funded from
28 DED-OESE, language acquisition state grant funds.

29 (d) An amount estimated at ~~\$2,800,000.00 for 2022-2023 and~~



1 \$2,800,000.00 for ~~2023-2024~~ **2024-2025** for rural and low-income
2 schools, funded from DED-OESE, rural and low income school funds.

3 (e) An amount estimated at ~~\$535,000,000.00 for 2022-2023 and~~
4 ~~\$535,000,000.00 for 2023-2024~~ **2024-2025** to provide supplemental
5 programs to enable educationally disadvantaged children to meet
6 challenging academic standards, funded from DED-OESE, title I,
7 disadvantaged children funds.

8 (f) An amount estimated at ~~\$9,200,000.00 for 2022-2023 and~~
9 ~~\$9,200,000.00 for 2023-2024~~ **2024-2025** for the purpose of
10 identifying and serving migrant children, funded from DED-OESE,
11 title I, migrant education funds.

12 (g) An amount estimated at ~~\$40,400,000.00 for 2022-2023 and~~
13 ~~\$40,400,000.00 for 2023-2024~~ **2024-2025** for the purpose of providing
14 high-quality extended learning opportunities, after school and
15 during the summer, for children in low-performing schools, funded
16 from DED-OESE, twenty-first century community learning center
17 funds.

18 (h) An amount estimated at ~~\$14,000,000.00 for 2022-2023 and~~
19 ~~\$14,000,000.00 for 2023-2024~~ **2024-2025** to help support local school
20 improvement efforts, funded from DED-OESE, title I, local school
21 improvement grants.

22 (i) An amount estimated at ~~\$35,000,000.00 for 2022-2023 and~~
23 ~~\$35,000,000.00 for 2023-2024~~ **2024-2025** to improve the academic
24 achievement of students, funded from DED-OESE, title IV, student
25 support and academic enrichment grants.

26 (j) An amount estimated at ~~\$3,100,000.00 for 2022-2023 and~~
27 ~~\$3,100,000.00 for 2023-2024~~ **2024-2025** for literacy programs that
28 advance literacy skills for students from birth through grade 12,
29 including, but not limited to, English-proficient students and



1 students with disabilities, funded from DED-OESE, striving readers
2 comprehensive literacy program.

3 ~~(k) An amount estimated at \$27,900,000.00 for 2022-2023 only~~
4 ~~to establish safer and healthier learning environments, and to~~
5 ~~prevent and respond to acts of bullying, violence, and hate that~~
6 ~~impact school communities at individual and systemic levels, funded~~
7 ~~from DED-OESE, stronger connections grant program.~~

8 **(k)** ~~(l)~~ An amount estimated at \$1,000,000.00 for 2022-2023 and
9 an amount estimated at \$1,000,000.00 for 2023-2024 **2024-2025** for
10 grants to support and demonstrate innovative partnerships to train
11 school-based mental health service providers, funded from DED-OESE,
12 mental health service professional demonstration grant program.

13 (2) From the federal funds appropriated in section 11, there
14 is allocated to districts, intermediate districts, and other
15 eligible entities all available federal funding, estimated at
16 ~~\$60,500,000.00 for 2022-2023 and estimated at \$60,500,000.00 for~~
17 ~~2023-2024~~ **2024-2025** for the following programs that are funded by
18 federal grants:

19 (a) An amount estimated at ~~\$3,000,000.00 for 2022-2023 and~~
20 \$3,000,000.00 for ~~2023-2024~~ **2024-2025** to provide services to
21 homeless children and youth, funded from DED-OVAE, homeless
22 children and youth funds.

23 (b) An amount estimated at ~~\$24,000,000.00 for 2022-2023 and~~
24 \$24,000,000.00 for ~~2023-2024~~ **2024-2025** for providing career and
25 technical education services to pupils, funded from DED-OVAE, basic
26 grants to states.

27 (c) An amount estimated at ~~\$14,000,000.00 for 2022-2023 and~~
28 \$14,000,000.00 for ~~2023-2024~~ **2024-2025** for the Michigan charter
29 school subgrant program, funded from DED-OII, public charter



1 schools program funds.

2 (d) An amount estimated at ~~\$18,000,000.00 for 2022-2023 and~~
3 \$18,000,000.00 for ~~2023-2024~~ **2024-2025** for the purpose of promoting
4 and expanding high-quality preschool services, funded from HHS-OCC,
5 preschool development funds.

6 (e) An amount estimated at ~~\$1,500,000.00 for 2022-2023 and~~
7 \$1,500,000.00 for ~~2023-2024~~ **2024-2025** for the purpose of addressing
8 priority substance abuse treatment, prevention, and mental health
9 needs, funded from HHS-SAMHSA.

10 (3) The department shall distribute all federal funds
11 allocated under this section in accordance with federal law and
12 with flexibility provisions outlined in Public Law 107-116, and in
13 the education flexibility partnership act of 1999, Public Law 106-
14 25. Notwithstanding section 17b, the department shall make payments
15 of federal funds to districts, intermediate districts, and other
16 eligible entities under this section on a schedule determined by
17 the department.

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

23 (5) For the purposes of funding federal title I grants under
24 this article, in addition to any other federal grants for which the
25 strict discipline academy is eligible, the department shall
26 allocate to a strict discipline academy out of title I, part A an
27 amount equal to what the strict discipline academy would have
28 received if included and calculated under title I, part D, or what
29 it would receive under the formula allocation under title I, part



1 A, whichever is greater.

2 (6) As used in this section:

3 (a) "DED" means the United States Department of Education.

4 (b) "DED-OESE" means the DED Office of Elementary and
5 Secondary Education.

6 (c) "DED-OII" means the DED Office of Innovation and
7 Improvement.

8 (d) "DED-OVAE" means the DED Office of Vocational and Adult
9 Education.

10 (e) "HHS" means the United States Department of Health and
11 Human Services.

12 (f) "HHS-OCC" means the HHS Office of Child Care.

13 (g) "HHS-SAMHSA" means the HHS Substance Abuse and Mental
14 Health Services Project.

15 Sec. 41. (1) For a district to be eligible to receive funding
16 under this section, the district must administer to English
17 language learners the English language proficiency assessment known
18 as the "WIDA ACCESS for English language learners" or the "WIDA
19 Alternate ACCESS". From the state school aid fund money
20 appropriated in section 11, there is allocated an amount not to
21 exceed ~~\$39,766,500.00~~ **\$44,727,500.00** for ~~2023-2024~~ **2024-2025** for
22 payments to eligible districts for services for English language
23 learners who have been administered the WIDA ACCESS for English
24 language learners.

25 (2) The department shall distribute funding allocated under
26 subsection (1) to eligible districts based on the number of full-
27 time equivalent English language learners as follows:

28 (a) ~~\$1,476.00~~ **\$1,661.00** per full-time equivalent English
29 language learner who has been assessed under the WIDA ACCESS for



1 English language learners or the WIDA Alternate ACCESS with a WIDA
2 ACCESS or WIDA Alternate ACCESS composite score between 1.0 and
3 1.9, or less, as applicable to each assessment. It is the intent of
4 the legislature to increase this amount until it reaches 75% of the
5 target foundation allowance.

6 (b) ~~\$1,019.00~~ **\$1,146.00** per full-time equivalent English
7 language learner who has been assessed under the WIDA ACCESS for
8 English language learners or the WIDA Alternate ACCESS with a WIDA
9 ACCESS or WIDA Alternate ACCESS composite score between 2.0 and
10 2.9, or less, as applicable to each assessment. It is the intent of
11 the legislature to increase this amount until it reaches 50% of the
12 target foundation allowance.

13 (c) ~~\$167.00~~ **\$188.00** per full-time equivalent English language
14 learner who has been assessed under the WIDA ACCESS for English
15 language learners or the WIDA Alternate ACCESS with a WIDA ACCESS
16 or WIDA Alternate ACCESS composite score between 3.0 and 3.9, or
17 less, as applicable to each assessment. It is the intent of the
18 legislature to increase this amount until it reaches 35% of the
19 target foundation allowance.

20 (3) If funds allocated under subsection (1) are insufficient
21 to fully fund the payments as prescribed under subsection (2), the
22 department shall prorate payments on an equal percentage basis,
23 with the same percentage proration applied to all funding
24 categories.

25 (4) By October 15 of the fiscal year following the receipt of
26 funding under subsection (1), each district receiving funds under
27 subsection (1) shall submit to the department a report, not to
28 exceed 10 pages, on the usage by the district of funds under
29 subsection (1) in a form and manner determined by the department,



1 including a brief description of each program conducted or services
2 performed by the district using funds under subsection (1) and the
3 amount of funds under subsection (1) allocated to each of those
4 programs or services. If a district does not comply with this
5 subsection, the department shall withhold an amount equal to the
6 December payment due under this section until the district complies
7 with this subsection. If the district does not comply with this
8 subsection by the end of the fiscal year, the withheld funds are
9 forfeited to the state school aid fund.

10 (5) ~~In order to~~ **To** receive funds under subsection (1), a
11 district must allow access for the department or the department's
12 designee to audit all records related to the program for which it
13 receives those funds. The district shall reimburse this state for
14 all disallowances found in the audit.

15 (6) Beginning July 1, 2020, and every 3 years thereafter, the
16 department shall review the per-pupil distribution under subsection
17 (2), to ensure that funding levels are appropriate and make
18 recommendations for adjustments to the members of the senate and
19 house subcommittees on K to 12 school aid appropriations.

20 (7) **By not later than March 1, 2025, the department shall**
21 **establish English learner program models that establish a minimum**
22 **number of minutes per week that districts must provide direct**
23 **English language development instruction for students according to**
24 **the student's proficiency levels. These models must be compliant**
25 **with federal requirements related to English learner program**
26 **services. It is the intent of the legislature that, beginning in**
27 **2025-2026, to be considered an eligible recipient of funding under**
28 **this section, a district must agree to meet or exceed the minimum**
29 **number of minutes per week, as determined by the department, that**



**1 the district provides direct English language development
2 instruction.**

3 Sec. 41b. From the state school aid fund money appropriated in
4 section 11, there is allocated for ~~2023-2024~~**2024-2025** only an
5 amount not to exceed \$1,500,000.00 for KEYS Grace Academy to, in
6 partnership with Kalasho Education and Youth Services, provide
7 English-as-a-second-language services, provide early childhood
8 learning, improve progress toward high school graduation
9 attainment, and provide K to 12 education-support services to legal
10 immigrants.

11 Sec. 51a. (1) From the state school aid fund money in section
12 11, there is allocated an amount not to exceed ~~\$1,593,296,100.00~~
13 **\$1,898,496,100.00** for ~~2022-2023~~**2023-2024** and there is allocated an
14 amount not to exceed ~~\$1,694,646,100.00~~**\$2,074,996,100.00** for ~~2023-~~
15 ~~2024~~**2024-2025** from state sources and all available federal funding
16 under sections 1411 to 1419 of part B of the individuals with
17 disabilities education act, 20 USC 1411 to 1419, estimated at
18 \$390,000,000.00 for ~~2022-2023~~**2023-2024** and ~~\$390,000,000.00~~
19 **\$450,000,000.00** for ~~2023-2024~~**2024-2025**, plus any carryover
20 federal funds from previous year appropriations. In addition, from
21 the state school aid fund money in section 11, there is allocated
22 an amount not to exceed \$76,150,000.00 for 2023-2024 only to
23 supplement the allocations in this section. The allocations under
24 this subsection are for the purpose of reimbursing districts and
25 intermediate districts for special education programs, services,
26 and special education personnel as prescribed in article 3 of the
27 revised school code, MCL 380.1701 to 380.1761; net tuition payments
28 made by intermediate districts to the Michigan Schools for the Deaf
29 and Blind; and special education programs and services for pupils



1 who are eligible for special education programs and services
 2 according to statute or rule. For meeting the costs of special
 3 education programs and services not reimbursed under this article,
 4 a district or intermediate district may use money in general funds
 5 or special education funds, not otherwise restricted, or
 6 contributions from districts to intermediate districts, tuition
 7 payments, gifts and contributions from individuals or other
 8 entities, or federal funds that may be available for this purpose,
 9 as determined by the intermediate district plan prepared under
 10 article 3 of the revised school code, MCL 380.1701 to 380.1761.
 11 Notwithstanding section 17b, the department shall make payments of
 12 federal funds to districts, intermediate districts, and other
 13 eligible entities under this section on a schedule determined by
 14 the department.

15 (2) From the funds allocated under subsection (1), there is
 16 allocated the amount necessary, estimated at ~~\$357,400,000.00~~
 17 **\$404,400,000.00** for ~~2022-2023-2023-2024~~ and estimated at
 18 ~~\$368,000,000.00~~ **\$457,100,000.00** for ~~2023-2024, 2024-2025~~, for
 19 payments toward reimbursing districts and intermediate districts
 20 for 28.6138% of total approved costs of special education,
 21 excluding costs reimbursed under section 53a, and 70.4165% of total
 22 approved costs of special education transportation. ~~Allocations~~
 23 ~~under this subsection are made as follows:~~

24 ~~(a) For 2022-2023, the department shall calculate the initial~~
 25 ~~amount allocated to a district under this subsection toward~~
 26 ~~fulfilling the specified percentages by multiplying the district's~~
 27 ~~special education pupil membership, excluding pupils described in~~
 28 ~~subsection (11), times 25% of the foundation allowance under~~
 29 ~~section 20 of the pupil's district of residence, plus 25% of the~~



1 ~~amount of the district's per pupil allocation under section 20m,~~
 2 ~~not to exceed 25% of the target foundation allowance for the~~
 3 ~~current fiscal year, or, for a special education pupil in~~
 4 ~~membership in a district that is a public school academy, times an~~
 5 ~~amount equal to 25% of the amount per membership pupil calculated~~
 6 ~~under section 20(6). For an intermediate district, the amount~~
 7 ~~allocated under this subdivision toward fulfilling the specified~~
 8 ~~percentages is an amount per special education membership pupil,~~
 9 ~~excluding pupils described in subsection (11), and is calculated in~~
 10 ~~the same manner as for a district, using 25% of the foundation~~
 11 ~~allowance under section 20 of the pupil's district of residence,~~
 12 ~~not to exceed 25% of the target foundation allowance for the~~
 13 ~~current fiscal year, and that district's per-pupil allocation under~~
 14 ~~section 20m.~~

15 ~~(b) For 2022-2023, after the allocation under subdivision (a),~~
 16 ~~the department shall pay a district or intermediate district for~~
 17 ~~which the payments calculated under subdivision (a) do not fulfill~~
 18 ~~the specified percentages the amount necessary to achieve the~~
 19 ~~specified percentages for the district or intermediate district.~~

20 ~~(c) Beginning in 2023-2024, subdivisions (a) and (b) no longer~~
 21 ~~apply.~~

22 (3) From the funds allocated under subsection (1), there is
 23 allocated for ~~2022-2023~~**2023-2024** an amount not to exceed
 24 \$1,000,000.00 and ~~there is allocated for 2023-2024 an amount not to~~
 25 ~~exceed \$1,000,000.00~~ to make payments to districts and intermediate
 26 districts under this subsection. If the amount allocated to a
 27 district or intermediate district for the fiscal year under
 28 subsection (2) is less than the sum of the amounts allocated to the
 29 district or intermediate district for 1996-97 under sections 52 and



1 58, there is allocated to the district or intermediate district for
 2 the fiscal year an amount equal to that difference, adjusted by
 3 applying the same proration factor that was used in the
 4 distribution of funds under section 52 in 1996-97 as adjusted to
 5 the district's or intermediate district's necessary costs of
 6 special education used in calculations for the fiscal year. This
 7 adjustment is to reflect reductions in special education program
 8 operations or services between 1996-97 and subsequent fiscal years.
 9 The department shall make adjustments for reductions in special
 10 education program operations or services in a manner determined by
 11 the department and shall include adjustments for program or service
 12 shifts.

13 (4) If the department determines that the sum of the amounts
 14 allocated for a fiscal year to a district or intermediate district
 15 under subsection (2) is ~~not sufficient~~ **insufficient** to fulfill the
 16 specified percentages in subsection (2), the department shall pay
 17 the shortfall to the district or intermediate district during the
 18 fiscal year beginning on the October 1 following the determination
 19 and shall adjust payments under subsection (3) as necessary. If the
 20 department determines that the sum of the amounts allocated for a
 21 fiscal year to a district or intermediate district under subsection
 22 (2) exceeds the sum of the amount necessary to fulfill the
 23 specified percentages in subsection (2), the department shall
 24 deduct the amount of the excess from the district's or intermediate
 25 district's payments under this article for the fiscal year
 26 beginning on the October 1 following the determination and shall
 27 adjust payments under subsection (3) as necessary. ~~For 2022-2023,~~
 28 ~~if the amount allocated under subsection (2)(a) in itself exceeds~~
 29 ~~the amount necessary to fulfill the specified percentages in~~



1 ~~subsection (2), there is no deduction under this subsection.~~

2 (5) State funds are allocated on a total approved cost basis.
3 Federal funds are allocated under applicable federal requirements.

4 (6) From the amount allocated in subsection (1), there is
5 allocated an amount not to exceed \$2,200,000.00 for ~~2022-2023-2023-~~
6 **2024** and there is allocated an amount not to exceed \$2,200,000.00
7 for ~~2023-2024-2024-2025~~ to reimburse 100% of the net increase in
8 necessary costs incurred by a district or intermediate district in
9 implementing the revisions in the administrative rules for special
10 education that became effective on July 1, 1987. As used in this
11 subsection, "net increase in necessary costs" means the necessary
12 additional costs incurred solely because of new or revised
13 requirements in the administrative rules minus cost savings
14 permitted in implementing the revised rules. The department shall
15 determine net increase in necessary costs in a manner specified by
16 the department.

17 (7) For purposes of this section and sections 51b to 58, all
18 of the following apply:

19 (a) "Total approved costs of special education" are determined
20 in a manner specified by the department and may include indirect
21 costs, but must not exceed 115% of approved direct costs for
22 section 52 and section 53a programs. The total approved costs
23 include salary and other compensation for all approved special
24 education personnel for the program, including payments for Social
25 Security and Medicare and public school employee retirement system
26 contributions. The total approved costs do not include salaries or
27 other compensation paid to administrative personnel who are not
28 special education personnel as that term is defined in section 6 of
29 the revised school code, MCL 380.6. Costs reimbursed by federal



1 funds, other than those federal funds included in the allocation
2 made under this article, are not included. Special education
3 approved personnel not utilized full time in the evaluation of
4 students or in the delivery of special education programs,
5 ancillary, and other related services are reimbursed under this
6 section only for that portion of time actually spent providing
7 these programs and services, with the exception of special
8 education programs and services provided to youth placed in child
9 caring institutions or juvenile detention programs approved by the
10 department to provide an on-grounds education program.

11 ~~(b) A district or intermediate district that employed special~~
12 ~~education support services staff to provide special education~~
13 ~~support services in 2003-2004 or in a subsequent fiscal year and~~
14 ~~that in a fiscal year after 2003-2004 receives the same type of~~
15 ~~support services from another district or intermediate district~~
16 ~~shall report the cost of those support services for special~~
17 ~~education reimbursement purposes under this article. This~~
18 ~~subdivision does not prohibit the transfer of special education~~
19 ~~classroom teachers and special education classroom aides if the~~
20 ~~pupils counted in membership associated with those special~~
21 ~~education classroom teachers and special education classroom aides~~
22 ~~are transferred and counted in membership in the other district or~~
23 ~~intermediate district in conjunction with the transfer of those~~
24 ~~teachers and aides.~~

25 ~~(c) If the department determines before bookclosing for a~~
26 ~~fiscal year that the amounts allocated for that fiscal year under~~
27 ~~subsections (2), (3), (6), and (11) and sections 53a, 54, and 56~~
28 ~~will exceed expenditures for that fiscal year under subsections~~
29 ~~(2), (3), (6), and (11) and sections 53a, 54, and 56, then for a~~



1 ~~district or intermediate district whose reimbursement for that~~
 2 ~~fiscal year would otherwise be affected by subdivision (b),~~
 3 ~~subdivision (b) does not apply to the calculation of the~~
 4 ~~reimbursement for that district or intermediate district and the~~
 5 ~~department shall calculate reimbursement for that district or~~
 6 ~~intermediate district in the same manner as it was for 2003-2004.~~
 7 ~~If the amount of the excess allocations under subsections (2), (3),~~
 8 ~~(6), and (11) and sections 53a, 54, and 56 is not sufficient to~~
 9 ~~fully fund the calculation of reimbursement to those districts and~~
 10 ~~intermediate districts under this subdivision, then the department~~
 11 ~~shall prorate calculations and resulting reimbursement under this~~
 12 ~~subdivision on an equal percentage basis. The amount of~~
 13 ~~reimbursement under this subdivision for a fiscal year must not~~
 14 ~~exceed \$2,000,000.00 for any district or intermediate district.~~

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

27 **(c)** ~~(e)~~ If an intermediate district purchases a special
 28 education pupil transportation service from a constituent district
 29 that was previously purchased from a private entity; if the



1 purchase from the constituent district is at a lower cost, adjusted
2 for changes in fuel costs; and if the cost shift from the
3 intermediate district to the constituent does not result in any net
4 change in the revenue the constituent district receives from
5 payments under sections 22b and 51c, then upon application by the
6 intermediate district, the department shall direct the intermediate
7 district to continue to report the cost associated with the
8 specific identified special education pupil transportation service
9 and shall adjust the costs reported by the constituent district to
10 remove the cost associated with that specific service.

11 (8) A pupil who is enrolled in a full-time special education
12 program conducted or administered by an intermediate district or a
13 pupil who is enrolled in the Michigan Schools for the Deaf and
14 Blind is not included in the membership count of a district, but is
15 counted in membership in the intermediate district of residence.

16 (9) Special education personnel transferred from 1 district to
17 another to implement the revised school code are entitled to the
18 rights, benefits, and tenure to which the individual would
19 otherwise be entitled had that individual been employed by the
20 receiving district originally.

21 (10) If a district or intermediate district uses money
22 received under this section for a purpose other than the purpose or
23 purposes for which the money is allocated, the department may
24 require the district or intermediate district to refund the amount
25 of money received. The department shall deposit money that is
26 refunded in the state treasury to the credit of the state school
27 aid fund.

28 (11) From the funds allocated in subsection (1), there is
29 allocated the amount necessary, estimated at ~~\$2,000,000.00~~



1 **\$1,600,000.00** for ~~2022-2023~~**2023-2024** and estimated at
2 ~~\$2,000,000.00~~**\$1,600,000.00** for ~~2023-2024,~~**2024-2025**, to pay the
3 foundation allowances for pupils described in this subsection. The
4 department shall calculate the allocation to a district under this
5 subsection by multiplying the number of pupils described in this
6 subsection who are counted in membership in the district times the
7 sum of the foundation allowance under section 20 of the pupil's
8 district of residence, plus the amount of the district's per-pupil
9 allocation under section 20m, not to exceed the target foundation
10 allowance for the current fiscal year, or, for a pupil described in
11 this subsection who is counted in membership in a district that is
12 a public school academy, times an amount equal to the amount per
13 membership pupil under section 20(6). The department shall
14 calculate the allocation to an intermediate district under this
15 subsection in the same manner as for a district, using the
16 foundation allowance under section 20 of the pupil's district of
17 residence not to exceed the target foundation allowance for the
18 current fiscal year and that district's per-pupil allocation under
19 section 20m. This subsection applies to all of the following
20 pupils:

21 (a) Pupils described in section 53a.

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

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

29 (12) If it is determined that funds allocated under subsection



1 (2) or (11) or under section 51c will not be expended, funds up to
2 the amount necessary and available may be used to supplement the
3 allocations under subsection (2) or (11) or under section 51c ~~in~~
4 ~~order~~ to fully fund those allocations. After payments under
5 subsections (2) and (11) and section 51c, the department shall
6 expend the remaining funds from the allocation in subsection (1) in
7 the following order:

8 (a) One hundred percent of the reimbursement required under
9 section 53a.

10 (b) One hundred percent of the reimbursement required under
11 subsection (6).

12 (c) One hundred percent of the payment required under section
13 54.

14 (d) One hundred percent of the payment required under
15 subsection (3).

16 (e) One hundred percent of the payments under section 56.

17 (13) The allocations under subsections (2), (3), and (11) are
18 allocations to intermediate districts only and are not allocations
19 to districts, but instead are calculations used only to determine
20 the state payments under section 22b.

21 (14) If a public school academy that is not a cyber school, as
22 that term is defined in section 551 of the revised school code, MCL
23 380.551, enrolls under this section a pupil who resides outside of
24 the intermediate district in which the public school academy is
25 located and who is eligible for special education programs and
26 services according to statute or rule, or who is a child with a
27 disability, as that term is defined under the individuals with
28 disabilities education act, Public Law 108-446, the intermediate
29 district in which the public school academy is located and the



1 public school academy shall enter into a written agreement with the
2 intermediate district in which the pupil resides for the purpose of
3 providing the pupil with a free appropriate public education, and
4 the written agreement must include at least an agreement on the
5 responsibility for the payment of the added costs of special
6 education programs and services for the pupil. If the public school
7 academy that enrolls the pupil does not enter into an agreement
8 under this subsection, the public school academy shall not charge
9 the pupil's resident intermediate district or the intermediate
10 district in which the public school academy is located the added
11 costs of special education programs and services for the pupil, and
12 the public school academy is not eligible for any payouts based on
13 the funding formula outlined in the resident or nonresident
14 intermediate district's plan. If a pupil is not enrolled in a
15 public school academy under this subsection, the provision of
16 special education programs and services and the payment of the
17 added costs of special education programs and services for a pupil
18 described in this subsection are the responsibility of the district
19 and intermediate district in which the pupil resides.

20 (15) For the purpose of receiving its federal allocation under
21 part B of the individuals with disabilities education act, Public
22 Law 108-446, a public school academy that is a cyber school, as
23 that term is defined in section 551 of the revised school code, MCL
24 380.551, and is in compliance with section 553a of the revised
25 school code, MCL 380.553a, directly receives the federal allocation
26 under part B of the individuals with disabilities education act,
27 Public Law 108-446, from the intermediate district in which the
28 cyber school is located, as the subrecipient. If the intermediate
29 district does not distribute the funds described in this subsection



1 to the cyber school by the part B application due date of July 1,
 2 the department may distribute the funds described in this
 3 subsection directly to the cyber school according to the formula
 4 prescribed in 34 CFR 300.705 and 34 CFR 300.816. Beginning July 1,
 5 2021, this subsection is subject to section 8c. It is the intent of
 6 the legislature that the immediately preceding sentence apply
 7 retroactively and is effective July 1, 2021.

8 (16) For a public school academy that is a cyber school, as
 9 that term is defined in section 551 of the revised school code, MCL
 10 380.551, and is in compliance with section 553a of the revised
 11 school code, MCL 380.553a, that enrolls a pupil under this section,
 12 the intermediate district in which the cyber school is located
 13 shall ensure that the cyber school complies with sections 1701a,
 14 1703, 1704, 1751, 1752, 1756, and 1757 of the revised school code,
 15 MCL 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756,
 16 and 380.1757; applicable rules; and the individuals with
 17 disabilities education act, Public Law 108-446. Beginning July 1,
 18 2021, this subsection is subject to section 8c. It is the intent of
 19 the legislature that the immediately preceding sentence apply
 20 retroactively and is effective July 1, 2021.

