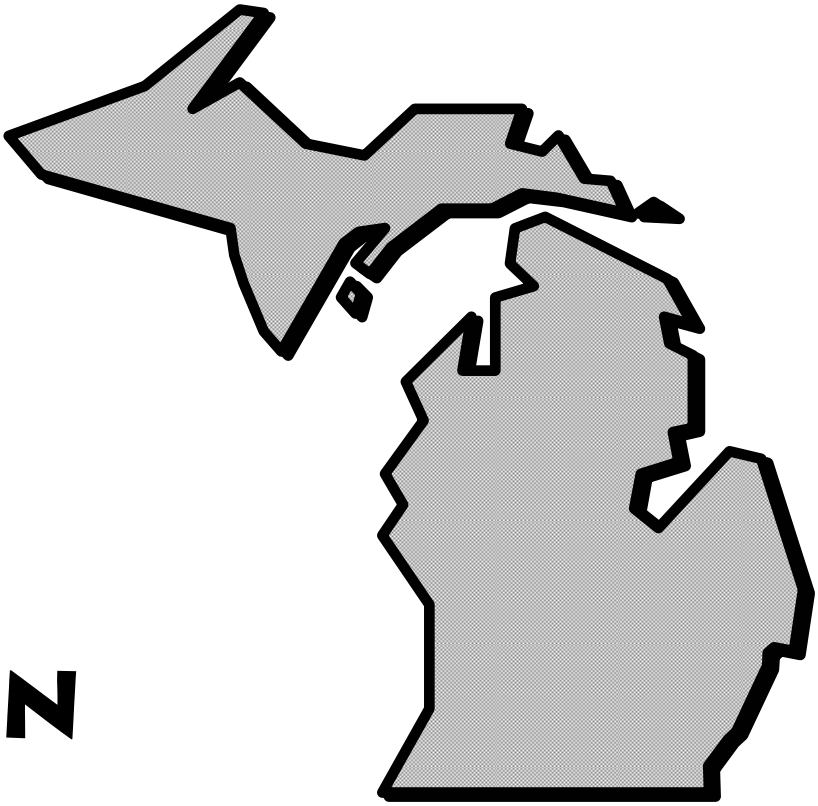

THE MICHIGAN

SCHOOL AID ACT COMPILED

AND APPENDICES

HOUSE FISCAL AGENCY

NOVEMBER 2006

Michigan School Aid Act Compiled
© 2006 Legislative Council, State of Michigan
All rights reserved
Printed in the United States of America

FOREWORD

In the 1994-95 state fiscal year, the House and Senate Fiscal Agencies jointly published a document relating to the School Aid Act. This document continues the tradition by combining the Michigan School Aid Act Compiled with a set of appendices that describe the Foundation Allowance approach that is now central to Michigan's funding of public schools.

This version of the Act, updated through 2006 PA 366, was compiled in September 2006 by the Legal Editing Division of the Legislative Service Bureau, a Legislative Council Agency.

Appendices to this document were produced by Kirk Sanderson and Kathryn summers-Coty, School Aid analysts at the Senate Fiscal Agency (SFA), and Mary Ann Cleary and Bethany Wicksall, School Aid analysts at the House Fiscal Agency (HFA). Jeanne Dee, HFA Administrative Assistant, prepared the document for publication.

Questions about Michigan's school finance system should be directed to a School Aid Analyst at either the House Fiscal Agency or the Senate Fiscal Agency. Analysts and contact information for both agencies are listed below.

Gary S. Olson, Director

SENATE FISCAL AGENCY
Victor Office Center, Suite 800
201 North Washington Square, P.O. Box 30036
Lansing, MI 48909-7536
Phone: (517) 373-2768 ▪ Fax: (517) 373-1986
TDD: (517) 373-0543
Internet: www.senate.michigan.gov/sfa

Mitchell E. Bean, Director

HOUSE FISCAL AGENCY
4th Floor North, Anderson House Office Building
124 North Capitol, P.O. Box 30014
Lansing, MI 48909-7514
Phone: (517) 373-8080 ▪ Fax: (517) 373-5874
Internet: www.house.mi.gov/hfa

SFA School Aid Analysts
Kirk Sanderson ksanderson@senate.mi.gov
Kathryn Summers-Coty ksummers@senate.mi.gov

HFA School Aid Analysts
Mary Ann Cleary mcleary@house.mi.gov
Bethany Wicksall bwicksall@house.mi.gov

CONTENTS

The State School Aid Act of 1979 (as amended) ..... 1 – 165

APPENDICES

State School Aid Act Appropriations: FY 2005-06 and FY 2006-07 ..... A-1 – A-2

Description of Allocation Sections ..... B-1 – B-18

Sample Calculations: Foundation Allowances, Special Education Funding, and The Three-Tier Payment System ..... C-1 – C-9

Schools of Choice Deadlines D-1

Federal Grant Programs: FY 2006-07 ..... E-1 – E-4

Public Acts Amending the State School Aid Act: September 2000 Through August 2006 ..... F-1 – F-2

Michigan Public School Academies: FY 2006-07 ..... G-1 – G-6

Foundation Allowances by School District: FY 2006-07 ..... H-1 – H-10

Compiled Act Index: Major Page References ..... I-1 – I-3

THE STATE SCHOOL AID ACT OF 1979
ACT 94 OF 1979

Page	Section	Description
		ARTICLE 1
1	388.1601	Short title.
1	388.1602	Meanings of words and phrases.
2	388.1603	Definitions; A to D.
2	388.1604	Definitions; E to H.
3	388.1605	Definitions; I.
3	388.1606	Additional definitions.
11	388.1606a	Supplemental pupil count.
11	388.1606b	Enrollment of nonresident pupil; counting pupil in membership; adjustment of educating district's pupil count.
11	388.1606c, 388.1606d	Repealed.
12	388.1607	Expenditures included in costs for school operating purposes.
12	388.1608	Repealed.
12	388.1608a	Grades K-3 average pupil count; report.
12	388.1608b	Public school academy district code; assignment.
12	388.1608c	Repealed.
12	388.1609	Repealed.
12	388.1610	Repealed.
12	388.1611	Appropriations.
15	388.1611a	School aid stabilization fund; creation; deposit; expenditure; investment; money remaining at close of fiscal year; shortfall; full funding.
16	388.1611b	Repealed.
16	388.1611c	Repealed.
16	388.1611d	Repealed.
16	388.1611e	Repealed.
16	388.1611f	Payments to non-plaintiff districts pursuant to Durant v State of Michigan; payments for fiscal years ending September 30, 2007 through September 30, 2008; submission of waiver resolution; creation of obligation or liability; offer of settlement and compromise; payment date; use of payments; form and substance of resolution; early intervening program.
19	388.1611g	Payments to non-plaintiff districts pursuant to Durant v State of Michigan; payments for fiscal years ending September 30, 2007 through September 30, 2013; waiver resolution; offers of settlement and compromise; creation of obligation or liability; calculation of amount; payment date; use of funds.
20	388.1611h	Amounts to districts for settlement, compromise, and resolution of claims pursuant to Durant v State of Michigan; section not to be construed as admission of liability or waiver of defense.
32	388.1611i	Borrowing money and issuing bonds.
33	388.1611j	School loan bond redemption fund; allocation.
33	388.1611k	School loan revolving fund; allocation; definition.
33	388.1611m	Fiscal year cash-flow borrowing costs; allocation.
34	388.1612	Repealed.
34	388.1613	Apportionments and limitations of apportionments; basis; counting pupil membership and professionals.
34	388.1614	Defective data; duties of department.
34	388.1615	Apportionment of deficiency or deduction of excess in next apportionment; state aid overpayments to districts other than overpayments for special education; deduction due to adjustment as result of audit or incorrect payment; funding expenditures caused by write-off of prior year accruals; additional appropriation.
35	388.1616	Repealed.
35	388.1617	Repealed.
35	388.1617a	Withholding payment district or intermediate district entitled to receive under act; extent; plan for financing outstanding obligation defaulted upon by district or intermediate district; use of amounts withheld; agreement assigning or pledging payment; statement; "trustee of a pooled arrangement" defined.
36	388.1617b	Amounts to be distributed in installments to districts; electronic files; payments; warrant; adjustments; grant payments; advance release of funds.
37	388.1617c	Repealed.
37	388.1618	Application of money received under act; determining reasonableness of expenditures; withholding apportionment for violation; availability of budget revisions on website; audit; manuals; reports; retention of property by public school academy; failure to comply with subsections (3), (4), (5), and (6).
39	388.1618a	Grant funds to be expended by end of school year; effect of funds not expended; return of unexpended funds.
39	388.1618b	Property of public school academy to be transferred to this state.
40	388.1618c	Contract between public school administrator and third party.
40	388.1618d	Repealed.
40	388.1619	Compliance; information to be provided for annual progress report; report of graduation and dropout rates; educational personnel; information relating to safety practices and criminal incidents; failure to comply with certain requirements; list of schools or districts failing to make adequate yearly progress; appeal of determination; publication of list.
41	388.1619a-388.1619c	Repealed.
		ARTICLE 2
41	388.1620	Foundation allowance per membership pupil; payments to districts, public school academies, and university schools; definitions.
48	388.1620a	Repealed.
48	388.1620b	Repealed.
48	388.1620c	Repealed.
48	388.1620d	Requirements for final determination under §§ 388.1620 and 388.1620a.
49	388.1620e, 388.1620f	Repealed.
49	388.1620g	Repealed.
49	388.1620h, 388.1620i	Repealed.
49	388.1620j	Foundation allowance supplemental payments; amounts.
50	388.1620k	Reduction in district's state school aid; determining maximum number of mills district may levy.
50	388.1621, 388.1621a	Repealed.
50	388.1621b	Tuition and fee support for pupil attending postsecondary institution.
51	388.1621c	Repealed.
51	388.1621d	Repealed.
51	388.1621e	Repealed.

Page	Section	Description
51	388.1622	Repealed.
51	388.1622a	Allocation for 2005-2006 and 2006-2007; payments to districts, university schools, and public school academies; definitions.
54	388.1622b	Allocations for 2005-2006 and 2006-2007; discretionary nonmandated payments; duties of district; payments for litigation costs; allegation of unfunded constitutional requirement; escrowed funds as work project; use; determination; review of claim by local claims review board; removal to court of appeals; payment provisions.
55	388.1622c	Equity payments to certain districts.
56	388.1622d	Geographically isolated districts; additional payments; eligibility; spending plan.
56	388.1623	Instructional program operated by public university.
57	388.1623a-388.1623c	Repealed.
57	388.1623d	Repealed.
57	388.1623e	Repealed.
57	388.1624	Allocations for 2006-2007; payments for educating students assigned by court or department of human services; allocations; definitions; funding for department-approved on-grounds educational program.
59	388.1624a	Allocations for 2006-2007; payments to intermediate districts for pupils placed in juvenile justice service facilities.
59	388.1624b	Parents or legal guardian residing in different districts; enrollment of child.
59	388.1624c	Allocations for 2006-2007; payments to districts for pupils enrolled in youth challenge program.
60	388.1625	Enrollment of expelled pupil enrolled in alternative education program or strict discipline academy; report; payment; information provided to department and district.
60	388.1625a	Payment of amount to educating district; information provided by district in which pupil counted in membership and educating district.
61	388.1625b	Applicability of section to educating district not first class; conditions; "educating district" defined.
62	388.1625c	Applicability of section to educating district of first class; conditions; "educating district" defined.
63	388.1626	Receipt or reduction of funds by district or intermediate district.
63	388.1626a	Reimbursements to districts, intermediate districts, and school aid fund pursuant to MCL 125.2692; time of allocations.
63	388.1626b	Payments in lieu of tax obligation pursuant to MCL 324.2154; payments to districts, intermediate districts, and community college districts.
64	388.1627, 388.1628	Repealed.
64	388.1628a	Repealed.
64	388.1629	Declining enrollment assistance; payments to eligible districts; "average pupil membership" defined.

ARTICLE 3

Page	Section	Description
65	388.1631	Repealed.
65	388.1631a	Funding to eligible districts and public school academies; additional allowance; early intervening program; number of pupils meeting criteria for free breakfast, lunch, or milk; "at-risk pupil" defined.
69	388.1631b	Repealed.
69	388.1631c	Pupils whose parent or parents are incarcerated; pilot programs.
70	388.1631d	Reimbursement to districts providing school lunch programs.
71	388.1631e	Repealed.
71	388.1631f	Breakfast program costs; reimbursement payments
71	388.1632	Repealed.
72	388.1632a	Repealed.
72	388.1632b	Early childhood investment corporation; grants.
73	388.1632c	Grants for community-based collaborative prevention services; distribution of funds through joint request for proposals process; requirements; agreement; report.
74	388.1632d	School readiness or preschool and parenting program grants; evaluation; contract; report; "employment status" defined.
75	388.1632e	Repealed.
75	388.1632f	Repealed.
75	388.1632g, 388.1632h	Repealed.
75	388.1632i	Repealed.
75	388.1632j	Programs for parents with preschool children.
77	388.1632k	Before- or after-school programs.
78	388.1632l	Competitive school readiness program grants.
80	388.1632m	Providing preschool children with book each month; grants; programs.
81	388.1633	Repealed.
81	388.1634	Appropriation of funds for 2006-2007; grants.
82	388.1634a	Repealed.
83	388.1635	Repealed.
83	388.1636, 388.1636a	Repealed.
83	388.1637	Eligibility of district for allocation under MCL 388.1632d; preapplication; final application; consortium; submission of resolution showing certain risk factors.
85	388.1637a	Repealed.
85	388.1638	Number of prekindergarten children in need of special readiness assistance; calculation.
86	388.1639	Tentative allocation to eligible district under MCL 388.1632d; priority in funding; contingency; supplementary day care; district with 315 or more eligible pupils; additional eligible children; full-day program; definition.
87	388.1639a	Allocation of federal funds; definitions.

ARTICLE 4

Page	Section	Description
89	388.1640	Children in need of special readiness assistance; alternative methods of determining number; review; report.
90	388.1641	Instruction for pupils of limited English-speaking ability; allocation; reimbursement; use of funds.
90	388.1641a	Instruction for pupils of limited English-speaking ability; federal funds.
91	388.1645-388.1648	Repealed.

ARTICLE 5

Page	Section	Description
91	388.1651	Repealed.
91	388.1651a	Allocations for reimbursement to districts and intermediate districts for special education programs, services, and personnel, certain net tuition payments, and programs for pupils eligible for special education programs; allocation of state and federal funds; reimbursement; total payment; adjustments; rights, benefits, and tenure of transferred personnel; refund; foundation allowance; order of expenditures.
95	388.1651b	Funding; compliance with rules.

Page	Section	Description
96	388.1651c	Reimbursement for percentage of special education and special education transportation costs.
96	388.1651d	Federally funded special education programs; distribution; payment schedule; "DED-OSERS" defined.
97	388.1652	Special education programs and services; reimbursement; limitation.
97	388.1653	Repealed.
97	388.1653a	Special education programs and services; reimbursement of total approved costs; limitation; costs of transportation; allocation.
98	388.1654	Intermediate district to receive amount for pupil attending Michigan schools for the deaf and blind.
99	388.1654a	Lending library at central Michigan university.
99	388.1654b	Conductive learning center; study.
100	388.1655	Repealed.
100	388.1656	Definitions; reimbursement to intermediate districts levying millages for special education; limitation; distribution plan; computation.
101	388.1657	Advanced and accelerated students; grants.
102	388.1657a	International baccalaureate diploma program or international baccalaureate middle years program.
103	388.1658	Special education transportation services; basis.

ARTICLE 6

103	388.1661	Repealed.
103	388.1661a	Vocational-technical programs; added cost; reimbursement for local vocational administration, shared-time vocational administration, and career education planning district vocational-technical administration; allocation.
104	388.1662	Definitions; vocational-technical education programs; limitation.
105	388.1663	Repealed.
105	388.1664	Middle college focused on field of health sciences; grants; awards; "middle college" defined.
106	388.1665	Precollege programs in engineering and sciences; report.
107	388.1666	Repealed.
107	388.1667	Repealed.
107	388.1668	Repealed.

ARTICLE 7

107	388.1671, 388.1672	Repealed.
107	388.1673	Repealed.
107	388.1674	School bus driver safety instruction or driver skills road tests; cost of instruction and driver compensation; nonspecial education auxiliary services transportation; inspection by department of state police; reimbursement.
108	388.1675	Repealed.
108	388.1676	Funding for transporting nonpublic school students.

ARTICLE 8

109	388.1681	Allocations to intermediate districts; amounts; report of adjustment and amount of increase; expanded professional development opportunities for teachers; consolidated, annexed, or attached districts; employment of person trained in pupil counting.
110	388.1681a	Repealed.
110	388.1683	Repealed.
110	388.1684	Repealed.
110	388.1685	Repealed.
110	388.1686	Repealed.

ARTICLE 9

110	388.1690	Repealed.
110	388.1691	Repealed.
111	388.1691a	Cessation of pilot intermediate district schools of choice program; enrollment of nonresident pupil in district.
111	388.1691b	Repealed.
111	388.1691c	Transfer student; eligibility to participate in interscholastic athletic competition.
111	388.1692a	Repealed.
111	388.1693	Repealed.
111	388.1694	Repealed.
111	388.1694a	Center for educational performance and information.
114	388.1695	Repealed.
114	388.1696	Repealed.
114	388.1697	Repealed.
114	388.1698	Michigan virtual high school; powers and duties of Michigan virtual university.
117	388.1698a	Repealed.
117	388.1698b	Freedom to learn program.
120	388.1698c	Web-based practice assessment and classroom remediation program.
120	388.1699	Mathematics and science centers.
122	388.1699a	Repealed.
122	388.1699b	Repealed.
122	388.1699c	Middle school mathematics initiative.
123	388.1699d	Purchase of automated external defibrillators.
123	388.1699e	Allocation to districts having reduced foundation allowance; conditions.
124	388.1699f	School building security mapping.
125	388.1699g	Expansion of school-based crisis intervention project.
125	388.1699h	FIRST robotics competitions.

ARTICLE 10

126	388.1701	Eligibility to receive state aid; filing certified and sworn copy of enrollment; failure to file; withholding state aid; falsification; minimum hours of pupil instruction; forfeiture; certification; strikes or teachers' conferences; rules; hours not counted as pupil instruction; alternative scheduling program; certification of planned number of hours of pupil instruction; conditions requiring forfeiture; waiver for alternative education program; counting qualifying professional development as pupil instruction.
130	388.1701a	Repealed.
130	388.1702	Deficit budget or operating deficit prohibited; release of state aid payments; report; amount of permissible deficit; monthly monitoring report; plan to eliminate deficit; district considered to have incurred deficit.
131	388.1703	Repealed.
131	388.1704	Compliance with federal no child left behind act of 2001; allocation of federal funds.
131	388.1704a	State assessments to high school pupils.
135	388.1704b	Michigan merit examination.
138	388.1705	Counting nonresident pupils in membership; application for enrollment; procedures.
141	388.1705a	Repealed.
141	388.1705b	Intermediate district operating under pilot schools of choice program.

Page	Section	Description
141	388.1705c	Enrollment by nonresident applicants residing in district located in a contiguous intermediate district.
145	388.1706	Pupils not counted in membership.
145	388.1707	Allocation for adult education programs.
149	388.1707a	Repealed.
149	388.1707b	Repealed.
149	388.1707c, 388.1707d	Repealed.
149	388.1707e	Repealed.
150	388.1707f	Repealed.
150	388.1708	Repealed.
150	388.1709	Providing appropriate instructional services to pupil requiring hospitalization or confinement at home.

ARTICLE 11

150	388.1711	Tuition rates; computation; uniformity.
151	388.1712	Full-day kindergarten; tuition or fee prohibited.
151	388.1713	Repealed.
151	388.1716	Repealed.
151	388.1717	Repealed.
151	388.1718	Conditions for allotment or payment; failure to pay full amount; remittance; deduction from school aid.

ARTICLE 12

151	388.1721	Valuation of district; adjustments.
152	388.1721a	Repealed.
152	388.1722	Deducting valuation of property from valuation of district; condition; credit as lien; payment of school aid fund.
152	388.1724	Reducing valuation of district when taxes paid under certain conditions; credits as lien against district; payment to school aid fund; implementation of subsection (2).

ARTICLE 14

153	388.1743-388.1744a	Repealed.
153	388.1745	Repealed.
153	388.1746	Repealed.
153	388.1746a	Repealed.
153	388.1747	Allocations to public school employees' retirement system.
154	388.1748, 388.1749	Repealed.
154	388.1749a, 388.1749c	Repealed.

ARTICLE 15

154	388.1751	Statement of taxable value; duty of tax tribunal; report.
155	388.1752	Reports for determination of allocation of funds; information; reports of educational progress.
155	388.1752a	Repealed.
155	388.1753	Furnishing information to legislative fiscal agencies.
155	388.1754	Repealed.
155	388.1755	Repealed.
155	388.1756, 388.1757	Repealed.
155	388.1758	Repealed.
155	388.1758a	Repealed.
156	388.1758b	Report by district receiving federal impact aid.
156	388.1758c	Repealed.
156	388.1759	Repealed.

ARTICLE 16

156	388.1761	Violation as misdemeanor; penalty.
156	388.1761a	False report; court order.
157	388.1762	Failure to file reports; forfeiture of funds.
157	388.1763	Prohibited conduct; deduction; notice; misdemeanor; penalty.
157	388.1763a	Enrollment of homeless child; definition.
158	388.1764	Forfeiture of amount equal to expenditure for cars or chauffeurs.
158	388.1764a	Receipt by school administrator of monetary payment in lieu of unused vacation or personal leave.
158	388.1764b	Payment or reimbursement of board member expenses.
158	388.1764c	Purchase of foreign goods or services.
159	388.1764d	Adoption, implementation, or issuance of certain policies, practices, or statements; prohibition.
159	388.1764e	Student teaching; employment discrimination prohibited.
159	388.1765	Reimbursement by entity in contractual shared time agreement.
159	388.1766	Dispensing or distributing family planning or drug or device, dispensing prescriptions for family planning drug, or making referrals for abortion; forfeiture.
160	388.1766a	Instruction in reproductive health or other sex education; complaint process.
161	388.1766b	Minor enrolled in nonpublic school or home school.
162	388.1766d	Repealed.
162	388.1766e	Construction of new building, or addition to or repair or renovation of existing building; use of competitive bid process.
162	388.1767	Plan for compliance with MCL 333.9209 and 380.1177; report of immunization status; districts subject to subsection (4); failure to comply with section; pupil relocated in state due to natural disaster.
163	388.1767a	Repealed.
164	388.1768	Access to records; audit.
164	388.1768a	Removing or contracting to remove asbestos.
164	388.1769	State aid to public school academies.
164	388.1769a	Michigan schools for the deaf and blind; information about residential programs; interference with right or ability prohibited; educational placement options.
165	388.1769b	Contract in which board member has conflict of interest; abstention from voting.

ARTICLE 17

165	388.1771	Repeal of §§ 388.1401 to 388.1572; certain references considered references to former act.
165	388.1771a	Repealed.
165	388.1772	Effective date.

THE STATE SCHOOL AID ACT OF 1979

Act 94 of 1979

AN ACT to make appropriations to aid in the support of the public schools and the intermediate school districts of the state; to make appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to supplement the school aid fund by the levy and collection of certain taxes; to authorize the issuance of certain bonds and provide for the security of those bonds; to prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to create certain funds and provide for their expenditure; to prescribe penalties; and to repeal acts and parts of acts.

History: 1979, Act 94, Eff. Oct. 1, 1979;-- Am. 1988, Act 318, Eff. Oct. 1, 1988;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003

Compiler's Notes: Sec. 42, as added by Act 207 of 1990, was vetoed by the governor on July 27, 1990. Secs. 43, 92, and 111a, as added by Act 118 of 1991, were vetoed by the governor on October 11, 1991. Sec. 71a, as added by Act 283 of 1994, was vetoed by the governor on July 9, 1994. Secs. 20h, 28b, 56a, and 94a, as added by Act 130 of 1995, were vetoed by the governor on June 30, 1995. Secs. 29 and 95a, as added by Act 300 of 1996, were vetoed by the governor on June 19, 1996. Sec. 11e, as added by Act 372 of 1996, was vetoed by the governor July 3, 1996. Sec. 11j, Sec. 11k, and Sec. 31b, as added by Act 339 of 1998, were vetoed by the governor on October 13, 1998. Secs. 20k and 34, as added by Act 119 of 1999, were vetoed by the governor on July 19, 1999. Secs. 11j and 11l, as added by Act 297 of 2000, were vetoed by the governor on June 26, 2000. Secs. 22d, 22e, and 55a, as added by Act 158 of 2003, were vetoed by the governor on August 11, 2003.

The People of the State of Michigan enact:

Article I

388.1601 Short title.

Sec. 1.

The act shall be known and may be cited as "the state school aid act of 1979".

History: 1979, Act 94, Eff. Oct. 1, 1979

Compiler's Notes: For creation of Michigan public educational facilities authority within department of treasury; transfer of certain powers and duties from Michigan strategic fund and Michigan strategic fund board of directors to Michigan public educational facilities authority and Michigan public educational facilities authority board of trustees; transfer of certain powers and duties of Michigan municipal bond authority and Michigan municipal bond authority board of trustees to Michigan public and educational facilities authority and Michigan public education facilities authority board of trustees, see E.R.O. No. 2002-3, compiled at § 12.192 of the Michigan Compiled Laws.

388.1602 Meanings of words and phrases.

Sec. 2.

For the purposes of this act the words and phrases defined in sections 3 to 6 have the meanings ascribed to them in those sections.

History: 1979, Act 94, Eff. Oct. 1, 1979

388.1603 Definitions; A to D.

Sec. 3.

(1) "Average daily attendance", for the purposes of complying with federal law and except as used in section 6(4)(bb), means 92% of the membership as defined in section 6(4).

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

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

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

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

(6) "District" means a local school district established under the revised school code, a local act school district, or, except in sections 6(4), 6(6), 13, 20, 22a, 23, 31a, 105, and 105c, a public school academy. Except in sections 6(4), 6(6), 13, 20, 22a, 105, and 105c, district also includes a university school.

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

(8) "District superintendent" means the superintendent of a district, the chief administrator of a public school academy, or the chief administrator of a university school.