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

25 Sec. 51c. As required by the court in the consolidated cases
 26 known as *Durant v State of Michigan*, 456 Mich 175 (1997), from the
 27 allocation under section 51a(1), there is allocated for ~~2022-2023~~
 28 **2023-2024** and for ~~2023-2024, 2024-2025~~, the amount necessary,
 29 estimated at ~~\$793,400,000.00~~ **\$901,400,000.00** for ~~2022-2023-2023-~~



1 **2024** and ~~\$820,000,000.00~~ **\$1,014,500,000.00** for ~~2023-2024,~~ **2024-**
 2 **2025**, for payments to reimburse districts for 28.6138% of total
 3 approved costs of special education excluding costs reimbursed
 4 under section 53a, and 70.4165% of total approved costs of special
 5 education transportation. Funds allocated under this section that
 6 are not expended in the fiscal year for which they were allocated,
 7 as determined by the department, may be used to supplement the
 8 allocations under sections 22a and 22b to fully fund those
 9 allocations for the same fiscal year.

10 Sec. 51d. (1) From the federal funds appropriated in section
 11 11, there is allocated for ~~2023-2024-~~ **2024-2025** all available
 12 federal funding, estimated at ~~\$71,000,000.00,~~ **\$83,000,000.00**, for
 13 special education programs and services that are funded by federal
 14 grants. The department shall distribute all federal funds allocated
 15 under this section in accordance with federal law. Notwithstanding
 16 section 17b, the department shall make payments of federal funds to
 17 districts, intermediate districts, and other eligible entities
 18 under this section on a schedule determined by the department.

19 (2) From the federal funds allocated under subsection (1), the
 20 following amounts are allocated:

21 (a) For ~~2023-2024,~~ **2024-2025**, an amount estimated at
 22 \$14,000,000.00 for handicapped infants and toddlers, funded from
 23 DED-OSERS, handicapped infants and toddlers funds.

24 (b) For ~~2023-2024,~~ **2024-2025**, an amount estimated at
 25 \$14,000,000.00 for preschool grants under Public Law 94-142, funded
 26 from DED-OSERS, handicapped preschool incentive funds.

27 (c) For ~~2023-2024,~~ **2024-2025**, an amount estimated at
 28 ~~\$43,000,000.00~~ **\$55,000,000.00** for special education programs funded
 29 by DED-OSERS, handicapped program, individuals with disabilities



1 act funds.

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

5 Sec. 51e. (1) From the allocation under section 51a(1), there
6 is allocated for ~~2022-2023-2023-2024~~ the amount necessary,
7 estimated at ~~\$350,900,000.00-\$501,500,000.00~~ for ~~2022-2023, 2023-~~
8 **2024 and \$513,200,000.00 for 2024-2025**, for payments to districts
9 and intermediate districts ~~for 75% of foundation allowance costs~~
10 ~~associated with special education pupils, and there is allocated~~
11 ~~for 2023-2024 the amount necessary, estimated at \$491,200,000.00~~
12 ~~for 2023-2024, for payments to districts and intermediate districts~~
13 for 100% of foundation allowance costs associated with special
14 education pupils.

15 (2) ~~For 2022-2023, the department shall calculate the amount~~
16 ~~allocated to a district under this section by multiplying the~~
17 ~~district's special education pupil membership, excluding pupils~~
18 ~~described in section 51a(11), times 75% of the foundation allowance~~
19 ~~under section 20 of the pupil's district of residence, plus 75% of~~
20 ~~the amount of the district's per-pupil allocation under section~~
21 ~~20m, not to exceed 75% of the target foundation allowance for the~~
22 ~~current fiscal year, or, for a special education pupil in~~
23 ~~membership in a district that is a public school academy, times an~~
24 ~~amount equal to 75% of the amount per membership pupil calculated~~
25 ~~under section 20(6). For an intermediate district, the amount~~
26 ~~allocated under this subsection is an amount per special education~~
27 ~~membership pupil, excluding pupils described in section 51a(11),~~
28 ~~and is calculated in the same manner as for a district, using 75%~~
29 ~~of the foundation allowance under section 20 of the pupil's~~



1 ~~district of residence, not to exceed 75% of the target foundation~~
 2 ~~allowance for the current fiscal year, and 75% of that district's~~
 3 ~~per-pupil allocation under section 20m.~~

4 (2) ~~(3) Beginning in 2023-2024, the~~ **The** department shall
 5 calculate the amount allocated to a district under this section by
 6 multiplying the district's special education pupil membership,
 7 excluding pupils described in section 51a(11), times 100% of the
 8 foundation allowance under section 20 of the pupil's district of
 9 residence, plus 100% of the amount of the district's per-pupil
 10 allocation under section 20m, not to exceed 100% of the target
 11 foundation allowance for the current fiscal year, or, for a special
 12 education pupil in membership in a district that is a public school
 13 academy, times an amount equal to 100% of the amount per membership
 14 pupil calculated under section 20(6). For an intermediate district,
 15 the amount allocated under this subsection is an amount per special
 16 education membership pupil, excluding pupils described in section
 17 51a(11), and is calculated in the same manner as for a district,
 18 using 100% of the foundation allowance under section 20 of the
 19 pupil's district of residence, not to exceed 100% of the target
 20 foundation allowance for the current fiscal year, and 100% of that
 21 district's per-pupil allocation under section 20m.

22 Sec. 51g. From the general fund money appropriated in section
 23 11, \$3,000,000.00 is allocated for ~~2023-2024~~ **2024-2025** to an
 24 association for administrators of special education services to
 25 develop content for use by special education students, teachers,
 26 and others. Any content that is developed as described in this
 27 section must be accessible throughout this state. Funds received by
 28 an association under this section may be used to support the
 29 development of assessment tools to measure the needs of students



1 with special education needs in remote learning environments and
2 the effectiveness of various educational methods and tools, in
3 collaboration with the department. Funds under this section may
4 also be utilized to identify any available federal funds for
5 research related to special education in remote learning.

6 **Sec. 51h. (1) From the state school aid fund money**
7 **appropriated in section 11, there is allocated for 2023-2024 only**
8 **\$500,000.00 to Clinton County RESA to partner with an independent**
9 **entity that has extensive experience in school finance, including**
10 **the opportunity index, to conduct research, interviews, data**
11 **collection, analysis, and financial modeling to develop an**
12 **implementation framework that outlines the cost of fully providing**
13 **special education services and supports to students with**
14 **disabilities through the application of an equity-driven model. The**
15 **independent entity must be selected by the Special Education**
16 **Coalition of Michigan.**

17 **(2) The Special Education Coalition of Michigan shall**
18 **regularly convene cross-sector stakeholders across this state to**
19 **identify 5 to 7 policy recommendations that must be related to**
20 **access to evidence-based interventions, increasing inclusive**
21 **educational opportunities, addressing exclusionary discipline and**
22 **behavioral support, and improving outcomes for students with**
23 **disabilities.**

24 **(3) The study described in subsection (1) must include key**
25 **areas of school finance related to the education costs of students**
26 **with disabilities. The study must provide objective guidance to the**
27 **legislature regarding both of the following:**

28 **(a) Modeling analysis of a weighted funding formula related to**
29 **students with disabilities to determine accurate cost estimates to**



1 fully fund special education according to consensus-built weighted
2 multipliers.

3 (b) Policy and implementation recommendations based on an
4 equitable framework that considers the intersection with the
5 opportunity index and that will improve how this state funds
6 students with disabilities.

7 (4) Within 30 days after the completion of the study, the
8 independent entity shall issue a report with its findings to the
9 department, the house and senate fiscal agencies, the state budget
10 director, the senate appropriations subcommittee on pre-K to 12,
11 the house appropriations subcommittee on school aid and education,
12 and the house and senate standing committees responsible for
13 education legislation.

14 (5) Within 60 days after the completion of the study, the
15 independent entity shall make its findings available on a publicly
16 available website.

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

20 Sec. 53a. (1) For districts, reimbursement for pupils
21 described in subsection (2) is 100% of the total approved costs of
22 operating special education programs and services approved by the
23 department and included in the intermediate district plan adopted
24 under article 3 of the revised school code, MCL 380.1701 to
25 380.1761, minus the district's foundation allowance calculated
26 under section 20 and minus the district's per-pupil allocation
27 under section 20m. For intermediate districts, the department shall
28 calculate reimbursement for pupils described in subsection (2) in
29 the same manner as for a district, using the foundation allowance



1 under section 20 of the pupil's district of residence, not to
2 exceed the target foundation allowance under section 20 for the
3 current fiscal year plus the amount of the district's per-pupil
4 allocation under section 20m.

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

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

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

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

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

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

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



1 (4) The costs of transportation are funded under this section
2 and are not reimbursed under section 58.

3 (5) The department shall not allocate more than \$10,500,000.00
4 of the allocation for ~~2023-2024~~ **2024-2025** in section 51a(1) under
5 this section.

6 Sec. 54. Each intermediate district receives an amount per
7 pupil for each pupil in attendance at the Michigan Schools for the
8 Deaf and Blind. The amount is proportionate to the total
9 instructional cost at each school. The department shall not
10 allocate more than \$1,688,000.00 of the allocation for ~~2023-2024~~
11 **2024-2025** in section 51a(1) under this section.

12 Sec. 54b. (1) From the general fund money appropriated in
13 section 11, there is allocated an amount not to exceed
14 ~~\$1,600,000.00~~ **\$2,100,000.00** for ~~2023-2024~~ **2024-2025** to continue
15 **expand** the implementation of the ~~recommendations of the special~~
16 ~~education reform task force published in January 2016.~~ **literacy and**
17 **social, emotional, and behavioral components of a multi-tiered**
18 **system of supports, including positive behavioral interventions and**
19 **supports, using the MiMTSS Technical Assistance Center.**

20 (2) The department shall use funds allocated under this
21 section for the purpose of ~~piloting~~ **expanding the** statewide
22 **expertise, technical assistance, and** implementation of the **multi-**
23 **tiered system of supports, dyslexia expertise, and evidence-based**
24 **instructional practices grounded in the science of reading using**
25 **the MiMTSS Technical Assistance Center**, a nationally recognized
26 program. ~~that includes positive behavioral intervention and~~
27 ~~supports and provides a statewide structure to support local~~
28 ~~initiatives for an integrated behavior and reading program. With~~
29 ~~the assistance of the intermediate districts involved in the MiMTSS~~



1 ~~Center, the department shall identify a number of intermediate~~
 2 ~~districts to participate in the pilot that is sufficient to ensure~~
 3 ~~that the MiMTSS Center can be implemented statewide with fidelity~~
 4 ~~and sustainability.~~ In addition, the department shall identify an
 5 intermediate district to act as a fiscal agent for these funds.

6 (3) As used in this section, "**MiMTSS Technical Assistance**
 7 **Center**" means the Michigan Multi-Tiered System of Supports
 8 **Technical Assistance** Center.

9 Sec. 54d. (1) From the state school aid fund money
 10 appropriated in section 11, there is allocated an amount not to
 11 exceed ~~\$22,313,000.00~~ **\$39,313,000.00** for ~~2023-2024~~ **2024-2025** to
 12 intermediate districts for the purpose of providing state early on
 13 services programs for children from birth to 3 years of age with a
 14 developmental delay or a disability, or both, and their families,
 15 as described in the early on Michigan state plan, as approved by
 16 the department.

17 (2) To be eligible to receive grant funding under this
 18 section, each intermediate district must apply in a form and manner
 19 determined by the department.

20 (3) The grant funding allocated under this section must be
 21 used to increase early on services and resources available to
 22 children that demonstrate developmental delays to help prepare them
 23 for success as they enter school. State early on services include
 24 evaluating and providing early intervention services for eligible
 25 infants and toddlers and their families to address developmental
 26 delays, including those affecting physical, cognitive,
 27 communication, adaptive, social, or emotional development. Grant
 28 funds must not be used to supplant existing services that are
 29 currently being provided.



1 (4) The department shall distribute the funds allocated under
2 subsection (1) to intermediate districts according to the
3 department's early on funding formula utilized to distribute the
4 federal award to Michigan under part C of the individuals with
5 disabilities education act, Public Law 108-446. Funds received
6 under this section must not supplant existing funds or resources
7 allocated for early on early intervention services. An intermediate
8 district receiving funds under this section shall maximize the
9 capture of Medicaid funds to support early on early intervention
10 services to the extent possible.

11 (5) Each intermediate district that receives funds under this
12 section shall report data and other information to the department
13 in a form, manner, and frequency prescribed by the department to
14 allow for monitoring and evaluation of the program and to ensure
15 that the children described in subsection (1) received appropriate
16 levels and types of services delivered by qualified personnel,
17 based on the individual needs of the children and their families.

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

21 (7) Grant funds awarded and allocated to an intermediate
22 district under this section must be expended by the grant recipient
23 before June 30 of the fiscal year immediately following the fiscal
24 year in which the funds were received.

25 **Sec. 54f. (1) From the state school aid fund money appropriated**
26 **in section 11, there is allocated \$1,000,000.00 for 2024-2025 only**
27 **to an intermediate district for which the combined total number of**
28 **pupils in membership in all constituent districts is the fewest**
29 **among all intermediate districts.**



1 (2) Funding under this section must be used by the
2 intermediate district described in subsection (1) in partnership
3 with an association that represents intermediate district
4 administrators in this state to establish a statewide special
5 education resource center dedicated to developing, providing access
6 to, and delivering professional learning on the latest research and
7 best practices in special education instruction to educators,
8 service providers, and families in this state.

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

12 Sec. 55. (1) From the general fund money appropriated in
13 section 11, there is allocated an amount not to exceed \$500,000.00
14 for 2024-2025 only to the Conductive Learning Center operating in
15 cooperation with Aquinas College. This funding must be used to
16 support the operational costs of the conductive education model
17 taught at the Conductive Learning Center to maximize the
18 independence and mobility of children and adults with neuromotor
19 disabilities. The conductive education model funded under this
20 section must be based on the concept of neuroplasticity and the
21 ability of people to learn and improve when they are motivated,
22 regardless of the severity of their disability.

23 (2) Notwithstanding section 17b, the department shall
24 distribute the funding allocated under this section to the
25 Conductive Learning Center by not later than December 1, 2024.

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

27 ~~(a) "Membership" means for a particular fiscal year the total~~
28 ~~membership of the intermediate district and the districts~~
29 ~~constituent to the intermediate district, except that if a district~~



1 ~~has elected not to come under part 30 of the revised school code,~~
2 ~~MCL 380.1711 to 380.1741, membership of the district is not~~
3 ~~included in the membership of the intermediate district.~~

4 ~~(b) "Millage levied" means the millage levied for special~~
5 ~~education under part 30 of the revised school code, MCL 380.1711 to~~
6 ~~380.1741, including a levy for debt service obligations.~~

7 ~~(c) "Taxable value" means the total taxable value of the~~
8 ~~districts constituent to an intermediate district, except that if a~~
9 ~~district has elected not to come under part 30 of the revised~~
10 ~~school code, MCL 380.1711 to 380.1741, taxable value of the~~
11 ~~district is not included in the taxable value of the intermediate~~
12 ~~district.~~

13 ~~(1) (2)~~ From the allocation under section 51a(1), there is
14 allocated an amount not to exceed \$40,008,100.00 for ~~2022-2023 and~~
15 ~~2023-2024~~ **and \$40,008,100.00 for 2024-2025** to reimburse
16 intermediate districts levying millages for special education under
17 part 30 of the revised school code, MCL 380.1711 to 380.1741. The
18 purpose, use, and expenditure of the reimbursement are limited as
19 if the funds were generated by these millages and governed by the
20 intermediate district plan adopted under article 3 of the revised
21 school code, MCL 380.1701 to 380.1761. As a condition of receiving
22 funds under this section, an intermediate district distributing any
23 portion of special education millage funds to its constituent
24 districts must submit for departmental approval and implement a
25 distribution plan.

26 ~~(2) (3)~~ Except as otherwise provided in this subsection,
27 reimbursement for those millages levied in ~~2021-2022-2022-2023~~ is
28 made in ~~2022-2023-2023-2024~~ at an amount per ~~2021-2022-2022-2023~~
29 membership pupil computed by subtracting from ~~\$229,600.00~~



1 **\$241,100.00** the ~~2021-2022-2022-2023~~ taxable value behind each
 2 membership pupil and multiplying the resulting difference by the
 3 ~~2021-2022-2022-2023~~ millage levied, and then subtracting from that
 4 amount the ~~2021-2022-2022-2023~~ local community stabilization share
 5 revenue for special education purposes and ~~2021-2022-2022-2023~~ tax
 6 increment revenues captured by a brownfield redevelopment authority
 7 created under the brownfield redevelopment financing act, 1996 PA
 8 381, MCL 125.2651 to 125.2670, behind each membership pupil for
 9 reimbursement of personal property exemption loss under the local
 10 community stabilization authority act, 2014 PA 86, MCL 123.1341 to
 11 123.1362, and reimbursements paid under section 26d for tax
 12 increment revenues captured by a brownfield redevelopment authority
 13 under the brownfield redevelopment financing act, 1996 PA 381, MCL
 14 125.2651 to 125.2670. For the purposes of the calculation described
 15 in the previous sentence only, for an intermediate district
 16 receiving funds under this section and section 62, reimbursements
 17 paid under section 26d must be multiplied by the ratio of special
 18 education millage levied, as defined in this section, and the sum
 19 of special education millage levied and vocational-technical
 20 education millage levied, as defined in section 62. Reimbursement
 21 in ~~2022-2023-2023-2024~~ for an intermediate district whose 2017-2018
 22 allocation was affected by the operation of subsection ~~(5)-(3)~~ is
 23 an amount equal to 102.5% of the 2017-2018 allocation to that
 24 intermediate district.

25 ~~(4) Except as otherwise provided in this subsection,~~
 26 ~~reimbursement for those millages levied in 2022-2023 is made in~~
 27 ~~2023-2024 at an amount per 2022-2023 membership pupil computed by~~
 28 ~~subtracting from \$238,800.00 the 2022-2023 taxable value behind~~
 29 ~~each membership pupil and multiplying the resulting difference by~~



~~1 the 2022-2023 millage levied, and then subtracting from that amount~~
~~2 the 2022-2023 local community stabilization share revenue for~~
~~3 special education purposes and 2022-2023 tax increment revenues~~
~~4 captured by a brownfield redevelopment authority created under the~~
~~5 brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651~~
~~6 to 125.2670, behind each membership pupil for reimbursement of~~
~~7 personal property exemption loss under the local community~~
~~8 stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362,~~
~~9 and reimbursements paid under section 26d for tax increment~~
~~10 revenues captured by a brownfield redevelopment authority under the~~
~~11 brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651~~
~~12 to 125.2670. For the purposes of the calculation described in the~~
~~13 previous sentence only, for an intermediate district receiving~~
~~14 funds under this section and section 62, reimbursements paid under~~
~~15 section 26d must be multiplied by the ratio of special education~~
~~16 millage levied, as defined in this section, and the sum of special~~
~~17 education millage levied and vocational technical education millage~~
~~18 levied, as defined in section 62. Reimbursement in 2023-2024 for an~~
~~19 intermediate district whose 2017-2018 allocation was affected by~~
~~20 the operation of subsection (5) is an amount equal to 102.5% of the~~
~~21 2017-2018 allocation to that intermediate district.~~

~~22 (3) (5) For 2023-2024 only, the~~ The department shall ensure
~~23 that the amount paid to a single intermediate district under~~
~~24 subsection (2) (1) does not exceed 62.9% of the total amount~~
~~25 allocated under subsection (2) (1).~~

~~26 (4) (6) The~~ For 2023-2024 only, the department shall ensure
~~27 that the amount paid to a single intermediate district under~~
~~28 subsection (2) (1) is not less than 75% of the amount allocated to~~
~~29 the intermediate district under subsection (2) (1) for the~~



1 immediately preceding fiscal year.

2 (5) Beginning in 2024-2025, the department shall provide
3 payments under subsection (1) to each intermediate district
4 described in this section as follows:

5 (a) The department must first calculate a reimbursement for
6 millages levied by subtracting the intermediate district's taxable
7 value per special education head count from the statewide average
8 taxable value per special education head count, and multiplying the
9 resulting difference by the millage rate levied, capped at the
10 statewide average special education millage rate, and multiplying
11 the resulting product by the intermediate district's special
12 education head count.

13 (b) The department must then calculate a reimbursement for
14 unreimbursed costs by subtracting the quotient of the intermediate
15 district's taxable value and the statewide average taxable value
16 per unreimbursed costs from the intermediate district's
17 unreimbursed costs.

18 (c) The calculation under subdivision (a) must be greater than
19 \$0.00 for an intermediate district to receive reimbursement under
20 this subsection. For those intermediate districts whose calculation
21 under subdivision (a) is less than or equal to \$0.00, the amount in
22 subdivision (b) is \$0.00 for purposes of the calculation in
23 subdivision (d).

24 (d) The department must then calculate the average of the
25 amounts calculated under subdivisions (a) and (b) for each
26 intermediate district. For the purposes of this calculation,
27 calculations in subdivision (a) or subdivision (b) that result in
28 negative totals are treated as \$0.00.

29 (e) The amount reimbursed under subsection (1) is the 3-year



1 average of the amount calculated under subdivision (d) for the 3
2 immediately preceding fiscal years.

3 (6) If total payments calculated under subsection (5) exceed
4 the amount allocated in subsection (1), the department must prorate
5 the payments on an equal percentage basis.

6 (7) From the allocation under section 51a(1), there is
7 allocated an amount not to exceed \$34,200,000.00 for ~~2022-2023~~ and
8 2023-2024 **and 2024-2025** to provide payments to intermediate
9 districts levying millages for special education under part 30 of
10 the revised school code, MCL 380.1711 to 380.1741. The purpose,
11 use, and expenditure of the payments under this subsection are
12 limited as if the funds were generated by these millages and
13 governed by the intermediate district plan adopted under article 3
14 of the revised school code, MCL 380.1701 to 380.1761. The
15 department shall provide a payment under this subsection to each
16 intermediate district described in this subsection as follows:

17 (a) For ~~2022-2023~~ and ~~2023-2024~~ **and 2024-2025**, except as
18 otherwise provided in this subsection, for an intermediate district
19 with a 3-year average special education millage revenue per pupil
20 in the immediately preceding fiscal year that is less than \$251.00
21 and that is levying at least 46.2% but less than 60.0% of its
22 maximum millage rate allowed under section 1724a of the revised
23 school code, MCL 380.1724a, an amount computed by subtracting from
24 \$251.00 the 3-year average special education millage revenue per
25 pupil in the immediately preceding fiscal year and, only if the
26 millage levied by the intermediate district is less than 1,
27 multiplying that amount by the number of mills levied divided by 1,
28 and then multiplying that amount by the 3-year average membership
29 in the immediately preceding fiscal year, and then subtracting from



1 that amount the amount allocated under subsection ~~(2)~~**(1)** for the
 2 current fiscal year. If the calculation under this subdivision
 3 results in an amount below zero, there is no payment under this
 4 subdivision.

5 (b) For ~~2022-2023 and 2023-2024~~ **and 2024-2025**, except as
 6 otherwise provided in this subsection, for an intermediate district
 7 with a 3-year average special education millage revenue per pupil
 8 in the immediately preceding fiscal year that is less than \$296.00
 9 and that is levying at least 60.0% of its maximum millage rate
 10 allowed under section 1724a of the revised school code, MCL
 11 380.1724a, an amount computed by subtracting from \$296.00 the 3-
 12 year average special education millage revenue per pupil in the
 13 immediately preceding fiscal year, and, only if the millage levied
 14 by the intermediate district is less than 1, multiplying that
 15 amount by the number of mills levied divided by 1, and then
 16 multiplying that amount by the 3-year average membership in the
 17 immediately preceding fiscal year, and then subtracting from that
 18 amount the amount allocated under subsection ~~(2)~~**(1)** for the
 19 current fiscal year. If the calculation under this subdivision
 20 results in an amount below zero, there is no payment under this
 21 subdivision.

22 (8) After making allocations to eligible intermediate
 23 districts under subsections ~~(3), (4), (2), (5),~~ and (7), if funds
 24 remain unallocated from the allocations under subsections ~~(2)~~**(1)**
 25 and (7), the department must allocate remaining funds to
 26 intermediate districts proportional to the amounts allocated to
 27 intermediate districts under subsections ~~(3) and (4)~~**(2) and (5)**.

28 (9) As used in ~~subsection (7)~~**:this section:**

29 (a) **"Capped local special education property tax revenue"**



1 means the amount of revenue that would be received if the
2 intermediate district levied the maximum millage rate permitted for
3 that intermediate district under section 1724a of the revised
4 school code, MCL 380.1724a, capped at the statewide average special
5 education millage rate, using in this calculation the taxable value
6 as defined in this section.

7 (b) "Membership" means for a particular fiscal year the total
8 membership of the intermediate district and the districts
9 constituent to the intermediate district, except that if a district
10 has elected not to come under part 30 of the revised school code,
11 MCL 380.1711 to 380.1741, membership of the district is not
12 included in the membership of the intermediate district.

13 (c) "Millage levied" means the millage levied for special
14 education under part 30 of the revised school code, MCL 380.1711 to
15 380.1741, including a levy for debt service obligations.

16 (d) "Special education head count" means the total special
17 education head count of an intermediate district and the districts
18 constituent to the intermediate district from the fall pupil
19 membership count day of the current fiscal year, except that if a
20 district has elected not to come under part 30 of the revised
21 school code, MCL 380.1711 to 380.1741, special education head count
22 of the district is not included in the special education head count
23 of the intermediate district.

24 (e) "Statewide average special education millage rate" means
25 the statewide special education millage revenue divided by the
26 quotient of the statewide taxable value and 1,000.

27 (f) "Statewide average taxable value per special education
28 head count" means the statewide taxable value divided by the
29 statewide special education head count.



1 (g) "Statewide average taxable value per unreimbursed costs"
 2 means the statewide taxable value divided by the statewide
 3 unreimbursed costs.

4 (h) "Taxable value" means the total taxable value of the
 5 districts constituent to an intermediate district, except that if a
 6 district has elected not to come under part 30 of the revised
 7 school code, MCL 380.1711 to 380.1741, taxable value of the
 8 district is not included in the taxable value of the intermediate
 9 district. Except for the calculation under subsection (7) and
 10 subdivision (j), beginning in 2024-2025, "taxable value" also
 11 includes both of the following:

12 (i) Reimbursements for personal property exemption loss under
 13 the local community stabilization authority act, 2014 PA 86, MCL
 14 123.1341 to 123.1362.

15 (ii) Reimbursements paid under section 26d for tax increment
 16 revenues captured by a brownfield redevelopment authority under the
 17 brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651
 18 to 125.2670.

19 (i) ~~(a)~~—"3-year average membership" means the 3-year average
 20 pupil membership for each of the 3 most recent fiscal years.

21 (j) ~~(b)~~—"3-year average special education millage revenue per
 22 pupil" means the 3-year average taxable value per mill levied
 23 behind each membership pupil for each of the 3 most recent fiscal
 24 years multiplied by the millage levied in the most recent fiscal
 25 year. **As used in this subparagraph, "taxable value" means the total**
 26 **taxable value of the districts constituent to an intermediate**
 27 **district, except that if a district has elected not to come under**
 28 **part 30 of the revised school code, MCL 380.1711 to 380.1741,**
 29 **taxable value of the district is not included in the taxable value**



1 of the intermediate district.

2 (k) "Unreimbursed costs" means the sum of costs reported on
3 the SE-4094 and SE-4096 reports for the immediately preceding
4 fiscal year for the intermediate district and all districts
5 constituent to the intermediate district, less the amount of
6 reimbursement received under section 51a(2) and section 51c for the
7 intermediate district and all districts constituent to the
8 intermediate district, and less the capped local special education
9 property tax revenue for the intermediate district. If a district
10 has elected not to come under part 30 of the revised school code,
11 MCL 380.1711 to 380.1741, the district is not included in the
12 calculation under this subsection for the intermediate district.

13 Sec. 61a. (1) From the state school aid fund money
14 appropriated in section 11, there is allocated an amount not to
15 exceed \$48,011,300.00 for ~~2023-2024~~**2024-2025** only to reimburse on
16 an added cost basis districts, except for a district that served as
17 the fiscal agent for a vocational education consortium in the 1993-
18 94 school year and that has a foundation allowance as calculated
19 under section 20 greater than the target foundation allowance under
20 that section, and secondary area vocational-technical education
21 centers for secondary-level career and technical education programs
22 according to rules approved by the superintendent. It is the intent
23 of the legislature that, for ~~2024-2025~~**2025-2026**, the allocation
24 from the state school aid fund money appropriated in section 11 for
25 purposes described in this subsection will be \$37,611,300.00.
26 Applications for participation in the programs must be submitted in
27 the form prescribed by the department. The department shall
28 determine the added cost for each career and technical education
29 program area. The department shall prioritize the allocation of



1 added cost funds based on the capital and program expenditures
2 needed to operate the career and technical education programs
3 provided; the number of pupils enrolled; the advancement of pupils
4 through the instructional program; the existence of an articulation
5 agreement with at least 1 postsecondary institution that provides
6 pupils with opportunities to earn postsecondary credit during the
7 pupil's participation in the career and technical education program
8 and transfers those credits to the postsecondary institution upon
9 completion of the career and technical education program; and the
10 program rank in student placement, job openings, and wages, and
11 shall ensure that the allocation does not exceed 75% of the added
12 cost of any program. Notwithstanding any rule or department
13 determination to the contrary, when determining a district's
14 allocation or the formula for making allocations under this
15 section, the department shall include the participation of pupils
16 in grade 9 in all of those determinations and in all portions of
17 the formula. With the approval of the department, the board of a
18 district maintaining a secondary career and technical education
19 program may offer the program for the period from the close of the
20 school year until September 1. The program shall use existing
21 facilities and must be operated as prescribed by rules promulgated
22 by the superintendent.

23 (2) Except for a district that served as the fiscal agent for
24 a vocational education consortium in the 1993-94 school year, the
25 department shall reimburse districts and intermediate districts for
26 local career and technical education administration, shared time
27 career and technical education administration, and career education
28 planning district career and technical education administration.
29 The superintendent shall adopt guidelines for the definition of



1 what constitutes administration and shall make reimbursement
2 pursuant to those guidelines. The department shall not distribute
3 more than \$800,000.00 of the allocation in subsection (1) under
4 this subsection.

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

10 Sec. 61b. (1) From the state school aid fund money
11 appropriated under section 11, there is allocated for ~~2023-2024~~
12 **2024-2025** an amount not to exceed \$8,000,000.00 for CTE early
13 middle college and CTE dual enrollment programs authorized under
14 this section and for planning grants for the development or
15 expansion of CTE early middle college programs. The purpose of
16 these programs is to increase the number of Michigan residents with
17 high-quality degrees or credentials, and to increase the number of
18 students who are college and career ready upon high school
19 graduation.

20 (2) From the funds allocated under subsection (1), the
21 department shall allocate an amount as determined under this
22 subsection to each intermediate district serving as a fiscal agent
23 for state-approved CTE early middle college and CTE dual enrollment
24 programs in each of the career education planning districts
25 identified by the department. An intermediate district shall not
26 use more than 5% of the funds allocated under this subsection for
27 administrative costs for serving as the fiscal agent.

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



1 determined by the department:

2 (a) Distribute funds to eligible CTE early middle college and
3 CTE dual enrollment programs in a career education planning
4 district as described in this section.

5 (b) Collaborate with the career and educational advisory
6 council in the workforce development board service delivery area to
7 develop 1 regional strategic plan under subsection (4) that aligns
8 CTE programs and services into an efficient and effective delivery
9 system for high school students. The department will align career
10 education planning districts, workforce development board service
11 delivery areas, and intermediate districts for the purpose of
12 creating 1 regional strategic plan for each workforce development
13 board service delivery area.

14 (c) Implement a regional process to rank career clusters in
15 the workforce development board service delivery area as described
16 under subsection (4). Regional processes must be approved by the
17 department before the ranking of career clusters.

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

21 (e) The local education agency responsible for student
22 reporting in the Michigan student data system (MSDS) will report
23 the total number of college credits the student earned, at the time
24 of high school graduation, as determined by the department and the
25 center.

26 (f) The local education agency will report each award outcome
27 in the Michigan student data system (MSDS) that the CTE early
28 middle college student attained. For purposes of this subsection,
29 an on-track CTE early middle college graduate is a graduate who



1 obtained their high school diploma and at least 1 of the following:

2 (i) An associate degree.

3 (ii) 60 transferable college credits.

4 (iii) Professional certification.

5 (iv) A Michigan Early Middle College Association certificate.

6 (v) Participation in a registered apprenticeship.

7 (4) A regional strategic plan must be approved by the career
8 and educational advisory council before submission to the
9 department. A regional strategic plan must include, but is not
10 limited to, the following:

11 (a) An identification of regional employer need based on a
12 ranking of all career clusters in the workforce development board
13 service delivery area ranked by 10-year projections of annual job
14 openings and median wage for each standard occupational code in
15 each career cluster as obtained from the United States Bureau of
16 Labor Statistics. Standard occupational codes within high-ranking
17 clusters also may be further ranked by median wage and annual job
18 openings. The career and educational advisory council located in
19 the workforce development board service delivery area shall review
20 the rankings and modify them if necessary to accurately reflect
21 employer demand for talent in the workforce development board
22 service delivery area. A career and educational advisory council
23 shall document that it has conducted this review and certify that
24 it is accurate. These career cluster rankings must be determined
25 and updated once every 4 years.

26 (b) An identification of educational entities in the workforce
27 development board service delivery area that will provide eligible
28 CTE early middle college and CTE dual enrollment programs including
29 districts, intermediate districts, postsecondary institutions, and



1 noncredit occupational training programs leading to an industry-
2 recognized credential.

3 (c) A strategy to inform parents and students of CTE early
4 middle college and CTE dual enrollment programs in the workforce
5 development board service delivery area.

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

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

9 (a) Has been identified in the highest 5 career cluster
10 rankings in any of the 16 workforce development board service
11 delivery area strategic plans jointly approved by the department of
12 labor and economic opportunity and the department.

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

16 (i) For CTE early middle college, outcomes as defined in
17 subsection (3) (f).

18 (ii) For CTE dual enrollment, 1 of the following:

19 (A) An associate degree.

20 (B) An industry-recognized technical certification approved by
21 the department of labor and economic opportunity.

22 (C) Up to 60 transferable college credits.

23 (D) Participation in a registered apprenticeship, pre-
24 apprenticeship, or apprentice readiness program.

25 (c) Is aligned with the Michigan merit curriculum.

26 (d) Has an articulation or a college credit agreement with at
27 least 1 postsecondary institution that provides students with
28 opportunities to receive postsecondary credits during the student's
29 participation in the CTE early middle college or CTE dual



1 enrollment program and transfers those credits to the postsecondary
 2 institution upon completion of the CTE early middle college or CTE
 3 dual enrollment program.

4 (e) Provides instruction that is supervised, directed, or
 5 coordinated by an appropriately certificated CTE teacher or, for
 6 concurrent enrollment courses, a postsecondary faculty member.

7 (f) Provides for highly integrated student support services
 8 that include at least the following:

9 (i) Teachers as academic advisors.

10 (ii) Supervised course selection.

11 (iii) Monitoring of student progress and completion.

12 (iv) Career planning services provided by a local one-stop
 13 service center as described in the Michigan works one-stop service
 14 center system act, 2006 PA 491, MCL 408.111 to 408.135, or by a
 15 high school counselor or advisor.

16 (g) Has courses that are taught on a college campus, are
 17 college courses offered at the high school and taught by college
 18 faculty, or are courses taught in combination with online
 19 instruction.

20 (6) The department shall distribute funds to eligible CTE
 21 early middle college and CTE dual enrollment programs as follows:

22 (a) The department shall determine statewide average CTE costs
 23 per pupil for each CIP code program by calculating statewide
 24 average costs for each CIP code program for the 3 most recent
 25 fiscal years.

26 (b) The distribution to each eligible CTE early middle college
 27 or CTE dual enrollment program is the product of 50% of CTE costs
 28 per pupil times the pupil enrollment of each eligible CTE early
 29 middle college or CTE dual enrollment program in the immediately



1 preceding school year.

2 (7) ~~In order to~~ **To** receive funds under this section, a CTE
3 early middle college or CTE dual enrollment program shall furnish
4 to the intermediate district that is the fiscal agent identified in
5 subsection (2), in a form and manner determined by the department,
6 all information needed to administer this program and meet federal
7 reporting requirements; shall allow the department or the
8 department's designee to review all records related to the program
9 for which it receives funds; and shall reimburse the state for all
10 disallowances found in the review, as determined by the department.

11 (8) There is allocated for ~~2023-2024~~ **2024-2025** from the funds
12 under subsection (1) an amount not to exceed \$500,000.00 from the
13 state school aid fund allocation for grants to intermediate
14 districts or consortia of intermediate districts for the purpose of
15 planning for new or expanded early middle college programs.
16 Applications for grants must be submitted in a form and manner
17 determined by the department. The amount of a grant under this
18 subsection must not exceed \$50,000.00. To be eligible for a grant
19 under this subsection, an intermediate district or consortia of
20 intermediate districts must provide matching funds equal to the
21 grant received under this subsection. Notwithstanding section 17b,
22 the department shall make payments under this subsection in the
23 manner determined by the department.

24 (9) Funds distributed under this section may be used to fund
25 program expenditures that would otherwise be paid from foundation
26 allowances. A program receiving funding under section 61a may
27 receive funding under this section for allowable costs that exceed
28 the reimbursement the program received under section 61a. The
29 combined payments received by a program under section 61a and this



1 section must not exceed the total allowable costs of the program. A
2 program provider shall not use more than 5% of the funds allocated
3 under this section to the program for administrative costs.

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

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

14 (12) As used in this section:

15 (a) "Allowable costs" means those costs directly attributable
16 to the program as jointly determined by the department of labor and
17 economic opportunity and the department.

18 (b) "Career and educational advisory council" means an
19 advisory council to the local workforce development boards located
20 in a workforce development board service delivery area consisting
21 of educational, employer, labor, and parent representatives.

22 (c) "CIP" means classification of instructional programs.

23 (d) "CTE" means career and technical education programs.

24 (e) "CTE dual enrollment program" means a 4-year high school
25 program of postsecondary courses offered by eligible postsecondary
26 educational institutions that leads to an industry-recognized
27 certification or degree.

28 (f) "Early middle college program" means a 5-year high school
29 program.



1 (g) "Eligible postsecondary educational institution" means
 2 that term as defined in section 3 of the career and technical
 3 preparation act, 2000 PA 258, MCL 388.1903.

4 Sec. 61c. (1) From the state school aid fund money
 5 appropriated in section 11, there is allocated for ~~2023-2024~~**2024-**
 6 **2025** only an amount not to exceed \$15,000,000.00 to ~~eligible~~ career
 7 education planning districts (CEPDs) for the purposes described in
 8 this section.

9 (2) ~~To be eligible to receive funding in the first round of~~
 10 ~~grants under this section, at least 50% of the area served by a~~
 11 ~~CEPD must be located in an intermediate district that did not levy~~
 12 ~~a vocational education millage in 2023. Each eligible~~ **each** CEPD
 13 must apply in a form and manner prescribed by the department. An
 14 application must include the funding amount requested by the CEPD.
 15 Funding to ~~an eligible~~ **each** CEPD must be ~~equal to the quotient of~~
 16 ~~the allocation under subsection (1) and the number of eligible~~
 17 ~~CEPDs applying for funding in the first round of grants, or the~~
 18 ~~individual CEPD's requested funding amount, whichever is~~
 19 ~~less~~ **proportionate to the number of state-approved CTE programs,**
 20 **based on program serial numbers and excluding early middle college**
 21 **programs, within the CEPD in 2024, except that a CEPD for which at**
 22 **least 50% of the area served by the CEPD is located in an**
 23 **intermediate district that did not levy a millage for area**
 24 **vocational-technical education in 2024 must receive twice the**
 25 **allocation as otherwise calculated under this subsection.**

26 ~~(3) If funding remains after the first round of grants under~~
 27 ~~subsection (2), the department may administer a second round of~~
 28 ~~grants under this section. To be eligible to receive funding in the~~
 29 ~~second round of grants, a CEPD must not have been eligible for~~



1 ~~funding in the first round of grants. Each eligible CEPD must apply~~
2 ~~in a form and manner prescribed by the department. An application~~
3 ~~must include the funding amount requested by the CEPD. Funding to~~
4 ~~each eligible CEPD must be equal to the quotient of the funds~~
5 ~~remaining after the first round of grants and the number of CEPDs~~
6 ~~applying for funding in the second round of grants.~~

7 (3) ~~(4)~~—At least 50% of the funding allocated to each eligible
8 CEPD **under this section** must be used to update equipment in current
9 state-approved CTE programs that have been identified in the
10 highest 5 career cluster rankings in any of the prosperity regions
11 in the most recent CEPD regional strategic plans approved by the
12 department; for training on new equipment; for professional
13 development relating to computer science or coding or new equipment
14 purchases; for the replacement of old or outdated equipment or new
15 equipment in existing state-approved CTE programs that align with
16 new technology used in industries; or for new and emerging
17 certified state-approved CTE programs to allow CEPD administrators
18 to provide programming in communities that will enhance economic
19 development. The funding for equipment should be used to support
20 and enhance community areas that have sustained job growth, and act
21 as a commitment to build a more qualified and skilled workforce. In
22 addition, each CEPD is encouraged to explore the option of leasing
23 equipment from local private industry to encourage the use of the
24 most advanced equipment.

25 (4) ~~(5)~~—The allocation of funds under this section at the
26 local level must be determined by CEPD administrators using data
27 from the state, region, and local sources to make well-informed
28 decisions on program equipment improvements. Grants awarded by CEPD
29 administrators for capital infrastructure costs related to the



1 purchase of new equipment must be used to ensure that state-
 2 approved CTE programs can deliver educational programs in high-
 3 wage, high-skill, and high-demand occupations. Each CEPD shall
 4 continue to ensure that program advisory boards make
 5 recommendations on needed improvements for equipment that support
 6 job growth and job skill development and retention for both the
 7 present and the future.

8 (5) ~~(6)~~—Not later than December 15 of each fiscal year, each
 9 CEPD receiving funding shall annually report to the department, the
 10 senate and house appropriations subcommittees on school aid, the
 11 senate and house fiscal agencies, and the legislature on equipment
 12 purchased under subsection (1). In addition, the report must
 13 identify growth data on program involvement, retention, and
 14 development of student skills.

15 (6) ~~(7)~~—As used in this section:

16 (a) "CEPD" means a career education planning district
 17 described in this section.

18 (b) "CTE" means career and technical education.

19 Sec. 61d. (1) From the appropriation in section 11, there is
 20 allocated for ~~2023–2024~~ **2024–2025** an amount not to exceed
 21 \$5,000,000.00 from the state school aid fund for additional
 22 payments to districts for career and technical education programs
 23 for the purpose of increasing the number of Michigan residents with
 24 high-quality degrees or credentials, and to increase the number of
 25 pupils who are college- and career-ready upon high school
 26 graduation.

27 (2) The department shall calculate payments to districts under
 28 this section in the following manner:

29 (a) A payment of \$35.00 multiplied by the number of pupils in



1 grades 9 to 12 who are counted in membership in the district and
2 are enrolled in at least 1 career and technical education program.

3 (b) An additional payment of \$35.00 multiplied by the number
4 of pupils in grades 9 to 12 who are counted in membership in the
5 district and are enrolled in at least 1 career and technical
6 education program that provides instruction in critical skills and
7 high-demand career fields.

8 (3) If the allocation under subsection (1) is insufficient to
9 fully fund payments under subsection (2), the department shall
10 prorate payments under this section on an equal per-pupil basis.

11 (4) As used in this section:

12 (a) "Career and technical education program" means a state-
13 approved career and technical education program, as determined by
14 the department.

15 (b) "Career and technical education program that provides
16 instruction in critical skills and high-demand career field" means
17 a career and technical education program classified under any of
18 the following 2-digit classification of instructional programs
19 (CIP) codes:

20 (i) 01, which refers to "agriculture, agriculture operations,
21 and related sciences".

22 (ii) 03, which refers to "natural resources and conservation".

23 (iii) 10 through 11, which refers to "communications
24 technologies/technicians and support services" and "computer and
25 information sciences and support services".

26 (iv) 14 through 15, which refers to "engineering" and
27 "engineering technologies and engineering-related fields".

28 (v) 26, which refers to "biological and biomedical sciences".

29 (vi) 46 through 48, which refers to "construction trades",



1 "mechanic and repair technologies/technicians", and "precision
2 production".

3 (vii) 51, which refers to "health professions and related
4 programs".

5 Sec. 61s. (1) From the ~~state school aid fund~~ **general fund**
6 money appropriated in section 11, there is allocated for ~~2023-2024~~
7 **2024-2025** only an amount not to exceed \$4,000,000.00 ~~to Eaton RESA~~
8 to support the efforts of FFA. The money under this section may be
9 used for capital improvements and equipment, the credentialing and
10 updating of Perkins 5, and for general agriculture education and
11 current structures of FFA. ~~Eaton RESA may retain for administrative~~
12 ~~services an amount not to exceed 5% of the grant amount.~~

13 (2) The funds allocated under this section for ~~2023-2024~~ **2024-**
14 **2025** are a work project appropriation, and any unexpended funds for
15 ~~2023-2024~~ **2024-2025** are carried forward into ~~2024-2025.~~ **2025-2026.**
16 The purpose of the work project is to support the purposes of this
17 section. The estimated completion date of the work project is
18 September 30, ~~2027.~~ **2028.**

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

22 Sec. 62. (1) For the purposes of this section:

23 (a) "Membership" means for a particular fiscal year the total
24 membership of the intermediate district and the districts
25 constituent to the intermediate district or the total membership of
26 the area vocational-technical program, except that if a district
27 has elected not to come under sections 681 to 690 of the revised
28 school code, MCL 380.681 to 380.690, the membership of that
29 district are not included in the membership of the intermediate



1 district. However, the membership of a district that has elected
2 not to come under sections 681 to 690 of the revised school code,
3 MCL 380.681 to 380.690, is included in the membership of the
4 intermediate district if the district meets both of the following:

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

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

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

19 (c) "Taxable value" means the total taxable value of the
20 districts constituent to an intermediate district or area
21 vocational-technical education program, except that if a district
22 has elected not to come under sections 681 to 690 of the revised
23 school code, MCL 380.681 to 380.690, the taxable value of that
24 district is not included in the taxable value of the intermediate
25 district. However, the taxable value of a district that has elected
26 not to come under sections 681 to 690 of the revised school code,
27 MCL 380.681 to 380.690, is included in the taxable value of the
28 intermediate district if the district meets both of the following:

29 (i) The district operates the area vocational-technical



1 education program pursuant to a contract with the intermediate
2 district.

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

8 (2) From the appropriation in section 11, there is allocated
9 an amount not to exceed \$9,190,000.00 each fiscal year for ~~2022-~~
10 ~~2023 and for 2023-2024~~ **and 2024-2025** to reimburse intermediate
11 districts and area vocational-technical education programs
12 established under section 690(3) of the revised school code, MCL
13 380.690, levying millages for area vocational-technical education
14 under sections 681 to 690 of the revised school code, MCL 380.681
15 to 380.690. The purpose, use, and expenditure of the reimbursement
16 are limited as if the funds were generated by those millages.

17 (3) Reimbursement for those millages levied in ~~2021-2022-2022-~~
18 ~~2023~~ is made in ~~2022-2023-2023-2024~~ at an amount per ~~2021-2022~~
19 ~~2022-2023~~ membership pupil computed by subtracting from ~~\$237,500.00~~
20 **\$250,800.00** the ~~2021-2022-2022-2023~~ taxable value behind each
21 membership pupil and multiplying the resulting difference by the
22 ~~2021-2022-2022-2023~~ millage levied, and then subtracting from that
23 amount the ~~2021-2022-2022-2023~~ local community stabilization share
24 revenue for area vocational technical education and ~~2021-2022-2022-~~
25 ~~2023~~ tax increment revenues captured by a brownfield redevelopment
26 authority created under the brownfield redevelopment financing act,
27 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil
28 for reimbursement of personal property exemption loss under the
29 local community stabilization authority act, 2014 PA 86, MCL



1 123.1341 to 123.1362, and reimbursements paid under section 26d for
 2 tax increment revenues captured by a brownfield redevelopment
 3 authority under the brownfield redevelopment financing act, 1996 PA
 4 381, MCL 125.2651 to 125.2670. For the purposes of the calculation
 5 described in the previous sentence only, for an intermediate
 6 district receiving funds under this section and section 56,
 7 reimbursements paid under section 26d must be multiplied by the
 8 ratio of vocational-technical education millage levied, as defined
 9 in this section, and the sum of vocational-technical education
 10 millage levied and special education millage levied, as defined in
 11 section 56.

12 (4) Reimbursement for those millages levied in ~~2022-2023~~**2023-**
 13 **2024** is made in ~~2023-2024~~**2024-2025** at an amount per ~~2022-2023~~
 14 **2023-2024** membership pupil computed by subtracting from ~~\$248,800.00~~
 15 **\$266,700.00** the ~~2022-2023~~**2023-2024** taxable value behind each
 16 membership pupil and multiplying the resulting difference by the
 17 ~~2022-2023~~**2023-2024** millage levied, and then subtracting from that
 18 amount the ~~2022-2023~~**2023-2024** local community stabilization share
 19 revenue for area vocational technical education and ~~2022-2023~~**2023-**
 20 **2024** tax increment revenues captured by a brownfield redevelopment
 21 authority created under the brownfield redevelopment financing act,
 22 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil
 23 for reimbursement of personal property exemption loss under the
 24 local community stabilization authority act, 2014 PA 86, MCL
 25 123.1341 to 123.1362, and reimbursements paid under section 26d for
 26 tax increment revenues captured by a brownfield redevelopment
 27 authority under the brownfield redevelopment financing act, 1996 PA
 28 381, MCL 125.2651 to 125.2670. For the purposes of the calculation
 29 described in the previous sentence only, for an intermediate



1 district receiving funds under this section and section 56,
2 reimbursements paid under section 26d must be multiplied by the
3 ratio of vocational-technical education millage levied, as defined
4 in this section, and the sum of vocational-technical education
5 millage levied and special education millage levied, as defined in
6 section 56.

7 (5) The department shall ensure that the amount paid to a
8 single intermediate district under this section does not exceed
9 38.4% of the total amount allocated under subsection (2).

10 (6) The department shall ensure that the amount paid to a
11 single intermediate district under this section is not less than
12 75% of the amount allocated to the intermediate district under this
13 section for the immediately preceding fiscal year.

14 Sec. 65. (1) From the appropriation under section 11, there is
15 allocated an amount not to exceed \$900,000.00 for ~~2023-2024-2024-~~
16 **2025** for a pre-college engineering K to 12 educational program that
17 is focused on the development of a diverse future Michigan
18 workforce, that serves multiple communities within southeast
19 Michigan, that enrolls pupils from multiple districts, and that
20 received funds appropriated for this purpose in the appropriations
21 act that provided the Michigan strategic fund budget for 2014-2015.

22 (2) To be eligible for funding under this section, a program
23 must have the ability to expose pupils to, and motivate and prepare
24 pupils for, science, technology, engineering, and mathematics
25 careers and postsecondary education with special attention given to
26 groups of pupils who are at-risk and underrepresented in technical
27 professions and careers.

28 Sec. 67. (1) From the general fund money appropriated in
29 section 11, there is allocated an amount not to exceed



1 ~~\$5,000,000.00~~ **\$3,000,000.00** for ~~2023-2024~~ **2024-2025** for college
 2 access programs. ~~It is the intent of the legislature that, for~~
 3 ~~2024-2025, the allocation from the general fund money appropriated~~
 4 ~~in section 11 for purposes described in this section will be~~
 5 ~~\$3,000,000.00.~~ The programs funded under this section are intended
 6 to inform students of college and career options and to provide
 7 resources intended to increase the number of pupils who are
 8 adequately prepared with the information needed to make informed
 9 decisions on college and career, **support adult learners, support**
 10 **college completion, and support workforce and employer engagement.**
 11 The funds appropriated under this section are intended to be used
 12 to increase the number of Michigan residents with high-quality
 13 degrees or credentials. Funds appropriated under this section must
 14 not be used to supplant funding for counselors already funded by
 15 districts.

16 (2) The department of ~~labor and economic opportunity~~ **lifelong**
 17 **education, advancement, and potential** shall administer funds
 18 allocated under this section in collaboration with the Michigan
 19 college access network. These funds may be used for any of the
 20 following purposes:

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

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

27 (c) The Michigan college advising program, a program intended
 28 to place trained, recently graduated college advisors in high
 29 schools that serve significant numbers of low-income and first-



1 generation college-going pupils. State funds used for this purpose
2 may not exceed 33% of the total funds available under this
3 subsection.

4 (d) Subgrants of up to \$5,000.00 to districts with
5 comprehensive high schools that establish a college access team and
6 implement specific strategies to create a college-going culture in
7 a high school in a form and manner approved by the Michigan college
8 access network and the department of ~~labor and economic~~
9 ~~opportunity.~~ **lifelong education, advancement, and potential.**

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

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

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

21 (3) For the purposes of this section, "college" means any
22 postsecondary educational opportunity that leads to a career,
23 including, but not limited to, a postsecondary degree, industry-
24 recognized technical certification, or registered apprenticeship.

25 **Sec. 67b. From the general fund money appropriated under**
26 **section 11, there is allocated \$5,000,000.00 for 2024-2025 only to**
27 **the SME Education Foundation's Partnership Response Initiative. The**
28 **SME Education Foundation's Partnership Response Initiative shall**
29 **use the funding it receives under this section to provide high**



1 schools in this state with cost-effective and tailored engineering
2 and manufacturing programs that provide equipment, curricula,
3 professional development, scholarships, and STEM-focused curricular
4 activities to students enrolled in, and teachers teaching in, the
5 high schools of this state. The department may use \$200,000.00 of
6 the funds under this section for administration.

7 Sec. 67d. (1) From the general fund money appropriated in
8 section 11, there is allocated for 2024-2025 an amount not to
9 exceed \$1,000,000.00, through a grant program administered by the
10 department, to an eligible state-approved 501(c)(3) organization to
11 teach or train restaurant management, culinary arts or hospitality,
12 and tourism management as part of career and professional
13 development. It is the intent of the legislature that, for 2025-
14 2026, the allocation from the general fund money appropriated in
15 section 11 for purposes described in this section will be
16 \$500,000.00.

17 (2) As used in this section, "eligible state-approved
18 501(c)(3) organization" means an organization to which all of the
19 following apply:

20 (a) It is exempt from taxation under section 501(c)(3) of the
21 internal revenue code of 1986, 26 USC 501.

22 (b) It provides either the ProStart or Hospitality Tourism
23 Management curriculum and training to state-approved career and
24 technical education programs with classification of instructional
25 programs (CIP) codes in the 12.05xx or 52.09xx.

26 (c) It administers national certification for the purposes of
27 restaurant management, culinary arts or hospitality, or tourism
28 management in becoming a hospitality and tourism specialist as part
29 of career and professional development.