History: 1979, Act 94, Eff. Oct. 1, 1979;-- Am. 1988, Act 509, Imd. Eff. Dec. 29, 1988;-- Am. 1989, Act 235, Imd. Eff. Dec. 21, 1989;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991;-- Am. 1991, Act 200, Imd. Eff. Jan. 2, 1992;-- Am. 1992, Act 148, Eff. Oct. 1, 1992;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 360, Imd. Eff. Dec. 22, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995;-- Am. 1996, Act 180, Imd. Eff. Apr. 19, 1996;-- Am. 1996, Act 300, Eff. Oct. 1, 1996;-- Am. 1997, Act 93, Eff. Oct. 1, 1997;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000;-- Am. 2003, Act 158, Eff. Oct. 1, 2003;-- Am. 2004, Act 351, Eff. Oct. 1, 2004;-- Am. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 155 provides: " Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00. (2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1604 Definitions; E to H.

Sec. 4.

(1) "Elementary pupil" means a pupil in membership in grades K to 8 in a district not maintaining classes above the eighth grade or in grades K to 6 in a district maintaining classes above the eighth grade.

(2) "Extended school year" means an educational program conducted by a district in which pupils must be enrolled but not necessarily in attendance on the pupil membership count day in an extended year

program. The mandatory clock hours shall be completed by each pupil not more than 365 calendar days after the pupil's first day of classes for the school year prescribed. The department shall prescribe pupil, personnel, and other reporting requirements for the educational program.

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

(4) "General educational development testing preparation program" means a program that has high school level courses in English language arts, social studies, science, and mathematics and that prepares a person to successfully complete the general educational development (GED) test.

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

History: 1979, Act 94, Eff. Oct. 1, 1979;-- Am. 1985, Act 110, Eff. Oct. 1, 1985;-- Am. 1995, Act 130, Eff. Oct. 1, 1995;-- Am. 2004, Act 351, Eff. Oct. 1, 2004;-- Am. 2005, Act 155, Eff. Oct. 1, 2005

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."

388.1605 Definitions; I.

Sec. 5.

(1) "Intermediate board" means the governing body of an intermediate district.

(2) "Intermediate district" means an intermediate school district established under part 7 of the revised school code.

(3) "Intermediate superintendent" means the superintendent of an intermediate district.

History: 1979, Act 94, Eff. Oct. 1, 1979;-- Am. 1993, Act 336, Eff. Oct. 1, 1994;-- Am. 1995, Act 130, Eff. Oct. 1, 1995;-- Am. 1996, Act 300, Eff. Oct. 1, 1996

388.1606 Additional definitions.

Sec. 6.

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

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

(3) "District and high school graduation report" means a report of the number of pupils, excluding adult participants, in the district for the immediately preceding school year, adjusted for those pupils who have

transferred into or out of the district or high school, who leave high school with a diploma or other credential of equal status.

(4) "Membership", except as otherwise provided in this act, means for a district, public school academy, university school, or intermediate district the sum of the product of .75 times the number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance on the pupil membership count day for the current school year, plus the product of .25 times the final audited count from the supplemental count day for the immediately preceding school year. All pupil counts used in this subsection are as determined by the department and calculated by adding the number of pupils registered for attendance plus pupils received by transfer and minus pupils lost as defined by rules promulgated by the superintendent, and as corrected by a subsequent department audit. The amount of the foundation allowance for a pupil in membership is determined under section 20. In making the calculation of membership, all of the following, as applicable, apply to determining the membership of a district, public school academy, university school, or intermediate district:

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

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

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

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

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

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

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

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

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

(i) If operations begin before the pupil membership count day for the fiscal year, membership is the average number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance on the pupil membership count day for the current school year and on the supplemental count day for the current school year, as determined by the department and calculated by adding the number of pupils registered for attendance on the pupil membership

count day plus pupils received by transfer and minus pupils lost as defined by rules promulgated by the superintendent, and as corrected by a subsequent department audit, plus the final audited count from the supplemental count day for the current school year, and dividing that sum by 2.

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

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

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

(l) Pupils to be counted in membership shall be not less than 5 years of age on December 1 and less than 20 years of age on September 1 of the school year except a special education pupil who is enrolled and receiving instruction in a special education program or service approved by the department and not having a high school diploma who is less than 26 years of age as of September 1 of the current school year shall be counted in membership.

(m) An individual who has obtained a high school diploma shall not be counted in membership. An individual who has obtained a general educational development (G.E.D.) certificate shall not be counted in membership. An individual participating in a job training program funded under former section 107a or a jobs program funded under former section 107b, administered by the Michigan strategic fund or the department of labor and economic growth, or participating in any successor of either of those 2 programs, shall not be counted in membership.

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

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

(ii) If the public school academy provides instruction for less than 1/2 of the class hours specified in subdivision (q), the district or intermediate district providing the remainder of the hours of instruction shall receive as its prorated share of the full-time equated membership for each of those pupils an amount equal to 1 times the product of the hours of instruction the district or intermediate district provides divided by the number of hours specified in subdivision (q) for full-

time equivalency, and the remainder of the full-time membership for each of those pupils shall be allocated to the public school academy.

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

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

(q) The number of class hours used to calculate full-time equated memberships shall be consistent with section 101(3). In determining full-time equated memberships for pupils who are enrolled in a postsecondary institution, a pupil shall not be considered to be less than a full-time equated pupil solely because of the effect of his or her postsecondary enrollment, including necessary travel time, on the number of class hours provided by the district to the pupil.

(r) Full-time equated memberships for pupils in kindergarten shall be determined by dividing the number of class hours scheduled and provided per year per kindergarten pupil by a number equal to 1/2 the number used for determining full-time equated memberships for pupils in grades 1 to 12.

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

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

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

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

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

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

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

(v) A pupil enrolled in an alternative or disciplinary education program described in section 25 shall be counted in membership in the district or public school academy that expelled the pupil.

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

(x) For a public school academy that has been in operation for at least 2 years and that suspended operations for at least 1 semester and is resuming operations, membership is the sum of the product of .75 times the number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance on the first pupil membership count day or supplemental count day, whichever is first, occurring after operations resume, plus the product of .25 times the final audited count from the most recent pupil membership count day or supplemental count day that occurred before suspending operations, as determined by the superintendent.

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

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

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

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

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

(bb) Full-time equated memberships for pupils enrolled in a public school academy that is wholly contained within a county juvenile detention facility shall be considered to be the average daily attendance of pupils enrolled in the public school academy for the immediately preceding fiscal year, as reported by the public school academy and audited by the intermediate district in which the public school academy is located. However, if a public school academy described in this subdivision does not provide definitive information to the auditing intermediate district to support the pupil memberships generated by average daily attendance, then full-time equated memberships for pupils enrolled in that public school academy shall be calculated as otherwise provided under this subsection.

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

(5) "Public school academy" means a public school academy, urban high school academy, or strict discipline academy operating under the revised school code.

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

(a) A nonpublic part-time pupil enrolled in grades 1 to 12 in accordance with section 166b.

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

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

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

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

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

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

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

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

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

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

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

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

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

(i) A pupil enrolled in the Michigan virtual high school, for the pupil's enrollment in the Michigan virtual high school.

(j) A pupil who is the child of a person who is employed by the district. As used in this subdivision, "child" includes an adopted child, stepchild, or legal ward.

However, if a district that is not a first class district educates pupils who reside in a first class district and if the primary instructional site for those pupils is located within the boundaries of the first class district, the educating district must have the approval of the first class district to count those pupils in membership. As used in this subsection, "first class district" means a district organized as a school district of the first class under the revised school code.

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

(a) Except as provided in subdivision (b), the fourth Wednesday after Labor day each school year or, for a district or building in which school is not in session on that Wednesday, with the approval of the superintendent, the immediately following day on which school is in session in the district or building.

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

(i) Fourth Wednesday in July.

(ii) Fourth Wednesday after Labor day.

(iii) Second Wednesday in February.

(iv) Fourth Wednesday in April.

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

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

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

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

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

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

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

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

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

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

(18) "Textbook" means a book that is selected and approved by the governing board of a district and that contains a presentation of principles of a subject, or that is a literary work relevant to the study of a subject required for the use of classroom pupils, or another type of course material that forms the basis of classroom instruction.

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

(20) "University school" means an instructional program operated by a public university under section 23 that meets the requirements of section 23.

History: 1979, Act 94, Eff. Oct. 1, 1979;-- Am. 1979, Act 112, Imd. Eff. Oct. 4, 1979;-- Am. 1979, Act 209, Imd. Eff. Jan. 10, 1980;-- Am. 1980, Act 269, Imd. Eff. Sept. 30, 1980;-- Am. 1981, Act 36, Eff. Oct. 1, 1981;-- Am. 1981, Act 113, Eff. Oct. 1, 1981;-- Am. 1981, Act 134, Imd. Eff. Oct. 20, 1981;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982;-- Am. 1983, Act 218, Imd. Eff. Nov. 16, 1983;-- Am. 1984, Act 239, Eff. Oct. 1, 1984;-- Am. 1984, Act 253, Imd. Eff. Nov. 29, 1984;-- Am. 1985, Act 110, Eff. Oct. 1, 1985;-- Am. 1985, Act 144, Imd. Eff. Nov. 4, 1985;-- Am. 1986, Act 212, Eff. Oct. 1, 1986;-- Am. 1986, Act 298, Imd. Eff. Dec. 22, 1986;-- Am. 1987, Act 220, Eff. Dec. 28, 1987 ;-- Am. 1988, Act 318, Eff. Oct. 1, 1988 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1989, Act 235, Imd. Eff. Dec. 21, 1989;-- Am. 1990, Act 207, Eff. Oct. 1, 1990;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991;-- Am. 1991, Act 200, Imd. Eff. Jan. 2, 1992;-- Am. 1992, Act 148, Eff. Oct. 1, 1992;-- Am. 1993, Act 95, Imd. Eff. July 13, 1993;-- Am. 1993, Act 175, Eff. Oct. 1, 1993;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 360, Imd. Eff. Dec. 22, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995;-- Am. 1996, Act 180, Imd. Eff. Apr. 19, 1996;-- Am. 1996, Act 300, Eff. Sept. 1, 1996;-- Am. 1997, Act 93, Imd. Eff. Aug. 1, 1997;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998;-- Am. 1998, Act 553, Imd. Eff. Jan. 27, 1999;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002;-- Am. 2003, Act 158, Eff. Oct. 1, 2003;-- Am. 2004, Act 227, Imd. Eff. July 21, 2004;-- Am. 2004, Act 351, Eff. Oct. 1, 2004;-- Am. 2005, Act 150, Imd. Eff. Sept. 30, 2005;-- Am. 2005, Act 155, Imd. Eff. Sept. 30, 2005;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: The school district pupil accounting for distribution of state aid rules referred to in subsection (2) became effective August 17, 1984. Section 2 of Act 220 of 1987 provides: "In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act is $2,334,299,200.00 and state appropriations to be paid to local units of government are $2,005,216,000.00." Section 4 of Act 220 of 1987 provides: "The changes effected by this amendatory act shall be applied retroactively to October 1, 1987." Subdivisions 4(u), 4(w), and 4(x), as added by Act 300 of 1996, were vetoed by the governor on June 19, 1996. In subsection (4), as amended by Act 93 of 1997, the following sentences were vetoed by the governor on August 1, 1997: "Membership", except as otherwise provided in this act, means for a district, public school academy, university school, or intermediate district the sum of the product of .6 times the number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance on the pupil membership count day for the current school year, plus the product of .4 times the final audited count from the supplemental count day for the immediately preceding school year, as determined by the department and calculated by adding the number of pupils registered for attendance plus pupils received by transfer and minus pupils lost as defined by rules promulgated by the state board, and as corrected by a subsequent department audit. The amount of the foundation allowance to be paid on behalf of a pupil in membership is determined under section 20. Subdivisions (4)(x) and (4)(y), as amended by Act 93 of 1997, were vetoed by the governor on August 1, 1997. Subdivision (4)(y), as amended by Act 339 of 1998, was vetoed by the governor on October 13, 1998. In subdivsion (4)(y), as amended by Act 297 of 2000, the phrase "2001-2002, and 2002-2003" was vetoed by the governor July 26, 2000. Enacting section 3 of Act 521 of 2002 provides: "Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act,

1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963." For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002. Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

Admin Rule: R 340.1 et seq. of the Michigan Administrative Code.

388.1606a Supplemental pupil count.

Sec. 6a.

Except as otherwise provided in this act, in addition to the pupil membership count day, there shall be a supplemental pupil count of the number of full-time equated pupils in grades K-12 actually enrolled and in regular daily attendance in a district or intermediate district on the second Wednesday in February or, for a district that is not in session on that day, the immediately preceding day on which the district is in session. For the purposes of this act, the day on which the supplemental pupil count is conducted is the supplemental count day.

History: Add. 1993, Act 336, Eff. Mar. 15, 1994;-- Am. 1994, Act 283, Eff. Oct. 1, 1994;-- Am. 1995, Act 130, Eff. Oct. 1, 1995;-- Am. 1997, Act 93, Eff. Oct. 1, 1997

Compiler's Notes: This section, as added by Act 336 of 1993, was originally compiled as § 388.1606a[1] to distinguish it from a Sec. 6a added by Act 254 of 1992, which pertained to use of alternate pupil membership count day, that was compiled as § 388.1606a prior to its repeal by enacting section 3(b) of Act 283 of 1994, Eff. Oct. 1, 1994.

388.1606b Enrollment of nonresident pupil; counting pupil in membership; adjustment of educating district's pupil count.

Sec. 6b.

(1) A district enrolling a nonresident pupil with the approval of the pupil's district of residence may count the pupil in membership in a school year if the approval of the pupil's district of residence is received before the end of that school year.

(2) If the approval described in subsection (1) is received by the educating district at any time before the end of its school year, the department shall adjust the educating district's pupil count for the pupil membership count day or the supplemental count day of that school year, or both as necessary to ensure that the pupil is counted in membership in the educating district for those pupil counts for which the pupil was enrolled and in attendance.

History: Add. 1997, Act 24, Imd. Eff. June 16, 1997

Compiler's Notes: Former MCL 388.1606b, which pertained to administration of alternative education, was repealed by Act 130 of 1995, Eff. Oct. 1, 1995.

388.1606c, 388.1606d Repealed. 1996, Act 300, Eff. Oct. 1, 1996.

Compiler's Notes: The repealed sections pertained to alternative education programs and district as authorizing body for public school academy.

388.1607 Expenditures included in costs for school operating purposes.

Sec. 7.

Costs for school operating purposes include all expenditures necessary to carry out the powers of the district or intermediate district under the revised school code.

History: 1979, Act 94, Eff. Oct. 1, 1979;-- Am. 1986, Act 212, Eff. Oct. 1, 1986;-- Am. 1993, Act 336, Eff. Oct. 1, 1994;-- Am. 1996, Act 300, Eff. Oct. 1, 1996

388.1608 Repealed. 2003, Act 158, Eff. Oct. 1, 2003.

Compiler's Notes: The repealed section pertained to furnishing annual pupil dropout rate.

388.1608a Grades K-3 average pupil count; report.

Sec. 8a.

For each of the district's school buildings that operate some or all of grades K-3, a district shall report to the department not later than December 1 of each school year the average number of pupils per class in grades K-3 in the school building.

History: Add. 1997, Act 142, Imd. Eff. Nov. 19, 1997;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998

388.1608b Public school academy district code; assignment.

Sec. 8b.

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

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

History: Add. 2002, Act 191, Imd. Eff. Apr. 26, 2002;-- Am. 2003, Act 158, Eff. Oct. 1, 2003

388.1608c Repealed. 2003, Act 158, Eff. Oct. 1, 2003.

Compiler's Notes: The repealed section pertained to broadband telecommunications infrastructure information.

388.1609 Repealed. 1996, Act 300, Eff. Oct. 1, 1996.

Compiler's Notes: The repealed section pertained to rules.

388.1610 Repealed. 1999, Act 119, Imd. Eff. July 20, 1999.

Compiler's Notes: The repealed section pertained to disposition of funds under §§ 432.201 to 432.216 to separate account.

388.1611 Appropriations.

Sec. 11.

(1) For the fiscal year ending September 30, 2006, there is appropriated for the public schools of this state and certain other state purposes relating to education the sum of $11,200,813,200.00 from the state school aid

fund established by section 11 of article IX of the state constitution of 1963, the sum of $44,500,000.00 from the proceeds of capitalization of the school bond loan fund revolving fund, and the sum of $62,714,000.00 from the general fund. For the fiscal year ending September 30, 2007, there is appropriated for the public schools of this state and certain other state purposes relating to education the sum of $11,647,508,200.00 from the state school aid fund established by section 11 of article IX of the state constitution of 1963 and the sum of $35,000,000.00 from the general fund. In addition, available federal funds are appropriated for each fiscal year.

(2) The appropriations under this section shall be allocated as provided in this act. Money appropriated under this section from the general fund shall be expended to fund the purposes of this act before the expenditure of money appropriated under this section from the state school aid fund. If the maximum amount appropriated under this section from the state school aid fund for a fiscal year exceeds the amount necessary to fully fund allocations under this act from the state school aid fund, that excess amount shall not be expended in that state fiscal year and shall not lapse to the general fund, but instead shall be deposited into the school aid stabilization fund created in section 11a.

(3) If the maximum amount appropriated under this section from the state school aid fund and the school aid stabilization fund for a fiscal year exceeds the amount available for expenditure from the state school aid fund for that fiscal year, payments under sections 11f, 11g, 11j, 22a, 26a, 26b, 31d, 31f, 51a(2), 51a(12), 51c, 53a, and 56 shall be made in full. In addition, for districts beginning operations after 1994-95 that qualify for payments under section 22b, payments under section 22b shall be made so that the qualifying districts receive the lesser of an amount equal to the 1994-95 foundation allowance of the district in which the district beginning operations after 1994-95 is located or $5,500.00. The amount of the payment to be made under section 22b for these qualifying districts shall be as calculated under section 22a, with the balance of the payment under section 22b being subject to the proration otherwise provided under this subsection and subsection (4). If proration is necessary, state payments under each of the other sections of this act from all state funding sources shall be prorated in the manner prescribed in subsection (4) as necessary to reflect the amount available for expenditure from the state school aid fund for the affected fiscal year. However, if the department of treasury determines that proration will be required under this subsection, or if the department of treasury determines that further proration is required under this subsection after an initial proration has already been made for a fiscal year, the department of treasury shall notify the state budget director, and the state budget director shall notify the legislature at least 30 calendar days or 6 legislative session days, whichever is more, before the department reduces any payments under this act because of the proration. During the 30 calendar day or 6 legislative session day period after that notification by the state budget director, the department shall not reduce any payments under this act because of proration under this subsection. The legislature may prevent proration from occurring by, within the 30 calendar day or 6 legislative session day period after that notification by the state budget director, enacting legislation appropriating additional funds from the general fund, countercyclical budget and economic stabilization fund, state school aid fund balance, or another source to fund the amount of the projected shortfall.

(4) If proration is necessary, the department shall calculate the proration in district and intermediate district payments that is required under subsection (3) as follows:

(a) The department shall calculate the percentage of total state school aid allocated under this act for the affected fiscal year for each of the following:

(i) Districts.

(ii) Intermediate districts.

(iii) Entities other than districts or intermediate districts.

(b) The department shall recover a percentage of the proration amount required under subsection (3) that is equal to the percentage calculated under subdivision (a)(i) for districts by reducing payments to

districts. This reduction shall be made by calculating an equal dollar amount per pupil as necessary to recover this percentage of the proration amount and reducing each district's total state school aid from state sources, other than payments under sections 11f, 11g, 11j, 22a, 26a, 26b, 31d, 31f, 51a(2), 51a(12), 51c, and 53a, by that amount.

(c) The department shall recover a percentage of the proration amount required under subsection (3) that is equal to the percentage calculated under subdivision (a)(ii) for intermediate districts by reducing payments to intermediate districts. This reduction shall be made by reducing the payments to each intermediate district, other than payments under sections 11f, 11g, 26a, 26b, 51a(2), 51a(12), 53a, and 56, on an equal percentage basis.

(d) The department shall recover a percentage of the proration amount required under subsection (3) that is equal to the percentage calculated under subdivision (a)(iii) for entities other than districts and intermediate districts by reducing payments to these entities. This reduction shall be made by reducing the payments to each of these entities, other than payments under sections 11j, 26a, and 26b, on an equal percentage basis.

(5) Except for the allocation under section 26a, any general fund allocations under this act that are not expended by the end of the state fiscal year are transferred to the school aid stabilization fund created under section 11a.

History: 1979, Act 94, Eff. Oct. 1, 1979;-- Am. 1980, Act 320, Imd. Eff. Dec. 10, 1980;-- Am. 1981, Act 36, Eff. Oct. 1, 1981;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982;-- Am. 1983, Act 169, Eff. Oct. 1, 1983;-- Am. 1984, Act 239, Eff. Oct. 1, 1984;-- Am. 1985, Act 110, Eff. Oct. 1, 1985;-- Am. 1986, Act 212, Eff. Oct. 1, 1986;-- Am. 1987, Act 128, Eff. Oct. 1, 1987;-- Am. 1987, Act 220, Eff. Dec. 28, 1987;-- Am. 1988, Act 318, Eff. Oct. 1, 1988;-- Am. 1989, Act 197, Eff. Oct. 1, 1989;-- Am. 1990, Act 207, Eff. Oct. 1, 1990;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991;-- Am. 1992, Act 148, Eff. Oct. 1, 1992;-- Am. 1993, Act 175, Eff. Oct. 1, 1993;-- Am. 1993, Act 336, Eff. Oct. 1, 1994;-- Am. 1994, Act 283, Eff. Oct. 1, 1994;-- Am. 1995, Act 130, Eff. Oct. 1, 1995;-- Am. 1996, Act 180, Imd. Eff. Apr. 19, 1996;-- Am. 1996, Act 300, Imd. Eff. June 19, 1996;-- Am. 1997, Act 24, Imd. Eff. June 16, 1997;-- Am. 1997, Act 93, Eff. Oct. 1, 1997;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1998, Act 553, Imd. Eff. Jan. 27, 1999 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Imd. Eff. Aug. 11, 2003 ;-- Am. 2003, Act 236, Imd. Eff. Dec. 29, 2003;-- Am. 2004, Act 185, Imd. Eff. July 1, 2004;-- Am. 2004, Act 351, Eff. Oct. 1, 2004;-- Am. 2004, Act 518, Imd. Eff. Jan. 3, 2005;-- Am. 2005, Act 98, Imd. Eff. July 22, 2005;-- Am. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 342, Imd. Eff. Aug. 15, 2006

Compiler's Notes: Section 2 of Act 220 of 1987 provides: "In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act is $2,334,299,200.00 and state appropriations to be paid to local units of government are $2,005,216,000.00." Section 4 of Act 220 of 1987 provides: "The changes effected by this amendatory act shall be applied retroactively to October 1, 1987." Enacting section 1 of Act 191 of 2002 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2001 PA 121 and 2000 PA 297 from state sources for fiscal year 2001-2002 is estimated at $11,220,561,700.00 and state appropriations to be paid to local units of government for fiscal year 2001-2002 are estimated at $11,181,789,800.00; and total state spending in this amendatory act and in 2001 PA 121 and 2000 PA 297 from state sources for fiscal year 2002-2003 is estimated at $11,472,054,900.00 and state appropriations to be paid to local units of government for fiscal year 2002-2003 are estimated at $11,420,969,500.00." Enacting section 1 of Act 521 of 2002 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2002 PA 191, 2001 PA 121, and 2000 PA 297 from state sources for fiscal year 2002-2003 is estimated at $11,490,554,900.00 and state appropriations to be paid to local units of government for fiscal year 2002-2003 are estimated at $11,439,469,500.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2003-2004 is estimated at $11,477,080,900.00 and state appropriations to be paid to local units of government for fiscal year 2003-2004 are estimated at $11,431,369,500.00." Enacting section 3 of Act 521 of 2002 provides: "Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963." For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002. Enacting section 1 of Act 236 of 2003 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2003 PA 158 and 2002 PA 521 from state sources for fiscal year 2003-2004 is estimated at $11,290,087,100.00 and state appropriations to be paid to local units of government for fiscal year 2003-2004 are estimated at $11,274,332,800.00." Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 98 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2004-2005 in this amendatory act, 2004 PA 518, 2004 PA 351, and 2004 PA 185 is estimated at $11,113,522, 200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,050,922,200.00." Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state

spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1611a School aid stabilization fund; creation; deposit; expenditure; investment; money remaining at close of fiscal year; shortfall; full funding.

Sec. 11a.

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

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

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

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

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

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

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

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

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

(7) For 2006-2007, there is transferred from the school aid stabilization fund to the state school aid fund the amount necessary to fully fund the allocations under this act.

History: Add. 2003, Act 158, Eff. Oct. 1, 2003;-- Am. 2005, Act 98, Imd. Eff. July 22, 2005;-- Am. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Former MCL 388.1611a, which pertained to additional appropriations, was repealed by Act 300 of 1996, Eff. Oct. 1, 1996. Enacting section 1 of 2005 PA 98 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2004-2005 in this amendatory act, 2004 PA 518, 2004 PA 351, and 2004 PA 185 is estimated at $11,113,522, 200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,050,922,200.00." Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1611b Repealed. 2005, Act 155, Eff. Oct. 1, 2005.
Compiler's Notes: The repealed section pertained to school aid stabilization fund.

388.1611c Repealed. 2004, Act 351, Eff. Oct. 1, 2004.
Compiler's Notes: The repealed section pertained to deposit to school aid stabilization fund.

388.1611d Repealed. 1996, Act 300, Eff. Oct. 1, 1996.
Compiler's Notes: The repealed section pertained to carrying forward appropriation as work project.

388.1611e Repealed. 1999, Act 119, Imd. Eff. July 20, 1999.
Compiler's Notes: The repealed section pertained to payments to plaintiff districts pursuant to Durant v State of Michigan.

388.1611f Payments to non-plaintiff districts pursuant to Durant v State of Michigan; payments for fiscal years ending September 30, 2007 through September 30, 2008; submission of waiver resolution; creation of obligation or liability; offer of settlement and compromise; payment date; use of payments; form and substance of resolution; early intervening program.

Sec. 11f.