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

4 Sec. 67f. (1) From the state school aid fund money
 5 appropriated in section 11, there is allocated for ~~2023-2024~~**2024-**
 6 **2025** only an amount not to exceed \$10,000,000.00 for the FAFSA
 7 completion challenge. Funds allocated under this section must be
 8 distributed to districts to improve FAFSA completion rates.

9 (2) To be eligible to receive funding under this section, each
 10 district must apply in a form and manner determined by the
 11 department. As part of the application, the district must
 12 demonstrate to the department that each high school from the
 13 applying district receiving funds under this section has a data use
 14 agreement on file with the department of treasury naming at least 1
 15 data receiver designee to access student-level data regarding FAFSA
 16 completion.

17 (3) ~~No~~**By not** later than November 30 ~~, 2023,~~**of each year**
 18 **payments are made with funding allocated under this section,** the
 19 department must pay each eligible district an amount not to exceed
 20 \$50.00 multiplied by the number of students enrolled and attending
 21 grade 12 in the district. The receiving district must use funds
 22 received under this subsection for participation in and
 23 implementation of activities that are known to drive FAFSA
 24 completion, as determined by the department, in collaboration with
 25 the Michigan college access network.

26 (4) ~~No~~**By not** later than September 30 ~~, 2024,~~**of each year**
 27 **payments are made with funding allocated under this section** the
 28 department must pay each eligible district an amount not to exceed
 29 \$50.00 multiplied by the number of students enrolled and attending



1 grade 12 in the district who submitted a FAFSA ~~prior to~~**before** June
 2 30 ~~, 2024.~~**of the year in which payments are made with funding**
 3 **allocated under this section.** Funds received under this subsection
 4 may be used for discretionary purposes, as determined by the
 5 districts, though districts are encouraged to use funds received
 6 under this subsection to continue work to improve FAFSA completion
 7 rates.

8 (5) The department ~~must~~**shall** collaborate with the department
 9 of ~~treasury~~**lifelong education, advancement, and potential** to
 10 verify eligible FAFSA completion counts for the purposes of
 11 calculating payments under subsection (4). By not later than July
 12 15 ~~, 2024,~~**of each year payments are made with funding allocated**
 13 **under this section,** the department of ~~treasury~~~~must~~**lifelong**
 14 **education, advancement, and potential shall** provide the department
 15 **with** FAFSA completion information necessary for calculating
 16 payments under this section.

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

20 (7) **The funds allocated under this section for 2024-2025 are a**
 21 **work project appropriation, and any unexpended funds for 2024-2025**
 22 **are carried forward into 2025-2026. The purpose of the work project**
 23 **is to continue efforts to increase the number of students who**
 24 **complete the FAFSA. The estimated completion date of the work**
 25 **project is September 30, 2026.**

26 (8) ~~(7)~~As used in the section, "FAFSA" means the free
 27 application for federal student aid form.

28 Sec. 74. (1) From the state school aid fund money appropriated
 29 in section 11, there is allocated an amount not to exceed



1 ~~\$3,842,700.00~~ **\$4,414,100.00** for ~~2023-2024~~ **2024-2025** for the
 2 purposes of this section.

3 (2) From the allocation in subsection (1), there is allocated
 4 for ~~2023-2024~~ **2024-2025** the amount necessary for payments to state
 5 supported colleges or universities and intermediate districts
 6 providing school bus driver safety instruction under section 51 of
 7 the pupil transportation act, 1990 PA 187, MCL 257.1851. The
 8 department shall make payments in an amount determined by the
 9 department not to exceed the actual cost of instruction and driver
 10 compensation for each public or nonpublic school bus driver
 11 attending a course of instruction. For the purpose of computing
 12 compensation, the hourly rate allowed each school bus driver must
 13 not exceed the hourly rate received for driving a school bus. The
 14 department shall make reimbursement compensating the driver during
 15 the course of instruction to the college or university or
 16 intermediate district providing the course of instruction.

17 (3) From the allocation in subsection (1), there is allocated
 18 for ~~2023-2024~~ **2024-2025** the amount necessary to pay the reasonable
 19 costs of nonspecial education auxiliary services transportation
 20 provided under section 1323 of the revised school code, MCL
 21 380.1323. Districts funded under this subsection do not receive
 22 funding under any other section of this article for nonspecial
 23 education auxiliary services transportation.

24 (4) From the funds allocated in subsection (1), there is
 25 allocated an amount not to exceed ~~\$1,817,700.00~~ **\$1,888,500.00** for
 26 ~~2023-2024~~ **2024-2025** for reimbursement to districts and intermediate
 27 districts for costs associated with the inspection of school buses
 28 and pupil transportation vehicles by the department of state police
 29 as required under section 715a of the Michigan vehicle code, 1949



1 PA 300, MCL 257.715a, and section 39 of the pupil transportation
 2 act, 1990 PA 187, MCL 257.1839. The department of state police
 3 shall prepare a statement of costs attributable to each district
 4 for which bus inspections are provided and submit it to the
 5 department and to an intermediate district serving as fiduciary in
 6 a time and manner determined jointly by the department and the
 7 department of state police. Upon review and approval of the
 8 statement of cost, the department shall forward to the designated
 9 intermediate district serving as fiduciary the amount of the
 10 reimbursement on behalf of each district and intermediate district
 11 for costs detailed on the statement within 45 days after receipt of
 12 the statement. The designated intermediate district shall make
 13 payment in the amount specified on the statement to the department
 14 of state police within 45 days after receipt of the statement. The
 15 total reimbursement of costs under this subsection must not exceed
 16 the amount allocated under this subsection. Notwithstanding section
 17 17b, the department shall make payments to eligible entities under
 18 this subsection on a schedule prescribed by the department.

19 Sec. 81. (1) From the state school aid fund money appropriated
 20 in section 11, there is allocated for ~~2023-2024~~**2024-2025** to the
 21 intermediate districts the sum necessary, but not to exceed
 22 ~~\$79,424,700.00~~**\$85,272,400.00** to provide state aid to intermediate
 23 districts under this section.

24 (2) The amount allocated under this section for ~~2023-2024~~
 25 **2024-2025** to each intermediate district is an amount equal to
 26 ~~105.0%~~**107.36%** of the amount allocated to the intermediate district
 27 under this section for ~~2022-2023~~**2023-2024**. An intermediate
 28 district shall use funding provided under this section to comply
 29 with requirements of this article and the revised school code that



1 are applicable to intermediate districts, and for which funding is
2 not provided elsewhere in this article, and to provide technical
3 assistance to districts as authorized by the intermediate school
4 board.

5 (3) Intermediate districts receiving funds under this section
6 shall collaborate with the department to develop expanded
7 professional development opportunities for teachers to update and
8 expand their knowledge and skills needed to support the Michigan
9 merit curriculum.

10 (4) From the allocation in subsection (1), there is allocated
11 to an intermediate district, formed by the consolidation or
12 annexation of 2 or more intermediate districts or the attachment of
13 a total intermediate district to another intermediate district or
14 the annexation of all of the constituent K to 12 districts of a
15 previously existing intermediate district which has disorganized,
16 an additional allotment of \$3,500.00 each fiscal year for each
17 intermediate district included in the new intermediate district for
18 3 years following consolidation, annexation, or attachment.

19 (5) ~~In order to~~ **To** receive funding under this section, an
20 intermediate district shall do all of the following:

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

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



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

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

6 (e) Comply with section 1230g of the revised school code, MCL
7 380.1230g.

8 Sec. 94. (1) From the general fund money appropriated in
9 section 11, there is allocated to the department for ~~2023-2024~~
10 **2024-2025** an amount not to exceed \$1,200,000.00 for efforts to
11 increase the number of pupils who participate and succeed in
12 advanced placement and international baccalaureate programs, and to
13 support the college-level examination program (CLEP).

14 (2) From the funds allocated under this section, the
15 department shall award funds to cover all or part of the costs of
16 advanced placement test fees or international baccalaureate test
17 fees and international baccalaureate registration fees for low-
18 income pupils who take an advanced placement or an international
19 baccalaureate test and CLEP fees for low-income pupils who take a
20 CLEP test.

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

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

28 (b) The tests are administered by the college board, the
29 international baccalaureate organization, or another test provider



1 approved by the department.

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

4 (4) If funds remain after the awards granted in subsection
5 (2), the department shall award funds to reimburse a portion of the
6 costs associated with the provision of advanced placement (AP),
7 international baccalaureate (IB), or college-level examination
8 program (CLEP) exams for students whose family income exceeds low-
9 income status as determined by the department.

10 (5) The department shall establish procedures for awarding
11 funds under this section.

12 **(6) The department shall collaborate with the department of**
13 **health and human services to ensure that funds spent under this**
14 **section are allowable expenses for the purposes of meeting state-**
15 **level maintenance of effort requirements for the federal temporary**
16 **assistance for needy families program.**

17 (7) ~~(6)~~—Notwithstanding section 17b, the department shall make
18 payments under this section on a schedule determined by the
19 department.

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

24 (a) Coordinate the collection of all data required by state
25 and federal law from districts, intermediate districts, and
26 postsecondary institutions.

27 (b) Create, maintain, and enhance this state's P-20
28 longitudinal data system and ensure that it meets the requirements
29 of subsection (4).



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

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

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

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

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

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

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

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

24 (2) Each state department, officer, or agency that collects
25 information from districts, intermediate districts, or
26 postsecondary institutions as required under state or federal law
27 shall make arrangements with the center to ensure that the state
28 department, officer, or agency is in compliance with subsection
29 (1). This subsection does not apply to information collected by the



1 department of treasury under the uniform budgeting and accounting
2 act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal
3 finance act, 2001 PA 34, MCL 141.2101 to 141.2821; the school bond
4 qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to
5 388.1939; or section 1351a of the revised school code, MCL
6 380.1351a.

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

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

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

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

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

21 (d) Enables the matching of individual teachers with
22 information about their certification and the institutions that
23 prepared and recommended those teachers for state certification.

24 (e) Enables data to be easily generated for continuous
25 improvement and decision-making, including timely reporting to
26 parents, teachers, and school leaders on student achievement.

27 (f) Ensures the reasonable quality, validity, and reliability
28 of data contained in the system.

29 (g) Provides this state with the ability to meet federal and



1 state reporting requirements.

2 (h) For data elements related to preschool through grade 12
3 and postsecondary, meets all of the following:

4 (i) Contains a unique statewide student identifier that does
5 not permit a student to be individually identified by users of the
6 system, except as allowed by federal and state law.

7 (ii) Contains student-level enrollment, demographic, and
8 program participation information, including data associated with
9 students who have been identified as having an affiliation to 1 or
10 more federally recognized Indian tribes and student participation
11 in federal programs funded under 20 USC 7401 to 7546 and
12 participation in federal programs funded under the Johnson-O'Malley
13 Supplemental Indian Education Program Modernization Act, Public Law
14 115-404.

15 (iii) Contains student-level information about the points at
16 which students exit, transfer in, transfer out, drop out, or
17 complete education programs.

18 (iv) Has the capacity to communicate with higher education data
19 systems.

20 (i) For data elements related to preschool through grade 12
21 only, meets all of the following:

22 (i) Contains yearly test records of individual students for
23 assessments approved by DED-OESE for accountability purposes under
24 section 1111(b) of the elementary and secondary education act of
25 1965, 20 USC 6311, including information on individual students not
26 tested, by grade and subject.

27 (ii) Contains student-level transcript information, including
28 information on courses completed and grades earned.

29 (iii) Contains student-level college readiness test scores.



1 (j) For data elements related to postsecondary education only:

2 (i) Contains data that provide information regarding the extent
3 to which individual students transition successfully from secondary
4 school to postsecondary education, including, but not limited to,
5 all of the following:

6 (A) Enrollment in remedial coursework.

7 (B) Completion of 1 year's worth of college credit applicable
8 to a degree within 2 years of enrollment.

9 (ii) Contains data that provide other information determined
10 necessary to address alignment and adequate preparation for success
11 in postsecondary education.

12 (5) From the general fund money appropriated in section 11,
13 there is allocated an amount not to exceed ~~\$18,988,600.00~~
14 **\$19,219,200.00** for ~~2023-2024-2024-2025~~ to the department of
15 technology, management, and budget to support the operations of the
16 center. In addition, from the federal funds appropriated in section
17 11, there is allocated for ~~2023-2024-2024-2025~~ the amount
18 necessary, estimated at ~~\$4,193,500.00, \$193,500.00~~, to support the
19 operations of the center and to establish a P-20 longitudinal data
20 system necessary for state and federal reporting purposes. The
21 center shall cooperate with the department to ensure that this
22 state is in compliance with federal law and is maximizing
23 opportunities for increased federal funding to improve education in
24 this state.

25 (6) From the funds allocated in subsection (5), the center may
26 use an amount determined by the center for competitive grants for
27 ~~2023-2024-2024-2025~~ to support collaborative efforts on the P-20
28 longitudinal data system. All of the following apply to grants
29 awarded under this subsection:



1 (a) The center shall award competitive grants to eligible
2 intermediate districts or a consortium of intermediate districts
3 based on criteria established by the center.

4 (b) Activities funded under the grant must support the P-20
5 longitudinal data system portal and may include portal hosting,
6 hardware and software acquisition, maintenance, enhancements, user
7 support and related materials, and professional learning tools and
8 activities aimed at improving the utility of the P-20 longitudinal
9 data system.

10 (c) An applicant that received a grant under this subsection
11 for the immediately preceding fiscal year has priority for funding
12 under this section. However, after 3 fiscal years of continuous
13 funding, an applicant is required to compete openly with new
14 applicants.

15 (7) Funds allocated under this section that are not expended
16 in the fiscal year in which they were allocated may be carried
17 forward to a subsequent fiscal year and are appropriated for the
18 purposes for which the funds were originally allocated.

19 (8) The center may bill departments as necessary ~~in order to~~
20 fulfill reporting requirements of state and federal law. The center
21 may also enter into agreements to supply custom data, analysis, and
22 reporting to other principal executive departments, state agencies,
23 local units of government, and other individuals and organizations.
24 The center may receive and expend funds in addition to those
25 authorized in subsection (5) to cover the costs associated with
26 salaries, benefits, supplies, materials, and equipment necessary to
27 provide such data, analysis, and reporting services.

28 (9) As used in this section, "DED-OESE" means the United
29 States Department of Education Office of Elementary and Secondary



1 Education.

2 Sec. 94e. (1) From the state school aid fund money
3 appropriated under section 11, there is allocated an amount not to
4 exceed \$1,000,000.00 for 2023-2024 only to Oakland Schools for the
5 school and local government finance commission.

6 (2) The school and local government finance commission must be
7 created by not later than January 1, 2025.

8 (3) The school and local government finance commission created
9 under this section shall examine and assess the sources of revenue
10 generation for this state's K to 12 system of schools, districts,
11 intermediate districts, students, preschool, and other local
12 governments, focusing on the adequacy, equity, and sustainability
13 of these revenue sources. The assessment under this subsection must
14 do at least all of the following:

15 (a) Include a historical analysis of how these revenue sources
16 have performed historically across different economic phases,
17 including expansion, peak, recession, and recovery.

18 (b) Include an analysis of how these revenue sources will
19 perform across different economic phases, including expansion,
20 peak, recession, and recovery over the next 30 years.

21 (c) Identify the impact of legislative and policy changes that
22 affect the sustainability of the revenue sources on the overall
23 sustainability of the constitutional requirement to encourage and
24 support a system of free and open public schools.

25 (d) Assess whether this state's revenue sources have
26 historically, and will in the future, ensure adequate, equitable,
27 and sustainable funding for this state's K to 12 system of free and
28 open public schools, districts, intermediate districts, students,
29 preschool, and other local governments.



1 (e) Determine whether current revenue sources adequately,
 2 equitably, and sustainably support the necessary funding levels
 3 identified by the School Finance Research Collaborative.

4 (f) Generate a report by not later than January 1, 2026 that
 5 includes comprehensive recommendations to guide future public
 6 policy decisions specifically targeted to ensure adequacy, equity,
 7 and sustainability of funding for this state's K to 12 system of
 8 free and open public schools, districts, intermediate districts,
 9 students, preschool, and other local governments.

10 (4) 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 continue the work of the commission described in this
 14 section. The estimated completion date of the work project is
 15 September 30, 2027.

16 Sec. 95b. (1) From the general fund money appropriated under
 17 section 11, there is allocated an amount not to exceed
 18 ~~\$2,000,000.00~~ **\$100.00** for ~~2023-2024~~ **2024-2025** only for the model
 19 value-added growth and projection analytics system. The department
 20 shall continue the model value-added growth and projection
 21 analytics system and incorporate that model into its reporting
 22 requirements under the every student succeeds act, Public Law 114-
 23 95. The model described in this subsection must do at least all of
 24 the following:

25 (a) Utilize existing assessments and any future assessments
 26 that are suitable for measuring student growth.

27 (b) Report student growth measures at the district, school,
 28 teacher, and subgroup levels.

29 (c) Recognize the growth of tested students, including those



1 who may have missing assessment data.

2 (d) Include all available prior standardized assessment data
3 that meet inclusion criteria across grades, subjects, and state and
4 local assessments.

5 (e) Allow student growth results to be disaggregated.

6 (f) Provide individual student projections showing the
7 probability of a student reaching specific performance levels on
8 future assessments. Given school closures and extended
9 cancellations related to COVID-19, the data under this subdivision
10 may be used to inform decisions about student placement or students
11 that could benefit from additional supports or interventions.

12 (g) Demonstrate any prior success with this state's
13 assessments through the Michigan council of educator effectiveness
14 teacher evaluation pilot.

15 (h) Demonstrate prior statewide implementation in at least 2
16 other states for at least 10 years.

17 (i) Have a native roster verification system built into the
18 value-added reporting platform that has been implemented statewide
19 in at least 2 other states.

20 (j) Have a "help/contact us" ticketing system built into the
21 value-added reporting platform.

22 (k) Given school closures that have occurred pursuant to an
23 executive order issued by the governor, the value-added reporting
24 platform must provide continued hosting and delivery of reporting
25 and offer the department additional supports in the areas of
26 research, analysis, web reporting, and training.

27 (l) The department and the platform vendor shall provide
28 statewide training for educators to understand the reporting that
29 details the impact to student learning and growth.



1 (2) The department shall provide internet-based electronic
 2 student growth and projection reporting based on the model under
 3 subsection (1) to educators at the school, district, and state
 4 levels. The model must include role-based permissions that allow
 5 educators to access information about the performance of the
 6 students within their immediate responsibility in accordance with
 7 applicable privacy laws.

8 (3) The model under subsection (1) must not be a mandatory
 9 part of teacher evaluation or educator pay-for-performance systems.

10 (4) The model under subsection (1) must be a model that
 11 received funding under this section in 2018-2019.

12 (5) By March 31 of each fiscal year for which funding is
 13 allocated under this section, the department shall work with the
 14 center to make data publicly available on an external website that
 15 provides student growth metrics provided by the value-added
 16 reporting platform at the district and school level by grade and
 17 subject.

18 (6) The platform vendor must complete a system security plan,
 19 as determined by the department in collaboration with the
 20 department of technology, management, and budget.

21 Sec. 97a. From the general fund money appropriated in section
 22 11, there is allocated an amount not to exceed ~~\$2,000,000.00~~
 23 **\$100.00** for ~~2023-2024-2024-2025~~ only for Michigan Virtual
 24 University to support Navigate 360. Funding may be used to support
 25 the MichiganCares, PBIS Rewards, and Intervention programs.

26 Sec. 97i. (1) From the ~~state school aid~~ **general** fund money
 27 appropriated in section 11, there is allocated for ~~2023-2024-2024-~~
 28 **2025** only an amount not to exceed ~~\$3,000,000.00~~ **\$100.00** to provide
 29 payments to districts and intermediate districts for a firearm



1 detection software that integrates to existing security cameras to
2 detect and alert school personnel and first responders to visible
3 firearms on school property. The software described in the
4 immediately preceding sentence must be designated as qualified
5 anti-terrorism technology under the SAFETY Act, 6 USC 441 to 444,
6 and organically developed and proprietary to the company it is
7 purchased from and should not include any third-party or open-
8 source data.

9 (2) To be eligible for funding under this section, a district
10 or intermediate district must apply for the funding in a form and
11 manner prescribed by the department.

12 (3) Notwithstanding section 17b, the department shall make
13 payments to districts and intermediate districts under this section
14 on a schedule determined by the department.

15 Sec. 97k. (1) From the ~~state school aid~~ **general** fund money
16 appropriated in section 11, there is allocated ~~\$100,000.00~~
17 **\$125,000.00** for ~~2023-2024~~ **2024-2025** only to ~~Washtenaw Intermediate~~
18 ~~School District to utilize on~~ the Student Advocacy Center of
19 Michigan to support its statewide helpline for families in
20 educational crisis.

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

24 **Sec. 97m. (1) From the state school aid fund money**
25 **appropriated in section 11, there is allocated for 2024-2025 only**
26 **an amount not to exceed \$1,000,000.00 for a payment to an**
27 **intermediate district with between 170,000 and 185,000 pupils in**
28 **membership in its constituent districts in the current fiscal year**
29 **and located in a county with a population between 1,250,000 and**



1 1,300,000, as determined by the department.

2 (2) The intermediate district receiving funding under this
 3 section shall use that funding to work with a local foundation to
 4 continue the foundation's work at implementing a peer mentoring
 5 program designed to drive outcomes that include, but are not
 6 limited to, increasing student connectedness to families, peers,
 7 the school, and community; improving student self-esteem; and
 8 improving overall student well-being.

9 (3) The intermediate district receiving funding under this
 10 section may utilize that funding to work with the local foundation
 11 described in subsection (2) to expand implementation of its peer
 12 mentoring program within its current school system and may also
 13 utilize the funding to expand to communities in other school
 14 districts.

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

17 (5) Notwithstanding section 18a, funds allocated under this
 18 section may be available for expenditure until September 30, 2028.
 19 A recipient of funding under this section must return any
 20 unexpended funds to the department in the manner prescribed by the
 21 department by not later than October 30, 2028.

22 Sec. 98. (1) From the general fund money appropriated in
 23 section 11, there is allocated an amount not to exceed
 24 ~~\$9,300,000.00~~ **\$9,800,000.00** for ~~2023-2024~~ **2024-2025** for the
 25 purposes described in this section. It is the intent of the
 26 legislature that, for ~~2024-2025~~ **2025-2026**, the allocation from the
 27 general fund money appropriated in section 11 for purposes
 28 described in this section will be \$8,000,000.00. The Michigan
 29 Virtual University shall provide a report to the legislature not



1 later than November 1 of each fiscal year for which funding is
2 allocated under this section that includes its mission, its plans,
3 and proposed benchmarks it must meet, including a plan to achieve
4 the organizational priorities identified in this section, ~~in order~~
5 to receive full funding for the next fiscal year for which funding
6 is allocated under this section. ~~Not~~**By not** later than March 1 of
7 each fiscal year for which funding is allocated under this section,
8 the Michigan Virtual University shall provide an update to the
9 house and senate appropriations subcommittees on school aid to show
10 the progress being made to meet the benchmarks identified.

11 (2) The Michigan Virtual University shall operate the Michigan
12 Virtual Learning Research Institute. The Michigan Virtual Learning
13 Research Institute shall do all of the following:

14 (a) Support and accelerate innovation in education through the
15 following activities:

16 (i) Test, evaluate, and recommend as appropriate new
17 technology-based instructional tools and resources.

18 (ii) Research, design, and recommend virtual education delivery
19 models for use by pupils and teachers that include age-appropriate
20 multimedia instructional content.

21 (iii) Research, develop, and recommend annually to the
22 department criteria by which cyber schools and virtual course
23 providers should be monitored and evaluated to ensure a quality
24 education for their pupils.

25 (iv) Based on pupil completion and performance data reported to
26 the department or the center from cyber schools and other virtual
27 course providers operating in this state, analyze the effectiveness
28 of virtual learning delivery models in preparing pupils to be
29 college- and career-ready and publish a report that highlights



1 enrollment totals, completion rates, and the overall impact on
2 pupils. The Michigan Virtual Learning Research Institute shall
3 submit the report to the house and senate appropriations
4 subcommittees on school aid, the state budget director, the house
5 and senate fiscal agencies, the department, districts, and
6 intermediate districts **by** not later than March 31 of each fiscal
7 year for which funding is allocated under this section.

8 (v) Provide an extensive professional development program to
9 at least 30,000 educational personnel, including teachers, school
10 administrators, and school board members, that focuses on the
11 effective integration of virtual learning into curricula and
12 instruction. The Michigan Virtual Learning Research Institute is
13 encouraged to work with the MiSTEM council described in section 99s
14 to coordinate professional development of teachers in applicable
15 fields. In addition, the Michigan Virtual Learning Research
16 Institute and external stakeholders are encouraged to coordinate
17 with the department for professional development in this state,
18 including professional development for employees in child care
19 facilities, early childhood facilities, and after-school programs.
20 ~~Not~~ **By not** later than December 1 of each fiscal year for which
21 funding is allocated under this section, the Michigan Virtual
22 Learning Research Institute shall submit a report to the house and
23 senate appropriations subcommittees on school aid, the state budget
24 director, the house and senate fiscal agencies, and the department
25 on the number of teachers, school administrators, and school board
26 members who have received professional development services from
27 the Michigan Virtual University. The report must also include both
28 of the following:

29 (A) The identification of barriers and other opportunities to



1 encourage the adoption of virtual learning in the public education
2 system.

3 (B) A link to, and explanation of, the Michigan Virtual
4 University's online course standards for professional development
5 programming. The standards described in this sub-subparagraph must
6 inform learners how to file a complaint about course content and
7 detail the steps that will be taken for the review and resolution
8 of complaints.

9 (vi) Identify and share best practices for planning,
10 implementing, and evaluating virtual and blended education delivery
11 models with intermediate districts, districts, and public school
12 academies to accelerate the adoption of innovative education
13 delivery models statewide.

14 (b) Provide leadership for this state's system of virtual
15 learning education by doing the following activities:

16 (i) Develop and report policy recommendations to the governor
17 and the legislature that accelerate the expansion of effective
18 virtual learning in this state's schools.

19 (ii) Provide a clearinghouse for research reports, academic
20 studies, evaluations, and other information related to virtual
21 learning.

22 (iii) Promote and distribute the most current instructional
23 design standards and guidelines for virtual teaching.

24 (iv) In collaboration with the department and interested
25 colleges and universities in this state, support implementation and
26 improvements related to effective virtual learning instruction.

27 (v) Pursue public/private partnerships that include districts
28 to study and implement competency-based technology-rich virtual
29 learning models.



1 (vi) Create a statewide network of school-based mentors serving
2 as liaisons between pupils, virtual instructors, parents, and
3 school staff, as provided by the department or the center, and
4 provide mentors with research-based training and technical
5 assistance designed to help more pupils be successful virtual
6 learners.

7 (vii) Convene focus groups and conduct annual surveys of
8 teachers, administrators, pupils, parents, and others to identify
9 barriers and opportunities related to virtual learning.

10 (viii) Produce an annual consumer awareness report for schools
11 and parents about effective virtual education providers and
12 education delivery models, performance data, cost structures, and
13 research trends.

14 (ix) Provide an internet-based platform that educators can use
15 to create student-centric learning tools and resources for sharing
16 in the state's open educational resource repository and facilitate
17 a user network that assists educators in using the content creation
18 platform and state repository for open educational resources. As
19 part of this initiative, the Michigan Virtual University shall work
20 collaboratively with districts and intermediate districts to
21 establish a plan to make available virtual resources that align to
22 Michigan's K to 12 curriculum standards for use by students,
23 educators, and parents.

24 (x) Create and maintain a public statewide catalog of virtual
25 learning courses being offered by all public schools and community
26 colleges in this state. The Michigan Virtual Learning Research
27 Institute shall identify and develop a list of nationally
28 recognized best practices for virtual learning and use this list to
29 support reviews of virtual course vendors, courses, and



1 instructional practices. The Michigan Virtual Learning Research
2 Institute shall also provide a mechanism for intermediate districts
3 to use the identified best practices to review content offered by
4 constituent districts. The Michigan Virtual Learning Research
5 Institute shall review the virtual course offerings of the Michigan
6 Virtual University, and make the results from these reviews
7 available to the public as part of the statewide catalog. The
8 Michigan Virtual Learning Research Institute shall ensure that the
9 statewide catalog is made available to the public on the Michigan
10 Virtual University website and shall allow the ability to link it
11 to each district's website as provided for in section 21f. The
12 statewide catalog must also contain all of the following:

13 (A) The number of enrollments in each virtual course in the
14 immediately preceding school year.

15 (B) The number of enrollments that earned 60% or more of the
16 total course points for each virtual course in the immediately
17 preceding school year.

18 (C) The pass rate for each virtual course.

19 (xi) Support registration, payment services, and transcript
20 functionality for the statewide catalog and train key stakeholders
21 on how to use new features.

22 (xii) Collaborate with key stakeholders to examine district
23 level accountability and teacher effectiveness issues related to
24 virtual learning under section 21f and make findings and
25 recommendations publicly available.

26 (xiii) Provide a report on the activities of the Michigan
27 Virtual Learning Research Institute.

28 (3) To further enhance its expertise and leadership in virtual
29 learning, the Michigan Virtual University shall continue to operate



1 the Michigan Virtual School as a statewide laboratory and quality
2 model of instruction by implementing virtual and blended learning
3 solutions for Michigan schools in accordance with the following
4 parameters:

5 (a) The Michigan Virtual School must maintain its
6 accreditation status from recognized national and international
7 accrediting entities.

8 (b) The Michigan Virtual University shall use no more than
9 \$1,000,000.00 of the amount allocated under this section to
10 subsidize the cost paid by districts for virtual courses.

11 (c) In providing educators responsible for the teaching of
12 virtual courses as provided for in this section, the Michigan
13 Virtual School shall follow the requirements to request and assess,
14 and the department of state police shall provide, a criminal
15 history check and criminal records check under sections 1230 and
16 1230a of the revised school code, MCL 380.1230 and 380.1230a, in
17 the same manner as if the Michigan Virtual School were a school
18 district under those sections.

19 (4) From the funds allocated under subsection (1), the
20 Michigan Virtual University shall allocate up to \$500,000.00 to
21 support the expansion of new online and blended educator
22 professional development programs.

23 **(5) From the funds allocated under subsection (1), the**
24 **Michigan Virtual University shall allocate up to \$500,000.00 to**
25 **operate a comprehensive statewide laboratory designed to function**
26 **as a hub for cutting-edge research, the identification and**
27 **dissemination of best practices, rigorous experimentation, policy**
28 **formulation, and proactive efforts to enhance awareness about the**
29 **responsible utilization of artificial intelligence in schools.**



1 (6) ~~(5)~~—If the course offerings are included in the statewide
2 catalog of virtual courses under subsection (2) (b) (x), the Michigan
3 Virtual School operated by the Michigan Virtual University may
4 offer virtual course offerings, including, but not limited to, all
5 of the following:

6 (a) Information technology courses.

7 (b) College level equivalent courses, as that term is defined
8 in section 1471 of the revised school code, MCL 380.1471.

9 (c) Courses and dual enrollment opportunities.

10 (d) Programs and services for at-risk pupils.

11 (e) High school equivalency test preparation courses for
12 adjudicated youth.

13 (f) Special interest courses.

14 (g) Professional development programs for teachers, school
15 administrators, other school employees, and school board members.

16 (7) ~~(6)~~—If a home-schooled or nonpublic school student is a
17 resident of a district that subscribes to services provided by the
18 Michigan Virtual School, the student may use the services provided
19 by the Michigan Virtual School to the district without charge to
20 the student beyond what is charged to a district pupil using the
21 same services.

22 (8) ~~(7)~~ ~~Not~~ **By not** later than December 1 of each fiscal year
23 for which funding is allocated under this section, the Michigan
24 Virtual University shall provide a report to the house and senate
25 appropriations subcommittees on school aid, the state budget
26 director, the house and senate fiscal agencies, and the department
27 that includes at least all of the following information related to
28 the Michigan Virtual School for the preceding fiscal year:

29 (a) A list of the districts served by the Michigan Virtual



1 School.

2 (b) A list of virtual course titles available to districts.

3 (c) The total number of virtual course enrollments and
4 information on registrations and completions by course.

5 (d) The overall course completion rate percentage.

6 (9) ~~(8)~~—In addition to the information listed in subsection
7 ~~(7)~~, ~~(8)~~, the report under subsection ~~(7)~~ ~~(8)~~ must also include a
8 plan to serve at least 600 schools with courses from the Michigan
9 Virtual School or with content available through the internet-based
10 platform identified in subsection (2) (b) (ix).

11 (10) ~~(9)~~—The governor may appoint an advisory group for the
12 Michigan Virtual Learning Research Institute established under
13 subsection (2). The members of the advisory group serve at the
14 pleasure of the governor and without compensation. The purpose of
15 the advisory group is to make recommendations to the governor, the
16 legislature, and the president and board of the Michigan Virtual
17 University that will accelerate innovation in this state's
18 education system in a manner that will prepare elementary and
19 secondary students to be career and college ready and that will
20 promote the goal of increasing the percentage of residents of this
21 state with high-quality degrees and credentials to at least 60% by
22 2025.

23 (11) ~~(10) Not~~ **By not** later than November 1 of each fiscal year
24 for which funding is allocated under this section, the Michigan
25 Virtual University shall submit to the house and senate
26 appropriations subcommittees on school aid, the state budget
27 director, and the house and senate fiscal agencies a detailed
28 budget for that fiscal year that includes a breakdown on its
29 projected costs to deliver virtual educational services to



1 districts and a summary of the anticipated fees to be paid by
2 districts for those services. ~~Not~~ **By not** later than March 1 each
3 fiscal year for which funding is allocated under this section, the
4 Michigan Virtual University shall submit to the house and senate
5 appropriations subcommittees on school aid, the state budget
6 director, and the house and senate fiscal agencies a breakdown on
7 its actual costs to deliver virtual educational services to
8 districts and a summary of the actual fees paid by districts for
9 those services based on audited financial statements for the
10 immediately preceding fiscal year.

11 (12) ~~(11)~~—As used in this section:

12 (a) "Blended learning" means a hybrid instructional delivery
13 model where pupils are provided content, instruction, and
14 assessment, in part at a supervised educational facility away from
15 home where the pupil and a teacher with a valid Michigan teaching
16 certificate are in the same physical location and in part through
17 internet-connected learning environments with some degree of pupil
18 control over time, location, and pace of instruction.

19 (b) "Cyber school" means a full-time instructional program of
20 virtual courses for pupils that may or may not require attendance
21 at a physical school location.

22 (c) "Virtual course" means a course of study that is capable
23 of generating a credit or a grade and that is provided in an
24 interactive learning environment in which the majority of the
25 curriculum is delivered using the internet and in which pupils are
26 separated from their instructor or teacher of record by time or
27 location, or both.

28 Sec. 98d. (1) From the state school aid fund money
29 appropriated under section 11, there is allocated for ~~2023-2024~~



1 **2024-2025** only an amount not to exceed ~~\$5,000,000.00~~ **\$3,000,000.00**
2 to Northern Michigan University to support the MLC as described in
3 this section. Northern Michigan University shall not retain any
4 portion of the funding received under this section for
5 administrative purposes and shall provide funding to support the
6 MLC. All of the following apply to the MLC:

7 (a) The MLC must expand literacy programming over the air,
8 online, and in communities that is aligned with this state's pre-K
9 to 12 educational standards.

10 (b) The MLC shall provide over the air broadcasts 24 hours
11 each day for 7 days each week of quality instructional content that
12 is aligned with this state's pre-K to 12 educational standards.
13 Over-the-air broadcasts as described in this subdivision must be
14 streamed live and must be archived for on-demand viewing on a
15 companion website, along with additional learning materials
16 relevant to lessons.

17 (c) The MLC must be managed and operated by DPTV, and DPTV
18 shall assume all risk, liability, and responsibility for the MLC in
19 accordance with regulations by the United States Federal
20 Communications Commission, PBS broadcast standards, and standard
21 nonprofit business standards. DPTV shall serve as the fiduciary
22 agent and service manager for the MLC. The MLC shall originate from
23 a central operations center that is responsible for providing the
24 infrastructure, content, and engagement of the MLC in partnership
25 with this state's educational leadership organizations.

26 (d) The MLC shall require that DPTV provide technology,
27 funding, staff training, and central management of the MLC to
28 station partners to insert additional channels into each station's
29 broadcast streams and to support staffing and engagement as



1 outlined in a memorandum of understanding among the stations.

2 (e) The MLC shall require that DPTV partner with at least 5
3 other Michigan public television stations, including, but not
4 limited to, WKAR, WGVU, WDCQ, WCMU, and WNMU, to deliver the over-
5 the-air MLC broadcasts described in this section and to support
6 engagement with local educators. Stations described in this
7 subdivision must be able to use the infrastructure provided by the
8 MLC to develop their own local content that best serves their
9 communities.

10 (f) The MLC shall not use the funds received from Northern
11 Michigan University under this section in support of the MLC for
12 any purposes fully funded by the governor's emergency education
13 relief fund grant.

14 (2) ~~Not~~ **By not** later than February 1, ~~2024,~~ **2025**, the MLC
15 shall provide a report to the house and senate appropriations
16 subcommittees responsible for school aid, the house and senate
17 fiscal agencies, and the state budget director detailing the MLC's
18 compliance with ensuring that conditions listed under subsection
19 (1) were met.

20 (3) Notwithstanding section 17b, the department shall make
21 payments under this section **by** not later than December 1,
22 ~~2023-2024~~.

23 (4) As used in this section:

24 (a) "DPTV" means Detroit Public Television.

25 (b) "MLC" means the Michigan Learning Channel.

26 **Sec. 99. (1) From the state school aid fund money appropriated**
27 **in section 11, there is allocated an amount not to exceed**
28 **\$500,000.00 for 2023-2024 only to Kentwood Public Schools and Oak**
29 **Park Schools for a plant-based school meals pilot grant program.**



1 Grants shall be used for developing and implementing plant-based
2 meal options in school cafeterias, training school food service
3 staff in the preparation of plant-based meals, and purchasing
4 necessary kitchen equipment to facilitate the preparation of plant-
5 based meals. Recipients of grants under this program shall submit a
6 report to the department detailing the use of funds and the impact
7 of the program on student meal choices and environmental
8 sustainability.

9 (2) From the state school aid fund money appropriated in
10 section 11, there is allocated an amount not to exceed \$600,000.00
11 for 2024-2025 only to Newaygo County RESA for a pilot program to
12 prevent minor exploitation and human trafficking. All of the
13 following apply to the pilot program described in this subsection:

14 (a) The pilot program must utilize existing evidence-based and
15 age-appropriate curriculum to provide students with the skills
16 necessary to protect themselves from exploitation and trafficking.

17 (b) The pilot program must, at a minimum, include a consortium
18 of districts within the Newaygo County Regional Education Service
19 Agency service area, and may include additional districts
20 throughout the state as funding permits.

21 (c) Not more than 5% of the funding under this subsection
22 shall be used for administration of the pilot program.

23 (d) The funds allocated under this subsection are a work
24 project appropriation, and any unexpended funds for 2024-2025 are
25 carried forward into 2025-2026. The purpose of the work project is
26 to support the pilot program described in this subsection for
27 preventing minor exploitation and human trafficking. The estimated
28 completion date of the work project is September 30, 2026.

29 (3) From the general fund money appropriated in section 11,



1 there is allocated an amount not to exceed \$500,000.00 for 2024-
2 2025 only to the Michigan Science Center to support the Sponsors of
3 Science program to provide free field trip registration and
4 financial support for bus transportation for title I K to 12
5 schools in this state.

6 (4) From the general fund money appropriated in section 11,
7 there is allocated an amount not to exceed \$500,000.00 for 2024-
8 2025 only for a virtual reality youth peace literacy initiative
9 pilot program.

10 (5) From the general fund money appropriated in section 11,
11 there is allocated an amount not to exceed \$2,000,000.00 for 2024-
12 2025 only to Opportunity Thrive to support and expand educator
13 wellness and teacher resiliency programs. The funds allocated under
14 this subsection are a work project appropriation, and any
15 unexpended funds for 2024-2025 are carried forward into 2025-2026.
16 The purpose of the work project is to support educator wellness and
17 teacher resiliency programs as described in this subsection. The
18 estimated completion date of the work project is September 30,
19 2026.

20 (6) From the state school aid fund money appropriated in
21 section 11, there is allocated an amount not to exceed
22 \$1,000,000.00 for 2024-2025 only to Wayne RESA for a professional
23 development program for Wayne County Great Start Readiness Program
24 recipients, focused on providing a system of supports and training
25 for early childhood educators with training in implementing
26 positive behavioral interventions and supports in classrooms. The
27 funds allocated under this subsection are a work project
28 appropriation, and any unexpended funds for 2024-2025 are carried
29 forward into 2025-2026. The purpose of the work project is to



1 support the program described in this subsection for providing
2 professional development for early childhood educators. The
3 estimated completion date of the work project is September 30,
4 2026.

5 (7) From the state school aid fund money appropriated in
6 section 11, there is allocated an amount not to exceed \$100.00 for
7 2024-2025 only to Wayne RESA to, in collaboration with Wayne County
8 and the Wayne County Airport Authority, develop a countywide
9 aviation and aeronautics career and technical education program.

10 (8) From the general fund money appropriated in section 11,
11 there is allocated an amount not to exceed \$1,000,000.00 for 2024-
12 2025 only to the Detroit Symphony Orchestra for the Detroit Harmony
13 initiative to address systemic inequities in access to music
14 education for children living in the city of Detroit. The funds
15 allocated under this subsection are a work project appropriation,
16 and any unexpended funds for 2024-2025 are carried forward into
17 2025-2026. The purpose of the work project is to support the
18 Detroit Harmony initiative as described in this subsection. The
19 estimated completion date of the work project is September 30,
20 2028.

21 (9) From the general fund money appropriated in section 11,
22 there is allocated an amount not to exceed \$1,000,000.00 for 2024-
23 2025 only to the Detroit Opera for educational programming for
24 grades pre-K to 12, including field trips, summer camps, and other
25 learning opportunities. The funds allocated under this subsection
26 are a work project appropriation, and any unexpended funds for
27 2024-2025 are carried forward into 2025-2026. The purpose of the
28 work project is to support the Detroit Opera educational
29 programming as described in this subsection. The estimated



1 completion date of the work project is September 30, 2028.

2 (10) From the general fund money appropriated in section 11,
3 there is allocated an amount not to exceed \$500,000.00 for 2023-
4 2024 only for Launch Michigan to develop the K12 Michigan Education
5 Guarantee. This funding must be used to convene educators and
6 education experts to develop a college and career readiness
7 standard for students within the public K to 12 system. By not
8 later than November 1, 2024, Launch Michigan shall provide a report
9 to the department of lifelong education, advancement, and
10 potential, the house and senate education policy committees, and
11 the house and senate appropriations subcommittees on school aid
12 with specific recommendations. The report must do all of the
13 following:

14 (a) Define future-ready skills and competencies necessary for
15 Michigan students.

16 (b) Identify current barriers to providing students with
17 future-ready skills and competencies.

18 (c) Research how to provide an additional year of schooling.

19 (d) Recommend implementation strategies and metrics to measure
20 success.

21 (11) From the general fund money appropriated in section 11,
22 there is allocated an amount not to exceed \$100.00 for 2024-2025
23 only for the Future of Learning Council to empower teachers and
24 administrators with a deep understanding of personalized,
25 competency-based learning to support student-centered learning.

26 (12) From the general fund money appropriated in section 11,
27 there is allocated an amount not to exceed \$3,000,000.00 for 2024-
28 2025 only to the American Lightweight Materials Manufacturing
29 Innovation Institute, in partnership with the Michigan



1 **Manufacturers Association, Amatrol, and the ATS LAB Midwest. Funds**
 2 **received under this subsection must be used to provide high schools**
 3 **and intermediate districts in this state with competency-based,**
 4 **technology infused talent development programs that provide**
 5 **curricula, e-learning, hands-on e-learning systems, curricula-**
 6 **specific training equipment, installation, orientation, teacher**
 7 **training, industry-recognized skill certifications, and connections**
 8 **to local manufacturers for students in high schools and**
 9 **intermediate districts in this state.**

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

13 **Sec. 99a. (1) From the general fund money appropriated in**
 14 **section 11, ~~\$100,000.00~~**\$100.00** is allocated for ~~2023-2024~~**2024-****
 15 **2025** only to Heroes Circle to expand programming to aid children
 16 with social-emotional learning.

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

20 **Sec. 99b. (1) From the state school aid fund money**
 21 **appropriated in section 11, there is allocated an amount not to**
 22 **exceed ~~\$4,000,000.00~~**\$3,000,000.00** for ~~2023-2024~~**2024-2025** only to**
 23 **~~a district~~**districts** to develop and implement teacher professional**
 24 **development programs for computer science and computational**
 25 **thinking courses and content.**

26 **(2) Funding received under subsection (1) may be used only for**
 27 **the following purposes:**

28 **(a) High-quality professional learning for K to 12 computer**
 29 **science content. The costs associated with professional learning as**



1 described in this subdivision include, but are not limited to,
 2 travel to workshops. As used in this subdivision, "high-quality
 3 ~~profession~~**professional** learning" means learning that is sustained,
 4 intensive, collaborative, job embedded, data driven, and classroom
 5 focused.

6 (b) Supports for K to 12 computer science professional
 7 learning, including, but not limited to, mentoring and coaching.

8 (c) Creation of resources to support implementation.

9 (d) Professional learning offerings that **do both of the**
 10 **following:**

11 (i) **Help teachers** identify strategies ~~to include to encourage~~
 12 **course enrollment by** underrepresented groups.

13 (ii) **Connect to a curriculum that is free for educators and is**
 14 **aligned with the Michigan computer science standards.**

15 (e) Participation in the Strategic CSforALL Resource and
 16 Implementation Planning Tool (SCRIPT) process with a trained
 17 facilitator of this state.

18 (3) To be eligible to receive funding under this section, a
 19 district must apply for funding in a form and manner prescribed by
 20 the department. The application must, at a minimum, address how the
 21 district will do all of the following:

22 (a) Reach new and existing teachers with little to no computer
 23 science background.

24 (b) Use research- or evidence-based practices for high-quality
 25 professional development.

26 (c) Focus the professional learning on the mastery of all
 27 areas of computer science standards as approved by the state board
 28 of education in 2019.

29 (d) Reach and support marginalized ~~racial and ethnic~~ groups



1 underrepresented in computer science, including racial and ethnic
 2 minorities, girls, and youth from families living at or below the
 3 poverty line, as that term is defined in 20 USC 7801.

4 (e) Provide teachers with concrete experience with hands-on,
 5 inquiry-based practices.

6 (f) Accommodate the particular teacher and student needs in
 7 each district and school.

8 (g) Ensure that participating districts shall begin offering
 9 the courses or content within the same or next school year after
 10 the teacher receives the professional learning.

11 ~~Commit to completing~~ Create a strategic plan for expanding
 12 access to computer science within the district, such as through the
 13 SCRIPT process, if the district does not already have a plan for
 14 expanding access to computer science.

15 (4) Districts may contract with high-quality professional
 16 learning providers to offer the professional learning described in
 17 subsection (2). As used in this subsection, "high-quality
 18 professional learning providers" means institutions of higher
 19 education, nonprofits, or private entities that have successfully
 20 designed, implemented, and scaled high-quality computer science
 21 professional learning for teachers, as described in subsection
 22 (2) (a).

23 (5) The department shall prioritize districts as follows when
 24 granting funding under subsection (1):

25 (a) Districts with limited or no computer science offerings,
 26 especially those that will use the funding to support schools with
 27 enrollment of less than 500 students.

28 (b) Districts that state in their application that the
 29 district plans to use the funding to expand in-person computer



1 **science offerings.**

2 (6) ~~(4)~~—The funds allocated under this section for ~~2023–2024~~
 3 **2024–2025** are a work project appropriation, and any unexpended
 4 funds for ~~2023–2024–2024–2025~~ are carried forward into ~~2024–2025–~~
 5 **2025–2026**. The purpose of the work project is to continue to
 6 support computer science **education** implementation. The estimated
 7 completion date of the work project is September 30, ~~2025–2026~~.

8 (7) ~~(5)~~—A district that receives funding under this section
 9 shall submit a report to the department by June 30, ~~2024–2025~~. The
 10 report must include all of the following:

11 (a) The number of teachers prepared.

12 (b) Students reached, including the number and percentage of
 13 students reached disaggregated by gender, race, ethnicity, and
 14 socioeconomic status.

15 (c) The number and percentage of students with passing AP exam
 16 scores for high school AP courses, by gender, race, and ethnicity,
 17 once that data is available.

18 (d) The number of teachers that started implementing computer
 19 science compared to the number of prepared teachers that attended
 20 professional learning.

21 (e) The number of elementary students who are provided
 22 integrated computer science opportunities.

23 (f) Progress in building a systematic K to 12 computer science
 24 plan using the SCRIPT rubric.

25 (g) Any agreements to provide preassessments and
 26 postassessments of teacher readiness for teaching computational
 27 thinking and computer science and any data related to those
 28 assessments.

29 (h) **The number of in-person computer science offerings that**



1 were provided, expanded, or added using funding received under this
2 section.

3 (8) ~~(6)~~—The department shall make the report submitted under
4 subsection ~~(5)~~—(7) available on a publicly accessible website.

5 Sec. 99c. (1) From the general fund money appropriated in
6 section 11, there is allocated for 2024-2025 only \$1,000,000.00 to
7 an eligible organization to expand the eligible organization's
8 current programming. As used in this subsection, "eligible
9 organization" means an organization to which all of the following
10 apply:

11 (a) It is tax exempt under section 501(c)(3) of the internal
12 revenue code of 1986, 26 USC 501.

13 (b) It was founded before 1997.

14 (c) It began operating in this state after 2009.

15 (d) It provides low-income schools with year-round support
16 services and conducts professional development workshops for
17 schools and youth organizations.

18 (e) It is located in a city with a population greater than
19 600,000.

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

23 Sec. 99e. (1) From the state school aid fund money
24 appropriated in section 11, there is allocated ~~\$2,000,000.00~~
25 \$500,000.00 for ~~2023-2024 only~~ 2024-2025 to Wayne RESA to partner
26 with an eligible nonprofit organization to support delivery of
27 high-dosage neighborhood-based tutoring and direct noninstructional
28 services for at-risk pupils who are 3 to 12 years of age. Funding
29 under this section is intended to ensure all of the following:



1 (a) That pupils are proficient in English language arts by the
2 end of grade 3.

3 (b) That pupils are proficient in mathematics by the end of
4 grade 8.

5 (c) That all participants are kindergarten ready, and that
6 pupils are prepared to attend school regularly.

7 (2) Funding under this section is intended to support
8 communities in meeting service gaps for children who are unable to
9 access 21st Century Community Learning Centers programs due to
10 transportation barriers.

11 (3) Recipients under this section must forward an amount equal
12 to the amount awarded under this section to contract with an
13 eligible nonprofit organization. A nonprofit organization is
14 eligible under this section if it meets all of the following:

15 (a) It operates in Detroit.

16 (b) It employs a community model that includes all of the
17 following:

18 (i) Evaluation of a kid success-ready neighborhood.

19 (ii) Invitation of community input.

20 (iii) Renovation of a house in the neighborhood.

21 (iv) Holding goal-setting meetings with the family of each
22 participating child.

23 (v) Partnership with organizations to collect data and
24 facilitate a rigorous evaluation.

25 (c) It has the capacity to show evidence of improvements.

26 (d) It has systems to support early learning and K-3 school
27 referrals.

28 (e) It has an understanding of assessments and growth measures
29 used in this state.



1 (4) Funding under this section must be spent on staffing to
2 support delivery of support and wraparound services. Funding must
3 not supplant early learning or K-3 program staff.

4 (5) As used in this section, "at-risk pupil" means that term
5 as defined under section 31a.

6 Sec. 99g. (1) From the state school aid fund money
7 appropriated in section 11, there is allocated \$1,000,000.00 for
8 ~~2023-2024~~**2024-2025** only to districts for the purposes under this
9 section.

10 (2) The department shall award funding under this section to
11 districts in urban, suburban, and rural areas in this state and
12 shall award funding as follows:

13 (a) To at least 3 districts that are located in Wayne County
14 that must include Detroit Public School Community District, 1
15 suburban district, and 1 rural district.

16 (b) To at least 1 district located in Eaton County.

17 (c) To at least 1 district located in Grand Traverse County.

18 (d) To at least 1 district located in Kent County.

19 (e) To at least 1 district located in Macomb County.

20 (f) To at least 1 district located in Marquette County.

21 (g) After the awards under subdivisions (a) to (f), to
22 districts across this state to achieve a representative
23 distribution of urban, suburban, and rural districts.

24 (3) A district that receives funding under this section shall
25 use the funding to provide, upon request from eligible students,
26 feminine hygiene products at no cost to eligible students enrolled
27 in the district. From the funding allocated under this section,
28 each eligible student must receive, at a minimum, 20 tampons or
29 menstrual pads each month for the school year.



1 (4) The department shall collaborate with the department of
2 health and human services to ensure that funds spent under this
3 section are allowable expenses for the purpose of meeting state-
4 level maintenance of effort requirements for the federal temporary
5 assistance for needy families program.

6 (5) ~~(4)~~ As used in this section:

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

8 (b) "Eligible student" means a student who is an at-risk
9 pupil.

10 Sec. 99h. (1) From the state school aid fund money
11 appropriated in section 11, there is allocated an amount not to
12 exceed ~~\$5,973,200.00~~ **\$6,373,200.00** for ~~2023-2024~~ **2024-2025** for
13 competitive grants to districts and intermediate districts, ~~and~~
14 ~~from the general fund money appropriated in section 11, there is~~
15 ~~allocated \$600,000.00 for 2023-2024 for competitive grants to~~
16 ~~nonpublic schools, that provide pupils in grades pre-K to 12 with~~
17 ~~expanded opportunities to improve mathematics, science, computer~~
18 **science**, and technology skills by participating in ~~competitions~~
19 **robotics, cybersecurity, and coding competition programs** hosted by
20 ~~a science and technology development program known as program~~
21 **providers including, but not limited to, FIRST** (for inspiration and
22 recognition of science and technology) Robotics, including FIRST
23 Lego League - Discover, Explore, and Challenge, FIRST Tech
24 challenge, and FIRST Robotics competition, ~~or other competitive~~
25 ~~robotics programs or equipment vendors, including VEX, Square One,~~
26 ~~and those hosted by the Robotics Education and Competition (REC)-~~
27 ~~Foundation. **LTU Robofest, MATE (Marine Advanced Technical**~~
28 **Education), REC (Robotics Education Competition) Foundation, Square**
29 **One Education Network, VEX, and other providers approved by the**



1 **department. All approved providers shall make all programs**
 2 **available to students in this state regardless of geographical**
 3 **location.** It is the intent of the legislature that, for ~~2024-2025,~~
 4 **2025-2026,** the allocation from the state school aid fund money
 5 appropriated in section 11 for purposes described in this section
 6 will be \$4,723,200.00. Programs funded under this section are
 7 intended to increase the number of pupils demonstrating proficiency
 8 in science and mathematics on the state assessments and to increase
 9 the number of pupils who are college- and career-ready upon high
 10 school graduation. Notwithstanding section 17b, the department
 11 shall make grant payments to districts ~~, nonpublic schools,~~ and
 12 intermediate districts under this section on a schedule determined
 13 by the department. The department shall set maximum grant awards
 14 for each different level of programming and competition in a manner
 15 that both maximizes the number of teams that will be able to
 16 receive funds and expands the geographical distribution of teams.
 17 Districts and intermediate districts that receive funds under this
 18 section must provide relevant student participation information, as
 19 determined by the department, to program and competition providers
 20 described in this section. For a district or intermediate district
 21 to count a program competition provider for purposes of payments
 22 under this section, the program and competition providers must
 23 agree to aggregate data received by districts and intermediate
 24 districts and provide this information to the department in a form
 25 and manner determined by the department.