(1) From the appropriations under section 11, there is allocated for the purposes of this section an amount not to exceed $32,000,000.00 for the fiscal year ending September 30, 2007 and for each succeeding fiscal year through the fiscal year ending September 30, 2008. Payments under this section will cease after September 30, 2008. These allocations are for paying the amounts described in subsection (4) to districts and intermediate districts, other than those receiving a lump sum payment under subsection (2), that were not plaintiffs in the consolidated cases known as Durant v State of Michigan, Michigan supreme court docket no. 104458-104492 and that, on or before March 2, 1998, submitted to the state treasurer a board resolution waiving any right or interest the district or intermediate district has or may have in any claim or litigation based on or arising out of any claim or potential claim through September 30, 1997 that is or was similar to the claims asserted by the plaintiffs in the consolidated cases known as Durant v State of Michigan. The waiver resolution shall be in form and substance as required under subsection (7). The state treasurer is authorized to accept such a waiver resolution on behalf of this state. The amounts described in this subsection represent offers of settlement and compromise of any claim or claims that were or could have been asserted by these districts and intermediate districts, as described in this subsection.

(2) In addition to any other money appropriated under this act, there was appropriated from the state school aid fund an amount not to exceed $1,700,000.00 for the fiscal year ending September 30, 1999. This appropriation was for paying the amounts described in this subsection to districts and intermediate districts that were not plaintiffs in the consolidated cases known as Durant v State of Michigan; that, on or before March 2, 1998, submitted to the state treasurer a board resolution waiving any right or interest the district or intermediate district had or may have had in any claim or litigation based on or arising out of any claim or potential claim through September 30, 1997 that is or was similar to the claims asserted by the plaintiffs in the consolidated cases known as Durant v State of Michigan; and for which the total amount listed in section 11h and paid under this section was less than $75,000.00. For a district or intermediate district qualifying for a payment under this subsection, the entire amount listed for the district or intermediate district in section 11h was paid in a lump sum on November 15, 1998 or on the next business day following that date. The amounts paid under this subsection represent offers of settlement and compromise of any claim or claims that were or could have been asserted by these districts and intermediate districts, as described in this subsection.

(3) This section does not create any obligation or liability of this state to any district or intermediate district that does not submit a waiver resolution described in this section. This section, any other provision of this act, and section 353e of the management and budget act, 1984 PA 431, MCL 18.1353e, are not intended to

admit liability or waive any defense that is or would be available to this state or its agencies, employees, or agents in any litigation or future litigation with a district or intermediate district.

(4) The amount paid each fiscal year to each district or intermediate district under subsection (1) shall be 1/20 of the total amount listed in section 11h for each listed district or intermediate district that qualifies for a payment under subsection (1). The amounts listed in section 11h and paid in part under this subsection and in a lump sum under subsection (2) are offers of settlement and compromise to each of these districts or intermediate districts to resolve, in their entirety, any claim or claims that these districts or intermediate districts may have asserted for violations of section 29 of article IX of the state constitution of 1963 through September 30, 1997, which claims are or were similar to the claims asserted by the plaintiffs in the consolidated cases known as Durant v State of Michigan. This section, any other provision of this act, and section 353e of the management and budget act, 1984 PA 431, MCL 18.1353e, shall not be construed to constitute an admission of liability to the districts or intermediate districts listed in section 11h or a waiver of any defense that is or would have been available to the state or its agencies, employees, or agents in any litigation or future litigation with a district or intermediate district.

(5) The entire amount of each payment under subsection (1) each fiscal year shall be paid on November 15 of the applicable fiscal year or on the next business day following that date.

(6) Funds paid to a district or intermediate district under this section shall be used only for textbooks, electronic instructional material, software, technology, infrastructure or infrastructure improvements, school buses, school security, training for technology, an early intervening program described in subsection (8), or to pay debt service on voter-approved bonds issued by the district or intermediate district before the effective date of this section. For intermediate districts only, funds paid under this section may also be used for other nonrecurring instructional expenditures including, but not limited to, nonrecurring instructional expenditures for vocational education, or for debt service for acquisition of technology for academic support services. Funds received by an intermediate district under this section may be used for projects conducted for the benefit of its constituent districts at the discretion of the intermediate board. To the extent payments under this section are used by a district or intermediate district to pay debt service on debt payable from millage revenues, and to the extent permitted by law, the district or intermediate district may make a corresponding reduction in the number of mills levied for that debt service.

(7) The resolution to be adopted and submitted by a district or intermediate district under this section and section 11g shall read as follows:

"Whereas, the board of _____ (name of district or intermediate district) desires to settle and compromise, in their entirety, any claim or claims that the district (or intermediate district) has or had for violations of section 29 of article IX of the state constitution of 1963, which claim or claims are or were similar to the claims asserted by the plaintiffs in the consolidated cases known as Durant v State of Michigan, Michigan supreme court docket no. 104458-104492.

Whereas, the district (or intermediate district) agrees to settle and compromise these claims for the consideration described in sections 11f and 11g of the state school aid act of 1979, 1979 PA 94, MCL 388.1611f and 388.1611g, and in the amount specified for the district (or intermediate district) in section 11h of the state school aid act of 1979, 1979 PA 94, MCL 388.1611h.

Whereas, the board of _____ (name of district or intermediate district) is authorized to adopt this resolution.

Now, therefore, be it resolved as follows:

1. The board of _____ (name of district or intermediate district) waives any right or interest it may have in any claim or potential claim through September 30, 1997 relating to the amount of funding the district or intermediate district is, or may have been, entitled to receive under the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772, or any other source of state funding, by reason of

the application of section 29 of article IX of the state constitution of 1963, which claims or potential claims are or were similar to the claims asserted by the plaintiffs in the consolidated cases known as Durant v State of Michigan, Michigan supreme court docket no. 104458-104492.

2. The board of _____ (name of district or intermediate district) directs its secretary to submit a certified copy of this resolution to the state treasurer no later than 5 p.m. eastern standard time on March 2, 1998, and agrees that it will not take any action to amend or rescind this resolution.

3. The board of _____ (name of district or intermediate district) expressly agrees and understands that, if it takes any action to amend or rescind this resolution, the state, its agencies, employees, and agents shall have available to them any privilege, immunity, and/or defense that would otherwise have been available had the claims or potential claims been actually litigated in any forum.

4. This resolution is contingent on continued payments by the state each fiscal year as determined under sections 11f and 11g of the state school aid act of 1979, 1979 PA 94, MCL 388.1611f and 388.1611g. However, this resolution shall be an irrevocable waiver of any claim to amounts actually received by the school district or intermediate school district under sections 11f and 11g of the state school aid act of 1979.".

(8) An early intervening program that uses funds received under this section shall meet either or both of the following:

(a) Shall monitor individual pupil learning for pupils in grades K to 3 and provide specific support or learning strategies to pupils in grades K to 3 as early as possible in order to reduce the need for special education placement. The program shall include literacy and numeracy supports, sensory motor skill development, behavior supports, instructional consultation for teachers, and the development of a parent/school learning plan. Specific support or learning strategies may include support in or out of the general classroom in areas including reading, writing, math, visual memory, motor skill development, behavior, or language development. These would be provided based on an understanding of the individual child's learning needs.

(b) Shall provide early intervening strategies for pupils in grades K to 3 using school-wide systems of academic and behavioral supports and shall be scientifically research-based. The strategies to be provided shall include at least pupil performance indicators based upon response to intervention, instructional consultation for teachers, and ongoing progress monitoring. A school-wide system of academic and behavioral support should be based on a support team available to the classroom teachers. The members of this team could include the principal, special education staff, reading teachers, and other appropriate personnel who would be available to systematically study the needs of the individual child and work with the teacher to match instruction to the needs of the individual child.

History: Add. 1997, Act 142, Imd. Eff. Nov. 19, 1997;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002;-- Am. 2003, Act 158, Eff. Oct. 1, 2003;-- Am. 2004, Act 351, Eff. Oct. 1, 2004;-- Am. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 119, Imd. Eff. Apr. 14, 2006;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 3 of Act 521 of 2002 provides: "Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963." For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002. Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending

from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1611g Payments to non-plaintiff districts pursuant to Durant v State of Michigan; payments for fiscal years ending September 30, 2007 through September 30, 2013; waiver resolution; offers of settlement and compromise; creation of obligation or liability; calculation of amount; payment date; use of funds.

Sec. 11g.

(1) From the appropriation in section 11, there is allocated for this section an amount not to exceed $34,961,000.00 for the fiscal year ending September 30, 2007. There is allocated for this section an amount not to exceed $35,000,000.00 for each succeeding fiscal year through the fiscal year ending September 30, 2013. Payments under this section will cease after September 30, 2013. These allocations are for paying the amounts described in subsection (3) to districts and intermediate districts, other than those receiving a lump-sum payment under section 11f(2), that were not plaintiffs in the consolidated cases known as Durant v State of Michigan, Michigan supreme court docket no. 104458-104492 and that, on or before March 2, 1998, submitted to the state treasurer a waiver resolution described in section 11f. The amounts paid under this section represent offers of settlement and compromise of any claim or claims that were or could have been asserted by these districts and intermediate districts, as described in this section.

(2) This section does not create any obligation or liability of this state to any district or intermediate district that does not submit a waiver resolution described in section 11f. This section, any other provision of this act, and section 353e of the management and budget act, 1984 PA 431, MCL 18.1353e, are not intended to admit liability or waive any defense that is or would be available to this state or its agencies, employees, or agents in any litigation or future litigation with a district or intermediate district regarding these claims or potential claims.

(3) The amount paid each fiscal year to each district or intermediate district under this section shall be the sum of the following:

(a) 1/30 of the total amount listed in section 11h for the district or intermediate district.

(b) If the district or intermediate district borrows money and issues bonds under section 11i, an additional amount in each fiscal year calculated by the department of treasury that, when added to the amount described in subdivision (a), will cause the net present value as of November 15, 1998 of the total of the 15 annual payments made to the district or intermediate district under this section, discounted at a rate as determined by the state treasurer, to equal the amount of the bonds issued by that district or intermediate district under section 11i and that will result in the total payments made to all districts and intermediate districts in each fiscal year under this section being no more than the amount appropriated under this section in each fiscal year.

(4) The entire amount of each payment under this section each fiscal year shall be paid on May 15 of the applicable fiscal year or on the next business day following that date. If a district or intermediate district borrows money and issues bonds under section 11i, the district or intermediate district shall use funds received under this section to pay debt service on bonds issued under section 11i. If a district or intermediate district does not borrow money and issue bonds under section 11i, the district or intermediate district shall use funds received under this section only for the following purposes, in the following order of priority:

(a) First, to pay debt service on voter-approved bonds issued by the district or intermediate district before the effective date of this section.

(b) Second, to pay debt service on other limited tax obligations.

(c) Third, for deposit into a sinking fund established by the district or intermediate district under the revised school code.

(5) To the extent payments under this section are used by a district or intermediate district to pay debt service on debt payable from millage revenues, and to the extent permitted by law, the district or intermediate district may make a corresponding reduction in the number of mills levied for debt service.

(6) A district or intermediate district may pledge or assign payments under this section as security for bonds issued under section 11i, but shall not otherwise pledge or assign payments under this section.

History: Add. 1997, Act 142, Imd. Eff. Nov. 19, 1997;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998;-- Am. 1998, Act 553, Imd. Eff. Jan. 27, 1999;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002;-- Am. 2003, Act 158, Imd. Eff. Aug. 11, 2003;-- Am. 2004, Act 351, Eff. Oct. 1, 2004;-- Am. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 3 of Act 521 of 2002 provides: "Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963." For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002. Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1611h Amounts to districts for settlement, compromise, and resolution of claims pursuant to Durant v State of Michigan; section not to be construed as admission of liability or waiver of defense.

Sec. 11h.

(1) For the purposes of sections 11f and 11g, the following amounts are offered to each district or intermediate district to settle, compromise, and resolve, in their entirety, any claim or claims that those districts or intermediate districts may have asserted for violations of section 29 of article IX of the state constitution of 1963 through September 30, 1997, which claims are or were similar to the claims asserted by the plaintiffs in the consolidated cases known as Durant v State of Michigan, Michigan supreme court docket no. 104458-104492:

CODE	NAME		AMOUNT
02010	Autrain-Onota Public Schools	$	14,622
02020	Burt Township School District	$	6,744
02070	Munising Public Schools	$	185,461
02080	Superior Central School District	$	96,734
03000	Allegan Intermediate District	$	648,801
03010	Plainwell Community Schools	$	741,425
03020	Otsego Public Schools	$	540,058
03030	Allegan Public Schools	$	926,426
03040	Wayland Union Schools	$	731,677
03050	Fennville Public Schools	$	579,056
03060	Martin Public Schools	$	139,670
03070	Hopkins Public Schools	$	255,685
03100	Hamilton Community Schools	$	401,023
03440	Ganges School District #4	$	2,201
04000	Alpena-Montmorency-Alcona Intermediate	$	726,402

04010	Alpena Public Schools	$	1,042,911
05010	Alba Public Schools	$	42,367
05035	Central Lake Public Schools	$	69,082
05040	Bellaire Public Schools	$	167,614
05060	Elk Rapids Schools	$	357,615
05065	Ellsworth Community Schools	$	21,150
05070	Mancelona Public Schools	$	285,764
06010	Arenac Eastern School District	$	79,078
06050	Standish Sterling School District	$	317,341
07020	Baraga Township School District	$	216,490
07040	L'Anse Area Schools	$	263,107
08000	Barry Intermediate District	$	390,738
08010	Delton-Kellogg School District	$	254,518
08030	Hastings Area School District	$	615,970
08050	Thornapple-Kellogg School District	$	794,355
09000	Bay Arenac Intermediate District	$	3,690,121
09010	Bay City School District	$	2,957,596
09030	Bangor Township Schools	$	690,490
09090	Pinconning Area Schools	$	437,605
10015	Benzie County Central Schools	$	469,507
10025	Frankfort-Elberta Area Schools	$	74,090
11000	Berrien Intermediate District	$	4,488,648
11010	Benton Harbor Area Schools	$	1,588,343
11030	Lakeshore School District	$	505,985
11160	Galien Township School District	$	148,305
11200	New Buffalo Area School District	$	295,255
11210	Brandywine Public School District	$	430,713
11240	Berrien Springs Public School District	$	1,020,853
11250	Eau Claire Public Schools	$	295,326
11300	Niles Community School District	$	1,886,362
11310	Buchanan Community School District	$	415,327
11320	Watervliet School District	$	333,411
11330	Coloma Community Schools	$	518,321
11670	Hagar Township School District #6	$	3,558
12000	Branch Intermediate District	$	1,591,244
12010	Coldwater Community Schools	$	533,753
12020	Bronson Community School District	$	100,766
12040	Quincy Community School District	$	118,640
13000	Calhoun Intermediate District	$	2,099,031
13010	Albion Public Schools	$	682,812
13020	Battle Creek Public Schools	$	4,924,981
13050	Athens Area Schools	$	239,614
13070	Harper Creek Community Schools	$	737,397
13080	Homer Community Schools	$	243,747
13090	Lakeview School District	$	672,056
13095	Mar Lee School District	$	22,341

13110	Marshall Public Schools	$	499,126
13120	Pennfield School District	$	295,615
13130	Tekonsha Community Schools	$	84,152
13135	Union City Community School District	$	261,232
14000	Lewis Cass Intermediate District	$	1,156,252
14010	Cassopolis Public Schools	$	359,167
14020	Dowagiac Union Schools	$	886,692
14030	Edwardsburg Public Schools	$	278,671
14050	Marcellus Community Schools	$	133,119
15000	Charlevoix Emmet Intermediate District	$	2,656,494
15010	Beaver Island Community Schools	$	5,291
15020	Boyne City Public School District	$	340,838
15030	Boyne Falls Public School District	$	46,285
15060	East Jordan Public School District	$	124,290
16000	Cheboygan Otsego Presque Isle ISD	$	484,651
16015	Cheboygan Area Schools	$	600,684
16050	Inland Lakes School District	$	121,570
16070	Mackinaw City Public Schools	$	10,133
16100	Wolverine Community School District	$	36,114
17000	Eastern Upper Peninsula ISD	$	686,688
17010	Sault Ste Marie Area Schools	$	1,375,408
17050	Detour Area Schools	$	91,341
17090	Pickford Public Schools	$	50,020
17110	Rudyard Area Schools	$	167,700
17140	Brimley Area Schools	$	339,116
17160	Whitefish Schools	$	7,565
18000	Clare Gladwin Intermediate District	$	824,976
18010	Clare Public Schools	$	283,169
18020	Farwell Area Schools	$	435,856
18060	Harrison Community Schools	$	548,716
19000	Clinton Intermediate District	$	1,408,672
19010	Dewitt Public Schools	$	460,423
19070	Fowler Public Schools	$	73,794
19100	Bath Community Schools	$	207,492
19120	Ovid Elsie Area Schools	$	421,074
19125	Pewamo Westphalia Community Schools	$	123,323
19140	St. Johns Public Schools	$	916,394
20015	Crawford Ausable Schools	$	400,397
21000	Delta Schoolcraft Intermediate District	$	751,556
21010	Escanaba Area Public Schools	$	970,743
21025	Gladstone Area Schools	$	394,007
21060	Rapid River Public Schools	$	95,894
21065	Big Bay De Noc School District	$	76,026
21090	Bark River Harris School District	$	157,932
21135	Mid Peninsula School District	$	70,668
22000	Dickinson-Iron Intermediate District	$	886,487

22010	Iron Mountain City School District	$	235,977
22025	Norway Vulcan Area Schools	$	106,885
22030	Breitung Township School District	$	373,341
22045	North Dickinson County School District	$	108,610
23000	Eaton Intermediate District	$	1,122,375
23010	Bellevue Community School District	$	259,295
23030	Charlotte Public Schools	$	931,778
23050	Eaton Rapids Public Schools	$	933,405
23060	Grand Ledge Public Schools	$	1,871,628
23065	Maple Valley School District	$	406,606
23080	Olivet Community Schools	$	273,708
23090	Potterville Public Schools	$	223,936
24020	Harbor Springs School District	$	129,569
24030	Littlefield Public School District	$	79,810
24040	Pellston Public School District	$	87,279
24070	Petoskey Public Schools	$	324,563
25000	Genesee Intermediate District	$	6,300,676
25010	Flint City School District	$	18,747,097
25040	Mt. Morris Consolidated Schools	$	1,121,625
25060	Bendle Public Schools	$	404,192
25070	Genesee School District	$	231,806
25100	Fenton Area Public Schools	$	1,111,528
25110	Kearsley Community Schools	$	947,009
25120	Flushing Community Schools	$	973,174
25130	Atherton Community School District	$	299,766
25140	Davison Community Schools	$	1,194,861
25150	Clio Area School District	$	861,180
25180	Swartz Creek Community Schools	$	1,281,780
25200	Lake Fenton Schools	$	459,138
25210	Westwood Heights School District	$	433,487
25230	Bentley Community School District	$	416,919
25240	Beecher Community School District	$	1,684,881
25250	Linden Community School District	$	693,553
25260	Montrose Community Schools	$	803,839
25280	Lakeville Community School District	$	821,048
26010	Beaverton Rural Schools	$	401,648
26040	Gladwin Community Schools	$	427,002
27000	Gogebic Ontonagon Intermediate District	$	558,679
27010	Bessemer City School District	$	93,392
27020	Ironwood Area Schools	$	358,358
27060	Marenisco School District	$	13,053
27070	Wakefield Township School District	$	76,782
27080	Watersmeet Township School District	$	49,036
28000	Traverse Bay Intermediate District	$	4,179,332
28010	Traverse City School District	$	2,902,639
28035	Buckley Community School District	$	85,755

28090	Kingsley Area School	$	233,898
29000	Gratiot-Isabella RESD	$	470,134
29010	Alma Public Schools	$	694,386
29020	Ashley Community Schools	$	74,662
29040	Breckenridge Community Schools	$	304,118
29050	Fulton Schools	$	149,274
29060	Ithaca Public Schools	$	471,693
29100	St. Louis Public Schools	$	421,142
30000	Hillsdale Intermediate District	$	1,766,059
30010	Camden Frontier Schools	$	87,548
30020	Hillsdale Community Public Schools	$	391,242
30030	Jonesville Community Schools	$	109,455
30040	Litchfield Community Schools	$	167,255
30050	North Adams-Jerome Public Schools	$	61,387
30060	Pittsford Area Schools	$	202,030
30070	Reading Community Schools	$	128,460
30080	Waldron Area Schools	$	98,856
31000	Copper Country Intermediate District	$	874,467
31010	Hancock Public Schools	$	177,175
31020	Adams Township School District	$	20,756
31030	Calumet Public Schools	$	314,749
31050	Chassell Township School District	$	627
31100	Osceola Township School District	$	3,877
31110	Houghton-Portage Township Schools	$	176,454
31130	Lake Linden Hubbell School District	$	98,547
32000	Huron Intermediate District	$	1,188,316
32010	Bad Axe Public Schools	$	163,568
32030	Caseville Public Schools	$	29,891
32060	Harbor Beach Community Schools	$	129,415
32090	Owendale Gagetown Area School District	$	49,577
32130	Port Hope Community Schools	$	373
32170	Ubly Community Schools	$	103,432
33000	Ingham Intermediate District	$	9,528,160
33020	Lansing Public School District	$	13,878,055
33040	Dansville Agricultural School	$	231,154
33060	Haslett Public Schools	$	533,512
33070	Holt Public Schools	$	1,436,837
33100	Leslie Public Schools	$	487,249
33130	Mason Public Schools	$	1,242,161
33200	Stockbridge Community Schools	$	538,077
33220	Webberville Community Schools	$	160,090
33230	Williamston Community Schools	$	286,724
34000	Ionia Intermediate District	$	889,225
34010	Ionia Public Schools	$	1,442,559
34040	Palo Community School District	$	22,056
34080	Belding Area School District	$	590,288

34090	Lakewood Public Schools	$	621,134
34110	Portland Public School District	$	512,174
34120	Saranac Community Schools	$	222,518
35000	Iosco Intermediate District	$	746,867
35010	Oscoda Area Schools	$	586,953
35020	Hale Area Schools	$	117,632
35040	Whittemore Prescott Area School District	$	327,352
36015	Forest Park School District	$	104,179
36025	West Iron County School District	$	291,224
37010	Mt. Pleasant City School District	$	1,661,159
37040	Beal City School	$	94,455
37060	Shepherd Public School District	$	537,492
38000	Jackson Intermediate District	$	5,867,626
38010	Western School District	$	368,913
38020	Vandercook Lake Public Schools	$	182,732
38040	Columbia School District	$	272,872
38050	Grass Lake Community Schools	$	112,948
38080	Concord Community Schools	$	136,334
38090	East Jackson Public Schools	$	262,531
38100	Hanover Horton Schools	$	210,862
38120	Michigan Center School District	$	254,956
38130	Napoleon Community Schools	$	162,981
38140	Northwest School District	$	557,439
38150	Springport Public Schools	$	112,368
38170	Jackson Public Schools	$	4,007,741
39000	Kalamazoo Valley Intermediate District	$	2,294,305
39010	Kalamazoo City School District	$	4,620,814
39020	Climax Scotts Community Schools	$	141,525
39050	Galesburg Augusta Community Schools	$	491,658
39065	Gull Lake Community Schools	$	664,438
39130	Parchment School District	$	413,278
39160	Schoolcraft Community Schools	$	278,974
39170	Vicksburg Community Schools	$	606,035
40020	Forest Area Community School District	$	249,638
40040	Kalkaska Public Schools	$	536,507
41000	Kent Intermediate District	$	1,018,499
41010	Grand Rapids City School District	$	30,052,399
41020	Godwin Heights Public Schools	$	776,787
41025	Northview Public School District	$	1,463,294
41026	Wyoming Public Schools	$	3,510,038
41070	Cedar Springs Public Schools	$	1,194,520
41080	Comstock Park Public Schools	$	735,314
41120	Godfrey Lee Public School District	$	625,281
41130	Grandville Public Schools	$	2,285,726
41140	Kelloggsville Public Schools	$	457,811
41150	Kent City Community Schools	$	634,852

41170	Lowell Area School District	$	1,191,193
41210	Rockford Public Schools	$	1,800,045
41240	Sparta Area Schools	$	1,572,479
43040	Baldwin Community Schools	$	301,981
44000	Lapeer Intermediate District	$	1,257,237
44010	Lapeer Community Schools	$	1,606,732
44020	Almont Community Schools	$	195,065
44050	Dryden Community Schools	$	123,137
44060	Imlay City Community Schools	$	650,688
44090	North Branch Area Schools	$	361,607
45010	Glen Lake Community School District	$	147,578
45020	Leland Public School District	$	74,798
45040	Northport Public School District	$	103,011
46000	Lenawee Intermediate District	$	3,474,431
46010	Adrian City School District	$	1,749,075
46020	Addison Community Schools	$	228,919
46040	Blissfield Community Schools	$	216,378
46050	Britton Macon Area School District	$	48,992
46060	Clinton Community Schools	$	156,385
46070	Deerfield Public Schools	$	63,324
46080	Hudson Area Schools	$	206,641
46090	Madison School District	$	254,199
46100	Morenci Area Schools	$	175,792
46110	Onsted Community Schools	$	204,754
46130	Sand Creek Community Schools	$	180,402
46140	Tecumseh Public Schools	$	564,716
47000	Livingston Intermediate District	$	3,740,653
47010	Brighton Area Schools	$	1,608,320
47030	Fowlerville Community Schools	$	458,044
47060	Hartland Consolidated Schools	$	638,713
47070	Howell Public Schools	$	1,500,542
47080	Pinckney Community Schools	$	585,950
48040	Tahquamenon Area Schools	$	267,875
49010	St. Ignace City School District	$	199,400
49040	Les Cheneaux Community School District	$	79,470
49055	Engadine Consolidated Schools	$	48,728
49070	Moran Township School District	$	1,018
49110	Mackinac Island Public Schools	$	19,763
50000	Macomb Intermediate School	$	20,272,402
50030	Roseville Community Schools	$	2,720,948
50040	Anchor Bay School District	$	1,402,309
50050	Armada Area Schools	$	511,195
50070	Clintondale Community Schools	$	1,493,807
50080	Chippewa Valley Schools	$	2,743,571
50130	Lakeview Public Schools	$	1,303,122
50170	New Haven Community Schools	$	443,394