26 (2) The department shall do all of the following for purposes
 27 of this section:

28 (a) Both of the following by not later than 60 days after the
 29 ~~K to 12~~ **state school aid** appropriations bill for the current fiscal



1 year is enacted into law or October 1 of the current fiscal year,
2 whichever is later:

3 (i) Open applications for funding under this section to all
4 districts ~~, nonpublic schools,~~ and intermediate districts.

5 (ii) Publish a list of approved programs and vendors for
6 purposes of this section in a manner that is accessible to all
7 applicants. To obtain approval under this subparagraph, a program
8 or vendor must submit to the department registration information,
9 including any fees; pledge that it will post this information on
10 its website; and, by not later than January 1 of the current fiscal
11 year, submit this information to the department for publication on
12 the department's website.

13 (b) By not later than 60 days after applications are opened as
14 described in subdivision (a), close applications under this
15 section.

16 (c) By not later than 60 days after applications are closed as
17 described in subdivision (b), make all determinations concerning
18 funding under this section.

19 (d) By not later than July 1 of the current fiscal year,
20 publish a document listing the requirements for becoming an
21 approved program or vendor under subdivision (a).

22 (3) Except as otherwise provided under this subsection, if
23 funding under this section is insufficient to fulfill all funding
24 requests by qualified applicants under this section, the department
25 shall prorate the total funding allocated under this section
26 equally among all qualified applicants. However, for funding under
27 this section toward grants under subsection (5) (b), in its
28 proration under this subsection, the department shall ensure that
29 each district is paid in an amount equal to the percentage the



1 department would have paid the district in grant funding under
 2 subsection (5) (b), but for proration under this subsection, with no
 3 district receiving a grant under subsection (5) (b) in an amount
 4 that is greater than the district's total accrued costs under
 5 subsection (5) (b).

6 (4) A district ~~, nonpublic school,~~ or intermediate district
 7 applying for a grant under this section must submit an application
 8 in a form and manner prescribed by the department. To be eligible
 9 for a grant, a district ~~, nonpublic school,~~ or intermediate
 10 district must demonstrate in its application that the district ~~,
 11 nonpublic school,~~ or intermediate district has established a
 12 partnership for the purposes of the robotics program with at least
 13 1 sponsor, business entity, higher education institution, ~~or~~
 14 technical school, ~~shall or individual, must~~ submit a ~~spending plan,~~
 15 **budget,** and ~~shall~~**must** provide a local in-kind or cash match from
 16 other private or local funds of at least 25% of the cost of the
 17 robotics program award.

18 (5) The department shall distribute the grant funding under
 19 this section for the following purposes:

20 (a) Grants to districts ~~, nonpublic schools,~~ or intermediate
 21 districts to pay for stipends not to exceed \$1,500.00 per building
 22 for coaching.

23 (b) Grants to districts ~~, nonpublic schools,~~ or intermediate
 24 districts for event registrations, materials, travel costs, and
 25 other expenses associated with the preparation for and attendance
 26 at robotics events and competitions.

27 (c) Grants to districts ~~, nonpublic schools,~~ or intermediate
 28 districts for awards to teams that advance to the next levels of
 29 competition as determined by the department. The department shall



1 determine an equal amount per team for those teams that advance.

2 ~~(6) A nonpublic school that receives a grant under this~~
 3 ~~section may use the funds for either robotics or Science Olympiad~~
 4 ~~programs.~~

5 ~~(7) To be eligible to receive funds under this section, a~~
 6 ~~nonpublic school must be a nonpublic school registered with the~~
 7 ~~department and must meet all applicable state reporting~~
 8 ~~requirements for nonpublic schools.~~

9 **(6) To be eligible to receive a grant under this section, a**
 10 **district or intermediate district must do all of the following:**

11 **(a) If the district or intermediate district is requesting**
 12 **funding for more than 1 team for a building, meet the minimum**
 13 **requirements for team size as determined by the approved program**
 14 **provider.**

15 **(b) Participate in at least the minimum number of competitions**
 16 **as determined by the approved program provider. A competition**
 17 **described in this subdivision must include not less than 2 teams,**
 18 **and competition results must be public-facing and accessible for**
 19 **general viewing.**

20 **(c) Participate in at least 1 in-person competition.**

21 ~~(7) (8)~~ For purposes of this section, an approved program or
 22 vendor under this section that provides a program under this
 23 section shall not work with the department to set prices or
 24 policies for the program.

25 ~~(8) (9)~~ As used in this section, "current fiscal year" means
 26 the fiscal year for which an allocation is made under this section.

27 Sec. 99s. (1) From state school aid fund money appropriated
 28 under section 11, there is allocated for ~~2023-2024~~ **2024-2025** an
 29 amount not to exceed ~~\$7,634,300.00~~ **\$7,954,300.00** for Michigan



1 science, technology, engineering, and mathematics (MiSTEM)
 2 programs. The MiSTEM network may receive funds from private
 3 sources. If the MiSTEM network receives funds from private sources,
 4 the MiSTEM network shall expend those funds in alignment with the
 5 statewide STEM strategy. Programs funded under this section are
 6 intended to increase the number of pupils demonstrating proficiency
 7 in science and mathematics on the state assessments, to increase
 8 the number of pupils who are college- and career-ready upon high
 9 school graduation, and to promote certificate and degree attainment
 10 in STEM fields. Notwithstanding section 17b, the department shall
 11 make payments under this section on a schedule determined by the
 12 department.

13 (2) The MiSTEM council annually shall review and make
 14 recommendations to the governor, the legislature, and the
 15 department concerning changes to the statewide strategy adopted by
 16 the council for delivering STEM education-related opportunities to
 17 pupils. The MiSTEM council shall use funds received under this
 18 subsection to ensure that its members or their designees are
 19 trained in the Change the Equation STEMworks rating system program
 20 for the purpose of rating STEM programs.

21 (3) The MiSTEM council shall make specific funding
 22 recommendations for the funds allocated under subsection (4) by
 23 December 15 of each fiscal year. Each specific funding
 24 recommendation must be for a program approved by the MiSTEM
 25 council. All of the following apply:

26 (a) To be eligible for MiSTEM council approval as described in
 27 this subsection, a program must satisfy all of the following:

28 (i) Align with this state's academic standards.

29 (ii) Have STEMworks certification.



1 (iii) Provide project-based experiential learning, student
2 programming, or educator professional learning experiences.

3 (iv) Focus predominantly on classroom-based STEM experiences or
4 professional learning experiences.

5 (b) The MiSTEM council shall approve programs that represent
6 all network regions and include a diverse array of options for
7 students and educators and at least 1 program in each of the
8 following areas:

9 (i) Robotics.

10 (ii) Computer science or coding.

11 (iii) Engineering or bioscience.

12 (c) The MiSTEM council is encouraged to work with the MiSTEM
13 network to develop locally and regionally developed programs and
14 professional learning experiences for the programs on the list of
15 approved programs.

16 (d) If the MiSTEM council is unable to make specific funding
17 recommendations by December 15 of a fiscal year, the department
18 shall award and distribute the funds allocated under subsection (4)
19 on a competitive grant basis that at least follows the statewide
20 STEM strategy plan and rating system recommended by the MiSTEM
21 council. Each grant must provide STEM education-related
22 opportunities for pupils.

23 (e) The MiSTEM council shall work with the department of labor
24 and economic opportunity to implement the statewide STEM strategy
25 adopted by the MiSTEM council.

26 (4) 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 \$3,050,000.00 for the purpose of funding
29 programs under this section for ~~2023-2024~~**2024-2025** as recommended



1 by the MiSTEM council.

2 (5) From the state school aid fund money allocated under
 3 subsection (1), there is allocated an amount not to exceed
 4 ~~\$3,834,300.00~~ **\$4,154,300.00** for ~~2023-2024~~ **2024-2025** to support the
 5 activities and programs of the MiSTEM network regions. From the
 6 money allocated under this subsection, the department shall award
 7 the fiscal agent for each MiSTEM network region ~~\$200,000.00~~
 8 **\$220,000.00** for the base operations of each region. The department
 9 shall distribute the remaining funds to each fiscal agent in an
 10 equal amount per pupil, based on the number of K to 12 pupils
 11 enrolled in districts within each region in the immediately
 12 preceding fiscal year.

13 (6) A MiSTEM network region shall do all of the following:

14 (a) Collaborate with the career and educational advisory
 15 council that is located in the MiSTEM region to develop a regional
 16 strategic plan for STEM education that creates a robust regional
 17 STEM culture, that empowers STEM teachers, that integrates business
 18 and education into the STEM network, and that ensures high-quality
 19 STEM experiences for pupils. At a minimum, a regional STEM
 20 strategic plan should do all of the following:

21 (i) Identify regional employer need for STEM.

22 (ii) Identify processes for regional employers and educators to
 23 create guided pathways for STEM careers that include internships or
 24 externships, apprenticeships, and other experiential engagements
 25 for pupils.

26 (iii) Identify educator professional learning opportunities,
 27 including internships or externships and apprenticeships, that
 28 integrate this state's science standards into high-quality STEM
 29 experiences that engage pupils.



1 (b) Facilitate regional STEM events such as educator and
2 employer networking and STEM career fairs to raise STEM awareness.

3 (c) Contribute to the MiSTEM website and engage in other
4 MiSTEM network functions to further the mission of STEM in this
5 state in coordination with the MiSTEM council and the department of
6 labor and economic opportunity.

7 (d) Facilitate application and implementation of state and
8 federal funds under this subsection and any other grants or funds
9 for the MiSTEM network region.

10 (e) Work with districts to provide STEM programming and
11 professional learning.

12 (f) Coordinate recurring discussions and work with the career
13 and educational advisory council to ensure that feedback and best
14 practices are being shared, including funding, program,
15 professional learning opportunities, and regional strategic plans.

16 (7) From the state school aid fund money allocated under
17 subsection (1), the department shall distribute for ~~2023-2024-2024-~~
18 **2025** an amount not to exceed \$750,000.00, in a form and manner
19 determined by the department, to those network regions able to
20 further the statewide STEM strategy recommended by the MiSTEM
21 council.

22 (8) ~~In order to~~ **To** receive state or federal funds under
23 subsection (5) or (7), or to receive funds from private sources as
24 authorized under subsection (1), a grant recipient must allow
25 access for the department or the department's designee to audit all
26 records related to the program for which it receives those funds.
27 The grant recipient shall reimburse the state for all disallowances
28 found in the audit.

29 (9) ~~In order to~~ **To** receive state funds under subsection (5) or



1 (7), a grant recipient must provide at least a 10% local match from
 2 local public or private resources for the funds received under this
 3 subsection.

4 (10) ~~Not~~ **By not** later than July 1 of each fiscal year for
 5 which funding is allocated under this section, a MiSTEM network
 6 region that receives funds under subsection (5) shall report to the
 7 executive director of the MiSTEM network in a form and manner
 8 prescribed by the executive director on performance measures
 9 developed by the MiSTEM network regions and approved by the
 10 executive director. The performance measures must be designed to
 11 ensure that the activities of the MiSTEM network are improving
 12 student academic outcomes.

13 (11) Not more than 5% of a MiSTEM network region grant under
 14 subsection (5) or (7) may be retained by a fiscal agent for serving
 15 as the fiscal agent of a MiSTEM network region.

16 (12) As used in this section:

17 (a) "Career and educational advisory council" means an
 18 advisory council to the local workforce development boards located
 19 in a prosperity region consisting of educational, employer, labor,
 20 and parent representatives.

21 (b) "DED" means the United States Department of Education.

22 (c) "DED-OESE" means the DED Office of Elementary and
 23 Secondary Education.

24 (d) "MiSTEM Council" means the Michigan Science, Technology,
 25 Engineering, and Mathematics Education Advisory Council created as
 26 an advisory body within the department of labor and economic
 27 opportunity by Executive Reorganization Order No. 2019-3, MCL
 28 125.1998.

29 (e) "STEM" means science, technology, engineering, and



1 mathematics delivered in an integrated fashion using cross-
 2 disciplinary learning experiences that can include language arts,
 3 performing and fine arts, and career and technical education.

4 Sec. 99t. (1) From the general fund appropriation under
 5 section 11, there is allocated an amount not to exceed
 6 ~~\$2,000,000.00~~ **\$1,000,000.00** for ~~2023-2024~~ **2024-2025** only to
 7 purchase statewide access to an online algebra tool that meets all
 8 of the following:

9 (a) Provides students statewide with complete access to videos
 10 aligned with state standards including study guides and workbooks
 11 that are aligned with the videos.

12 (b) Provides students statewide with access to a personalized
 13 online algebra learning tool including adaptive diagnostics.

14 (c) Provides students statewide with dynamic algebra practice
 15 assessments that emulate the state assessment with immediate
 16 feedback and help solving problems.

17 (d) Provides students statewide with online access to algebra
 18 help 24 hours a day and 7 days a week from study experts, teachers,
 19 and peers on a moderated social networking platform.

20 (e) Provides an online algebra professional development
 21 network for teachers.

22 (f) Is already provided under a statewide contract in at least
 23 1 other state that has a population of at least 18,000,000 but not
 24 more than 19,000,000 according to the most recent decennial census
 25 and is offered in that state in partnership with a public
 26 university.

27 (2) The department shall purchase the online algebra tool that
 28 was chosen under this section in 2016-2017.

29 (3) A grantee receiving funding under this section shall



1 comply with the requirements of section 19b.

2 Sec. 99u. (1) From the ~~state school aid~~ **general** fund money
3 appropriated in section 11, there is allocated an amount not to
4 exceed ~~\$6,000,000.00~~ **\$3,000,000.00** for ~~2023-2024~~ **2024-2025** only to
5 ~~districts to access an online mathematics and literacy tool.~~

6 ~~(2) Funding received under subsection (1) may be used only for~~
7 ~~the following purposes:~~ **a provider that provides both of the**
8 **following:**

9 (a) A mathematics tool that meets all of the following:

10 (i) Student motivation contests to encourage engagement and
11 external motivation.

12 (ii) Reporting aligned to a national measurement scale to track
13 progress for each student.

14 (iii) Age-appropriate targeted math instruction that is online,
15 adaptive, and has academically rigorous math concepts.

16 (iv) Access to on-demand, live certified math teachers who must
17 be available to students for a minimum of 40 hours a week during
18 nonholiday weeks.

19 (v) Provide academic language development in math through
20 multiple strategic scaffolding and journaling opportunities.

21 (vi) Received funding under this section in 2022-2023.

22 (b) A literacy tool that meets all of the following:

23 (i) Incorporates systematic and explicit instruction in the
24 following 5 key areas of literacy:

25 (A) Phonics.

26 (B) Phonemic awareness.

27 (C) Fluency.

28 (D) Vocabulary.

29 (E) Comprehension.



1 (ii) Provides opportunities for speech recognition.

2 (iii) Develops academic vocabulary.

3 (iv) Provides first language support in at least 10 prevalent
4 languages spoken by English language learner students.

5 (v) Received funding under this section in 2022-2023.

6 ~~(3) To be eligible to receive funding under this section, a~~
7 ~~district must apply for funding through an easy-to-use 1-page~~
8 ~~application prescribed by the department. Districts using the tool~~
9 ~~under this section during 2022-2023 are automatically eligible for~~
10 ~~funding under this section.~~

11 (2) ~~(4)~~The funds allocated under this section for ~~2023-2024~~
12 **2024-2025** are a work project appropriation, and any unexpended
13 funds for ~~2023-2024~~ **2024-2025** are carried forward into ~~2024-2025.~~
14 **2025-2026**. The purpose of the work project is to provide more
15 personalized and adaptive tools for students with an emphasis on
16 including English language learners. The estimated completion date
17 of the work project is September 30, ~~2025.~~**2026**.

18 (3) ~~(5) A district that receives funding under this section or~~
19 ~~the operator of the online tool obtained by the school district.~~**The**
20 **provider** receiving funding under this section shall submit a report
21 to the department by August 1, ~~2024.~~**2025**. The report must include
22 all of the following **for both of the tools described in subsection**
23 **(1)**:

24 (a) The number of students enrolled in the program.

25 (b) A list of schools that participated in the program.

26 (c) The total number of lessons completed by students.

27 (d) A valid reliable growth metric that demonstrates student
28 progress.

29 (4) ~~(6)~~Notwithstanding section 17b, the department shall make



1 payments under this section by not later than December 1 of each
2 fiscal year for which funding is allocated under this section.

3 Sec. 99x. (1) From the state school aid fund money
4 appropriated under section 11, there is allocated ~~\$5,000,000.00~~
5 **\$10,000,000.00** for ~~2023-2024~~**2024-2025** only to Kentwood Public
6 Schools to support Teach For America's statewide TeachMichigan
7 initiative. Funding under this section must be used to support
8 operating costs associated with TeachMichigan, including teacher
9 recruitment, retention, development, innovation, and evaluation
10 costs. To be eligible for these funds, Kentwood Public Schools must
11 determine that the TeachMichigan initiative is on track to reach at
12 least ~~200~~**700** educators working in at least 5 distinct regions
13 across the state **since its inception in 2022**, by ~~the start of the~~
14 ~~2024-2025 school year.~~**not later than September 30, 2025.** Kentwood
15 Public Schools must forward an amount equal to the amount awarded
16 under this section to Teach For America, and is not responsible for
17 monitoring, evaluating, or any other delivery or oversight of the
18 TeachMichigan initiative.

19 **(2) The department shall continue to provide oversight of the**
20 **TeachMichigan initiative.**

21 **(3) The funds allocated under this section for 2024-2025 are a**
22 **work project appropriation, and any unexpended funds for 2024-2025**
23 **are carried forward into 2025-2026. The purpose of the work project**
24 **is to continue the implementation of the TeachMichigan initiative**
25 **described in this section. The estimated completion date of the**
26 **work project is September 30, 2026.**

27 **(4)** ~~(2)~~ Notwithstanding section 17b, the department shall make
28 payments under this section on a schedule determined by the
29 department.



1 Sec. 99aa. (1) From the state school aid fund money
2 appropriated in section 11, there is allocated an amount not to
3 exceed \$1,500,000.00 for ~~2023-2024 only~~ **2024-2025** to 1 eligible
4 intermediate district to provide opportunities for high school
5 students with disabilities to train for, gain, and maintain
6 competitive employment.

7 (2) An intermediate district that has partnered with Project
8 SEARCH to provide the opportunities described in subsection (1) is
9 an eligible intermediate district under this section.

10 (3) The funds allocated under this section for ~~2023-2024-2024-~~
11 **2025** are a work project appropriation, and any unexpended funds for
12 ~~2023-2024-2024-2025~~ are carried forward into ~~2024-2025.~~ **2025-2026.**
13 The purpose of the work project is to provide for the continuation
14 of opportunities for high school students with disabilities as
15 described in subsection (1). The estimated completion date of the
16 work project is September 30, ~~2025.~~ **2026.**

17 **Sec. 99bb. (1) From the general fund money appropriated in**
18 **section 11, there is allocated an amount not to exceed**
19 **\$1,200,000.00 for 2024-2025 to the State Alliance of Michigan YMCAs**
20 **for competitive grants to eligible districts and intermediate**
21 **districts to provide students in grades 6 to 12 with hands-on**
22 **civics and model-government programs that offer statewide**
23 **engagement with peers across this state for the purpose of**
24 **expanding those students' opportunities to improve their social**
25 **studies knowledge, thinking skills, and intellectual processes and**
26 **dispositions required for active engagement in fulfilling**
27 **responsibilities of civic participation.**

28 (2) In making grant payments to eligible districts and
29 intermediate districts under this section, the State Alliance of



1 Michigan YMCAs shall set a maximum grant award for each grant
2 recipient in a manner that accomplishes both of the following:

3 (a) Maximizes the geographical distribution of grant
4 recipients that will be able to participate in the programs
5 described in this section.

6 (b) Prioritizes funding levels for grant recipients based on
7 geographic location, with consideration given to the travel that
8 will be required of grant recipients for statewide events and
9 conferences.

10 (3) Maximum grant award amounts under subsection (2) do not
11 have to be the same for all grant recipients.

12 (4) To receive a grant under this section, a district or
13 intermediate district must submit an application for the grant
14 award in a form and manner prescribed by the State Alliance of
15 Michigan YMCAs.

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

21 (6) It is the intent of the legislature that programs
22 implemented from the funding allocated under this section increase
23 the number of students who engage with the pillars of responsible
24 citizenship and engage, beyond the classroom, in civic
25 perspectives, inquiry, public discourse, and decision making.

26 Sec. 99gg. (1) From the ~~state school aid~~ **general** fund money
27 appropriated in section 11, there is allocated ~~\$10,000,000.00~~
28 **\$100.00** for ~~2023-2024~~ **2024-2025** only to ~~Detroit Public Schools~~
29 ~~Community District as provided in this section. With the funding~~



1 ~~allocated under this section, Detroit Public Schools Community~~
 2 ~~District shall partner with 1~~ a community-based organization that
 3 provides before- and after-school programs for children in
 4 southeast Michigan to support existing programming ~~for that~~
 5 ~~organization~~ and expand locations where that organization can offer
 6 programming.

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

10 Sec. 99hh. (1) From the ~~state school aid~~ **general** fund money
 11 appropriated in section 11, there is allocated an amount not to
 12 exceed \$3,000,000.00 for ~~2023-2024~~ **2024-2025** only for ~~Wayne RESA to~~
 13 ~~partner with~~ a nonprofit entity to support student success coach
 14 AmeriCorps service members to provide academic interventions in
 15 mathematics and English language arts and social-emotional support
 16 to students enrolled in grades K to 12 in a community district.

17 (2) ~~A district that receives~~ **The nonprofit entity receiving**
 18 funding under this section must use the funds to deploy student
 19 success coach AmeriCorps service members to, at a minimum, 8
 20 schools within the **community** district. Student success coaches
 21 described in this subsection shall do all of the following:

22 (a) Provide small-group intervention support in mathematics
 23 and English language arts to at-risk students for 10 months. For
 24 purposes of this subdivision, students must be selected based on
 25 academic diagnostic data and be placed on a focus list for year-
 26 round support.

27 (b) Provide whole school, whole child support to partner
 28 schools in the **community** district.

29 (c) Provide social-emotional support to a subset of focus-list



1 students for 10 months. For purposes of this subdivision, students
 2 must be selected based on district behavior and climate or culture
 3 data and placed on a focus list for year-round support.

4 (d) Provide individualized attendance support to improve daily
 5 attendance rates for 10 months. For purposes of this subdivision,
 6 students must be selected based on **community** district attendance
 7 data and placed on a focus list for year-round support.

8 (3) ~~A district~~ **The nonprofit** receiving funding under this
 9 section must provide all of the following for student success
 10 coaches:

11 (a) Evidence-based training in TRAILS, Mental Health First
 12 Aid, Magnetic Reading, LETRS, and other relevant training necessary
 13 to implement academic, social, and attendance strategies.

14 (b) Ongoing career development training and coaching,
 15 including support with applying to teacher preparation programs,
 16 school social work preparation programs, and guidance counseling
 17 preparation programs.

18 (4) By not later than January 1 of each fiscal year, the
 19 ~~center~~ **nonprofit receiving funding under this section** shall prepare
 20 a summary report of information ~~provided by each recipient district~~
 21 ~~under this section~~ that includes measurable outcomes based on the
 22 objectives described in this section and ~~a summary of compiled data~~
 23 ~~from each recipient district in order to~~ evaluate the effectiveness
 24 of the project. The ~~center~~ **nonprofit** shall submit the report to the
 25 house and senate appropriations subcommittees on school aid and to
 26 the house and senate fiscal agencies.

27 **Sec. 99nn. (1) From the general fund money appropriated in**
 28 **section 11, there is allocated for 2024-2025 only \$1,000,000.00 to**
 29 **districts and intermediate districts to improve civics education in**



1 schools and for professional development for educators to improve
2 civics education.

3 (2) A district or intermediate district shall apply for
4 funding in a form and manner determined by the department. The
5 application must include, at a minimum, what services or materials
6 the applicant intends to use to improve civics education and for
7 professional development.

8 (3) If funding is insufficient to fulfill all eligible
9 applications under this section, the department shall prioritize
10 applications, taking into account the percentage of economically
11 disadvantaged pupils in the district and attempting to ensure that
12 districts from urban, suburban, and rural settings are represented
13 in grant awards.

14 (4) The funds allocated under this section for 2024-2025 are a
15 work project appropriation, and any unexpended funds for 2024-2025
16 are carried forward into 2025-2026. The purpose of the work project
17 is to continue support for improved civics education and
18 professional development. The estimated completion date of the work
19 project is September 30, 2029.

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

23 Sec. 104. (1) ~~In order to~~ **To** receive state aid under this
24 article, a district shall comply with sections 1249, 1278a, 1278b,
25 1279g, and 1280b of the revised school code, MCL 380.1249,
26 380.1278a, 380.1278b, 380.1279g, and 380.1280b, and 1970 PA 38, MCL
27 388.1081 to 388.1086. Subject to subsection (2), from the state
28 school aid fund money appropriated in section 11, there is
29 allocated for ~~2023-2024-2024-2025~~ 2024-2025 an amount not to exceed



1 \$37,509,400.00 for payments on behalf of districts for costs
 2 associated with complying with those provisions of law. In
 3 addition, from the federal funds appropriated in section 11, there
 4 is allocated for ~~2023-2024~~ **2024-2025** an amount estimated at
 5 \$8,000,000.00 funded from DED-OESE, title VI, state assessment
 6 funds, and from DED-OSERS, part B of the individuals with
 7 disabilities education act, 20 USC 1411 to 1419, plus any carryover
 8 federal funds from previous year appropriations, for the purposes
 9 of complying with the every student succeeds act, Public Law 114-
 10 95.

11 (2) The results of each test administered as part of the
 12 Michigan student test of educational progress (M-STEP), including
 13 tests administered to high school students, must include an item
 14 analysis that lists all items that are counted for individual pupil
 15 scores and the percentage of pupils choosing each possible
 16 response. The department shall work with the center to identify the
 17 number of students enrolled at the time assessments are given by
 18 each district. In calculating the percentage of pupils assessed for
 19 a district's scorecard, the department shall use only the number of
 20 pupils enrolled in the district at the time the district
 21 administers the assessments and shall exclude pupils who enroll in
 22 the district after the district administers the assessments.

23 (3) The department shall distribute federal funds allocated
 24 under this section in accordance with federal law and with
 25 flexibility provisions outlined in Public Law 107-116, and in the
 26 education flexibility partnership act of 1999, Public Law 106-25.

27 (4) The department may recommend, but may not require,
 28 districts to allow pupils to use an external keyboard with tablet
 29 devices for online M-STEP testing, including, but not limited to,



1 open-ended test items such as constructed response or equation
2 builder items.