50180	Richmond Community Schools	$	714,909
50190	Romeo Community Schools	$	1,416,793
51000	Manistee Intermediate District	$	805,187
51020	Bear Lake School District	$	68,270
51045	Kaleva Norman - Dickson Schools	$	143,635
51060	Onekama Consolidated Schools	$	10,726
51070	Manistee Area Public Schools	$	309,900
52000	Marquette Alger Intermediate District	$	931,342
52015	N.I.C.E. Community Schools	$	487,900
52040	Gwinn Area Community Schools	$	686,265
52090	Negaunee Public Schools	$	360,838
52100	Powell Township School District	$	26,655
52110	Republic Michigamme Schools	$	111,822
52160	Wells Township School District	$	4,936
52170	Marquette City School District	$	1,176,918
52180	Ishpeming Public School District	$	369,755
53000	Mason Lake Intermediate District	$	1,418,466
53010	Mason County Central School District	$	270,895
53020	Mason County Eastern School District	$	100,000
53030	Freesoil Community School District	$	28,616
53040	Ludington Area School District	$	553,370
54000	Mecosta Osceola Intermediate District	$	1,144,797
54010	Big Rapids Public Schools	$	301,222
54025	Chippewa Hills School District	$	603,473
54040	Morley Stanwood Community Schools	$	298,110
55000	Menominee Intermediate District	$	596,813
55010	Carney Nadeau Public Schools	$	36,825
55100	Menominee Area Public Schools	$	410,849
55115	North Central Area Schools	$	79,050
55120	Stephenson Area Public Schools	$	146,858
56000	Midland Intermediate District	$	778,082
56020	Bullock Creek School District	$	815,270
56030	Coleman Community School District	$	405,291
56050	Meridian Public Schools	$	847,821
57010	Falmouth Elementary School District	$	11,423
57020	Lake City Area School District	$	144,279
57030	McBain Agricultural School District	$	148,767
58000	Monroe Intermediate District	$	5,938,669
58020	Airport Community School District	$	968,294
58030	Bedford Public School District	$	814,625
58050	Dundee Community Schools	$	290,343
58070	Ida Public School District	$	904,674
58080	Jefferson Schools-Monroe County	$	1,122,705
58090	Mason Consolidated School District	$	404,108
58100	Summerfield School District	$	196,514
58110	Whiteford Agricultural School District	$	171,481

59000	Montcalm Area Intermediate District	$	2,405,905
59020	Carson City Crystal Area School District	$	248,985
59045	Montabella Community School District	$	235,193
59070	Greenville Public Schools	$	937,756
59080	Tri County Area Schools	$	309,365
59090	Lakeview Community Schools	$	317,348
59125	Central Montcalm Public Schools	$	488,104
59150	Vestaburg Community Schools	$	142,375
60010	Atlanta Community Schools	$	102,771
60020	Hillman Community Schools	$	89,566
61000	Muskegon Intermediate District	$	1,704,192
61010	Muskegon City School District	$	7,333,232
61020	Muskegon Heights School District	$	1,665,615
61060	Mona Shores School District	$	924,108
61065	Oakridge Public Schools	$	516,766
61080	Fruitport Community Schools	$	1,340,081
61120	Holton Public Schools	$	404,703
61180	Montague Area Public Schools	$	353,974
61190	Orchard View Schools	$	835,211
61210	Ravenna Public Schools	$	289,731
61220	Reeths Puffer Schools	$	1,362,629
61230	North Muskegon Public Schools	$	104,428
61240	Whitehall School District	$	566,527
62000	Newaygo Intermediate District	$	2,002,463
62040	Fremont Public School District	$	413,415
62050	Grant Public School District	$	408,836
62060	Hesperia Community School District	$	258,339
62070	Newaygo Public School District	$	808,680
62080	Pineview School District	$	6,754
62090	White Cloud Public Schools	$	326,623
62470	Big Jackson School District	$	4,683
63080	Bloomfield Hills School District	$	6,277,282
63090	Clarenceville School District	$	1,050,868
63110	Oxford Area Community School District	$	1,064,497
63130	Hazel Park City School District	$	4,502,785
63180	Brandon School District	$	1,573,574
63190	Clarkston Community School District	$	2,599,329
63210	Holly Area School District	$	1,652,532
63250	Oak Park City School District	$	2,742,617
63300	Waterford School District	$	7,891,782
64000	Oceana Intermediate District	$	459,987
64040	Hart Public School District	$	492,658
64070	Pentwater Public School District	$	50,550
64080	Shelby Public Schools	$	308,687
64090	Walkerville Rural Community Schools	$	178,928
65045	West Branch-Rose City Area Schools	$	597,592

66045	Ewen-Trout Creek Consolidated Schools	$	125,613
66050	Ontonagon Area Schools	$	117,972
66070	White Pine School District	$	38,434
67020	Evart Public Schools	$	222,644
67050	Marion Public Schools	$	120,994
67055	Pine River Area Schools	$	210,897
67060	Reed City Area Public Schools	$	225,449
68010	Mio Au Sable Schools	$	188,436
68030	Fairview Area School District	$	53,298
69020	Gaylord Community Schools	$	361,967
69030	Johannesburg-Lewiston Schools	$	302,444
69040	Vanderbilt Area School	$	78,924
70000	Ottawa Intermediate District	$	3,134,623
70040	Allendale Public School District	$	304,155
70120	Coopersville Public School District	$	547,307
70175	Jenison Public Schools	$	1,174,903
70190	Hudsonville Public School District	$	642,115
70300	Spring Lake Public School District	$	654,764
71050	Onaway Area Community School District	$	62,371
71060	Posen Cons School District	$	89,023
71080	Rogers City Area Schools	$	98,801
72000	C O O R Intermediate District	$	1,535,012
72010	Gerrish Higgins School District	$	315,748
73000	Saginaw Intermediate District	$	3,752,177
73010	Saginaw City School District	$	9,709,110
73030	Carrollton School District	$	757,628
73080	Buena Vista School District	$	774,237
73110	Chesaning Union Schools	$	586,935
73170	Birch Run Area School District	$	442,083
73180	Bridgeport-Saulding Community Schools	$	947,910
73200	Freeland Community School District	$	245,297
73210	Hemlock Public School District	$	463,950
73230	Merrill Community School District	$	313,949
73240	St. Charles Community Schools	$	217,281
73255	Swan Valley School District	$	404,732
74000	St. Clair Intermediate District	$	2,495,753
74010	Port Huron Area School District	$	5,768,925
74030	Algonac Community School District	$	683,103
74040	Capac Community School District	$	637,134
74100	Marysville Public School District	$	541,674
74120	Memphis Community Schools	$	236,433
74130	Yale Public Schools	$	364,744
75000	St. Joseph Intermediate District	$	1,557,997
75010	Sturgis Public School District	$	667,172
75020	Burr Oak Community School District	$	31,806
75030	Centreville Public Schools	$	239,843

75040	Colon Community School District	$	136,247
75050	Constantine Public School District	$	295,041
75060	Mendon Community School District	$	220,774
75070	White Pigeon Community School District	$	166,233
75080	Three Rivers Community Schools	$	903,838
75100	Nottawa Community School	$	30,147
76000	Sanilac Intermediate District	$	694,073
76060	Brown City Community School District	$	174,912
76070	Carsonville-Port Sanilac School District	$	93,165
76080	Croswell Lexington Community Schools	$	410,871
76090	Deckerville Community School District	$	118,766
76140	Marlette Community Schools	$	284,291
76180	Peck Community School District	$	35,198
76210	Sandusky Community School District	$	308,221
77010	Manistique Area Schools	$	310,466
78000	Shiawassee RESD	$	3,184,986
78020	Byron Area Schools	$	191,551
78030	Durand Area Schools	$	540,453
78040	Laingsburg Community School District	$	114,818
78060	Morrice Area Schools	$	85,394
78070	New Lothrop Area Public School District	$	105,582
78080	Perry Public School District	$	273,749
78100	Corunna Public School District	$	454,571
78110	Owosso Public Schools	$	885,887
79000	Tuscola Intermediate District	$	1,095,027
79010	Akron Fairgrove Schools	$	76,917
79020	Caro Community Schools	$	476,124
79030	Cass City Public Schools	$	250,135
79080	Kingston Community School District	$	27,113
79090	Mayville Community School District	$	267,475
79100	Millington Community Schools	$	258,045
79110	Reese Public Schools	$	164,035
79145	Unionville Sebewaing Area Schools	$	98,025
79150	Vassar Public Schools	$	271,839
80000	Van Buren Intermediate District	$	3,864,085
80010	South Haven Public Schools	$	619,864
80020	Bangor Public Schools	$	246,071
80040	Covert Public Schools	$	179,845
80050	Decatur Public Schools	$	214,070
80090	Bloomingdale Public School District	$	303,179
80110	Gobles Public School District	$	145,320
80120	Hartford Public School District	$	475,713
80130	Lawrence Public School District	$	94,596
80140	Lawton Community School District	$	190,087
80150	Mattawan Consolidated School District	$	312,724
80160	Paw Paw Public School District	$	301,501

81000	Washtenaw Intermediate District	$ 2,724,063
81040	Chelsea School District	$ 518,995
81050	Dexter Community School District	$ 962,834
81070	Lincoln Consolidated School District	$ 1,492,337
81080	Manchester Community School District	$ 472,632
81100	Milan Area Schools	$ 572,621
81120	Saline Area School District	$ 1,624,108
81140	Whitmore Lake Public School District	$ 496,133
81150	Willow Run Community Schools	$ 2,071,518
82000	Wayne Intermediate District	$ 8,287,172
82010	Detroit City School District	$ 118,608,866
82040	Dearborn Heights School District #7	$ 849,305
82045	Melvindale Allen Park Schools	$ 836,448
82050	Garden City School District	$ 5,839,085
82060	Hamtramck Public Schools	$ 1,734,517
82070	Highland Park City Schools	$ 1,875,555
82080	Inkster City School District	$ 1,252,453
82090	Lincoln Park Public Schools	$ 2,194,776
82110	Redford Union School District	$ 5,630,439
82120	River Rouge City Schools	$ 885,742
82130	Romulus Community Schools	$ 2,366,586
82150	Taylor School District	$ 6,396,657
82160	Wayne-Westland Community School District	$ 14,003,645
82170	Wyandotte City School District	$ 3,732,656
82180	Flat Rock Community Schools	$ 549,211
82240	Westwood Community Schools	$ 1,762,599
82250	Ecorse Public School District	$ 656,734
82340	Huron School District	$ 1,302,779
82405	Southgate Community School District	$ 1,037,284
82430	Van Buren Public Schools	$ 3,312,445
83000	Wexford Missaukee Intermediate District	$ 1,625,243
83010	Cadillac Area Public Schools	$ 468,432
83060	Manton Consolidated Schools	$ 118,182
83070	Mesick Consolidated School District	$ 88,208

(2) This section, any other provision of this act, or section 353e of the management and budget act, 1984 PA 431, MCL 18.1353e, shall not be construed to constitute an admission of liability to the districts designated in this section in any litigation or future litigation with a district or intermediate district. In addition, this section, any other provision of this act, or section 353e of the management and budget act, 1984 PA 431, MCL 18.1353e, shall not be construed to constitute a waiver of any defense that is or would have been available to this state or its agencies, employees, or agents in any litigation or future litigation with a district or intermediate district.

History: Add. 1997, Act 142, Imd. Eff. Nov. 19, 1997

Compiler's Notes: In the above table, the entry for "Bridgeport-Saulding Community Schools" should evidently read "Bridgeport-Spaulding Community Schools."

388.1611i Borrowing money and issuing bonds.

Sec. 11i.

(1) In addition to any other authority granted under law, an eligible district or intermediate district may borrow from the Michigan municipal bond authority created under the shared credit rating act, 1985 PA 27, MCL 141.1051 to 141.1077, an amount equal to 1/2 of the amount listed for the district or intermediate district in section 11h, in anticipation of the receipt of the payments appropriated under section 11g, and may authorize by resolution of its governing body and issue its bonds to evidence its obligations to the Michigan municipal bond authority on the terms and with those provisions as are provided by resolution of the board of the district or intermediate district and as are acceptable to the Michigan municipal bond authority if the bonds are accompanied by an opinion of bond counsel acceptable to the Michigan municipal bond authority to the effect that the interest on the bonds is excluded from gross income for federal income tax purposes. For the purposes of this section, an eligible district or intermediate district is a district or intermediate district, other than a district or intermediate district that receives a lump sum payment under section 11f(2), that qualifies to receive funds under sections 11f and 11g and that notifies the department of treasury not later than 5 p.m. eastern daylight time on June 30, 1998, in the form and manner prescribed by the department of treasury, that the district or intermediate district will borrow money and issue bonds under this section or is a district, other than a district that receives a lump sum payment under section 11f(2), that qualifies to receive funds under sections 11f and 11g, that has a membership of less than 2,000 full-time equated pupils, that has not submitted to the department of treasury a letter stating its intent not to borrow from the Michigan municipal bond authority, and that notified the department of treasury not later than 5 p.m. eastern daylight time on July 14, 1998, in the form and manner prescribed by the department of treasury, that the district will borrow money and issue bonds under this section. A district or intermediate district may pledge and assign to the Michigan municipal bond authority, as security for the bonds, all of the payments appropriated to it under section 11g but may not otherwise pledge or assign those payments. Bonds issued under this section are not subject to the municipal finance act, 1943 PA 202, MCL 131.1 to 139.3.

(2) Proceeds of bonds issued under this section shall be made available to districts and intermediate districts on or after November 15, 1998. Each district and intermediate district shall use proceeds of bonds issued by it under this section only for a purpose for which bonds may be issued under section 1351a of the revised school code, MCL 380.1351a.

(3) Bonds issued under this section do not constitute a general obligation or debt of a district or intermediate district within the meaning of any constitutional or statutory debt limitation.

(4) This section shall be construed as cumulative authority for the exercise of the powers granted in this section and shall not be construed to repeal any existing law. The purpose of this section is to create full and complete additional and alternate methods for the exercise of existing powers, and the powers conferred by this section are not affected or limited by any other statute or by any charter or incorporating document.

(5) A pledge made by a district or intermediate district under this section is valid and binding from the time the pledge is made. The revenue or other money pledged under this section and thereafter received by a district or intermediate district is immediately subject to the lien of the pledge without physical delivery of the revenue or money or any further act. The lien of such a pledge is valid and binding against a party having a claim of any kind in tort, contract, or otherwise against the district or intermediate district, irrespective of whether that party has notice of the pledge. The resolution or any other instrument by which a pledge is created is not required to be filed or recorded in order to establish and perfect a lien or security interest in the property pledged.

(6) Bonds issued under this section are not in any way a debt or liability of this state; do not create or constitute any indebtedness, liability, or obligation of this state; are not and do not constitute a pledge of the faith and credit of this state; and shall contain on their face a statement to that effect.

History: Add. 1997, Act 142, Imd. Eff. Nov. 19, 1997;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998

388.1611j School loan bond redemption fund; allocation.

Sec. 11j.

From the appropriation in section 11, there is allocated an amount not to exceed $48,000,000.00 for 2006-2007 for payments to the school loan bond redemption fund in the department of treasury on behalf of districts and intermediate districts. Notwithstanding section 11 or any other provision of this act, funds allocated under this section are not subject to proration and shall be paid in full.

History: Add. 2002, Act 191, Imd. Eff. Apr. 26, 2002;-- Am. 2003, Act 158, Eff. Oct. 1, 2003;-- Am. 2004, Act 351, Imd. Eff. Sept. 30, 2004;-- Am. 2005, Act 98, Imd. Eff. July 22, 2005;-- Am. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 98 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2004-2005 in this amendatory act, 2004 PA 518, 2004 PA 351, and 2004 PA 185 is estimated at $11,113,522, 200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,050,922,200.00." Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1611k School loan revolving fund; allocation; definition.

Sec. 11k.

For 2006-2007, there is appropriated from the general fund to the school loan revolving fund an amount equal to the amount of school bond loans assigned to the Michigan municipal bond authority, not to exceed the total amount of school bond loans held in reserve as long-term assets. As used in this section, "school loan revolving fund" means that fund created in section 16c of the shared credit rating act, 1985 PA 227, MCL 141.1066c.

History: Add. 2005, Act 155, Imd. Eff. Sept. 30, 2005;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Former MCL 388.1611k, which pertained to project grants to districts, was repealed by Act 111 of 2001, Imd. Eff. Sept. 28, 2001. Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1611m Fiscal year cash-flow borrowing costs; allocation.

Sec. 11m.

From the appropriations in section 11, there is allocated for 2006-2007 an amount not to exceed $22,800,000.00 for fiscal year cash-flow borrowing costs solely related to the state school aid fund established by section 11 of article IX of the state constitution of 1963.

History: Add. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1612 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to aggregate unequalized revenue.

388.1613 Apportionments and limitations of apportionments; basis; counting pupil membership and professionals.

Sec. 13.

Except as otherwise provided in this act, the apportionments and limitations of the apportionments made under this act shall be made on the membership and number of teachers and other professionals approved by the superintendent employed as of the pupil membership count day of each year and on the taxable value and the operating millage of each district for the calendar year. In addition, a district maintaining school during the entire year, as provided in section 1561 of the revised school code, MCL 380.1561, shall count memberships and educational personnel pursuant to rules promulgated by the superintendent and shall report to the center as required by state and federal law.

History: 1979, Act 94, Eff. Oct. 1, 1979;-- Am. 1980, Act 320, Imd. Eff. Dec. 10, 1980;-- Am. 1992, Act 148, Eff. Oct. 1, 1992;-- Am. 1993, Act 95, Imd. Eff. July 13, 1993;-- Am. 1993, Act 175, Eff. Oct. 1, 1993;-- Am. 1995, Act 130, Eff. Oct. 1, 1995;-- Am. 1996, Act 300, Eff. Oct. 1, 1996;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999;-- Am. 2004, Act 351, Eff. Oct. 1, 2004

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."

388.1614 Defective data; duties of department.

Sec. 14.

If the data from an intermediate district or district upon which a statement of the amount to be disbursed or paid are determined to be defective or incomplete, making it impracticable to ascertain the apportionment to be disbursed or paid, the department shall withhold the amount of the apportionment that cannot be ascertained until the department is able to ascertain by the best evidence available the facts upon which the ratio and amount of the apportionment depend, and then shall make the apportionment accordingly.

History: 1979, Act 94, Eff. Oct. 1, 1979;-- Am. 1993, Act 175, Eff. Oct. 1, 1993;-- Am. 1993, Act 336, Eff. Oct. 1, 1994;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1615 Apportionment of deficiency or deduction of excess in next apportionment; state aid overpayments to districts other than overpayments for special education; deduction due to adjustment as result of audit or incorrect payment; funding expenditures caused by write-off of prior year accruals; additional appropriation.

Sec. 15.

(1) If a district or intermediate district fails to receive its proper apportionment, the department, upon satisfactory proof that the district or intermediate district was entitled justly, shall apportion the deficiency in the next apportionment. Subject to subsections (2) and (3), if a district or intermediate district has received more than its proper apportionment, the department, upon satisfactory proof, shall deduct the excess in the next apportionment. Notwithstanding any other provision in this act, state aid overpayments to a district, other than overpayments in payments for special education or special education transportation, may be recovered from any payment made under this act other than a special education or special education transportation payment. State aid overpayments made in special education or special education transportation payments may be recovered from subsequent special education or special education transportation payments.

(2) If the result of an audit conducted by or for the department affects the current fiscal year membership, affected payments shall be adjusted in the current fiscal year. A deduction due to an adjustment made as a result of an audit conducted by or for the department, or as a result of information obtained by the department from the district, an intermediate district, the department of treasury, or the office of auditor general, shall be deducted from the district's apportionments within the next fiscal year after the fiscal year in which the adjustment is finalized. At the request of the district and upon the district presenting evidence satisfactory to the department of the hardship, the department may grant up to an additional 4 years for the adjustment if the district would otherwise experience a significant hardship.

(3) If, because of the receipt of new or updated data, the department determines during a fiscal year that the amount paid to a district or intermediate district under this act for a prior fiscal year was incorrect under the law in effect for that year, the department may make the appropriate deduction or payment in the district's or intermediate district's allocation for the fiscal year in which the determination is made. The deduction or payment shall be calculated according to the law in effect in the fiscal year in which the improper amount was paid.

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

(5) In addition to funds appropriated in section 11 for all programs and services, there is appropriated each fiscal year for 2005-2006 and 2006-2007 for obligations in excess of applicable appropriations, an amount equal to the collection of overpayments, but not to exceed amounts available from overpayments.

History: 1979, Act 94, Eff. Oct. 1, 1979;-- Am. 1980, Act 320, Imd. Eff. Dec. 10, 1980;-- Am. 1981, Act 36, Eff. Oct. 1, 1981;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982;-- Am. 1986, Act 212, Eff. Oct. 1, 1986;-- Am. 1987, Act 128, Eff. Oct. 1, 1987;-- Am. 1990, Act 207, Eff. Oct. 1, 1990;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991;-- Am. 1993, Act 175, Eff. Oct. 1, 1993;-- Am. 1993, Act 336, Eff. Oct. 1, 1994;-- Am. 1995, Act 130, Eff. Oct. 1, 1995;-- Am. 1996, Act 180, Imd. Eff. Apr. 19, 1996;-- Am. 1996, Act 300, Eff. Oct. 1, 1996;-- Am. 2004, Act 351, Eff. Oct. 1, 2004;-- Am. 2005, Act 155, Imd. Eff. Sept. 30, 2005;-- Am. 2006, Act 342, Imd. Eff. Aug. 15, 2006

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1616 Repealed. 1996, Act 300, Eff. Oct. 1, 1996.

Compiler's Notes: The repealed section pertained to allowance greater than actual amounts paid prohibited.

388.1617 Repealed. 1992, Act 148, Eff. Aug. 1, 1992.

Compiler's Notes: The repealed section pertained to amount to be distributed in installments to districts.

388.1617a Withholding payment district or intermediate district entitled to receive under act; extent; plan for financing outstanding obligation defaulted upon by district or intermediate district; use of amounts withheld; agreement assigning or pledging payment; statement; "trustee of a pooled arrangement" defined.

Sec. 17a.

(1) The department may withhold all or part of any payment that a district or intermediate district is entitled to receive under this act to the extent the withholdings are a component part of a plan, developed and implemented pursuant to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, or other statutory authority, for financing an outstanding obligation upon which the district or intermediate

district defaulted. Amounts withheld shall be used to pay, on behalf of the district or intermediate district, unpaid amounts or subsequently due amounts, or both, of principal and interest on the outstanding obligation upon which the district or intermediate district defaulted.

(2) The state treasurer may withhold all or part of any payment that a district or intermediate district is entitled to receive under this act to the extent authorized or required under section 15 of the school bond qualification, approval, and loan act, 2005 PA 92, MCL 388.1935.

(3) Under an agreement entered into by a district or intermediate district assigning all or a portion of the payment that it is eligible to receive under this act to the Michigan municipal bond authority or to the trustee of a pooled arrangement or pledging the amount for payment of an obligation it incurred with the Michigan municipal bond authority or with the trustee of a pooled arrangement, the state treasurer shall transmit to the Michigan municipal bond authority or a trustee designated by the authority or to the trustee of a pooled arrangement the amount of the payment that is assigned or pledged under the agreement. Notwithstanding the payment dates prescribed by this act for distributions under this act, the state treasurer may advance all or part of a payment that is dedicated for distribution or for which the appropriation authorizing the payment has been made if and to the extent, under the terms of an agreement entered into by a district or intermediate district and the Michigan municipal bond authority, the payment that the district or intermediate district is eligible to receive has been assigned to or pledged for payment of an obligation it incurred with the Michigan municipal bond authority. This subsection does not require the state to make an appropriation to any school district or intermediate school district and shall not be construed as creating an indebtedness of the state, and any agreement made pursuant to this subsection shall contain a statement to that effect. As used in this subsection, "trustee of a pooled arrangement" means the trustee of a trust approved by the state treasurer and, subject to the conditions and requirements of that approval, established for the purpose of offering for sale, as part of a pooled arrangement, certificates representing undivided interests in notes issued by districts or intermediate districts under section 1225 of the revised school code, 1976 PA 451, MCL 380.1225. If a trustee applies to the state treasurer for approval of a trust for the purposes of this subsection, the state treasurer shall approve or disapprove the trust within 10 days after receipt of the application.

History: Add. 1983, Act 37, Imd. Eff. May 10, 1983;-- Am. 1985, Act 142, Eff. Jan. 13, 1986;-- Am. 1996, Act 300, Eff. Oct. 1, 1996;-- Am. 2002, Act 71, Imd. Eff. Mar. 15, 2002;-- Am. 2005, Act 95, Imd. Eff. July 20, 2005;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1617b Amounts to be distributed in installments to districts; electronic files; payments; warrant; adjustments; grant payments; advance release of funds.

Sec. 17b.

(1) Not later than October 20, November 20, December 20, January 20, February 20, March 20, April 20, May 20, June 20, July 20, and August 20, the department shall prepare electronic files of the amount to be distributed under this act in the installment to the districts and intermediate districts and deliver the electronic files to the state treasurer, and the state treasurer shall pay the installments on each of those dates or, if the date is not a business day, on the immediately preceding business day before that date. Except as otherwise provided in this act, the portion of the district's or intermediate district's state fiscal year entitlement to be included in each installment shall be 1/11. A district or intermediate district shall accrue the payments received in July and August to the school fiscal year ending the immediately preceding June 30.

(2) The state treasurer shall make payment under this section by drawing a warrant in favor of the treasurer of each district or intermediate district for the amount payable to the district or intermediate district according to the electronic files and delivering the warrant to the treasurer of each district or intermediate

district, or if the state treasurer receives a written request by the treasurer of the district or intermediate district specifying an account, by electronic funds transfer to that account of the amount payable to the district or intermediate district according to the electronic files. The department may make adjustments in payments made under this section through additional payments when changes in law or errors in computation cause the regularly scheduled payment to be less than the amount to which the district or intermediate district is entitled pursuant to this act.

(3) Except as otherwise provided in this act, grant payments to districts and intermediate districts under this act shall be paid according to subsection (1).

(4) Upon the written request of a district or intermediate district and the submission of proof satisfactory to the department of a need of a temporary and nonrecurring nature, the superintendent, with the written concurrence of the state treasurer and the state budget director, may authorize an advance release of funds due a district or intermediate district under this act. An advance authorized under this subsection shall not cause funds to be paid to a district or intermediate district more than 30 days earlier than the established payment date for those funds.

History: Add. 1992, Act 148, Eff. Aug. 1, 1992;-- Am. 1993, Act 175, Eff. Oct. 1, 1993;-- Am. 1993, Act 336, Eff. Oct. 1, 1994;-- Am. 1994, Act 283, Eff. Oct. 1, 1994;-- Am. 1995, Act 130, Eff. Oct. 1, 1995;-- Am. 1996, Act 300, Eff. Oct. 1, 1996;-- Am. 1997, Act 93, Eff. Oct. 1, 1997;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997;-- Am. 1998, Act 553, Imd. Eff. Jan. 27, 1999;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000;-- Am. 2005, Act 150, Imd. Eff. Sept. 30, 2005;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1617c Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to grant payments.

388.1618 Application of money received under act; determining reasonableness of expenditures; withholding apportionment for violation; availability of budget revisions on website; audit; manuals; reports; retention of property by public school academy; failure to comply with subsections (3), (4), (5), and (6).

Sec. 18.

(1) Except as provided in another section of this act, each district or other entity shall apply the money received by the district or entity under this act to salaries and other compensation of teachers and other employees, tuition, transportation, lighting, heating, ventilation, water service, the purchase of textbooks which are designated by the board to be used in the schools under the board's charge, other supplies, and any other school operating expenditures defined in section 7. However, not more than 20% of the total amount received by a district under article 2 or intermediate district under article 8 may be transferred by the board to either the capital projects fund or to the debt retirement fund for debt service. The money shall not be applied or taken for a purpose other than as provided in this section. The department shall determine the reasonableness of expenditures and may withhold from a recipient of funds under this act the apportionment otherwise due for the fiscal year following the discovery by the department of a violation by the recipient.

(2) Within 30 days after a board or intermediate board adopts its annual operating budget for the following school fiscal year, or after a board or intermediate board adopts a subsequent revision to that budget, the district or intermediate district shall make the budget and subsequent budget revisions available on its website, or a district may make the information available on its intermediate district's website, in a form and manner prescribed by the department.

(3) For the purpose of determining the reasonableness of expenditures and whether a violation of this act has occurred, the department shall require that each district and intermediate district have an audit of the district's or intermediate district's financial and pupil accounting records conducted at least annually at the expense of the district or intermediate district, as applicable, by a certified public accountant or by the intermediate district superintendent, as may be required by the department, or in the case of a district of the first class by a certified public accountant, the intermediate superintendent, or the auditor general of the city. An intermediate district's annual financial audit shall be accompanied by the intermediate district's pupil accounting procedures report. A district's or intermediate district's annual financial audit shall include an analysis of the financial and pupil accounting data used as the basis for distribution of state school aid. The pupil accounting records and reports, audits, and management letters are subject to requirements established in the auditing and accounting manuals approved and published by the department. Except as otherwise provided in this subsection, a district shall file the annual financial audit reports with the intermediate district not later than 120 days after the end of each school fiscal year and the intermediate district shall forward the annual financial audit reports for its constituent districts and for the intermediate district, and the pupil accounting procedures report for the pupil membership count day and supplemental count day, to the department not later than November 15 of each year. The annual financial audit reports and pupil accounting procedures reports shall be available to the public in compliance with the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246. Not later than December 1 of each year, the department shall notify the state budget director and the legislative appropriations subcommittees responsible for review of the school aid budget of districts and intermediate districts that have not filed an annual financial audit and pupil accounting procedures report required under this section for the school year ending in the immediately preceding fiscal year.

(4) By November 15 of each year, each district and intermediate district shall submit to the center, in a manner prescribed by the center, annual comprehensive financial data consistent with accounting manuals and charts of accounts approved and published by the department. Effective with the report due on November 15, 2006, for an intermediate district, the report shall also contain the website address where the department can access the report required under section 620 of the revised school code, MCL 380.620.

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

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

(7) The department shall review its pupil accounting and pupil auditing manuals at least annually and shall periodically update those manuals to reflect changes in this act.

(8) If a district that is a public school academy purchases property using money received under this act, the public school academy shall retain ownership of the property unless the public school academy sells the property at fair market value.

(9) If a district or intermediate district does not comply with subsection (3), (4), (5), or (6), the department shall withhold all state school aid due to the district or intermediate district under this act, beginning with the next payment due to the district or intermediate district, until the district or intermediate district complies with subsections (3), (4), (5), and (6). If the district or intermediate district does not comply with subsections (3), (4), (5), and (6) by the end of the fiscal year, the district or intermediate district forfeits the amount withheld.

History: 1979, Act 94, Eff. Oct. 1, 1979;-- Am. 1989, Act 197, Eff. Oct. 1, 1989;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991;-- Am. 1992, Act 148, Eff. Oct. 1, 1992;-- Am. 1993, Act 175, Eff. Oct. 1, 1993;-- Am. 1993, Act 336, Eff. Oct. 1, 1994;-- Am. 1994, Act 283, Eff. Oct. 1, 1994;-- Am. 1995, Act 130, Eff. Oct. 1, 1995;-- Am. 1996, Act 300, Eff. Oct. 1, 1996;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999;-- Am. 2003, Act 158, Eff. Oct. 1, 2003;-- Am. 2004, Act 414, Eff. Jan. 1, 2005;-- Am. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1618a Grant funds to be expended by end of school year; effect of funds not expended; return of unexpended funds.

Sec. 18a.

Grant funds awarded and allotted to a district, intermediate district, or other entity, unless otherwise specified in this act, shall be expended by the grant recipient before the end of the school fiscal year immediately following the fiscal year in which the funds are received. If a grant recipient does not expend the funds received under this act before the end of the fiscal year in which the funds are received, the grant recipient shall submit a report to the department not later than November 1 after the fiscal year in which the funds are received indicating whether it expects to expend those funds during the fiscal year in which the report is submitted. A recipient of a grant shall return any unexpended grant funds to the department in the manner prescribed by the department not later than September 30 after the fiscal year in which the funds are received.

History: Add. 1992, Act 148, Eff. Aug. 1, 1992;-- Am. 1993, Act 175, Eff. Oct. 1, 1993;-- Am. 1996, Act 300, Eff. Oct. 1, 1996;-- Am. 2004, Act 351, Eff. Oct. 1, 2004

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sourcesEnacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."

388.1618b Property of public school academy to be transferred to this state.

Sec. 18b.

(1) Property of a public school academy that was acquired substantially with funds appropriated under this act shall be transferred to this state by the public school academy corporation if any of the following occur:

(a) The public school academy has been ineligible to receive funding under this act for 18 consecutive months.

(b) The public school academy's contract has been revoked.

(c) The public school academy's contract has not been reissued by the authorizing body.

(2) Property required to be transferred to this state under this section includes title to all real and personal property, interests in real or personal property, and other assets owned by the public school academy corporation that were substantially acquired with funds appropriated under this act.

(3) The state treasurer, or his or her designee, is authorized to dispose of property transferred to this state under this section. Except as otherwise provided in this section, the state treasurer shall deposit in the state school aid fund any money included in that property and the net proceeds from the sale of the property or interests in property, after payment by the state treasurer of any public school academy debt secured by the property or interest in property.

(4) This section does not impose any liability on this state, any agency of this state, or an authorizing body for any debt incurred by a public school academy.

(5) As used in this section and section 18c, "authorizing body" means an authorizing body defined under section 501 of the revised school code, MCL 380.501.

History: Add. 2000, Act 297, Imd. Eff. July 26, 2000

388.1618c Contract between public school administrator and third party.

Sec. 18c.

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

History: Add. 2000, Act 297, Imd. Eff. July 26, 2000

388.1618d Repealed. 2003, Act 158, Eff. Oct. 1, 2003.

Compiler's Notes: The repealed section pertained to claim of debt or financial obligation.

388.1619 Compliance; information to be provided for annual progress report; report of graduation and dropout rates; educational personnel; information relating to safety practices and criminal incidents; failure to comply with certain requirements; list of schools or districts failing to make adequate yearly progress; appeal of determination; publication of list.

Sec. 19.

(1) A district shall comply with any requirements of sections 1204a, 1277, 1278, and 1280 of the revised school code, MCL 380.1204a, 380.1277, 380.1278, and 380.1280, commonly referred to as "public act 25 of 1990" that are not also required by the no child left behind act of 2001, Public Law 107-110, as determined by the department.

(2) Each district and intermediate district shall provide to the department, in a form and manner prescribed by the department, information necessary for the development of an annual progress report on the required implementation of sections 1204a, 1277, 1278, and 1280 of the revised school code, MCL 380.1204a, 380.1277, 380.1278, and 380.1280, commonly referred to as "public act 25 of 1990".

(3) A district or intermediate district shall comply with all applicable reporting requirements specified in state and federal law. Data provided to the center, in a form and manner prescribed by the center, shall be aggregated and disaggregated as required by state and federal law.

(4) Each district shall furnish to the center not later than 7 weeks after the pupil membership count day, in a manner prescribed by the center, the information necessary for the preparation of the district and high school graduation report. The center shall calculate an annual graduation and pupil dropout rate for each high school, each district, and this state, in compliance with nationally recognized standards for these calculations. The center shall report all graduation and dropout rates to the senate and house education committees and appropriations committees, the state budget director, and the department not later than 30 days after the publication of the list described in subsection (8).

(5) By the first business day in December and by June 30 of each year, a district shall furnish to the center, in a manner prescribed by the center, information related to educational personnel as necessary for reporting required by state and federal law.

(6) By June 30 of each year, a district shall furnish to the center, in a manner prescribed by the center, information related to safety practices and criminal incidents as necessary for reporting required by state and federal law.

(7) If a district or intermediate district fails to meet the requirements of subsection (2), (3), (4), (5), or (6), the department shall withhold 5% of the total funds for which the district or intermediate district qualifies under this act until the district or intermediate district complies with all of those subsections. If the district or intermediate district does not comply with all of those subsections by the end of the fiscal year, the

department shall place the amount withheld in an escrow account until the district or intermediate district complies with all of those subsections.

(8) Before publishing a list of schools or districts determined to have failed to make adequate yearly progress as required by the federal no child left behind act of 2001, Public Law 107-110, the department shall allow a school or district to appeal that determination. The department shall consider and act upon the appeal within 30 days after it is submitted and shall not publish the list until after all appeals have been considered and decided.

History: Add. 1988, Act 318, Eff. Oct. 1, 1988;-- Am. 1989, Act 197, Eff. Oct. 1, 1989;-- Am. 1989, Act 235, Imd. Eff. Dec. 21, 1989;-- Am. 1990, Act 207, Eff. Oct. 1, 1990;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991;-- Am. 1992, Act 148, Eff. Oct. 1, 1992;-- Am. 1993, Act 175, Eff. Oct. 1, 1993;-- Am. 1993, Act 336, Eff. Oct. 1, 1994;-- Am. 1994, Act 283, Eff. Oct. 1, 1994;-- Am. 1995, Act 130, Eff. Oct. 1, 1995;-- Am. 1996, Act 300, Eff. Oct. 1, 1996;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000;-- Am. 2002, Act 191, Eff. Oct. 1, 2002;-- Am. 2003, Act 158, Eff. Oct. 1, 2003;-- Am. 2004, Act 351, Eff. Oct. 1, 2004;-- Am. 2005, Act 155, Eff. Oct. 1, 2005

Compiler's Notes: For transfer of powers, duties, functions, and responsibilities of the department of education regarding educational reports to the center for educational performance and information by type II transfer, see E.R.O. No. 2000-6, compiled at § 388.996 of the Michigan compiled laws. Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."

388.1619a-388.1619c Repealed. 1990, Act 207, Eff. Oct. 1, 1990.

Compiler's Notes: Section 3 of Act 207 of 1990 purported to repeal §§ 388.1619a to 388.1619d. However, § 388.1619d, as added by Act 197 of 1989, did not take effect pursuant to the terms of subsection (3) of that section. The repealed sections pertained to core curriculum, school improvement, and standards for accreditation.

Article 2

388.1620 Foundation allowance per membership pupil; payments to districts, public school academies, and university schools; definitions.

Sec. 20.

(1) For 2005-2006, the basic foundation allowance is $6,875.00. For 2006-2007, the basic foundation allowance is $7,085.00.

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

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

(a) Except as otherwise provided in this subsection, for a district that in the immediately preceding state fiscal year had a foundation allowance in an amount at least equal to the amount of the basic foundation allowance for the immediately preceding state fiscal year, the district shall receive a foundation allowance in an amount equal to the sum of the district's foundation allowance for the immediately preceding state fiscal year plus the dollar amount of the adjustment from the immediately preceding state fiscal year to the current state fiscal year in the basic foundation allowance. However, for 2002-2003, the foundation allowance for a district under this subdivision is an amount equal to the sum of the district's foundation allowance for the immediately preceding state fiscal year plus $200.00.

(b) For a district that in the 1994-95 state fiscal year had a foundation allowance greater than $6,500.00, the district's foundation allowance is an amount equal to the sum of the district's foundation allowance for the immediately preceding state fiscal year plus the lesser of the increase in the basic foundation allowance for the current state fiscal year, as compared to the immediately preceding state fiscal year, or the product of the district's foundation allowance for the immediately preceding state fiscal year times the percentage increase in the United States consumer price index in the calendar year ending in the immediately preceding fiscal year as reported by the May revenue estimating conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b. For 2002-2003, for a district that in the 1994-95 state fiscal year had a foundation allowance greater than $6,500.00, the district's foundation allowance is an amount equal to the sum of the district's foundation allowance for the immediately preceding state fiscal year plus the lesser of $200.00 or the product of the district's foundation allowance for the immediately preceding state fiscal year times the percentage increase in the United States consumer price index in the calendar year ending in the immediately preceding fiscal year as reported by the May revenue estimating conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b.

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

(d) For a district that received a payment under section 22c as that section was in effect for 2001-2002, the district's 2001-2002 foundation allowance shall be considered to have been an amount equal to the sum of the district's actual 2001-2002 foundation allowance as otherwise calculated under this section plus the per pupil amount of the district's equity payment for 2001-2002 under section 22c as that section was in effect for 2001-2002.

(e) It is the intent of the legislature that beginning in 2007-2008, for a district that receives a payment under section 22c for 2006-2007, the district's 2006-2007 foundation allowance shall be considered to have been an amount equal to the sum of the district's actual 2006-2007 foundation allowance as otherwise calculated under this section plus the per pupil amount of the district's equity payment for 2006-2007 under section 22c.

(4) Except as otherwise provided in this subsection, the state portion of a district's foundation allowance is an amount equal to the district's foundation allowance or $6,500.00, whichever is less, minus the difference between the product of the taxable value per membership pupil of all property in the district that is not a principal residence or qualified agricultural property times the lesser of 18 mills or the number of mills of school operating taxes levied by the district in 1993-94 and the quotient of the ad valorem property tax revenue of the district captured under 1975 PA 197, MCL 125.1651 to 125.1681, the tax increment finance authority act, 1980 PA 450, MCL 125.1801 to 125.1830, the local development financing act, 1986 PA 281, MCL 125.2151 to 125.2174, or the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672, divided by the district's membership excluding special education pupils. For a district described in subsection (3)(b), the state portion of the district's foundation allowance is an amount equal to $6,962.00 plus the difference between the district's foundation allowance for the current state fiscal year and the district's foundation allowance for 1998-99, minus the difference between the product of the taxable value per membership pupil of all property in the district that is not a principal residence or qualified agricultural property times the lesser of 18 mills or the number of mills of school operating taxes levied by the district in 1993-94 and the quotient of the ad valorem property tax revenue of the district captured under 1975 PA 197, MCL 125.1651 to 125.1681, the tax increment finance authority act, 1980 PA 450, MCL 125.1801 to 125.1830, the local development financing act, 1986 PA 281, MCL 125.2151 to 125.2174, or the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672, divided by the district's membership excluding special education pupils. For a district that has a millage reduction required under section 31 of article IX of the state constitution of 1963, the state portion of the district's foundation allowance shall be calculated as if that reduction did not occur. The $6,500.00 amount prescribed in this subsection shall be adjusted each year by an amount equal to the dollar amount of the difference between the basic foundation allowance for the current state fiscal year and $5,000.00, minus $200.00.

(5) The allocation calculated under this section for a pupil shall be based on the foundation allowance of the pupil's district of residence. However, for a pupil enrolled in a district other than the pupil's district of residence, if the foundation allowance of the pupil's district of residence has been adjusted pursuant to subsection (19), the allocation calculated under this section shall not include the adjustment described in subsection (19). For a pupil enrolled pursuant to section 105 or 105c in a district other than the pupil's district of residence, the allocation calculated under this section shall be based on the lesser of the foundation allowance of the pupil's district of residence or the foundation allowance of the educating district. For a pupil in membership in a K-5, K-6, or K-8 district who is enrolled in another district in a grade not offered by the pupil's district of residence, the allocation calculated under this section shall be based on the foundation allowance of the educating district if the educating district's foundation allowance is greater than the foundation allowance of the pupil's district of residence. The calculation under this subsection shall take into account a district's per pupil allocation under section 20j(2).

(6) Subject to subsection (7) and section 22b(3) and except as otherwise provided in this subsection, for pupils in membership, other than special education pupils, in a public school academy or a university school, the allocation calculated under this section is an amount per membership pupil other than special education pupils in the public school academy or university school equal to the sum of the local school operating revenue per membership pupil other than special education pupils for the district in which the public school academy or university school is located and the state portion of that district's foundation allowance, or the sum of the basic foundation allowance under subsection (1) plus $300.00, whichever is less. Notwithstanding section 101(2), for a public school academy that begins operations after the pupil membership count day, the amount per membership pupil calculated under this subsection shall be adjusted by multiplying that amount per membership pupil by the number of hours of pupil instruction provided by the public school academy after it begins operations, as determined by the department, divided by the minimum number of hours of pupil instruction required under section 101(3). The result of this calculation shall not exceed the amount per membership pupil otherwise calculated under this subsection.

(7) If more than 25% of the pupils residing within a district are in membership in 1 or more public school academies located in the district, then the amount per membership pupil calculated under this section for a public school academy located in the district shall be reduced by an amount equal to the difference between the product of the taxable value per membership pupil of all property in the district that is not a principal residence or qualified agricultural property times the lesser of 18 mills or the number of mills of school operating taxes levied by the district in 1993-94 and the quotient of the ad valorem property tax revenue of the district captured under 1975 PA 197, MCL 125.1651 to 125.1681, the tax increment finance authority act, 1980 PA 450, MCL 125.1801 to 125.1830, the local development financing act, 1986 PA 281, MCL 125.2151 to 125.2174, or the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672, divided by the district's membership excluding special education pupils, in the school fiscal year ending in the current state fiscal year, calculated as if the resident pupils in membership in 1 or more public school academies located in the district were in membership in the district. In order to receive state school aid under this act, a district described in this subsection shall pay to the authorizing body that is the fiscal agent for a public school academy located in the district for forwarding to the public school academy an amount equal to that local school operating revenue per membership pupil for each resident pupil in membership other than special education pupils in the public school academy, as determined by the department.

(8) If a district does not receive an amount calculated under subsection (9); if the number of mills the district may levy on a principal residence and qualified agricultural property under section 1211(1) of the revised school code, MCL 380.1211, is 0.5 mills or less; and if the district elects not to levy those mills, the district instead shall receive a separate supplemental amount calculated under this subsection in an amount equal to the amount the district would have received had it levied those mills, as determined by the department of treasury. A district shall not receive a separate supplemental amount calculated under this subsection for a fiscal year unless in the calendar year ending in the fiscal year the district levies 18 mills or the number of mills of school operating taxes levied by the district in 1993, whichever is less, on property that is not a principal residence or qualified agricultural property.

(9) For a district that had combined state and local revenue per membership pupil in the 1993-94 state fiscal year of more than $6,500.00 and that had fewer than 350 pupils in membership, if the district elects not to reduce the number of mills from which a principal residence and qualified agricultural property are exempt and not to levy school operating taxes on a principal residence and qualified agricultural property as provided in section 1211(1) of the revised school code, MCL 380.1211, and not to levy school operating taxes on all property as provided in section 1211(2) of the revised school code, MCL 380.1211, there is calculated under this subsection for 1994-95 and each succeeding fiscal year a separate supplemental amount in an amount equal to the amount the district would have received per membership pupil had it levied school operating taxes on a principal residence and qualified agricultural property at the rate authorized for the district under section 1211(1) of the revised school code, MCL 380.1211, and levied school operating taxes on all property at the rate authorized for the district under section 1211(2) of the revised school code, MCL 380.1211, as determined by the department of treasury. If in the calendar year ending in the fiscal year a district does not levy 18 mills or the number of mills of school operating taxes levied by the district in 1993, whichever is less, on property that is not a principal residence or qualified agricultural property, the amount calculated under this subsection will be reduced by the same percentage as the millage actually levied compares to the 18 mills or the number of mills levied in 1993, whichever is less.

(10) Subject to subsection (4), for a district that is formed or reconfigured after June 1, 2002 by consolidation of 2 or more districts or by annexation, the resulting district's foundation allowance under this section beginning after the effective date of the consolidation or annexation shall be the average of the foundation allowances of each of the original or affected districts, calculated as provided in this section, weighted as to the percentage of pupils in total membership in the resulting district who reside in the geographic area of each of the original or affected districts. The calculation under this subsection shall take into account a district's per pupil allocation under section 20j(2).

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

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

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

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

(b) The revenue adjustment factor shall be computed by dividing the sum of the estimated total state school aid fund revenue for the subsequent state fiscal year plus the estimated total state school aid fund revenue for the current state fiscal year, adjusted for any change in the rate or base of a tax the proceeds of which are deposited in that fund and excluding money transferred into that fund from the countercyclical budget and economic stabilization fund under section 353e of the management and budget act, 1984 PA 431, MCL 18.1353e, by the sum of the estimated total school aid fund revenue for the current state fiscal year plus the estimated total state school aid fund revenue for the immediately preceding state fiscal year, adjusted for any change in the rate or base of a tax the proceeds of which are deposited in that fund. If a consensus revenue factor is not determined at the revenue estimating

conference, the principals of the revenue estimating conference shall report their estimates to the house and senate subcommittees responsible for school aid appropriations not later than 7 days after the conclusion of the revenue conference.

(c) The index shall be calculated by multiplying the pupil membership factor by the revenue adjustment factor. However, for 2005-2006 and 2006-2007, the index shall be 1.00. If a consensus index is not determined at the revenue estimating conference, the principals of the revenue estimating conference shall report their estimates to the house and senate subcommittees responsible for school aid appropriations not later than 7 days after the conclusion of the revenue conference.

(14) If the principals at the revenue estimating conference reach a consensus on the index described in subsection (13)(c), the basic foundation allowance for the subsequent state fiscal year shall be at least the amount of that consensus index multiplied by the basic foundation allowance specified in subsection (1).

(15) If at the January revenue estimating conference it is estimated that pupil membership, excluding intermediate district membership, for the subsequent state fiscal year will be greater than 101% of the pupil membership, excluding intermediate district membership, for the current state fiscal year, then it is the intent of the legislature that the executive budget proposal for the school aid budget for the subsequent state fiscal year include a general fund/general purpose allocation sufficient to support the membership in excess of 101% of the current year pupil membership.

(16) For a district that had combined state and local revenue per membership pupil in the 1993-94 state fiscal year of more than $6,500.00, that had fewer than 7 pupils in membership in the 1993-94 state fiscal year, that has at least 1 child educated in the district in the current state fiscal year, and that levies the number of mills of school operating taxes authorized for the district under section 1211 of the revised school code, MCL 380.1211, a minimum amount of combined state and local revenue shall be calculated for the district as provided under this subsection. The minimum amount of combined state and local revenue for 1999-2000 shall be $67,000.00 plus the district's additional expenses to educate pupils in grades 9 to 12 educated in other districts as determined and allowed by the department. The minimum amount of combined state and local revenue under this subsection, before adding the additional expenses, shall increase each fiscal year by the same percentage increase as the percentage increase in the basic foundation allowance from the immediately preceding fiscal year to the current fiscal year. The state portion of the minimum amount of combined state and local revenue under this subsection shall be calculated by subtracting from the minimum amount of combined state and local revenue under this subsection the sum of the district's local school operating revenue and an amount equal to the product of the sum of the state portion of the district's foundation allowance plus the amount calculated under section 20j times the district's membership. As used in this subsection, "additional expenses" means the district's expenses for tuition or fees, not to exceed $6,500.00 as adjusted each year by an amount equal to the dollar amount of the difference between the basic foundation allowance for the current state fiscal year and $5,000.00, minus $200.00, plus a room and board stipend not to exceed $10.00 per school day for each pupil in grades 9 to 12 educated in another district, as approved by the department.

(17) For a district in which 7.75 mills levied in 1992 for school operating purposes in the 1992-93 school year were not renewed in 1993 for school operating purposes in the 1993-94 school year, the district's combined state and local revenue per membership pupil shall be recalculated as if that millage reduction did not occur and the district's foundation allowance shall be calculated as if its 1994-95 foundation allowance had been calculated using that recalculated 1993-94 combined state and local revenue per membership pupil as a base. A district is not entitled to any retroactive payments for fiscal years before 2000-2001 due to this subsection.

(18) For a district in which an industrial facilities exemption certificate that abated taxes on property with a state equalized valuation greater than the total state equalized valuation of the district at the time the certificate was issued or $700,000,000.00, whichever is greater, was issued under 1974 PA 198, MCL 207.551 to 207.572, before the calculation of the district's 1994-95 foundation allowance, the district's

foundation allowance for 2002-2003 is an amount equal to the sum of the district's foundation allowance for 2002-2003, as otherwise calculated under this section, plus $250.00.

(19) For a district that received a grant under former section 32e for 2001-2002, the district's foundation allowance for 2002-2003 and each succeeding fiscal year shall be adjusted to be an amount equal to the sum of the district's foundation allowance, as otherwise calculated under this section, plus the quotient of 100% of the amount of the grant award to the district for 2001-2002 under former section 32e divided by the number of pupils in the district's membership for 2001-2002 who were residents of and enrolled in the district. Except as otherwise provided in this subsection, a district qualifying for a foundation allowance adjustment under this subsection shall use the funds resulting from this adjustment for at least 1 of grades K to 3 for purposes allowable under former section 32e as in effect for 2001-2002, and may also use these funds for an early intervening program described in subsection (20). For an individual school or schools operated by a district qualifying for a foundation allowance under this subsection that have been determined by the department to meet the adequate yearly progress standards of the federal no child left behind act of 2001, Public Law 107-110, in both mathematics and English language arts at all applicable grade levels for all applicable subgroups, the district may submit to the department an application for flexibility in using the funds resulting from this adjustment that are attributable to the pupils in the school or schools. The application shall identify the affected school or schools and the affected funds and shall contain a plan for using the funds for specific purposes identified by the district that are designed to reduce class size, but that may be different from the purposes otherwise allowable under this subsection. The department shall approve the application if the department determines that the purposes identified in the plan are reasonably designed to reduce class size. If the department does not act to approve or disapprove an application within 30 days after it is submitted to the department, the application is considered to be approved. If an application for flexibility in using the funds is approved, the district may use the funds identified in the application for any purpose identified in the plan.