3 (5) Notwithstanding section 17b, the department shall make
4 payments on behalf of districts, intermediate districts, and other
5 eligible entities under this section on a schedule determined by
6 the department.

7 (6) From the allocation in subsection (1), there is allocated
8 an amount not to exceed \$500,000.00 for ~~2023-2024~~**2024-2025** for the
9 operation of an online reporting tool to provide student-level
10 assessment data in a secure environment to educators, parents, and
11 pupils immediately after assessments are scored. The department and
12 the center shall ensure that any data collected by the online
13 reporting tool do not provide individually identifiable student
14 data to the federal government.

15 (7) As used in this section:

16 (a) "DED" means the United States Department of Education.

17 (b) "DED-OESE" means the DED Office of Elementary and
18 Secondary Education.

19 (c) "DED-OSERS" means the DED Office of Special Education and
20 Rehabilitative Services.

21 Sec. 104h. (1) From the state school aid fund money
22 appropriated under section 11, there is allocated for ~~2021-2022~~
23 **2024-2025** an amount not to exceed \$11,500,000.00 to districts to
24 ~~begin implementation of a benchmark assessment system for~~**implement**
25 **benchmark assessments during** the ~~2022-2023~~**2024-2025** school year.
26 ~~It is the intent of the legislature that funding for benchmark~~
27 ~~assessments for the 2024-2025 school year will be appropriated in~~
28 ~~this section in 2024-2025.~~ All of the following apply to the
29 benchmark assessment system described in this subsection:



1 (a) The system must provide for all of the following:

2 (i) That, within the first 9 weeks of the 2024-2025 school
3 year, the district shall administer 1 or more benchmark assessments
4 provided by a provider approved under subsection (6), benchmark
5 assessments described in subdivision (b), or local benchmark
6 assessments, or any combination thereof, to all pupils in grades K
7 to 8 to measure proficiency in reading and mathematics.

8 (ii) That, in addition to the benchmark assessment or benchmark
9 assessments administered under subparagraph (i), by not later than
10 the last day of the 2024-2025 school year, the district shall
11 administer the benchmark assessment or assessments administered
12 under subparagraph (i) to all pupils in grades K to 8 to measure
13 proficiency in reading and mathematics. To support fall to spring
14 growth calculations, the same benchmark assessment that is
15 administered in the fall must be administered in the spring.

16 (b) Except as otherwise provided in this section, a district
17 may administer 1 or more of the following benchmark assessments
18 toward meeting the requirements under subdivision (a):

19 (i) A benchmark assessment in reading for students in grades K
20 to 9 that contains progress monitoring tools and enhanced
21 diagnostic assessments.

22 (ii) A benchmark assessment in math for students in grades K to
23 8 that contains progress monitoring tools.

24 (c) The system must provide that, to the extent practicable,
25 if a district administers a benchmark assessment or benchmark
26 assessments under this section, the district shall administer the
27 same benchmark assessment or benchmark assessments provided by a
28 provider approved under subsection (6), benchmark assessment or
29 benchmark assessments described in subdivision (b), or local



1 benchmark assessment or local benchmark assessments that it
 2 administered to pupils in previous school years, as applicable.

3 (d) The system must provide that, if a district administers a
 4 benchmark assessment or benchmark assessments under this section,
 5 the district shall provide each pupil's data from the benchmark
 6 assessment or benchmark assessments, as available, to the pupil's
 7 parent or legal guardian within 30 days of administering the
 8 benchmark assessment or benchmark assessments.

9 (e) The system must provide that, if a local benchmark
 10 assessment or local benchmark assessments are administered under
 11 subdivision (a), the district shall report to the department and
 12 the center, in a form and manner prescribed by the center, the
 13 local benchmark assessment or local benchmark assessments that were
 14 administered and how that assessment or those assessments measure
 15 changes, including any losses, as applicable, in learning, and the
 16 district's plan for addressing any losses in learning.

17 (f) The system must provide that, by not later than 30 days
 18 after a benchmark assessment or benchmark assessments are
 19 administered under subdivision (a) (ii), or within a time frame
 20 specified by the department, the district shall send benchmark
 21 assessment data, including grade level, student demographics, and
 22 mode of instruction, to the department in a form and manner
 23 prescribed by the department, from all benchmark assessments
 24 administered in the 2024-2025 school year, excluding data from a
 25 local benchmark assessment, as applicable. If available, the data
 26 described in this subdivision must include information concerning
 27 pupil growth from fall 2024 to spring 2025.

28 (2) To receive funding under this section, a district must do
 29 all of the following:



1 (a) Apply for the funding in a form and manner prescribed by
2 the department.

3 (b) ~~Pledge to administer~~ **Administer** 1 or more of the benchmark
4 assessments described in subsection (6), excluding the benchmark
5 assessment described in subsection (4).

6 (c) ~~Pledge to administer~~ **Administer** the same benchmark
7 assessment or assessments in both the fall and spring, as required
8 under this section.

9 (d) ~~Pledge to meet~~ **Meet** all reporting requirements pertaining
10 to assessment and mode-of-instruction data outlined in this
11 section.

12 (3) Subject to subsection (2), the department shall pay an
13 equal amount per membership pupil in grades K to 8 in the district
14 to each district that applies for funding under this section.

15 (4) The department shall make 1 of the benchmark assessments
16 provided by a provider approved under subsection (6) available to
17 districts at no cost to the districts for purposes of meeting the
18 requirements under this section. The benchmark assessment described
19 in this subsection must meet all of the following:

20 (a) Be aligned to the content standards of this state.

21 (b) Complement the state's summative assessment system.

22 (c) Be internet-delivered and include a standards-based
23 assessment.

24 (d) Provide information on pupil achievement with regard to
25 learning content required in a given year or grade span.

26 (e) Provide timely feedback to pupils and teachers.

27 (f) Be nationally normed.

28 (g) Provide information to educators about student growth and
29 allow for multiple testing opportunities.



1 (5) By not later than November 15, 2025, the department shall
2 submit a report to the house and senate appropriations committees,
3 the house and senate appropriations subcommittees on school aid,
4 and the house and senate fiscal agencies regarding the benchmark
5 assessment data received under this section, disaggregated by grade
6 level and demographic subgroup for each district. If information
7 concerning pupil growth is included in the data described in this
8 subsection, it must be incorporated in the report described in this
9 subsection.

10 (6) The department shall approve at least 4 but not more than
11 6 providers of benchmark assessments for the purposes of this
12 section. The department shall inform districts of all of the
13 providers approved under this subsection in an equitable manner.
14 The benchmark assessments, with the exclusion of the benchmark
15 assessment described in subsection (4), provided by approved
16 providers under this subsection must meet all of the following:

- 17 (a) Be aligned to the content standards of this state.
18 (b) Complement the state's summative assessment system.
19 (c) Be internet-delivered and include a standards-based
20 remote, in-person, or both remote and in-person assessment using a
21 computer-adaptive model to target the instructional level of each
22 pupil.
23 (d) Provide information on pupil achievement with regard to
24 learning content required in a given year or grade span.
25 (e) Provide immediate feedback to pupils and teachers.
26 (f) Be nationally normed.
27 (g) Provide multiple measures of growth and provide for
28 multiple testing opportunities.

29 Sec. 107. (1) From the state school aid fund appropriation in



1 section 11, there is allocated an amount not to exceed
 2 ~~\$40,000,000.00~~ **\$40,500,000.00** for ~~2023-2024~~ **2024-2025** for adult
 3 education programs authorized under this section. Except as
 4 otherwise provided under subsections (14) and (15), funds allocated
 5 under this section are restricted for adult education programs as
 6 authorized under this section only. A recipient of funds under this
 7 section shall not use those funds for any other purpose.

8 (2) To be eligible for funding under this section, an eligible
 9 adult education provider shall employ certificated teachers and
 10 qualified administrative staff and shall offer continuing education
 11 opportunities for teachers to allow them to maintain certification.

12 (3) To be eligible to be a participant funded under this
 13 section, an individual must be enrolled in an adult basic education
 14 program, an adult secondary education program, an adult English as
 15 a second language program, a high school equivalency test
 16 preparation program, or a high school completion program, that
 17 meets the requirements of this section, and for which instruction
 18 is provided, and the individual must be at least 18 years of age by
 19 July 1 of the program year and the individual's graduating class
 20 must have graduated.

21 (4) By April 1 of each fiscal year for which funding is
 22 allocated under this section, the intermediate districts within a
 23 prosperity region or subregion shall determine which intermediate
 24 district will serve as the prosperity region's or subregion's
 25 fiscal agent for the next fiscal year and shall notify the
 26 department in a form and manner determined by the department. The
 27 department shall approve or disapprove of the prosperity region's
 28 or subregion's selected fiscal agent. From the funds allocated
 29 under subsection (1), an amount as determined under this subsection



1 is allocated to each intermediate district serving as a fiscal
2 agent for adult education programs in each of the prosperity
3 regions or subregions identified by the department. An intermediate
4 district shall not use more than 5% of the funds allocated under
5 this subsection for administration costs for serving as the fiscal
6 agent. The allocation provided to each intermediate district
7 serving as a fiscal agent must be calculated as follows:

8 (a) Sixty percent of this portion of the funding must be
9 distributed based upon the proportion of the state population of
10 individuals between the ages of 18 and 24 that are not high school
11 graduates that resides in each of the prosperity regions or
12 subregions located within the intermediate district, as reported by
13 the most recent 5-year estimates from the American Community Survey
14 (ACS) from the United States Census Bureau.

15 (b) Thirty-five percent of this portion of the funding must be
16 distributed based upon the proportion of the state population of
17 individuals age 25 or older who are not high school graduates that
18 resides in each of the prosperity regions or subregions located
19 within the intermediate district, as reported by the most recent 5-
20 year estimates from the ACS from the United States Census Bureau.

21 (c) Five percent of this portion of the funding must be
22 distributed based upon the proportion of the state population of
23 individuals age 18 or older who lack basic English language
24 proficiency that resides in each of the prosperity regions or
25 subregions located within the intermediate district, as reported by
26 the most recent 5-year estimates from the ACS from the United
27 States Census Bureau.

28 (5) To be an eligible fiscal agent, an intermediate district
29 must agree to do the following in a form and manner determined by



1 the department:

2 (a) Distribute funds to adult education programs in a
3 prosperity region or subregion as described in this section.

4 (b) Collaborate with the career and educational advisory
5 council, which is an advisory council of the workforce development
6 boards located in the prosperity region or subregion, or its
7 successor, to develop a regional strategy that aligns adult
8 education programs and services into an efficient and effective
9 delivery system for adult education learners, with special
10 consideration for providing contextualized learning and career
11 pathways and addressing barriers to education and employment.

12 (c) Collaborate with the career and educational advisory
13 council, which is an advisory council of the workforce development
14 boards located in the prosperity region or subregion, or its
15 successor, to create a local process and criteria that will
16 identify eligible adult education providers to receive funds
17 allocated under this section based on location, demand for
18 services, past performance, quality indicators as identified by the
19 department, and cost to provide instructional services. The fiscal
20 agent shall determine all local processes, criteria, and provider
21 determinations. However, the local processes, criteria, and
22 provider services must be approved by the department before funds
23 may be distributed to the fiscal agent.

24 (d) Provide oversight to its adult education providers
25 throughout the program year to ensure compliance with the
26 requirements of this section.

27 (e) Report adult education program and participant data and
28 information as prescribed by the department.

29 (6) An adult basic education program, an adult secondary



1 education program, or an adult English as a second language program
2 operated on a year-round or school year basis may be funded under
3 this section, subject to all of the following:

4 (a) The program enrolls adults who are determined by a
5 department-approved assessment, in a form and manner prescribed by
6 the department, to be below twelfth grade level in reading or
7 mathematics, or both, or to lack basic English proficiency.

8 (b) The program tests individuals for eligibility under
9 subdivision (a) before enrollment and upon completion of the
10 program in compliance with the state-approved assessment policy.

11 (c) A participant in an adult basic education program is
12 eligible for reimbursement until 1 of the following occurs:

13 (i) The participant's reading and mathematics proficiency are
14 assessed at or above the ninth grade level.

15 (ii) The participant fails to show progress on 2 successive
16 assessments after having completed at least 450 hours of
17 instruction.

18 (d) A participant in an adult secondary education program is
19 eligible for reimbursement until 1 of the following occurs:

20 (i) The participant's reading and mathematics proficiency are
21 assessed above the twelfth grade level.

22 (ii) The participant fails to show progress on 2 successive
23 assessments after having at least 450 hours of instruction.

24 (e) A funding recipient enrolling a participant in an English
25 as a second language program is eligible for funding according to
26 subsection (9) until the participant meets 1 of the following:

27 (i) The participant is assessed as having attained basic
28 English proficiency as determined by a department-approved
29 assessment.



1 (ii) The participant fails to show progress on 2 successive
2 department-approved assessments after having completed at least 450
3 hours of instruction. The department shall provide information to a
4 funding recipient regarding appropriate assessment instruments for
5 this program.

6 (7) A high school equivalency test preparation program
7 operated on a year-round or school year basis may be funded under
8 this section, subject to all of the following:

9 (a) The program enrolls adults who do not have a high school
10 diploma or a high school equivalency certificate.

11 (b) The program administers a pre-test approved by the
12 department before enrolling an individual to determine the
13 individual's literacy levels, administers a high school equivalency
14 practice test to determine the individual's potential for success
15 on the high school equivalency test, and administers a post-test
16 upon completion of the program in compliance with the state-
17 approved assessment policy.

18 (c) A funding recipient receives funding according to
19 subsection (9) for a participant, and a participant may be enrolled
20 in the program until 1 of the following occurs:

21 (i) The participant achieves a high school equivalency
22 certificate.

23 (ii) The participant fails to show progress on 2 successive
24 department-approved assessments used to determine readiness to take
25 a high school equivalency test after having completed at least 450
26 hours of instruction.

27 (8) A high school completion program operated on a year-round
28 or school year basis may be funded under this section, subject to
29 all of the following:



1 (a) The program enrolls adults who do not have a high school
2 diploma.

3 (b) The program tests participants described in subdivision
4 (a) before enrollment and upon completion of the program in
5 compliance with the state-approved assessment policy.

6 (c) A funding recipient receives funding according to
7 subsection (9) for a participant in a course offered under this
8 subsection until 1 of the following occurs:

9 (i) The participant passes the course and earns a high school
10 diploma.

11 (ii) The participant fails to earn credit in 2 successive
12 semesters or terms in which the participant is enrolled after
13 having completed at least 900 hours of instruction.

14 (9) The department shall make payments to a funding recipient
15 under this section in accordance with all of the following:

16 (a) Statewide allocation criteria, including 3-year average
17 enrollments, census data, and local needs.

18 (b) Participant completion of the adult basic education
19 objectives by achieving an educational gain as determined by the
20 national reporting system levels; for achieving basic English
21 proficiency, as determined by the department; for achieving a high
22 school equivalency certificate or passage of 1 or more individual
23 high school equivalency tests; for attainment of a high school
24 diploma or passage of a course required for a participant to attain
25 a high school diploma; for enrollment in a postsecondary
26 institution; or for entry into or retention of employment, as
27 applicable.

28 (c) Participant completion of core indicators as identified in
29 the workforce innovation and opportunity act, Public Law 113-128.



1 (d) Allowable expenditures.

2 (10) An individual who is not eligible to be a participant
3 funded under this section may receive adult education services upon
4 the payment of tuition. In addition, an individual who is not
5 eligible to be served in a program under this section due to the
6 program limitations specified in subsection (6), (7), or (8) may
7 continue to receive adult education services in that program upon
8 the payment of tuition. The local or intermediate district
9 conducting the program shall determine the tuition amount.

10 (11) An individual who is an inmate in a state correctional
11 facility is not counted as a participant under this section.

12 (12) A funding recipient shall not commingle money received
13 under this section or from another source for adult education
14 purposes with any other funds and shall establish a separate ledger
15 account for funds received under this section. This subsection does
16 not prohibit a district from using general funds of the district to
17 support an adult education or community education program.

18 (13) A funding recipient receiving funds under this section
19 may establish a sliding scale of tuition rates based upon a
20 participant's family income. A funding recipient may charge a
21 participant tuition to receive adult education services under this
22 section from that sliding scale of tuition rates on a uniform
23 basis. The amount of tuition charged per participant must not
24 exceed the actual operating cost per participant minus any funds
25 received under this section per participant. A funding recipient
26 may not charge a participant tuition under this section if the
27 participant's income is at or below 200% of the federal poverty
28 guidelines published by the United States Department of Health and
29 Human Services.



1 (14) ~~In order to~~ **To** receive funds under this section, a
 2 funding recipient shall furnish to the department, in a form and
 3 manner determined by the department, all information needed to
 4 administer this program and meet federal reporting requirements;
 5 shall allow the department or the department's designee to review
 6 all records related to the program for which it receives funds; and
 7 shall reimburse the state for all disallowances found in the
 8 review, as determined by the department. In addition, a funding
 9 recipient shall agree to pay to a career and technical education
 10 program under section 61a the amount of funding received under this
 11 section in the proportion of career and technical education
 12 coursework used to satisfy adult basic education programming, as
 13 billed to the funding recipient by programs operating under section
 14 61a. ~~In addition to the funding allocated under subsection (1),~~
 15 ~~there is allocated for 2023-2024 an amount not to exceed~~
 16 ~~\$500,000.00 to reimburse funding recipients for administrative and~~
 17 ~~instructional expenses associated with commingling programming~~
 18 ~~under this section and section 61a. The department shall make~~
 19 ~~payments under this subsection to each funding recipient in the~~
 20 ~~same proportion as funding calculated and allocated under~~
 21 ~~subsection (4).~~

22 (15) From the amount appropriated in subsection (1), an amount
 23 not to exceed \$4,000,000.00 is allocated for ~~2023-2024~~ **2024-2025**
 24 for grants to **approved** adult education ~~or state approved career~~
 25 ~~technical center~~ programs that connect adult education participants
 26 with employers as provided under this subsection. ~~The department~~
 27 ~~shall determine the amount of the grant to each program under this~~
 28 ~~subsection, not to exceed \$350,000.00. **The department shall**~~
 29 **determine regional planning allocations under this subsection to**



1 each intermediate district serving as a fiscal agent for adult
 2 education programs in each of the prosperity regions or subregions
 3 identified by the department in the same proportion as funding
 4 calculated and allocated under subsection (4). Funds not fully
 5 utilized within a region may be transferred to other regions as
 6 appropriate. To be eligible for funding under this subsection, a
 7 program must provide a collaboration linking adult education
 8 programs within the county, ~~the area career technical center,~~
 9 **state-approved career and technical education programs**, and local
 10 employers. To receive funding under this subsection, an eligible
 11 program must satisfy all of the following:

12 (a) Connect adult education participants directly with
 13 employers by linking adult education, career and technical skills,
 14 and workforce development.

15 (b) Require adult education staff to work with Michigan Works!
 16 agency to identify a cohort of participants who are most prepared
 17 to successfully enter the workforce. Except as otherwise provided
 18 under this subdivision, participants identified under this
 19 subsection must be dually enrolled in adult education programming
 20 and in at least 1 state-approved technical course ~~at the area~~
 21 **through a** career and technical ~~center.~~ **education program**. A program
 22 that links participants identified under this subsection with adult
 23 education programming and commercial driver license courses does
 24 not need to enroll the participants in at least 1 state-approved
 25 technical course ~~at the area~~ **through a** career and technical ~~center~~
 26 **education program** to be considered an eligible program under this
 27 subsection.

28 (c) Employ an individual staffed as an adult education
 29 navigator who will serve as a caseworker for each participant



1 identified under subdivision (b). The navigator shall work with
 2 adult education staff and potential employers to design an
 3 educational program best suited to the personal and employment
 4 needs of the participant and shall work with human service agencies
 5 or other entities to address any barrier in the way of participant
 6 access.

7 ~~(16) Each program funded under subsection (15) will receive~~
 8 ~~funding for 3 years. After 3 years of operations and funding, a~~
 9 ~~program must reapply for funding.~~

10 **(16)** ~~(17) Not~~ **By not** later than December 1 of each year, a
 11 program funded under subsection (15) shall provide a report to the
 12 senate and house appropriations subcommittees on school aid, to the
 13 senate and house fiscal agencies, and to the state budget director
 14 identifying the number of participants, graduation rates, and a
 15 measure of transition to employment.

16 **(17)** ~~(18)~~ Except as otherwise provided in this subsection,
 17 participants under subsection (15) must be concurrently enrolled
 18 and actively working toward obtaining a high school diploma or a
 19 high school equivalency certificate. Concurrent enrollment is not
 20 required under this subsection for a participant that was enrolled
 21 in adult education during the same program year and obtained a high
 22 school diploma or a high school equivalency certificate ~~prior to~~
 23 **before** enrollment in an eligible career and technical skills
 24 program under subsection (15). Up to 15% of adult education
 25 participants served under subsection (15) may already have a high
 26 school diploma or a high school equivalency certificate at the time
 27 of enrollment in an eligible career and technical skills program
 28 under subsection (15) and receive remediation services. ~~It is~~
 29 ~~intended that the cap described in the immediately preceding~~



1 ~~sentence is continually lowered on an annual basis until it~~
 2 ~~eventually is 0%.~~

3 (18) ~~(19)~~—The department shall approve at least 2 high school
 4 equivalency tests and determine whether a high school equivalency
 5 certificate meets the requisite standards for high school
 6 equivalency in this state.

7 (19) ~~(20)~~—As used in this section:

8 (a) "Career and educational advisory council" means an
 9 advisory council to the local workforce development boards located
 10 in a prosperity region consisting of educational, employer, labor,
 11 and parent representatives.

12 (b) "Career pathway" means a combination of rigorous and high-
 13 quality education, training, and other services that comply with
 14 all of the following:

15 (i) Aligns with the skill needs of industries in the economy of
 16 this state or in the regional economy involved.

17 (ii) Prepares an individual to be successful in any of a full
 18 range of secondary or postsecondary education options, including
 19 apprenticeships registered under the act of August 16, 1937,
 20 commonly referred to as the national apprenticeship act, 29 USC 50
 21 et seq.

22 (iii) Includes counseling to support an individual in achieving
 23 the individual's education and career goals.

24 (iv) Includes, as appropriate, education offered concurrently
 25 with and in the same context as workforce preparation activities
 26 and training for a specific occupation or occupational cluster.

27 (v) Organizes education, training, and other services to meet
 28 the particular needs of an individual in a manner that accelerates
 29 the educational and career advancement of the individual to the



1 extent practicable.

2 (vi) Enables an individual to attain a secondary school diploma
3 or its recognized equivalent, and at least 1 recognized
4 postsecondary credential.

5 (vii) Helps an individual enter or advance within a specific
6 occupation or occupational cluster.

7 (c) "Department" means the department of labor and economic
8 opportunity.

9 (d) "Eligible adult education provider" means a district,
10 intermediate district, a consortium of districts, a consortium of
11 intermediate districts, or a consortium of districts and
12 intermediate districts that is identified as part of the local
13 process described in subsection (5) (c) and approved by the
14 department.

15 Sec. 147. (1) The allocation for ~~2023-2024~~**2024-2025** for the
16 public school employees' retirement system pursuant to the public
17 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301
18 to 38.1437, is made using the individual projected benefit entry
19 age normal cost method of valuation and risk assumptions adopted by
20 the public school employees retirement board and the department of
21 technology, management, and budget.

22 (2) The annual level percentage of payroll contribution rates
23 for the ~~2023-2024~~**2024-2025** fiscal year, as determined by the
24 retirement system, are estimated as follows:

25 (a) For public school employees who first worked for a public
26 school reporting unit before July 1, 2010 and who are enrolled in
27 the health premium subsidy, the annual level percentage of payroll
28 contribution rate is estimated at ~~48.23%~~**41.94%** with ~~31.34%~~**31.36%**
29 paid directly by the employer.



1 (b) For public school employees who first worked for a public
 2 school reporting unit on or after July 1, 2010 and who are enrolled
 3 in the health premium subsidy, the annual level percentage of
 4 payroll contribution rate is estimated at ~~44.37%~~**38.10%** with ~~27.48%~~
 5 **27.52%** paid directly by the employer.

6 (c) For public school employees who first worked for a public
 7 school reporting unit on or after July 1, 2010 and who participate
 8 in the personal healthcare fund, the annual level percentage of
 9 payroll contribution rate is estimated at ~~43.12%~~**36.85%** with ~~26.23%~~
 10 **26.27%** paid directly by the employer.

11 (d) For public school employees who first worked for a public
 12 school reporting unit on or after September 4, 2012, who elect
 13 defined contribution, and who participate in the personal
 14 healthcare fund, the annual level percentage of payroll
 15 contribution rate is estimated at ~~37.85%~~**31.54%** with 20.96% paid
 16 directly by the employer.

17 (e) For public school employees who first worked for a public
 18 school reporting unit before July 1, 2010, who elect defined
 19 contribution, and who are enrolled in the health premium subsidy,
 20 the annual level percentage of payroll contribution rate is
 21 estimated at ~~39.10%~~**32.79%** with 22.21% paid directly by the
 22 employer.

23 (f) For public school employees who first worked for a public
 24 school reporting unit before July 1, 2010, who elect defined
 25 contribution, and who participate in the personal healthcare fund,
 26 the annual level percentage of payroll contribution rate is
 27 estimated at ~~37.85%~~**31.54%** with 20.96% paid directly by the
 28 employer.

29 (g) For public school employees who first worked for a public



1 school reporting unit before July 1, 2010 and who participate in
 2 the personal healthcare fund, the annual level percentage of
 3 payroll contribution rate is estimated at ~~46.98%~~**40.69%** with ~~30.09%~~
 4 **30.11%** paid directly by the employer.

5 (h) For public school employees who first worked for a public
 6 school reporting unit after January 31, 2018 and who elect to
 7 become members of the MPSERS plan, the annual level percentage of
 8 payroll contribution rate is estimated at ~~44.05%~~**37.74%** with 27.16%
 9 paid directly by the employer.

10 (3) In addition to the employer payments described in
 11 subsection (2), the employer shall pay the applicable contributions
 12 to the Tier 2 plan, as determined by the public school employees
 13 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

14 (4) The contribution rates in subsection (2) reflect an
 15 amortization period of ~~15~~**14** years for ~~2023-2024~~**2024-2025**. The
 16 public school employees' retirement system board shall notify each
 17 district and intermediate district by February 28 of each fiscal
 18 year of the estimated contribution rate for the next fiscal year.