(20) An early intervening program that uses funds resulting from the adjustment under subsection (19) shall meet either or both of the following:

(a) Shall monitor individual pupil learning for pupils in grades K to 3 and provide specific support or learning strategies to pupils in grades K to 3 as early as possible in order to reduce the need for special education placement. The program shall include literacy and numeracy supports, sensory motor skill development, behavior supports, instructional consultation for teachers, and the development of a parent/school learning plan. Specific support or learning strategies may include support in or out of the general classroom in areas including reading, writing, math, visual memory, motor skill development, behavior, or language development. These would be provided based on an understanding of the individual child's learning needs.

(b) Shall provide early intervening strategies for pupils in grades K to 3 using schoolwide systems of academic and behavioral supports and shall be scientifically research-based. The strategies to be provided shall include at least pupil performance indicators based upon response to intervention, instructional consultation for teachers, and ongoing progress monitoring. A schoolwide system of academic and behavioral support should be based on a support team available to the classroom teachers. The members of this team could include the principal, special education staff, reading teachers, and other appropriate personnel who would be available to systematically study the needs of the individual child and work with the teacher to match instruction to the needs of the individual child.

(21) For a district that levied 1.9 mills in 1993 to finance an operating deficit, the district's foundation allowance shall be calculated as if those mills were included as operating mills in the calculation of the district's 1994-1995 foundation allowance. A district is not entitled to any retroactive payments for fiscal years before 2006-2007 due to this subsection. A district receiving an adjustment under this subsection shall not receive more than $800,000.00 for a fiscal year as a result of this adjustment.

(22) For a district that levied 2.23 mills in 1993 to finance an operating deficit, the district's foundation allowance shall be calculated as if those mills were included as operating mills in the calculation of the district's 1994-

1995 foundation allowance. A district is not entitled to any retroactive payments for fiscal years before 2006-2007 due to this subsection. A district receiving an adjustment under this subsection shall not receive more than $500,000.00 for a fiscal year as a result of this adjustment.

(23) Payments to districts, university schools, or public school academies shall not be made under this section. Rather, the calculations under this section shall be used to determine the amount of state payments under section 22b.

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

(25) As used in this section:

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

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

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

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

(e) "Local school operating revenue" means school operating taxes levied under section 1211 of the revised school code, MCL 380.1211.

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

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

(h) "Principal residence" and "qualified agricultural property" mean those terms as defined in section 7dd of the general property tax act, 1893 PA 206, MCL 211.7dd.

(i) "School operating purposes" means the purposes included in the operation costs of the district as prescribed in sections 7 and 18.

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

(k) "Taxable value per membership pupil" means taxable value, as certified by the department of treasury, for the calendar year ending in the current state fiscal year divided by the district's membership excluding special education pupils for the school year ending in the current state fiscal year.

History: Add. 1993, Act 336, Eff. Mar. 15, 1994;-- Am. 1994, Act 172, Imd. Eff. June 17, 1994;-- Am. 1994, Act 283, Imd. Eff. July 12, 1994;-- Am. 1994, Act 360, Imd. Eff. Dec. 22, 1994;-- Am. 1995, Act 130, Eff. Oct. 1, 1995;-- Am. 1996, Act 180, Imd. Eff. Apr. 19, 1996;-- Am. 1996, Act 300, Eff. Oct. 1, 1996;-- Am. 1997, Act 24, Imd. Eff. June 16, 1997;-- Am. 1997, Act 93, Eff. Oct. 1, 1997;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998;-- Am. 1998, Act 553, Imd. Eff. Jan. 27, 1999;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002;-- Am. 2003, Act 141, Eff. Jan. 1, 2004;-- Am. 2003, Act 158, Imd. Eff. Aug. 11, 2003;-- Am. 2004, Act 351, Imd. Eff. Sept. 30, 2004;-- Am. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 120, Imd. Eff. Apr. 14, 2006;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: The words "1/3 of" in subsection (20)(a)(i)(Q), as amended by Act 283 of 1994, were vetoed by the governor on July 9, 1994. The last sentence of subsection (9), and subsections (18) and (19), as amended by Act 360 of 1994, were vetoed by the governor on December 22, 1994. Subsection (11), as amended by Act 130 of 1995, was vetoed by the governor on June 30, 1995. Enacting section 3 of Act 521 of 2002 provides: "Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that

increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963." For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002. Subsection (20), as amended by Act 158 of 2003, was vetoed by the governor on August 11, 2003. The text of subsection (20) set forth above in this section (MCL 388.1620) derives from Act 141 of 2003. In the veto message accompanying her veto of certain items in Enrolled House Bill 4401 (Act 158 of 2003), the governor stated, "I have vetoed amendatory language in Section 20(20) that stops the annual $15 million supplemental payment to Detroit Public Schools at the end of fiscal year 2003. Existing language clearly indicates that this supplemental funding is intended to continue as long as the reform board remains in place. I intend to honor that commitment." Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1620a Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to determination of district's combined state and local revenue per membership pupil.

388.1620b Repealed. 2000, Act 297, Eff. Oct. 1, 2000.

Compiler's Notes: The repealed section pertained to allocation for 1998-99.

388.1620c Repealed. 1997, Act 142, Imd. Eff. Nov. 19, 1997.

Compiler's Notes: The repealed section pertained to additional payments to districts and public school academies for 1997-98.

388.1620d Requirements for final determination under §§ 388.1620 and 388.1620a.

Sec. 20d.

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

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

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

1993-94 included resident pupils attending the center program and excluded nonresident pupils attending the center program.

History: Add. 1994, Act 360, Imd. Eff. Dec. 22, 1994;-- Am. 1995, Act 130, Imd. Eff. June 30, 1995;-- Am. 1996, Act 180, Imd. Eff. Apr. 19, 1996;-- Am. 1996, Act 300, Imd. Eff. June 19, 1996;-- Am. 1997, Act 93, Eff. Oct. 1, 1997

Compiler's Notes: Subsection (2), as amended by Act 300 of 1996, was vetoed by the governor on June 19, 1996. Sec. 20d, as amended by Act 372 of 1996, was vetoed by the governor on July 3, 1996. Subdivision (c), as amended by Act 93 of 1997, was vetoed by the governor on August 1, 1997.

388.1620e, 388.1620f Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed sections pertained to state portion of district's foundation allowance and allocation to instructional program operated by public university.

388.1620g Repealed. 1996, Act 300, Eff. Oct. 1, 1996.

Compiler's Notes: The repealed section pertained to additional payments for 1995-96.

388.1620h, 388.1620i Repealed. 1997, Act 93, Eff. Oct. 1, 1997.

Compiler's Notes: The repealed sections pertained to payments for special education pupils for 1995-96 and funding for districts experiencing large pupil membership growth.

388.1620j Foundation allowance supplemental payments; amounts.

Sec. 20j.

(1) Foundation allowance supplemental payments for 2006-2007 to districts that in the 1994-95 state fiscal year had a foundation allowance greater than $6,500.00 shall be calculated under this section.

(2) The per pupil allocation to each district under this section shall be the difference between the dollar amount of the adjustment from the 1998-99 state fiscal year to the current state fiscal year in the basic foundation allowance minus the dollar amount of the adjustment from the 1998-99 state fiscal year to the current state fiscal year in the district's foundation allowance.

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

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

History: Add. 1999, Act 119, Imd. Eff. July 20, 1999;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001;-- Am. 2004, Act 351, Eff. Oct. 1, 2004;-- Am. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-

2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1620k Reduction in district's state school aid; determining maximum number of mills district may levy.

Sec. 20k.

If the maximum amount appropriated under section 11 from the state school aid fund for a fiscal year exceeds the amount available for expenditure from the state school aid fund for that fiscal year so that a district's state school aid is reduced pursuant to section 11(3), the payments calculated under section 20j and made under section 22b shall be considered to be foundation allowance payments for the purpose of determining the maximum number of mills a district may levy under section 1211(3) of the revised school code, MCL 380.1211. However, the amount to be considered a foundation allowance payment for this purpose shall not exceed the amount reduced from the district's state aid payment as a result of the implementation of section 11(3).

History: Add. 2003, Act 158, Imd. Eff. Aug. 11, 2003

Compiler's Notes: Former MCL 388.1620k, which pertained to allocations for 2000-2001, was repealed by Act 121 of 2001, Eff. Oct. 1, 2001.

388.1621, 388.1621a Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed sections pertained to school improvement plans, annual education report, accreditation, and core curriculum; employability skills assessment programs; and allocations to districts.

388.1621b Tuition and fee support for pupil attending postsecondary institution.

Sec. 21b.

(1) Subject to subsections (2) and (3), a district shall use funds received under section 22a or 22b to support the attendance of a district pupil at an eligible postsecondary institution under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, or under the career and technical preparation act, 2000 PA 258, MCL 388.1901 to 388.1913.

(2) To the extent required under subsection (3), a district shall pay tuition and mandatory course fees, material fees, and registration fees required by an eligible postsecondary institution for enrollment in an eligible course. A district also shall pay any late fees charged by an eligible postsecondary institution due to the district's failure to make a required payment according to the timetable prescribed by the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, or the career and technical preparation act, 2000 PA 258, MCL 388.1901 to 388.1913. A district is not required to pay transportation costs, parking costs, or activity fees.

(3) A district shall pay to the eligible postsecondary institution on behalf of an eligible student an amount equal to the lesser of the amount of the eligible charges described in subsection (2) or the prorated percentage of the state portion of the foundation allowance paid or calculated, as applicable, on behalf of that eligible student under section 20, with the proration based on the proportion of the school year that the eligible student attends the postsecondary institution. A district may pay more money to an eligible postsecondary institution on behalf of an eligible student than required under this section and the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, or the career and technical preparation act, 2000 PA 258, MCL 388.1901 to 388.1913, and may use local school operating revenue for that purpose. An eligible student is responsible for payment of the remainder of the costs associated with his or her postsecondary enrollment that exceed the amount the district is required to pay under this section and the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, or the career and technical preparation act, 2000 PA 258, MCL 388.1901 to 388.1913, and that are not paid by the district. As used in this subsection, "local school operating revenue" means that term as defined in section 20.

(4) As used in this section, "eligible course", "eligible student", and "eligible postsecondary institution" mean those terms as defined in section 3 of the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, or in section 3 of the career and technical preparation act, 2000 PA 258, MCL 388.1903, as applicable.

History: Add. 1991, Act 118, Imd. Eff. Oct. 11, 1991;-- Am. 1991, Act 200, Imd. Eff. Jan. 2, 1992;-- Am. 1992, Act 148, Eff. Oct. 1, 1992;-- Am. 1993, Act 175, Eff. Oct. 1, 1993;-- Am. 1993, Act 336, Eff. Oct. 1, 1994;-- Am. 1994, Act 283, Imd. Eff. July 12, 1994;-- Am. 1996, Act 161, Eff. July 1, 1996;-- Am. 1996, Act 300, Eff. Oct. 1, 1996;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000;-- Am. 2004, Act 351, Eff. Oct. 1, 2004

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."

388.1621c Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to counting certain funds and payments for purposes of § 388.1621(5).

388.1621d Repealed. 1996, Act 300, Eff. Oct. 1, 1996.

Compiler's Notes: The repealed section pertained to reorganization planning grant.

388.1621e Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to allocations to districts.

388.1622 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to allocations to districts.

388.1622a Allocation for 2005-2006 and 2006-2007; payments to districts, university schools, and public school academies; definitions.

Sec. 22a.

(1) From the appropriation in section 11, there is allocated an amount not to exceed $6,407,000,000.00 for 2005-2006 and an amount not to exceed $6,207,000,000.00 for 2006-2007 for payments to districts, qualifying university schools, and qualifying public school academies to guarantee each district, qualifying university school, and qualifying public school academy an amount equal to its 1994-95 total state and local per pupil revenue for school operating purposes under section 11 of article IX of the state constitution of 1963. Pursuant to section 11 of article IX of the state constitution of 1963, this guarantee does not apply to a district in a year in which the district levies a millage rate for school district operating purposes less than it levied in 1994. However, subsection (2) applies to calculating the payments under this section. Funds allocated under this section that are not expended in the state fiscal year for which they were allocated, as determined by the department, may be used to supplement the allocations under sections 22b and 51c in order to fully fund those calculated allocations for the same fiscal year.

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

(a) Except as otherwise provided in this subsection, the state portion of a district's 1994-95 foundation allowance is an amount equal to the district's 1994-95 foundation allowance or $6,500.00, whichever is less, minus the difference between the product of the taxable value per membership pupil of all property in the district that is not a homestead or qualified agricultural property times the lesser of 18 mills or the number of mills of school operating taxes levied by the district in 1993-94 and the quotient of the ad valorem property tax revenue of the district captured under 1975 PA 197, MCL 125.1651 to 125.1681, the tax increment finance authority act, 1980 PA 450, MCL 125.1801 to

125.1830, the local development financing act, 1986 PA 281, MCL 125.2151 to 125.2174, or the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672, divided by the district's membership. For a district that has a millage reduction required under section 31 of article IX of the state constitution of 1963, the state portion of the district's foundation allowance shall be calculated as if that reduction did not occur.

(b) For a district that had a 1994-95 foundation allowance greater than $6,500.00, the state payment under this subsection shall be the sum of the amount calculated under subdivision (a) plus the amount calculated under this subdivision. The amount calculated under this subdivision shall be equal to the difference between the district's 1994-95 foundation allowance minus $6,500.00 and the current year hold harmless school operating taxes per pupil. If the result of the calculation under subdivision (a) is negative, the negative amount shall be an offset against any state payment calculated under this subdivision. If the result of a calculation under this subdivision is negative, there shall not be a state payment or a deduction under this subdivision. The taxable values per membership pupil used in the calculations under this subdivision are as adjusted by ad valorem property tax revenue captured under 1975 PA 197, MCL 125.1651 to 125.1681, the tax increment finance authority act, 1980 PA 450, MCL 125.1801 to 125.1830, the local development financing act, 1986 PA 281, MCL 125.2151 to 125.2174, or the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672, divided by the district's membership.

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

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

(5) For a district that is formed or reconfigured after June 1, 2000 by consolidation of 2 or more districts or by annexation, the resulting district's 1994-95 foundation allowance under this section beginning after the effective date of the consolidation or annexation shall be the average of the 1994-95 foundation allowances of each of the original or affected districts, calculated as provided in this section, weighted as to the percentage of pupils in total membership in the resulting district in the state fiscal year in which the consolidation takes place who reside in the geographic area of each of the original districts. If an affected district's 1994-95 foundation allowance is less than the 1994-95 basic foundation allowance, the amount of that district's 1994-95 foundation allowance shall be considered for the purpose of calculations under this subsection to be equal to the amount of the 1994-95 basic foundation allowance.

(6) As used in this section:

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

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

(c) "Current year hold harmless school operating taxes per pupil" means the per pupil revenue generated by multiplying a district's 1994-95 hold harmless millage by the district's current year taxable value per membership pupil.

(d) "Hold harmless millage" means, for a district with a 1994-95 foundation allowance greater than $6,500.00, the number of mills by which the exemption from the levy of school operating taxes on a homestead and qualified agricultural property could be reduced as provided in section 1211(1) of the revised school code, MCL 380.1211, and the number of mills of school operating taxes that could be

levied on all property as provided in section 1211(2) of the revised school code, MCL 380.1211, as certified by the department of treasury for the 1994 tax year.

(e) "Homestead" means that term as defined in section 1211 of the revised school code, MCL 380.1211.

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

(g) "Qualified agricultural property" means that term as defined in section 1211 of the revised school code, MCL 380.1211.

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

(i) "Qualifying university school" means a university school that was in operation in the 1994-95 school year and is in operation in the current fiscal year.

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

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

(i) For the number of mills by which the exemption from the levy of school operating taxes on a homestead and qualified agricultural property may be reduced as provided in section 1211(1) of the revised school code, MCL 380.1211, the taxable value of homestead and qualified agricultural property for the calendar year ending in the current state fiscal year.

(ii) For the number of mills of school operating taxes that may be levied on all property as provided in section 1211(2) of the revised school code, MCL 380.1211, the taxable value of all property for the calendar year ending in the current state fiscal year.

History: Add. 2000, Act 297, Imd. Eff. July 26, 2000;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002;-- Am. 2003, Act 158, Eff. Oct. 1, 2003;-- Am. 2004, Act 351, Imd. Eff. Sept. 30, 2004;-- Am. 2005, Act 98, Imd. Eff. July 22, 2005;-- Am. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 342, Imd. Eff. Aug. 15, 2006

Compiler's Notes: Enacting section 3 of Act 521 of 2002 provides: "Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963." For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002. Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 98 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2004-2005 in this amendatory act, 2004 PA 518, 2004 PA 351, and 2004 PA 185 is estimated at $11,113,522, 200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,050,922,200.00." Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1622b Allocations for 2005-2006 and 2006-2007; discretionary nonmandated payments; duties of district; payments for litigation costs; allegation of unfunded constitutional requirement; escrowed funds as work project; use; determination; review of claim by local claims review board; removal to court of appeals; payment provisions.

Sec. 22b.

(1) From the appropriation in section 11, there is allocated an amount not to exceed $3,217,000,000.00 for 2005-2006 and an amount not to exceed $3,584,950,000.00 for 2006-2007 for discretionary nonmandated payments to districts under this section. Funds allocated under this section that are not expended in the state fiscal year for which they were allocated, as determined by the department, may be used to supplement the allocations under sections 22a and 51c in order to fully fund those calculated allocations for the same fiscal year.

(2) Subject to subsection (3) and section 11, the allocation to a district under this section shall be an amount equal to the sum of the amounts calculated under sections 20, 20j, 51a(2), 51a(3), and 51a(12), minus the sum of the allocations to the district under sections 22a and 51c.

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

(a) Administer in each grade level that it operates in grades 1 to 5 a standardized assessment approved by the department of grade-appropriate basic educational skills. A district may use the Michigan literacy progress profile to satisfy this requirement for grades 1 to 3. Also, if the revised school code is amended to require annual assessments at additional grade levels, in order to receive an allocation under this section each district shall comply with that requirement.

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

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

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

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

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

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

(7) If a claim is made in court that challenges the legislative determination of the adequacy of funding for this state's constitutional obligations or alleges that there exists an unfunded constitutional requirement, any interested party may seek an expedited review of the claim by the local claims review board. If the claim

exceeds $10,000,000.00, this state may remove the action to the court of appeals, and the court of appeals shall have and shall exercise jurisdiction over the claim.

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

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

History: Add. 2000, Act 297, Imd. Eff. July 26, 2000;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002;-- Am. 2003, Act 158, Eff. Oct. 1, 2003;-- Am. 2004, Act 351, Eff. Oct. 1, 2004;-- Am. 2005, Act 98, Imd. Eff. July 22, 2005;-- Am. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 342, Imd. Eff. Aug. 15, 2006

Compiler's Notes: In the first sentence of subsection (1), as amended by Act 121 of 2001, the phrase "and an amount not to exceed $2,845,000,000.00 for 2002-2003" was vetoed by the governor September 28, 2001. Enacting section 3 of Act 521 of 2002 provides: "Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963." For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002. Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 98 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2004-2005 in this amendatory act, 2004 PA 518, 2004 PA 351, and 2004 PA 185 is estimated at $11,113,522, 200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,050,922,200.00." Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1622c Equity payments to certain districts.

Sec. 22c.

From the appropriation in section 11, there is allocated for 2006-2007 an amount not to exceed $20,000,000.00 to make equity payments to districts that have a foundation allowance or per pupil payment calculated under section 20, including any adjustment under section 20(19), for 2006-2007 of less than $7,360.00. The equity payment for a district shall be an amount per membership pupil equal to the lesser of $23.00 or the difference between $7,360.00 and the district's 2006-2007 foundation allowance or per pupil payment as calculated under section 20, including any adjustment under section 20(19).

History: Add. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Former MCL 388.1622c, which pertained to allocations for 2001-2002 equity payments to districts, was repealed by Act 191 of 2002, Eff. Oct. 1, 2002. Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at

$11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1622d Geographically isolated districts; additional payments; eligibility; spending plan.

Sec. 22d.

(1) From the amount allocated under section 22b, an amount not to exceed $750,000.00 is allocated for 2006-2007 for additional payments to small, geographically isolated districts under this section.

(2) To be eligible for a payment under this section, a district shall meet all of the following:

(a) Operates grades K to 12.

(b) Has fewer than 250 pupils in membership.

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

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

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

(3) The amount of the additional funding to each eligible district under this section shall be determined under a spending plan developed as provided in this subsection and approved by the superintendent of public instruction. The spending plan shall be developed cooperatively by the intermediate superintendents of each intermediate district in which an eligible district is located. The intermediate superintendents shall review the financial situation of each eligible district, determine the minimum essential financial needs of each eligible district, and develop and agree on a spending plan that distributes the available funding under this section to the eligible districts based on those financial needs. The intermediate superintendents shall submit the spending plan to the superintendent of public instruction for approval. Upon approval by the superintendent of public instruction, the amounts specified for each eligible district under the spending plan are allocated under this section and shall be paid to the eligible districts in the same manner as payments under section 22b.

History: Add. 2004, Act 351, Eff. Oct. 1, 2004;-- Am. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1623 Instructional program operated by public university.

Sec. 23.

(1) An instructional program operated under this section by a public university for pupils in grades K-6, 6-8, or 9-12, or a combination of those grades, may be funded under this act as a district if all of the following requirements are met:

(a) The public university has submitted an application under this section, or submitted an application to the department in a prior fiscal year under former section 23c, in the form and manner prescribed by the department. The application shall include, or have included, at least all of the following:

(i) Identification of the proposed grade levels for which the university plans to operate an instructional program.

(ii) Identification of the districts from which pupils would be eligible to attend the instructional program.

(iii) A description of the process for the random selection of pupils for enrollment.

(iv) A description of the proposed curriculum features that would be given highest priority in the instructional program.

(b) The instructional program complies with the requirements of sections 1204a, 1277, 1278, and 1280 of the revised school code, MCL 380.1204a, 380.1277, 380.1278, and 380.1280, commonly referred to as "public act 25 of 1990".

(2) An instructional program operated under this section is eligible in the same manner as a district or public school academy for all applicable categorical and federal aid.

(3) An employee of a public university employed in an instructional program operated under this section is not an employee of a school district for purposes of 1937 (Ex Sess) PA 4, MCL 38.71 to 38.191.

(4) An employee of a public university employed in an instructional program operated under this section is not eligible to be a member of the public school employees retirement system established by the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1467, unless other employees of the university are eligible for membership in that retirement system.

History: Add. 1994, Act 360, Imd. Eff. Dec. 22, 1994;-- Am. 1995, Act 130, Eff. Oct. 1, 1995;-- Am. 1996, Act 300, Eff. Oct. 1, 1996;-- Am. 1997, Act 93, Eff. Oct. 1, 1997

Compiler's Notes: Former MCL 388.1623, which pertained to funding districts eligible for state school aid under §§ 388.1631, 388.1636, and 388.1646, was repealed by Act 197 of 1989, Eff. Oct. 1, 1989.

388.1623a-388.1623c Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed sections pertained to schools of choice, grants for "tec-choices" programs, and grants to public universities.

388.1623d Repealed. 1994, Act 360, Eff. June 30, 1995;—1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to alternative public school established and operated by intermediate school district.

388.1623e Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to prohibited funding to public school academies.

388.1624 Allocations for 2006-2007; payments for educating students assigned by court or department of human services; allocations; definitions; funding for department-approved on-grounds educational program.

Sec. 24.

(1) From the appropriation in section 11, there is allocated for 2006-2007 an amount not to exceed $8,000,000.00 for payments to the educating district or intermediate district for educating pupils assigned by a court or the department of human services to reside in or to attend a juvenile detention facility or child caring institution licensed by the department of human services and approved by the department to provide an on-grounds education program. The amount of the payment under this section to a district or intermediate district shall be calculated as prescribed under subsection (2).

(2) For 2006-2007, 80% of the total amount allocated under this section shall be allocated by paying to the educating district or intermediate district an amount equal to the lesser of the district's or intermediate district's added cost or the department's approved per pupil allocation for the district or intermediate district, and 20% of the total amount allocated under this section shall be allocated by paying to the educating district or intermediate district an amount equal to the district's or intermediate district's added cost. For 2007-2008, 90% of the total amount allocated under this section shall be allocated by paying to the educating district or intermediate district an amount equal to the lesser of the district's or intermediate district's added cost or the department's approved per pupil allocation for the district or intermediate district, and 10% of the total amount allocated under this section shall be allocated by paying to the educating district or intermediate district an amount equal to the district's or intermediate district's added cost. Beginning with allocations for 2008-2009, 100% of the total amount allocated under this section shall be allocated by paying to the educating district or intermediate district an amount equal to the lesser of the district's or intermediate district's added cost or the department's approved per pupil allocation for the district or intermediate district. For the purposes of this subsection:

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

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

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

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

History: 1979, Act 94, Eff. Oct. 1, 1979;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982;-- Am. 1986, Act 212, Eff. Oct. 1, 1986;-- Am. 1987, Act 128, Eff. Oct. 1, 1987;-- Am. 1988, Act 318, Eff. Oct. 1, 1988;-- Am. 1989, Act 197, Eff. Oct. 1, 1989;-- Am. 1990, Act 207, Eff. Oct. 1, 1990;-- Am. 1991, Act 200, Imd. Eff. Jan. 2, 1992;-- Am. 1992, Act 148, Eff. Oct. 1, 1992;-- Am. 1993, Act 175, Eff. Oct. 1, 1993;-- Am. 1993, Act 336, Eff. Oct. 1, 1994;-- Am. 1994, Act 283, Eff. Oct. 1, 1994;-- Am. 1995, Act 130, Eff. Oct. 1, 1995;-- Am. 1996, Act 300, Eff. Oct. 1, 1996;-- Am. 1997, Act 93, Eff. Oct. 1, 1997;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002;-- Am. 2003, Act 158, Imd. Eff. Aug. 11, 2003;-- Am. 2004, Act 351, Eff. Oct. 1, 2004;-- Am. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Subsection (3) of Sec. 24, as amended by Act 128 of 1987, was vetoed by the governor on July 24, 1987. Subsection (3) of Sec. 24, as amended by Act 212 of 1986, reads as follows: "(3) Special education pupils funded under section 53 shall not be counted under this section." In his veto message relative to Enrolled House Bill 4572, which became Act 118 of 1991, the governor stated that "the tradition of not re-enacting annually the unchanged appropriation sections of the school aid act is constitutionally flawed. It assumes the invalid creation of a continuing appropriation. Therefore, the following sections of the school aid act and their associated allocations must be considered inoperative: 24, 55, 74, 75, 105a, 111, and 116. These sections will be treated as excluded from the current bill... ." In subsection (2), as amended by Act 297 of 2000, the last sentence "In addition, a district or intermediate district that received funds under this subsection for 1998-99 for an on-grounds educational program that is longer than 181 days but not longer than 233 days shall continue to receive funds under this section for subsequent fiscal years for that program" was vetoed by the governor July 26, 2000. In the first and second sentences of subsection (1), as amended by Act 121 of 2001, the phrases "and for 2002-2003" and "and $8,900,000.00 for 2002-2003" were vetoed by the governor September 28, 2001. Enacting section 3 of Act 521 of 2002 provides: "Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents

per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963." For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002. Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1624a Allocations for 2006-2007; payments to intermediate districts for pupils placed in juvenile justice service facilities.

Sec. 24a.

From the appropriation in section 11, there is allocated an amount not to exceed $3,000,000.00 for 2006-2007 for payments to intermediate districts for pupils who are placed in juvenile justice service facilities operated by the department of human services. Each intermediate district shall receive an amount equal to the state share of those costs that are clearly and directly attributable to the educational programs for pupils placed in facilities described in this section that are located within the intermediate district's boundaries. The intermediate districts receiving payments under this section shall cooperate with the department of human services to ensure that all funding allocated under this section is utilized by the intermediate district and department of human services for educational programs for pupils described in this section. Pupils described in this section are not eligible to be funded under section 24. However, a program responsibility or other fiscal responsibility associated with these pupils shall not be transferred from the department of human services to a district or intermediate district unless the district or intermediate district consents to the transfer.

History: Add. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Former MCL 388.1624a, which pertained to counting pupils residing in nonoperating districts attached to operating districts, was repealed by Act 130 of 1995, Eff. Oct. 1, 1995. Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1624b Parents or legal guardian residing in different districts; enrollment of child.

Sec. 24b.

For the purposes of this act, without regard to whether a parent or legal guardian has custody of the child, if a child's parents, or a child's parent or parents and the child's legal guardian, reside in different districts and if the child meets the applicable age requirements, the child may enroll in a district in which either of the child's parents resides, or in which the child's legal guardian resides. When a child described in this section enrolls in a district under this section, that district is the child's district of residence for the purposes of this act.

History: Add. 1996, Act 372, Eff. Sept. 1, 1996

388.1624c Allocations for 2006-2007; payments to districts for pupils enrolled in youth challenge program.

Sec. 24c.

From the appropriation in section 11, there is allocated an amount not to exceed $1,253,100.00 for 2006-2007 for payments to districts for pupils who are enrolled in a nationally administered community-based education and youth mentoring program, known as the youth challenge program, that is located within the district and is administered by the department of military and veterans affairs. A district receiving payments under this section shall contract with the department of military and veterans affairs to ensure that all funding allocated under this

section is utilized by the district and the department of military and veterans affairs for the youth challenge program.

History: Add. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1625 Enrollment of expelled pupil enrolled in alternative education program or strict discipline academy; report; payment; information provided to department and district.

Sec. 25.

If a pupil is enrolled in an alternative education program operated by an intermediate district or district for the purpose of educating pupils who have been expelled from school or referred from the court, or is enrolled in a strict discipline academy for pupils who have been expelled or suspended from school as described in section 1311g of the revised school code, MCL 380.1311g, and if the pupil is counted in membership in another intermediate district or district, the intermediate district or district operating the program or the strict discipline academy shall report the enrollment information to the department and to the district in which the pupil is counted in membership, and the district in which the pupil is counted in membership shall pay to the intermediate district or district operating the program or to the strict discipline academy an amount equal to the amount of the foundation allowance or per pupil payment as calculated under section 20 for the district in which the pupil is counted in membership, prorated according to the number of days of the school year ending in the fiscal year the pupil is educated in the alternative education program or strict discipline academy compared to the number of days of the school year ending in the fiscal year the pupil was actually enrolled in the district in which the pupil is counted in membership. The foundation allowance or per pupil payment shall be adjusted by the pupil's full-time equated status as affected by the membership definition under section 6(4). If a district does not make the payment required under this section within 30 days after receipt of the report, the department shall calculate the amount owed, shall deduct that amount from the remaining state school aid payments to the district for that fiscal year under this act, and shall pay that amount to the intermediate district or district operating the alternative education program or to the strict discipline academy. The district in which the pupil is counted in membership and the intermediate district or district operating the alternative education program or strict discipline academy shall provide to the department all information the department requires to enforce this section.

History: Add. 1996, Act 300, Eff. Oct. 1, 1996;-- Am. 1997, Act 93, Eff. Oct. 1, 1997;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000;-- Am. 2005, Act 155, Eff. Oct. 1, 2005

Compiler's Notes: Former MCL 388.1625, which pertained to allocations to districts with nonschool operating property taxes, was repealed by Act 336 of 1993, Eff. Oct. 1, 1994. Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."

388.1625a Payment of amount to educating district; information provided by district in which pupil counted in membership and educating district.

Sec. 25a.

If a pupil described in section 6(6)(f) enrolls pursuant to section 6(6)(f) during a school year in a district other than the district in which the pupil is counted in membership, the educating district shall report the enrollment information to the department and to the district in which the pupil is counted in membership, and the district in which the pupil is counted in membership shall pay to the educating district an amount equal to the amount of the foundation allowance received by the district in which the pupil is counted in membership, prorated according to the number of days of the school year ending in the fiscal year the pupil is educated in the educating district compared to the number of days of the school year ending in the fiscal year the pupil was

actually enrolled in the district in which the pupil is counted in membership. If a district does not make the payment required under this section within 30 days after receipt of the report, the department shall calculate the amount owed, shall deduct that amount from the remaining state school aid payments to the district for that fiscal year under this act, and shall pay that amount to the educating district. The district in which the pupil is counted in membership and the educating district shall provide to the department all information the department requires to enforce this section.

History: Add. 1998, Act 553, Imd. Eff. Jan. 27, 1999;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1625b Applicability of section to educating district not first class; conditions; "educating district" defined.

Sec. 25b.

(1) Beginning in 2000-2001, this section applies to an educating district's enrollment of a pupil if the educating district is not a school district of the first class under the revised school code and if all of the following apply:

(a) The pupil transfers from 1 of 3 other districts specified by the educating district and enrolls in the educating district after the pupil membership count day.

(b) Due to the pupil's enrollment status as of the pupil membership count day, the pupil was counted in membership in the district from which he or she transfers.

(c) The pupil was a resident of the educating district on the pupil membership count day or met other eligibility criteria under section 6(4) or (6) to be counted in membership in the educating district if the pupil had been enrolled in the educating district on the pupil membership count day.

(d) The total number of pupils enrolled in the district who are described in subdivisions (a), (b), and (c) and who transfer from 1 of the 3 other districts specified by the educating district is at least equal to the greater of 25 or 1% of the educating district's membership.

(2) If the conditions specified in subsection (1) are met, and a pupil transfers from 1 of the 3 other specified districts described in subsection (1)(d) and enrolls during a school year in the educating district, the educating district shall report the enrollment information to the department and to the district in which the pupil is counted in membership, and the district in which the pupil is counted in membership shall pay to the educating district an amount equal to the amount of the foundation allowance or per pupil payment as calculated under section 20 for the district in which the pupil is counted in membership, prorated according to the number of days of the school year ending in the fiscal year the pupil is educated in the educating district compared to the number of days of the school year ending in the fiscal year the pupil was actually enrolled in the district in which the pupil is counted in membership. The foundation allowance or per pupil payment shall be adjusted by the pupil's full-time equated status as affected by the membership definition under section 6(4). If a district does not make the payment required under this section within 30 days after receipt of the report, the department shall calculate the amount owed, shall deduct that amount from the remaining state school aid payments to the district for that fiscal year under this act, and shall pay that amount to the educating district. The district in which the pupil is counted in membership and the educating district shall provide to the department all information the department requires to enforce this section.

(3) In determining the total amount a district owes to the educating district under this section, regardless of whether that district is otherwise eligible for payment from the educating district under this section, the district may calculate and subtract from the amount owed, using the calculation described in subsection (1),

any amount applicable to pupils who transfer to that district from the educating district and meet the requirements of subsection (1)(a) to (c).

(4) As used in this section, "educating district" means the district in which a pupil enrolls after the pupil membership count day as described in subsection (1).

History: Add. 2000, Act 297, Imd. Eff. July 26, 2000;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001

388.1625c Applicability of section to educating district of first class; conditions; "educating district" defined.

Sec. 25c.

(1) Beginning in 2000-2001, this section applies to an educating district's enrollment of a pupil if the educating district is a school district of the first class under the revised school code and if all of the following apply:

(a) The pupil transfers from another district and enrolls in the educating district after the pupil membership count day.

(b) Due to the pupil's enrollment status as of the pupil membership count day, the pupil was counted in membership in the district from which he or she transfers.

(c) The pupil was a resident of the educating district on the pupil membership count day or met other eligibility criteria under section 6(4) or (6) to be counted in membership in the educating district if the pupil had been enrolled in the educating district on the pupil membership count day.

(d) The total number of pupils enrolled in the district who are described in subdivisions (a), (b), and (c) is at least equal to 25.

(2) If the conditions specified in subsection (1) are met, and a pupil transfers from another district and enrolls during a school year in the educating district, the educating district shall report the enrollment information to the department and to the district in which the pupil is counted in membership, and the district in which the pupil is counted in membership shall pay to the educating district an amount equal to the amount of the foundation allowance or per pupil payment as calculated under section 20 for the district in which the pupil is counted in membership, prorated according to the number of days of the school year ending in the fiscal year the pupil is educated in the educating district compared to the number of days of the school year ending in the fiscal year the pupil was actually enrolled in the district in which the pupil is counted in membership. The foundation allowance or per pupil payment shall be adjusted by the pupil's full-time equated status as affected by the membership definition under section 6(4). If a district does not make the payment required under this section within 30 days after receipt of the report, the department shall calculate the amount owed, shall deduct that amount from the remaining state school aid payments to the district for that fiscal year under this act, and shall pay that amount to the educating district. The district in which the pupil is counted in membership and the educating district shall provide to the department all information the department requires to enforce this section.

(3) In determining the total amount a district owes to the educating district under this section, regardless of whether that district is otherwise eligible for payment from the educating district under this section, the district may calculate and subtract from the amount owed, using the calculation described in subsection (1), any amount applicable to pupils who transfer to that district from the educating district and meet the requirements of subsection (1)(a) to (c).

(4) As used in this section, "educating district" means the district in which a pupil enrolls after the pupil membership count day as described in subsection (1).

History: Add. 2001, Act 121, Imd. Eff. Sept. 28, 2001

388.1626 Receipt or reduction of funds by district or intermediate district.

Sec. 26.

A district or intermediate district receiving money pursuant to 1975 PA 197, MCL 125.1651 to 125.1681, the tax increment finance authority act, 1980 PA 450, MCL 125.1801 to 125.1830, the local development financing act, 1986 PA 281, MCL 125.2151 to 125.2174, or the Brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672, shall have its funds received under section 22b, 56, or 62 reduced by an amount equal to the added local money.

History: 1979, Act 94, Eff. Oct. 1, 1979;-- Am. 1983, Act 25, Imd. Eff. Apr. 5, 1983;-- Am. 1987, Act 128, Eff. Oct. 1, 1987;-- Am. 1990, Act 355, Imd. Eff. Dec. 26, 1990;-- Am. 1993, Act 175, Eff. Oct. 1, 1993;-- Am. 1993, Act 336, Eff. Oct. 1, 1994;-- Am. 1994, Act 283, Eff. Oct. 1, 1994;-- Am. 1997, Act 93, Eff. Oct. 1, 1997;-- Am. 2004, Act 351, Eff. Oct. 1, 2004

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."

388.1626a Reimbursements to districts, intermediate districts, and school aid fund pursuant to MCL 125.2692; time of allocations.

Sec. 26a.

From the state school aid fund appropriation in section 11, there is allocated an amount not to exceed $37,650,000.00 for 2006-2007, and from the general fund appropriation in section 11, there is allocated an amount not to exceed $12,550,000.00 for 2006-2007 to reimburse districts, intermediate districts, and the state school aid fund pursuant to section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in 2006 or for payments to districts as reimbursement for interest paid as a result of property tax refunds. The allocations shall be made not later than 60 days after the department of treasury certifies to the department and to the state budget director that the department of treasury has received all necessary information to properly determine the amounts due to each eligible recipient.

History: Add. 1997, Act 93, Eff. Oct. 1, 1997;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998;-- Am. 1998, Act 553, Imd. Eff. Jan. 27, 1999;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002;-- Am. 2003, Act 158, Imd. Eff. Aug. 11, 2003;-- Am. 2003, Act 236, Imd. Eff. Dec. 29, 2003;-- Am. 2004, Act 351, Eff. Oct. 1, 2004;-- Am. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: In the first sentence of subsection (1), as amended by Act 121 of 2001, the phrase "and 2002-2003" was vetoed by the governor September 28, 2001. Enacting section 3 of Act 521 of 2002 provides: "Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963." For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002. Enacting section 1 of Act 236 of 2003 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act and in 2003 PA 158 and 2002 PA 521 from state sources for fiscal year 2003-2004 is estimated at $11,290,087,100.00 and state appropriations to be paid to local units of government for fiscal year 2003-2004 are estimated at $11,274,332,800.00." Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1626b Payments in lieu of tax obligation pursuant to MCL 324.2154; payments to districts, intermediate districts, and community college districts.

Sec. 26b.

(1) From the general fund appropriation in section 11, there is allocated for 2006-2007 an amount not to exceed $2,400,000.00 for payments to districts, intermediate districts, and community college districts for

the portion of the payment in lieu of taxes obligation that is attributable to districts, intermediate districts, and community college districts pursuant to section 2154 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2154.

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

History: Add. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1627, 388.1628 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed sections pertained to allocations to districts and districts in which military air bases are closed.

388.1628a Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to transitional allocations to closed federal military installations.

388.1629 Declining enrollment assistance; payments to eligible districts; "average pupil membership" defined.

Sec. 29.

(1) From the appropriation in section 11, there is allocated an amount not to exceed $20,000,000.00 for 2006-2007 for additional payments to eligible districts for declining enrollment assistance.

(2) A district is eligible for a payment under this section if all of the following apply:

(a) The district's pupil membership for the current fiscal year is less than the district's pupil membership for the immediately preceding fiscal year and the district's pupil membership for the immediately preceding fiscal year is less than the district's pupil membership for the previously preceding fiscal year as calculated under section 6 for that fiscal year.

(b) The district's average pupil membership is greater than the district's pupil membership for the current fiscal year as calculated under section 6.

(c) The district is not eligible to receive funding under sections 6(4)(y) or 22d of this act.

(3) Payments to each eligible district shall be equal to the difference between the district's average pupil membership and the district's pupil membership as calculated under section 6 for the current fiscal year multiplied by the district's foundation allowance as calculated under section 20. If the total amount of the payments calculated under this subsection exceeds the allocation for this section, the payment to each district shall be prorated on an equal percentage basis.

(4) For the purposes of this section, "average pupil membership" means the average of the district's membership for the 3-fiscal-year period ending with the current fiscal year, calculated by adding the district's actual membership for each of those 3 fiscal years, as otherwise calculated under section 6, and dividing the sum of those 3 membership figures by 3.

History: Add. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Former MCL 388.1629, which pertained to foreign born pupils, was repealed by Act 175 of 1993, Eff. Oct. 1, 1993. Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

Article 3

388.1631 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to comprehensive compensatory education programs.

388.1631a Funding to eligible districts and public school academies; additional allowance; early intervening program; number of pupils meeting criteria for free breakfast, lunch, or milk; "at-risk pupil" defined.

Sec. 31a.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2006-2007 an amount not to exceed $319,450,000.00 for payments to eligible districts and eligible public school academies under this section. Subject to subsection (15), the amount of the additional allowance under this section, other than funding under subsection (6), (7), or (8), shall be based on the number of actual pupils in membership in the district or public school academy who met the income eligibility criteria for free breakfast, lunch, or milk in the immediately preceding state fiscal year, as determined under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769i, and reported to the department by October 31 of the immediately preceding fiscal year and adjusted not later than December 31 of the immediately preceding fiscal year. However, for a public school academy that began operations as a public school academy after the pupil membership count day of the immediately preceding school year, the basis for the additional allowance under this section shall be the number of actual pupils in membership in the public school academy who met the income eligibility criteria for free breakfast, lunch, or milk in the current state fiscal year, as determined under the Richard B. Russell national school lunch act.

(2) To be eligible to receive funding under this section, other than funding under subsection (6), (7), or (8), a district or public school academy that has not been previously determined to be eligible shall apply to the department, in a form and manner prescribed by the department, and a district or public school academy must meet all of the following:

(a) The sum of the district's or public school academy's combined state and local revenue per membership pupil in the current state fiscal year, as calculated under section 20, plus the amount of the district's per pupil allocation under section 20j(2), is less than or equal to $6,500.00 adjusted by the dollar amount of the difference between the basic foundation allowance under section 20 for the current state fiscal year and $5,000.00, minus $200.00.

(b) The district or public school academy agrees to use the funding only for purposes allowed under this section and to comply with the program and accountability requirements under this section.

(3) Except as otherwise provided in this subsection, an eligible district or eligible public school academy shall receive under this section for each membership pupil in the district or public school academy who met the income eligibility criteria for free breakfast, lunch, or milk, as determined under the Richard B. Russell national school lunch act and as reported to the department by October 31 of the immediately preceding fiscal year and adjusted not later than December 31 of the immediately preceding fiscal year, an amount per pupil equal to 11.5% of the sum of the district's foundation allowance or public school academy's per pupil

amount calculated under section 20, plus the amount of the district's per pupil allocation under section 20j(2), not to exceed $6,500.00 adjusted by the dollar amount of the difference between the basic foundation allowance under section 20 for the current state fiscal year and $5,000.00, minus $200.00, or of the public school academy's per membership pupil amount calculated under section 20 for the current state fiscal year. A public school academy that began operations as a public school academy after the pupil membership count day of the immediately preceding school year shall receive under this section for each membership pupil in the public school academy who met the income eligibility criteria for free breakfast, lunch, or milk, as determined under the Richard B. Russell national school lunch act and as reported to the department by October 31 of the current fiscal year and adjusted not later than December 31 of the current fiscal year, an amount per pupil equal to 11.5% of the public school academy's per membership pupil amount calculated under section 20 for the current state fiscal year.

(4) Except as otherwise provided in this section, a district or public school academy receiving funding under this section shall use that money only to provide instructional programs and direct noninstructional services, including, but not limited to, medical or counseling services, for at-risk pupils; for school health clinics; and for the purposes of subsection (5), (6), (7), or (8). In addition, a district that is organized as a school district of the first class under the revised school code or a district or public school academy in which at least 50% of the pupils in membership met the income eligibility criteria for free breakfast, lunch, or milk in the immediately preceding state fiscal year, as determined and reported as described in subsection (1), may use not more than 15% of the funds it receives under this section for school security. A district or public school academy shall not use any of that money for administrative costs or to supplant another program or other funds, except for funds allocated to the district or public school academy under this section in the immediately preceding year and already being used by the district or public school academy for at-risk pupils. The instruction or direct noninstructional services provided under this section may be conducted before or after regular school hours or by adding extra school days to the school year and may include, but are not limited to, tutorial services, early childhood programs to serve children age 0 to 5, and reading programs as described in former section 32f as in effect for 2001-2002. A tutorial method may be conducted with paraprofessionals working under the supervision of a certificated teacher. The ratio of pupils to paraprofessionals shall be between 10:1 and 15:1. Only 1 certificated teacher is required to supervise instruction using a tutorial method. As used in this subsection, "to supplant another program" means to take the place of a previously existing instructional program or direct noninstructional services funded from a funding source other than funding under this section.

(5) Except as otherwise provided in subsection (13), a district or public school academy that receives funds under this section and that operates a school breakfast program under section 1272a of the revised school code, MCL 380.1272a, shall use from the funds received under this section an amount, not to exceed $10.00 per pupil for whom the district or public school academy receives funds under this section, necessary to operate the school breakfast program.

(6) From the funds allocated under subsection (1), there is allocated for 2006-2007 an amount not to exceed $3,743,000.00 to support child and adolescent health centers. These grants shall be awarded for 5 consecutive years beginning with 2003-2004 in a form and manner approved jointly by the department and the department of community health. Each grant recipient shall remain in compliance with the terms of the grant award or shall forfeit the grant award for the duration of the 5-year period after the noncompliance. Beginning in 2004-2005, to continue to receive funding for a child and adolescent health center under this section a grant recipient shall ensure that the child and adolescent health center has an advisory committee and that at least one-third of the members of the advisory committee are parents or legal guardians of school-aged children. A child and adolescent health center program shall recognize the role of a child's parents or legal guardian in the physical and emotional well-being of the child. Funding under this subsection shall be used to support child and adolescent health center services provided to children up to age 21. If any funds allocated under this subsection are not used for the purposes of this subsection for the fiscal year in which they are allocated, those unused funds shall be used that fiscal year to avoid or minimize any proration that would otherwise be required under subsection (15) for that fiscal year.

(7) From the funds allocated under subsection (1), there is allocated for 2006-2007 an amount not to exceed $5,150,000.00 for the state portion of the hearing and vision screenings as described in section 9301 of the public health code, 1978 PA 368, MCL 333.9301. A local public health department shall pay at least 50% of the total cost of the screenings. The frequency of the screenings shall be as required under R 325.13091 to R 325.13096 and R 325.3271 to R 325.3276 of the Michigan administrative code. Funds shall be awarded in a form and manner approved jointly by the department and the department of community health.

(8) From the funds allocated under subsection (1), there is allocated for 2006-2007 an amount not to exceed $100,000.00 for payment to a district that is a school district of the first class under the revised school code to support after-school tutoring for at-risk girls in grades 1 to 8. Funds awarded under this subsection may be used to contract with a nondistrict agency for a program or services described in this subsection.

(9) Each district or public school academy receiving funds under this section shall submit to the department by July 15 of each fiscal year a report, not to exceed 10 pages, on the usage by the district or public school academy of funds under this section, which report shall include at least a brief description of each program conducted by the district or public school academy using funds under this section, the amount of funds under this section allocated to each of those programs, the number of at-risk pupils eligible for free or reduced price school lunch who were served by each of those programs, and the total number of at-risk pupils served by each of those programs. If a district or public school academy does not comply with this subsection, the department shall withhold an amount equal to the August payment due under this section until the district or public school academy complies with this subsection. If the district or public school academy does not comply with this subsection by the end of the state fiscal year, the withheld funds shall be forfeited to the school aid fund.

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

(11) Subject to subsections (5), (6), (7), (8), (13), and (14), any district may use up to 100% of the funds it receives under this section to reduce the ratio of pupils to teachers in grades K-6, or any combination of those grades, in school buildings in which the percentage of pupils described in subsection (1) exceeds the district's aggregate percentage of those pupils. Subject to subsections (5), (6), (7), (8), (13), and (14), if a district obtains a waiver from the department, the district may use up to 100% of the funds it receives under this section to reduce the ratio of pupils to teachers in grades K-6, or any combination of those grades, in school buildings in which the percentage of pupils described in subsection (1) is at least 60% of the district's aggregate percentage of those pupils and at least 30% of the total number of pupils enrolled in the school building. To obtain a waiver, a district must apply to the department and demonstrate to the satisfaction of the department that the class size reductions would be in the best interests of the district's at-risk pupils.

(12) A district or public school academy may use funds received under this section for adult high school completion, general educational development (G.E.D.) test preparation, adult English as a second language, or adult basic education programs described in section 107.

(13) For an individual school or schools operated by a district or public school academy receiving funds under this section that have been determined by the department to meet the adequate yearly progress standards of the federal no child left behind act of 2001, Public Law 107-110, in both mathematics and English language arts at all applicable grade levels for all applicable subgroups, the district or public school academy may submit to the department an application for flexibility in using the funds received under this section that are attributable to the pupils in the school or schools. The application shall identify the affected school or schools and the affected funds and shall contain a plan for using the funds for specific purposes identified by the district that are designed to benefit at-risk pupils in the school, but that may be different from the purposes otherwise allowable under this section. The department shall approve the application if the department determines that the purposes identified in the plan are reasonably designed to benefit at-risk

pupils in the school. If the department does not act to approve or disapprove an application within 30 days after it is submitted to the department, the application is considered to be approved. If an application for flexibility in using the funds is approved, the district may use the funds identified in the application for any purpose identified in the plan.

(14) A district or public school academy that receives funds under this section may use funds it receives under this section to implement and operate an early intervening program for pupils in grades K to 3 that meets either or both of the following:

(a) Monitors individual pupil learning and provides specific support or learning strategies to pupils as early as possible in order to reduce the need for special education placement. The program shall include literacy and numeracy supports, sensory motor skill development, behavior supports, instructional consultation for teachers, and the development of a parent/school learning plan. Specific support or learning strategies may include support in or out of the general classroom in areas including reading, writing, math, visual memory, motor skill development, behavior, or language development. These would be provided based on an understanding of the individual child's learning needs.

(b) Provides early intervening strategies using school-wide systems of academic and behavioral supports and is scientifically research-based. The strategies to be provided shall include at least pupil performance indicators based upon response to intervention, instructional consultation for teachers, and ongoing progress monitoring. A school-wide system of academic and behavioral support should be based on a support team available to the classroom teachers. The members of this team could include the principal, special education staff, reading teachers, and other appropriate personnel who would be available to systematically study the needs of the individual child and work with the teacher to match instruction to the needs of the individual child.

(15) If necessary, and before any proration required under section 11, the department shall prorate payments under this section by reducing the amount of the per pupil payment under this section by a dollar amount calculated by determining the amount by which the amount necessary to fully fund the requirements of this section exceeds the maximum amount allocated under this section and then dividing that amount by the total statewide number of pupils who met the income eligibility criteria for free breakfast, lunch, or milk in the immediately preceding fiscal year, as described in subsection (1).