19 Sec. 147a. (1) From the state school aid fund money
 20 appropriated in section 11, there is allocated for ~~2022-2023~~ an
 21 ~~amount not to exceed \$100,000,000.00 and for 2023-2024~~**2024-2025** an
 22 amount not to exceed ~~\$100,000,000.00~~**\$402,739,000.00** for payments
 23 to participating districts, **intermediate districts, and district**
 24 **libraries to offset a portion of the retirement contributions owed**
 25 **by the entity for the fiscal year in which it is received.**

26 (2) From the state school aid fund money allocated in
 27 subsection (1), there is allocated an amount not to exceed
 28 **\$111,939,000.00 for payments to participating entities.** A
 29 participating ~~district~~**entity** that receives money under this



1 subsection shall use that money solely for the purpose of
 2 offsetting a portion of the retirement contributions owed by the
 3 ~~district~~**entity** for the fiscal year in which it is received. The
 4 amount allocated to each participating ~~district~~**entity** under this
 5 subsection is based on each participating ~~district's~~**entity's**
 6 percentage of the total statewide payroll for all participating
 7 ~~districts~~**entities** for the immediately preceding fiscal year. As
 8 used in this subsection, "~~participating district~~" means a ~~district~~
 9 ~~that is a reporting unit of the Michigan public school employees'~~
 10 ~~retirement system under the public school employees retirement act~~
 11 ~~of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports~~
 12 ~~employees to the Michigan public school employees' retirement~~
 13 ~~system for the applicable fiscal year.~~

14 (3) From the state school aid fund money allocated under
 15 subsection (1), there is allocated for 2024-2025 an amount not to
 16 exceed \$290,800,000.00 for payments to participating entities. A
 17 participating entity that receives money under this subsection
 18 shall use that money solely for the purpose of offsetting a portion
 19 of the retirement contributions owed by the entity for the fiscal
 20 year in which it is received. The amount allocated to each
 21 participating entity under this subsection is based on each
 22 participating entity's percentage of the total statewide payroll
 23 for all participating entities for the immediately preceding fiscal
 24 year. It is the intent of the legislature that funds allocated
 25 under this section will be used to reduce each participating
 26 entity's contribution cap for unfunded liability costs to an
 27 estimated 18.00%. It is the intent of the legislature to increase
 28 the amount allocated under this subsection until each participating
 29 entity's contribution cap for unfunded liability costs is



1 effectively reduced to 0.00%. It is the intent of the legislature
2 that districts and intermediate districts use the savings realized
3 under this subsection to improve classroom conditions and increase
4 educator compensation.

5 (4) ~~(2)~~—In addition to the allocation under subsection (1),
6 from the state school aid fund money appropriated under section 11,
7 there is allocated an amount not to exceed ~~\$193,935,000.00~~ for
8 ~~2022–2023~~ and an amount not to exceed ~~\$359,950,000.00~~
9 **\$365,200,000.00** for ~~2023–2024~~ **2024–2025** for payments to
10 participating ~~districts and intermediate districts and from the~~
11 ~~general fund money appropriated under section 11, there is~~
12 ~~allocated an amount not to exceed \$65,000.00 for 2022–2023 and an~~
13 ~~amount not to exceed \$100,000.00 for 2023–2024 for payments to~~
14 ~~participating district libraries.~~ **entities.** The amount allocated to
15 each participating entity under this subsection is based on each
16 participating entity's reported quarterly payroll for members that
17 became tier 1 ~~prior to~~ **before** February 1, 2018 for the current
18 fiscal year. A participating entity that receives money under this
19 subsection shall use that money solely for the purpose of
20 offsetting a portion of the normal cost contribution rate. ~~As used~~
21 ~~in this subsection:~~

22 (a) ~~"District library" means a district library established~~
23 ~~under the district library establishment act, 1989 PA 24, MCL~~
24 ~~397.171 to 397.196.~~

25 (b) ~~"Participating entity" means a district, intermediate~~
26 ~~district, or district library that is a reporting unit of the~~
27 ~~Michigan public school employees' retirement system under the~~
28 ~~public school employees retirement act of 1979, 1980 PA 300, MCL~~
29 ~~38.1301 to 38.1437, and that reports employees to the Michigan~~



1 ~~public school employees' retirement system for the applicable~~
2 ~~fiscal year.~~

3 ~~(3) In addition to the allocations under subsections (1) and~~
4 ~~(2), from the state school aid fund money appropriated in section~~
5 ~~11, there is allocated for 2023-2024 only an amount not to exceed~~
6 ~~\$11,939,000.00 for payments to participating intermediate districts~~
7 ~~and participating district libraries. A participating intermediate~~
8 ~~district or participating district library shall use that money~~
9 ~~solely for the purpose of offsetting a portion of the retirement~~
10 ~~contributions owed by the participating intermediate district or~~
11 ~~participating district library for the fiscal year in which it is~~
12 ~~received. The amount allocated to each participating intermediate~~
13 ~~district or participating district library under this subsection is~~
14 ~~calculated as follows:~~

15 ~~(a) For each participating intermediate district,~~
16 ~~\$11,912,000.00 multiplied by each participating intermediate~~
17 ~~district's percentage of the total statewide payroll for all~~
18 ~~participating intermediate districts for the immediately preceding~~
19 ~~fiscal year.~~

20 ~~(b) For each participating district library, \$27,000.00~~
21 ~~multiplied by each participating district library's percentage of~~
22 ~~the total statewide payroll for all participating district~~
23 ~~libraries for the immediately preceding fiscal year.~~

24 ~~(c) As used in this subsection:~~

25 ~~(i) "Participating district library" means a district library~~
26 ~~that is a reporting unit of the Michigan public school employees'~~
27 ~~retirement system under the public school employees retirement act~~
28 ~~of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports~~
29 ~~employees to the Michigan public school employees' retirement~~



1 ~~system for the applicable fiscal year.~~

2 ~~(ii) "Participating intermediate district" means an~~
3 ~~intermediate district that is a reporting unit of the Michigan~~
4 ~~public school employees' retirement system under the public school~~
5 ~~employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to~~
6 ~~38.1437, and that reports employees to the Michigan public school~~
7 ~~employees' retirement system for the applicable fiscal year.~~

8 (5) As used in this section, "participating entity" means a
9 district, intermediate district, or district library that is a
10 reporting unit of the Michigan public school employees' retirement
11 system under the public school employees retirement act of 1979,
12 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to
13 the Michigan public school employees' retirement system for the
14 applicable fiscal year.

15 Sec. 147c. (1) From the state school aid fund money
16 appropriated in section 11, there is allocated for ~~2023-2024-2024-~~
17 ~~2025~~ an amount not to exceed ~~\$1,647,200,000.00~~ **\$955,300,000.00** and
18 from the MPERS retirement obligation reform reserve fund money
19 appropriated in section 11, there is allocated for ~~2023-2024-2024-~~
20 ~~2025~~ only an amount needed, estimated at ~~\$215,800,000.00~~
21 **\$84,100,000.00** for payments to districts, ~~and intermediate~~
22 ~~districts,~~ **and district libraries** that are participating entities
23 of the Michigan public school employees' retirement system. ~~In~~
24 ~~addition, from the general fund money appropriated in section 11,~~
25 ~~there is allocated for 2023-2024 an amount not to exceed~~
26 ~~\$500,000.00 for payments to district libraries that are~~
27 ~~participating entities of the Michigan public school employees'~~
28 ~~retirement system.~~ It is the intent of the legislature that money
29 allocated from the MPERS retirement obligation reform reserve fund



1 under this subsection for ~~2023-2024~~**2024-2025** represents the amount
 2 necessary to reduce the payroll growth assumption to ~~0.75%~~**0.25%**.
 3 All of the following apply to funding under this subsection:

4 (a) Except as otherwise provided in this subdivision, for
 5 ~~2023-2024~~**, 2024-2025**, the amounts allocated under this subsection
 6 are estimated to provide an average MPSERS rate cap per pupil
 7 amount of ~~\$1,157.00~~**\$740.00** and are estimated to provide a rate cap
 8 per pupil for districts ranging between ~~\$4.00~~**\$2.00** and
 9 ~~\$5,020.00~~**\$2,650.00**.

10 (b) Payments made under this subsection are equal to the
 11 difference between the unfunded actuarial accrued liability
 12 contribution rate as calculated under section 41 of the public
 13 school employees retirement act of 1979, 1980 PA 300, MCL 38.1341,
 14 as calculated without taking into account the maximum employer rate
 15 of 20.96% included in section 41 of the public school employees
 16 retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum
 17 employer rate of 20.96% included in section 41 of the public school
 18 employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

19 (c) The amount allocated to each participating entity under
 20 this subsection is based on each participating entity's proportion
 21 of the total covered payroll for the immediately preceding fiscal
 22 year for the same type of participating entities. A participating
 23 entity that receives funds under this subsection shall use the
 24 funds solely for the purpose of retirement contributions as
 25 specified in subdivision (d).

26 (d) Each participating entity receiving funds under this
 27 subsection shall forward an amount equal to the amount allocated
 28 under subdivision (c) to the retirement system in a form, manner,
 29 and time frame determined by the retirement system.



1 (e) Funds allocated under this subsection should be considered
2 when comparing a district's growth in total state aid funding from
3 1 fiscal year to the next.

4 (f) ~~Not~~ **By not** later than December 20 of each fiscal year for
5 which funding is allocated under this subsection, the department
6 shall publish and post on its website an estimated MPERS rate cap
7 per pupil for each district.

8 (g) The office of retirement services shall first apply funds
9 allocated under this subsection to pension contributions and, if
10 any funds remain after that payment, shall apply those remaining
11 funds to other postemployment benefit contributions.

12 (2) As used in this section:

13 (a) "Community college" means a community college created
14 under the community college act of 1966, 1966 PA 331, MCL 389.1 to
15 389.195.

16 (b) "District library" means a district library established
17 under the district library establishment act, 1989 PA 24, MCL
18 397.171 to 397.196.

19 (c) "MPERS rate cap per pupil" means an amount equal to the
20 quotient of the district's payment under this section divided by
21 the district's pupils in membership.

22 (d) "Participating entity" means a district, intermediate
23 district, or district library that is a reporting unit of the
24 Michigan public school employees' retirement system under the
25 public school employees retirement act of 1979, 1980 PA 300, MCL
26 38.1301 to 38.1437, and that reports employees to the Michigan
27 public school employees' retirement system for the applicable
28 fiscal year.

29 (e) "Retirement system" means the Michigan public school



1 employees' retirement system under the public school employees
2 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

3 Sec. 147e. (1) From the state school aid fund money
4 appropriated in section 11, there is allocated for ~~2022-2023~~ an
5 ~~amount not to exceed \$62,000,000.00, and there is allocated for~~
6 ~~2023-2024-2024-2025~~ an amount not to exceed ~~\$90,400,000.00~~
7 **\$104,700,000.00** for payments to participating entities.

8 (2) The payment to each participating entity under this
9 section is the sum of the amounts under this subsection as follows:

10 (a) An amount equal to the contributions made by a
11 participating entity for the additional contribution made to a
12 qualified participant's Tier 2 account in an amount equal to the
13 contribution made by the qualified participant not to exceed 3% of
14 the qualified participant's compensation as provided for under
15 section 131(6) of the public school employees retirement act of
16 1979, 1980 PA 300, MCL 38.1431.

17 (b) Beginning October 1, 2017, an amount equal to the
18 contributions made by a participating entity for a qualified
19 participant who is only a Tier 2 qualified participant under
20 section 81d of the public school employees retirement act of 1979,
21 1980 PA 300, MCL 38.1381d, not to exceed 4%, and, beginning
22 February 1, 2018, not to exceed 1%, of the qualified participant's
23 compensation.

24 (c) An amount equal to the increase in employer normal cost
25 contributions under section 41b(2) of the public school employees
26 retirement act of 1979, 1980 PA 300, MCL 38.1341b, for a member
27 that was hired after February 1, 2018 and chose to participate in
28 Tier 1, compared to the employer normal cost contribution for a
29 member under section 41b(1) of the public school employees



1 retirement act of 1979, 1980 PA 300, MCL 38.1341b.

2 (3) As used in this section:

3 (a) "Member" means that term as defined under the public
4 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301
5 to 38.1437.

6 (b) "Participating entity" means a district, intermediate
7 district, or community college that is a reporting unit of the
8 Michigan public school employees' retirement system under the
9 public school employees retirement act of 1979, 1980 PA 300, MCL
10 38.1301 to 38.1437, and that reports employees to the Michigan
11 public school employees' retirement system for the applicable
12 fiscal year.

13 (c) "Qualified participant" means that term as defined under
14 section 124 of the public school employees retirement act of 1979,
15 1980 PA 300, MCL 38.1424.

16 **Sec. 147g. (1) From the state school aid fund money**
17 **appropriated in section 11, there is allocated for 2024-2025 an**
18 **amount not to exceed \$51,634,100.00 for payments to participating**
19 **entities to reimburse employees for costs associated with the**
20 **health care premium subsidy benefit.**

21 (2) The amount allocated to each participating entity under
22 this section must be based on each participating entity's
23 proportion of the total covered payroll contributing 3% of
24 compensation for the health care premium subsidy benefit under
25 section 43e of the public school employees retirement act of 1979,
26 1980 PA 300, MCL 38.1343e, for the immediately preceding fiscal
27 year.

28 (3) It is the intent of the legislature to increase the
29 allocation under this section until the 3% contribution for the



1 health care premium subsidy benefit described in subsection (2) is
2 fully reimbursed.

3 (4) As used in this section, "participating entity" means a
4 district, intermediate district, or district library that is a
5 reporting unit of the Michigan public school employees' retirement
6 system under the public school employees retirement act of 1979,
7 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to
8 the Michigan public school employees' retirement system for the
9 applicable fiscal year.

10 Sec. 152a. (1) As required by the court in the consolidated
11 cases known as *Adair v State of Michigan*, 486 Mich 468 (2010), from
12 the state school aid fund money appropriated in section 11, there
13 is allocated for ~~2023-2024~~**2024-2025** an amount not to exceed
14 \$41,000,500.00 to be used solely for the purpose of paying
15 necessary costs related to the state-mandated collection,
16 maintenance, and reporting of data to this state. From this
17 allocation, \$3,000,000.00 is allocated for costs associated with
18 collecting data necessary to provide reporting to tribal
19 governments on the status of students affiliated with their
20 particular tribe and data necessary to determine student
21 participation in federal programs funded under 20 USC 7401 to 7546
22 and participation in federal programs funded under the Johnson-
23 O'Malley Supplemental Indian Education Program Modernization Act,
24 Public Law 115-404.

25 (2) From the allocation in subsection (1), the department
26 shall make payments to districts and intermediate districts in an
27 equal amount per pupil based on the total number of pupils in
28 membership in each district and intermediate district. The
29 department shall not make any adjustment to these payments after



1 the final installment payment under section 17b is made.

2 Sec. 152b. (1) From the general fund money appropriated under
3 section 11, there is allocated an amount not to exceed
4 \$1,000,000.00 for ~~2023-2024~~ **2024-2025 only** to reimburse actual
5 costs incurred by nonpublic schools in complying with a health,
6 safety, or welfare requirement mandated by a law or administrative
7 rule of this state.

8 (2) By January 1 of each applicable fiscal year, the
9 department shall publish a form for reporting actual costs incurred
10 by a nonpublic school in complying with a health, safety, or
11 welfare requirement mandated under state law containing each
12 health, safety, or welfare requirement mandated by a law or
13 administrative rule of this state applicable to a nonpublic school
14 and with a reference to each relevant provision of law or
15 administrative rule for the requirement. The form must be posted on
16 the department's website in electronic form.

17 (3) By June 30 of each applicable fiscal year, a nonpublic
18 school seeking reimbursement for actual costs incurred in complying
19 with a health, safety, or welfare requirement under a law or
20 administrative rule of this state during each applicable school
21 year must submit a completed form described in subsection (2) to
22 the department. This section does not require a nonpublic school to
23 submit a form described in subsection (2). A nonpublic school is
24 not eligible for reimbursement under this section if the nonpublic
25 school does not submit the form described in subsection (2) in a
26 timely manner.

27 (4) By August 15 of each applicable fiscal year, the
28 department shall distribute funds to each nonpublic school that
29 submits a completed form described under subsection (2) in a timely



1 manner. The superintendent shall determine the amount of funds to
2 be paid to each nonpublic school in an amount that does not exceed
3 the nonpublic school's actual costs in complying with a health,
4 safety, or welfare requirement under a law or administrative rule
5 of this state. The superintendent shall calculate a nonpublic
6 school's actual cost in accordance with this section.

7 (5) If the funds allocated under this section are insufficient
8 to fully fund payments as otherwise calculated under this section,
9 the department shall distribute funds under this section on a
10 prorated or other equitable basis as determined by the
11 superintendent.

12 (6) The department may review the records of a nonpublic
13 school submitting a form described in subsection (2) only for the
14 limited purpose of verifying the nonpublic school's compliance with
15 this section. If a nonpublic school does not allow the department
16 to review records under this subsection, the nonpublic school is
17 not eligible for reimbursement under this section.

18 (7) The funds appropriated under this section are for purposes
19 that are incidental to teaching and the provision of educational
20 services to nonpublic school students; that are noninstructional in
21 nature; that do not constitute a primary function or element
22 necessary for a nonpublic school's existence, operation, and
23 survival; that do not involve or result in excessive religious
24 entanglement; and that are intended for the public purpose of
25 ensuring the health, safety, and welfare of the children in
26 nonpublic schools and to reimburse nonpublic schools for costs
27 described in this section.

28 (8) Funds allocated under this section are not intended to aid
29 or maintain any nonpublic school, support the attendance of any



1 student at a nonpublic school, employ any person at a nonpublic
2 school, support the attendance of any student at any location where
3 instruction is offered to a nonpublic school student, or support
4 the employment of any person at any location where instruction is
5 offered to a nonpublic school student.

6 (9) For purposes of this section, "actual cost" means the
7 hourly wage for the employee or employees performing a task or
8 tasks required to comply with a health, safety, or welfare
9 requirement under a law or administrative rule of this state
10 identified by the department under subsection (2) and is to be
11 calculated in accordance with the form published by the department
12 under subsection (2), which must include a detailed itemization of
13 costs. The nonpublic school shall not charge more than the hourly
14 wage of its lowest-paid employee capable of performing a specific
15 task regardless of whether that individual is available and
16 regardless of who actually performs a specific task. Labor costs
17 under this subsection must be estimated and charged in increments
18 of 15 minutes or more, with all partial time increments rounded
19 down. When calculating costs under subsection (4), fee components
20 must be itemized in a manner that expresses both the hourly wage
21 and the number of hours charged. The nonpublic school may not
22 charge any applicable labor charge amount to cover or partially
23 cover the cost of health or fringe benefits. A nonpublic school
24 shall not charge any overtime wages in the calculation of labor
25 costs.

26 (10) Training fees, inspection fees, and criminal background
27 check fees are considered actual costs in complying with a health,
28 safety, or welfare requirement under a law or administrative rule
29 of this state.



1 (11) The funds allocated under this section for 2022-2023 are
2 a work project appropriation, and any unexpended funds for 2022-
3 2023 are carried forward into 2023-2024. The purpose of the work
4 project is to continue to reimburse nonpublic schools for actual
5 costs incurred in complying with a health, safety, or welfare
6 requirement mandated by a law or administrative rule of this state.
7 The estimated completion date of the work project is September 30,
8 2024.

9 (12) The funds allocated under this section for 2023-2024 are
10 a work project appropriation, and any unexpended funds for 2023-
11 2024 are carried forward into 2024-2025. 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 2025.

17 **(13) The funds allocated under this section for 2024-2025 are**
18 **a work project appropriation, and any unexpended funds for 2024-**
19 **2025 are carried forward into 2025-2026. 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 **2026.**

25 (14) ~~(13)~~—The department shall reimburse nonpublic schools for
26 actual costs incurred in complying with health, safety, or welfare
27 requirements under a law or administrative rule of this state from
28 2017-2018 through 2022-2023 using work project funds or, if those
29 funds are insufficient to fund reimbursements under this



1 subsection, from the allocation under subsection (1).

2 Sec. 163. (1) Except as otherwise provided in the revised
3 school code, the board of a district or intermediate district shall
4 not permit any of the following:

5 (a) An individual who is not appropriately placed under a
6 valid certificate, valid substitute permit, authorization, or
7 approval issued under rules promulgated by the department to teach
8 in an elementary or secondary school.

9 (b) An individual who does not satisfy the requirements of
10 section 1233 of the revised school code, MCL 380.1233, and rules
11 promulgated by the department to provide school counselor services
12 to pupils in an elementary or secondary school.

13 (c) An individual who does not satisfy the requirements of
14 section 1246 of the revised school code, MCL 380.1246, and rules
15 promulgated by the department to be employed as a superintendent,
16 principal, or assistant principal, or as an individual whose
17 primary responsibility is to administer instructional programs in
18 an elementary or secondary school or in a district or intermediate
19 district, unless the individual is working under a valid substitute
20 permit issued under rules promulgated by the department.

21 (2) ~~Except as otherwise provided in the revised school code,~~
22 ~~this subsection, or subsection (4) or (7), a district or~~
23 ~~intermediate district employing an individual in violation of this~~
24 ~~section before July 1, 2021 must have deducted an amount equal to~~
25 ~~the amount paid to the individual for the period of employment that~~
26 ~~is in violation of this section. Except as otherwise provided under~~
27 ~~subsection (4) or (7), (5), a district or intermediate district~~
28 ~~employing an individual in violation of this section on or after~~
29 ~~July 1, 2021 must have deducted an amount equal to 50% of the~~



1 amount paid to the individual for the period of employment that is
 2 in violation of this section. Except as otherwise provided under
 3 subsection (4) **or (5)**, ~~beginning July 1, 2021,~~ if a district or
 4 intermediate district is notified by the department that it is
 5 employing an individual in violation of this section and it
 6 continues to employ the individual in violation of this section 10
 7 business days after receiving the notification, both of the
 8 following apply:

9 (a) The district or intermediate district must have deducted
 10 an amount equal to 50% of the amount paid to the individual for the
 11 period of employment that is in violation of this section that
 12 occurs before the expiration of the 10-day period described in this
 13 subsection.

14 (b) The district or intermediate district must have deducted
 15 an amount equal to 100% of the amount paid to the individual for
 16 the period of employment that is in violation of this section that
 17 occurs after the 10-day period described in this subsection.

18 (3) For purposes of subsection (2), if a district or
 19 intermediate district on behalf of an individual or an individual
 20 successfully completes the credential application process through
 21 the department, including the submission of an appropriate
 22 application, required fees, and all required supporting
 23 documentation, the individual's employment with the district or
 24 intermediate district after this completion is not considered a
 25 period of employment that is in violation of this section.

26 (4) A deduction under subsection (2) for employment in
 27 violation of this section ~~that occurs on or after July 1, 2021,~~ may
 28 be less than the amount required under that subsection if the
 29 superintendent of public instruction finds that the district or



1 intermediate district was hindered in its ability to obtain a
 2 substitute credential to enable the district or intermediate
 3 district to employ the individual in compliance with this section
 4 due to unusual and extenuating circumstances resulting from
 5 conditions not within the control of school authorities, including,
 6 but not limited to, a natural disaster, death or serious illness of
 7 the individual or another employee, an emergency school closure,
 8 fraud or other intentional wrongdoing of the individual or another
 9 employee, or an emergency health condition as defined by city,
 10 county, or state health authorities.

11 ~~(5) For~~ **There must be no deduction under subsection (2) for**
 12 employment of an individual ~~in violation of this section that~~
 13 ~~occurs on or after July 1, 2021, upon request by a district or~~
 14 ~~intermediate district, the department shall credit the amount of an~~
 15 ~~adjustment in payments under section 15 that is based on the~~
 16 ~~employment of the individual that gave rise to the deduction under~~
 17 ~~subsection (2) or (4) against the amount of the deduction under~~
 18 ~~subsection (2) or (4). The amount of the credit under this~~
 19 ~~subsection must not be in an amount that is greater than the~~
 20 ~~deduction assessed under subsection (2) or (4).~~ **if there is a**
 21 **membership adjustment under section 15 based on the same**
 22 **employment.**

23 (6) If a school official is notified by the department that
 24 the school official is employing an individual in violation of this
 25 section and knowingly continues to employ that individual, the
 26 school official is guilty of a misdemeanor punishable by a fine of
 27 \$1,500.00 for each incident. This penalty is in addition to all
 28 other financial penalties otherwise specified in this article.

29 ~~(7) There must be no deduction under subsection (2) for a~~



~~1 period of employment in violation of this section that occurs
2 between July 1, 2020 and June 30, 2021.~~

3 **Sec. 164j. A district or intermediate district shall not use**
4 **funds appropriated under this article to pay for litigation or**
5 **legal services in regard to disputes arising out of alleged**
6 **violations of section 15 of 1947 PA 336, MCL 423.215. If a district**
7 **or intermediate district violates this section in a fiscal year,**
8 **the district or intermediate district forfeits from its funds due**
9 **under this article for that fiscal year an amount equal to the**
10 **expenses paid in violation of this section.**

11 Enacting section 1. In accordance with section 30 of article
12 IX of the state constitution of 1963, total state spending on
13 school aid under article I of the state school aid act of 1979,
14 1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2023 PA 103,
15 2023 PA 320, and this amendatory act from state sources for fiscal
16 year 2023-2024 is estimated at \$19,349,157,800.00 and state
17 appropriations for school aid to be paid to local units of
18 government for fiscal year 2023-2024 are estimated at
19 \$17,641,328,800.00. In accordance with section 30 of article IX of
20 the state constitution of 1963, total state spending on school aid
21 under article I of the state school aid act of 1979, 1979 PA 94,
22 MCL 388.1601 to 388.1772, as amended by this amendatory act, from
23 state sources for fiscal year 2024-2025 is estimated at
24 \$18,271,805,900.00 and state appropriations for school aid to be
25 paid to local units of government for fiscal year 2024-2025 are
26 estimated at \$16,642,047,000.00.

27 Enacting section 2. Sections 11v, 11w, 11y, 11aa, 12a, 12c,
28 22c, 23h, 25k, 27h, 27i, 27j, 27k, 27l, 27q, 31k, 31r, 31ff, 32t,
29 32v, 32w, 32x, 35f, 35i, 35l, 61j, 61k, 61l, 61m, 61n, 61o, 61p,



1 61q, 61r, 61t, 61u, 67c, 67g, 74b, 97e, 97g, 97j, 97l, 99f, 99m,
 2 99n, 99ee, 99ff, 99ii, 99jj, 99kk, 99ll, 104f, 104i, 107a, 147f, and
 3 164h of the state school aid act of 1979, 1979 PA 94, MCL
 4 388.1611v, 388.1611w, 388.1611y, 388.1611aa, 388.1612a, 388.1612c,
 5 388.1622c, 388.1623h, 388.1625k, 388.1627h, 388.1627i, 388.1627j,
 6 388.1627k, 388.1627l, 388.1627q, 388.1631k, 388.1631r, 388.1631ff,
 7 388.1632t, 388.1632v, 388.1632w, 388.1632x, 388.1635f, 388.1635i,
 8 388.1635l, 388.1661j, 388.1661k, 388.1661l, 388.1661m, 388.1661n,
 9 388.1661o, 388.1661p, 388.1661q, 388.1661r, 388.1661t, 388.1661u,
 10 388.1667c, 388.1667g, 388.1674b, 388.1697e, 388.1697g, 388.1697j
 11 388.1697l, 388.1699f, 388.1699m, 388.1699n, 388.1699ee, 388.1699ff,
 12 388.1699ii, 388.1699jj, 388.1699kk, 388.1699ll, 388.1704f,
 13 388.1704i, 388.1707a, 388.1747f, and 388.1764h, are repealed
 14 effective October 1, 2024.

15 Enacting section 3. (1) Sections 11, 22a, 22b, 23g, 26c, 27n,
 16 30d, 31a, 33, 35j, 51a, 51c, 51e, 56, 62, 94e, and 99 of the state
 17 school aid act of 1979, 1979 PA 94, MCL 388.1611, 388.1622a,
 18 388.1622b, 388.1623g, 388.1626c, 388.1627n, 388.1630d, 388.1631a,
 19 388.1633, 388.1635j, 388.1651a, 388.1651c, 388.1651e, 388.1651h,
 20 388.1656, and 388.1662, as amended and sections 51h, 94e, and 99 of
 21 the state school aid act of 1979, 1979 PA 94, as added by this
 22 amendatory act, if granted immediate effect pursuant to section 27
 23 of article IV of the state constitution of 1963, take effect on
 24 enactment of this amendatory act.

25 (2) Except as otherwise provided for those sections listed in
 26 subsection (1), the remaining sections of this amendatory act take
 27 effect October 1, 2024.