(16) If a district is formed by consolidation after June 1, 1995, and if 1 or more of the original districts was not eligible before the consolidation for an additional allowance under this section, the amount of the additional allowance under this section for the consolidated district shall be based on the number of pupils described in subsection (1) enrolled in the consolidated district who reside in the territory of an original district that was eligible before the consolidation for an additional allowance under this section.

(17) A district or public school academy that does not meet the eligibility requirement under subsection (2)(a) is eligible for funding under this section if at least 1/4 of the pupils in membership in the district or public school academy met the income eligibility criteria for free breakfast, lunch, or milk in the immediately preceding state fiscal year, as determined and reported as described in subsection (1), and at least 4,500 of the pupils in membership in the district or public school academy met the income eligibility criteria for free breakfast, lunch, or milk in the immediately preceding state fiscal year, as determined and reported as described in subsection (1). A district or public school academy that is eligible for funding under this section because the district meets the requirements of this subsection shall receive under this section for each membership pupil in the district or public school academy who met the income eligibility criteria for free breakfast, lunch, or milk in the immediately preceding fiscal year, as determined and reported as described in subsection (1), an amount per pupil equal to 11.5% of the sum of the district's foundation allowance or public school academy's per pupil allocation under section 20, plus the amount of the district's per pupil allocation under section 20j(2), not to exceed $6,500.00 adjusted by the dollar amount of the difference between the basic foundation allowance under section 20 for the current state fiscal year and $5,000.00, minus $200.00.

(18) As used in this section, "at-risk pupil" means a pupil for whom the district has documentation that the pupil meets at least 2 of the following criteria: is a victim of child abuse or neglect; is below grade level in English language and communication skills or mathematics; is a pregnant teenager or teenage parent; is eligible for a federal free or reduced-price lunch subsidy; has atypical behavior or attendance patterns; or has a family history of school failure, incarceration, or substance abuse. For pupils for whom the results of at least the applicable Michigan education assessment program (MEAP) test have been received, at-risk pupil also includes a pupil who does not meet the other criteria under this subsection but who did not achieve at least a score of level 2 on the most recent MEAP English language arts, mathematics, or science test for which results for the pupil have been received. For pupils for whom the results of the Michigan merit examination have been received, at-risk pupil also includes a pupil who does not meet the other criteria under this subsection but who did not achieve proficiency on the reading component of the most recent Michigan merit examination for which results for the pupil have been received, did not achieve proficiency on the mathematics component of the most recent Michigan merit examination for which results for the pupil have been received, or did not achieve basic competency on the science component of the most recent Michigan merit examination for which results for the pupil have been received. For pupils in grades K-3, at-risk pupil also includes a pupil who is at risk of not meeting the district's core academic curricular objectives in English language arts or mathematics.

History: Add. 1993, Act 336, Eff. Oct. 1, 1994;-- Am. 1994, Act 283, Imd. Eff. July 12, 1994;-- Am. 1994, Act 360, Imd. Eff. Dec. 22, 1994;-- Am. 1995, Act 130, Eff. Oct. 1, 1995;-- Am. 1996, Act 180, Imd. Eff. Apr. 19, 1996;-- Am. 1996, Act 300, Eff. Oct. 1, 1996;-- Am. 1997, Act 24, Imd. Eff. June 16, 1997;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998;-- Am. 1998, Act 553, Imd. Eff. Jan. 27, 1999;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002;-- Am. 2003, Act 158, Eff. Oct. 1, 2003;-- Am. 2004, Act 351, Eff. Oct. 1, 2004;-- Am. 2004, Act 593, Imd. Eff. Jan. 5, 2005;-- Am. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 121, Imd. Eff. Apr. 14, 2006;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: In the first sentence of subsection (1), as amended by Act 121 of 2001, the phrase "and for 2002-2003 an amount not to exceed $319,095,200.00" was vetoed by the governor September 28, 2001. Enacting section 3 of Act 521 of 2002 provides: "Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963." For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002. Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1631b Repealed. 2006, Act 342, Eff. Oct. 1, 2006.

Compiler's Notes: The repealed section pertained to amounts appropriated for costs relating to enrollment in prekindergarten, development kindergarten, or similar class.

388.1631c Pupils whose parent or parents are incarcerated; pilot programs.

Sec. 31c.

(1) From the funds appropriated in section 11, there is allocated an amount not to exceed $1,875,000.00 for 2006-2007 for grants to eligible districts to fund pilot programs designed to address the needs of pupils whose parent or parents are incarcerated. For the purposes of this section, eligible districts are those for which the quotient of pupils in membership eligible for free breakfast, milk, or lunch as determined under the Richard B. Russell national school lunch act and as reported to the department by October 31, 2005 and adjusted not later than December 31, 2005, divided by the district's current year membership is at least 0.6.

(2) Except as otherwise provided in this subsection, upon approval by the department each district eligible for funding under this section shall receive a grant of $75,000.00. If the district is a school district of the first class under the revised school code, then upon approval by the department the district shall receive a grant of $150,000.00. A district must submit a grant application indicating the services to be provided with grant funds to the department by November 15, 2006, and the department shall notify eligible districts of their grant status by January 15, 2007. As part of the pilot program, a district awarded funding under this section shall do at least all of the following:

(a) Provide video conferencing or audio conferencing opportunities, or both, between a district pupil and his or her incarcerated parent or parents on a regular basis.

(b) Provide academic or social support by qualified persons to pupils whose parent or parents are incarcerated.

(3) If grant funds remain unallocated after the department determines the grant status of eligible districts, then the remaining funds shall be distributed to districts approved for funding on an equal percentage basis.

(4) Not later than November 15, 2007, a district that received a grant under this section in 2006-2007 shall submit to the department a summary of activities provided with the grant funds, number of pupils served, and an evaluation of whether the program was successful.

History: Add. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Former MCL 388.1631c, which pertained to pilot program grants, was repealed by Act 297 of 2000, Eff. Oct. 1, 2000. Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1631d Reimbursement to districts providing school lunch programs.

Sec. 31d.

(1) From the appropriations in section 11, there is allocated an amount not to exceed $22,495,100.00 for 2006-2007 for the purpose of making payments to districts and other eligible entities under this section.

(2) The amounts allocated from state sources under this section shall be used to pay the amount necessary to reimburse districts for 6.0127% of the necessary costs of the state mandated portion of the school lunch programs provided by those districts. The amount due to each district under this section shall be computed by the department using the methods of calculation adopted by the Michigan supreme court in the consolidated cases known as Durant v State of Michigan, Michigan supreme court docket no. 104458-104492.

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

(4) The payments made under this section to districts and other eligible entities that are not required under section 1272a of the revised school code, MCL 380.1272a, to provide a school lunch program shall be in an amount not to exceed $10.00 per eligible pupil plus 5 cents for each free lunch and 2 cents for each reduced price lunch provided, as determined by the department.

(5) From the federal funds appropriated in section 11, there is allocated for 2006-2007 all available federal funding, estimated at $320,000,000.00, for the national school lunch program and all available federal funding, estimated at $2,506,000.00, for the emergency food assistance program.

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

History: Add. 1999, Act 119, Imd. Eff. July 20, 1999;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002;-- Am. 2003, Act 158, Imd. Eff. Aug. 11, 2003;-- Am. 2004, Act 351, Eff. Oct. 1, 2004;-- Am. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 3 of Act 521 of 2002 provides: "Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963." For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002. Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1631e Repealed. 2004, Act 351, Eff. Oct. 1, 2004.

Compiler's Notes: The repealed section pertained to reimbursement for cost of providing breakfast.

388.1631f Breakfast program costs; reimbursement payments.

Sec. 31f.

(1) From the appropriations in section 11, there is allocated an amount not to exceed $9,625,000.00 for 2006-2007 for the purpose of making payments to districts to reimburse for the cost of providing breakfast.

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

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

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

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

History: Add. 2005, Act 155, Imd. Eff. Sept. 30, 2005;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1632 Repealed. 2000, Act 297, Eff. Oct. 1, 2000.

Compiler's Notes: The repealed section pertained to pilot reading improvement programs.

388.1632a Repealed. 2003, Act 158, Eff. Oct. 1, 2003.

Compiler's Notes: The repealed section pertained to funding for all students achieve program.

388.1632b Early childhood investment corporation; grants.

Sec. 32b.

(1) From the funds appropriated under section 11, there is allocated an amount not to exceed $1,000,000.00 for 2006-2007 for competitive grants to intermediate districts for the creation of great start communities or other community purposes as identified by the early childhood investment corporation. These dollars may not be expended until both of the following conditions have been met:

(a) The early childhood investment corporation has identified matching dollars of at least an equal amount.

(b) The articles of incorporation and bylaws of the early childhood investment corporation are amended to increase the membership of the executive committee from the current 15 members to 19 members and to specify that 1 member shall be appointed by the senate majority leader, 1 member appointed by the senate minority leader, 1 member appointed by the speaker of the house of representatives, and 1 member appointed by the minority leader of the house of representatives. The early childhood investment corporation shall notify each of these legislative leaders of the effective date of this change in the articles of incorporation and bylaws, and each of these legislative leaders shall appoint a member not later than 60 days after that effective date. Thereafter, not later than 60 days after the convening of each legislative session in each odd numbered year, each legislative leader shall appoint a member of the executive committee. A member appointed in this manner shall continue to serve on the executive committee through the next regular legislative session unless he or she voluntarily resigns or is otherwise unable to serve. When a vacancy occurs as a result of a voluntary resignation or inability to serve, the legislative leader who had appointed the member shall make an appointment to fill that vacancy not later than 60 days after the date the vacancy occurs.

(2) The early childhood investment corporation shall award grants to eligible intermediate districts in an amount to be determined by the corporation.

(3) In order to receive funding, each intermediate district applicant shall agree to convene local great start collaboratives to address the availability of the 6 components of a great start system in its communities: physical health, social-emotional health, family supports, basic needs, economic stability and safety, and parenting education and early education and care, to ensure that every child in the community is ready for kindergarten. Specifically, each grant will fund the following:

(a) A community needs assessment and strategic plan for the development of a comprehensive system of early childhood services and supports, accessible to all children from birth to kindergarten and their families.

(b) Identification of local resources and services for children with disabilities, developmental delays, or special needs and their families.

(c) Coordination and expansion of high-quality early childhood and childcare programs.

(d) Evaluation of local programs.

(4) Not later than February 1, 2007, the early childhood investment corporation shall provide to the house and senate appropriations subcommittees on state school aid, the state budget director, and the house and senate fiscal agencies a report detailing the anticipated expenditures by the corporation, grant purposes and amounts to be distributed, and activities to be supported with funding under this section.

(5) Not later than December 1, 2007, the early childhood investment corporation shall provide to the house and senate appropriations subcommittees on state school aid, the state budget director, and the house and senate fiscal agencies a report detailing the amounts of grants awarded under this section, the grant

recipients, the activities funded by each grant under this section, and an analysis of each grant recipient's success in addressing the development of a comprehensive system of early childhood services and supports.

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

History: Add. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Former MCL 388.1632b, which pertained to school readiness and parenting skills programs, was repealed by Act 351 of 2004, Eff. Oct. 1, 2004. Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1632c Grants for community-based collaborative prevention services; distribution of funds through joint request for proposals process; requirements; agreement; report.

Sec. 32c.

(1) From the general fund appropriation in section 11, there is allocated an amount not to exceed $1,750,000.00 for 2006-2007 to the department for grants for community-based collaborative prevention services designed to promote marriage and foster positive parenting skills; improve parent/child interaction, especially for children 0-3 years of age; promote access to needed community services; increase local capacity to serve families at risk; improve school readiness; and support healthy family environments that discourage alcohol, tobacco, and other drug use. The allocation under this section is to fund secondary prevention programs as defined by the children's trust fund for the prevention of child abuse and neglect.

(2) The funds allocated under subsection (1) shall be distributed through a joint request for proposals process established by the department in conjunction with the children's trust fund and the interagency director's workgroup. Projects funded with grants awarded under this section shall meet all of the following:

(a) Be secondary prevention initiatives and voluntary to consumers. This appropriation is not intended to serve the needs of children for whom and families in which neglect or abuse has been substantiated.

(b) Demonstrate that the planned services are part of a community's integrated comprehensive family support strategy endorsed by the community collaborative.

(c) Provide a 25% local match, of which not more than 10% may be in-kind services, unless this requirement is waived by the interagency director's workgroup.

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

(4) Not later than January 30 of the next fiscal year, the department shall prepare and submit to the governor and the legislature an annual report of outcomes achieved by the providers of the community-based collaborative prevention services funded under this section for a fiscal year.

History: Add. 2000, Act 297, Imd. Eff. July 26, 2000;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002;-- Am. 2003, Act 158, Eff. Oct. 1, 2003;-- Am. 2004, Act 351, Eff. Oct. 1, 2004;-- Am. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 3 of Act 521 of 2002 provides: "Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963." For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002. Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 155 provides: " Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for

fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1632d School readiness or preschool and parenting program grants; evaluation; contract; report; "employment status" defined.

Sec. 32d.

(1) From the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed $78,600,000.00 for 2006-2007 for school readiness or preschool and parenting program grants to enable eligible districts, as determined under section 37, to develop or expand, in conjunction with whatever federal funds may be available, including, but not limited to, federal funds under title I of the elementary and secondary education act of 1965, 20 USC 6301 to 6578, chapter I of title I of the Hawkins-Stafford elementary and secondary school improvement amendments of 1988, Public Law 100-297, and the head start act, 42 USC 9831 to 9852, comprehensive compensatory programs designed to do 1 or both of the following:

(a) Improve the readiness and subsequent achievement of educationally disadvantaged children as defined by the department who will be at least 4, but less than 5 years of age, as of December 1 of the school year in which the programs are offered, and who show evidence of 2 or more risk factors as defined in the state board report entitled "children at risk" that was adopted by the state board on April 5, 1988.

(b) Provide preschool and parenting education programs similar to those under former section 32b as in effect for 2001-2002.

(2) A comprehensive compensatory program funded under this section may include an age-appropriate educational curriculum, as described in the early childhood standards of quality for prekindergarten children adopted by the state board, that prepares children for success in school, including language, early literacy, and early mathematics. In addition, the comprehensive program shall include nutritional services, health screening for participating children, a plan for parent and legal guardian involvement, and provision of referral services for families eligible for community social services.

(3) In addition to the allocation under subsection (1), from the general fund money allocated under section 11, there is allocated an amount not to exceed $200,000.00 for 2006-2007 for a competitive grant to continue a longitudinal evaluation of children who have participated in the Michigan school readiness program.

(4) A district receiving a grant under this section may contract for the provision of the comprehensive compensatory program and retain for administrative services an amount equal to not more than 5% of the grant amount. A district may expend not more than 10% of the total grant amount for administration of the program.

(5) A grant recipient receiving funds under this section shall report to the department on the midyear report the number of children participating in the program who meet the income or other eligibility criteria specified under section 37(3)(g) and the total number of children participating in the program. For children participating in the program who meet the income or other eligibility criteria specified under section 37(3)(g), grant recipients shall also report whether or not a parent is available to provide care based on employment status. For the purposes of this subsection, "employment status" shall be defined by the department of human services in a manner consistent with maximizing the amount of spending that may be claimed for temporary assistance for needy families maintenance of effort purposes.

History: Add. 2000, Act 297, Imd. Eff. July 26, 2000;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002;-- Am. 2003, Act 158, Eff. Oct. 1, 2003;-- Am. 2004, Act 351, Eff. Oct. 1, 2004;-- Am. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: In the first and last sentences of subsection (1), as amended by Act 121 of 2001, the phrases "and 2002-2003" and "and for 2002-2003" were vetoed by the governor September 28, 2001. In subsection (2), as amended by Act 121 of 2001, the phrase "and 2002-

2003" was vetoed by the governor September 28, 2001. Enacting section 3 of Act 521 of 2002 provides: "Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963." For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002. Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1632e Repealed. 2002, Act 191, Eff. Oct. 1, 2002.

Compiler's Notes: The repealed section pertained to program grants to maintain or establish small classes in grades K to 3.

388.1632f Repealed. 2005, Act 155, Eff. Oct. 1, 2005.

Compiler's Notes: The repealed section pertained to read, education, and develop youth kits.

388.1632g, 388.1632h Repealed. 2002, Act 191, Imd. Eff. Apr. 26, 2002.

Compiler's Notes: The repealed sections pertained to summer school instruction and counseling services.

388.1632i Repealed. 2003, Act 158, Eff. Oct. 1, 2003.

Compiler's Notes: The repealed section pertained to May 2002 revenue estimating conference.

388.1632j Programs for parents with preschool children.

Sec. 32j.

(1) From the appropriations in section 11, there is allocated an amount not to exceed $5,000,000.00 for 2006-2007 for great parents, great start grants to intermediate districts to provide programs for parents with preschool children. The purpose of these programs is to encourage early mathematics and reading literacy, improve school readiness, reduce the need for special education services, and foster the maintenance of stable families by encouraging positive parenting skills.

(2) To qualify for funding under this section, a program shall provide services to all families with children age 5 or younger residing within the intermediate district who choose to participate, including at least all of the following services:

(a) Providing parents with information on child development from birth to age 5.

(b) Providing parents with methods to enhance parent-child interaction that promote social and emotional development for infants and toddlers and age-appropriate language, mathematics, and early reading skills; including, but not limited to, encouraging parents to read to their preschool children at least 1/2 hour per day.

(c) Providing parents with examples of learning opportunities to promote intellectual, physical, and social growth of preschoolers, including the acquisition of age-appropriate language, mathematics, and early reading skills.

(d) Promoting access to needed community services through a community-school-home partnership.

(e) Promoting marriage.

(3) To receive a grant under this section, an intermediate district shall submit a plan to the department not later than October 1, 2006 in the form and manner prescribed by the department. The plan shall do all of the following in a manner prescribed by the department:

(a) Provide a plan for the delivery of the program components described in subsection (2) that provides for educators trained in child development to help parents understand their role in their child's developmental process, thereby promoting school readiness and mitigating the need for special education services.

(b) Demonstrate an adequate collaboration of local entities involved in providing programs and services for preschool children and their parents.

(c) Provide a projected budget for the program to be funded. The intermediate district shall provide at least a 20% local match from local public or private resources for the funds received under this section. Not more than 1/2 of this matching requirement, up to a total of 10% of the total project budget, may be satisfied through in-kind services provided by participating providers of programs or services. In addition, not more than 10% of the grant may be used for program administration.

(4) Each intermediate district receiving a grant under this section shall agree to include a data collection system approved by the department. The data collection system shall provide a report by October 15 of each year on the number of children in families with income below 200% of the federal poverty level that received services under this program and the total number of children who received services under this program.

(5) The department or superintendent, as applicable, shall do all of the following:

(a) The superintendent shall approve or disapprove the plans and notify the intermediate district of that decision not later than November 15, 2006. The amount allocated by each intermediate district shall be at least an amount equal to 150.33% of the intermediate district's 2005-2006 payment under this section.

(b) The department shall ensure that all programs funded under this section utilize the most current validated research-based methods and curriculum for providing the program components described in subsection (2).

(c) The department shall submit a report to the state budget director and the senate and house fiscal agencies summarizing the data collection reports described in subsection (4) by December 1 of each year.

(6) An intermediate district receiving funds under this section shall use the funds only for the program funded under this section. An intermediate district receiving funds under this section may carry over any unexpended funds received under this section to subsequent fiscal years and may expend those unused funds in subsequent fiscal years.

History: Add. 2003, Act 158, Eff. Oct. 1, 2003;-- Am. 2004, Act 337, Imd. Eff. Sept. 23, 2004;-- Am. 2004, Act 351, Eff. Oct. 1, 2004;-- Am. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1632k Before- or after-school programs.

Sec. 32k.

(1) From the funds appropriated in section 11, there is allocated an amount not to exceed $0.00 for a statewide before- or after-school program to provide youth with a safe, engaging environment to motivate and inspire learning outside the traditional classroom setting. Before-school programs are limited to elementary school-aged children. Effective before- or after-school programs combine academic, enrichment, and recreation activities to guide learning and inspire children and youth in various activities. The before- or after-school programs can meet the needs of the communities served by the programs.

(2) The department shall work in collaboration with the family independence agency under this section.

(3) The department shall, through a competitive bid process, provide grants or contracts up to $0.00 in state school aid funds for the program based on community needs. A county shall receive no more than 20% of the funds allocated under this section for this program. The use of funds under this section should not be considered an ongoing commitment of funding.

(4) The before- or after-school programs funded under this section shall include, at a minimum, at least 3 of the following topics:

(a) Abstinence-based pregnancy prevention.

(b) Chemical abuse and dependency including nonmedical services.

(c) Gang violence prevention.

(d) Academic assistance, including assistance with reading and writing.

(e) Preparation toward future self-sufficiency.

(f) Leadership development.

(g) Case management or mentoring.

(h) Parental involvement.

(i) Anger management.

(5) The department may enter into grants or contracts with independent contractors including, but not limited to, faith-based organizations, boys or girls clubs, schools, or nonprofit organizations. The department shall grant priority in funding independent contractors who secure at least 25% in matching funds. The matching funds may either be fulfilled through local, state, or federal funds, or through in-kind or other donations.

(6) A referral to a program may be made by, but is not limited to, any of the following: a teacher, counselor, parent, police officer, judge, or social worker.

(7) By August 30, 2005, the department before- or after-school program expenditures shall be audited and the department shall work in collaboration with independent contractors to provide a report on the before- or after-school program to the senate and house standing committees dealing with human services and education, the senate and house appropriations subcommittees for this act, the senate and house fiscal agencies, and the senate and house policy offices. The report shall include the number of participants and the average cost per participant, as well as changes noted in program participants in any of the following categories:

(a) Juvenile crime.

(b) Aggressive behavior.

(c) Academic achievement.

(d) Development of new skills and interests.

(e) School attendance and dropout rates.

(f) Behavioral changes in school.

(8) Private foundations may contribute funding to this program, as determined by the department.

History: Add. 2004, Act 351, Eff. Oct. 1, 2004

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."

388.1632l Competitive school readiness program grants.

Sec. 32l.

(1) From the general fund money appropriated in section 11, there is allocated for 2006-2007 an amount not to exceed $12,250,000.00 for competitive school readiness program grants for the purposes of preparing children for success in school, including language, early literacy, and early mathematics. These grants shall be made available through a competitive application process as follows:

(a) Any public or private nonprofit legal entity or agency may apply for a grant under this section. However, a district or intermediate district may not apply for a grant under this section unless the district or intermediate district is acting as a fiscal agent for a child caring organization regulated under 1973 PA 116, MCL 722.111 to 722.128.

(b) An applicant shall submit an application in the form and manner prescribed by the department.

(c) The department shall establish a diverse interagency committee to review the applications. The committee shall be composed of representatives of the department, appropriate community, volunteer, and social service agencies and organizations, and parents.

(d) The superintendent shall award the grants and shall give priority for awarding the grants based upon the following criteria:

(i) Compliance with the state board-approved early childhood standards of quality for prekindergarten.

(ii) Active and continuous involvement of the parents or guardians of the children participating in the program.

(iii) Employment of teachers possessing proper training, including a valid Michigan teaching certificate with an early childhood (ZA) endorsement, a valid Michigan teaching certificate with a child development associate credential (CDA), or a bachelor's degree in child development with a specialization in preschool teaching. However, both of the following apply to this subparagraph:

(A) If an applicant demonstrates to the department that it is unable to fully comply with this subparagraph after making reasonable efforts to comply, the superintendent may still give priority to the applicant if the applicant will employ teachers who have significant but incomplete training in early childhood education or child development if the applicant provides to the department, and the department approves, a plan for each teacher to come into compliance with the standards in this subparagraph. A teacher's compliance plan must be completed within 4 years of the date of employment. Progress toward completion of the compliance plan shall consist of at least 2 courses per calendar year.

(B) For a subcontracted program, the department shall consider a teacher with 90 credit hours and at least 4 years' teaching experience in a qualified preschool program to meet the requirements under this subparagraph.

(iv) Employment of paraprofessionals possessing proper training in early childhood development, including an associate's degree in early childhood education or child development or the equivalent, or a child development associate (CDA) credential, or the equivalent, as approved by the state board. If an applicant demonstrates to the department that it is unable to fully comply with this subparagraph, after making reasonable efforts to comply, the superintendent of public instruction may still give priority to an applicant if the applicant will employ paraprofessionals who have completed at least 1 course in early childhood education or child development if the applicant provides to the department, and the department approves, a plan for each paraprofessional to come into compliance with the standards in this subparagraph. A paraprofessional's compliance plan must be completed within 2 years of the date of employment. Progress toward completion of the compliance plan shall consist of at least 2 courses or 60 clock hours of training per calendar year.

(v) Evidence of collaboration with the community of providers in early childhood development programs including documentation of the total number of children in the community who would meet the criteria established in subparagraph (vii), and who are being served by other providers, and the number of children who will remain unserved by other community early childhood programs if this program is funded.

(vi) The extent to which these funds will supplement other federal, state, local, or private funds.

(vii) The extent to which these funds will be targeted to children who will be at least 4, but less than 5, years of age as of December 1 of the year in which the programs are offered and who show evidence of 2 or more "at-risk" factors as defined in the state board report entitled "children at risk" that was adopted by the state board on April 5, 1988.

(viii) The program offers supplementary day care and thereby offers full-day programs as part of its early childhood development program.

(ix) The application contains a plan approved by the department to conduct and report annual school readiness program evaluations and continuous improvement plans using criteria approved by the department. At a minimum, the evaluations shall include a self-assessment of program quality and assessment of the gains in educational readiness and progress of the children participating in the program.

(e) An application shall demonstrate that the program has established or has joined a multidistrict, multiagency school readiness advisory committee that is involved in the planning and evaluation of the program and that provides for the involvement of parents and appropriate community, volunteer, and social service agencies and organizations. The advisory committee shall include at least 1 parent or guardian of a program participant for every 18 children enrolled in the program, with a minimum of 2 parent or guardian representatives. The advisory committee shall do all of the following:

(i) Review the mechanisms and criteria used to determine referrals for participation in the school readiness program.

(ii) Review the health screening program for all participants.

(iii) Review the nutritional services provided to all participants.

(iv) Review the mechanisms in place for the referral of families to community social service agencies, as appropriate.

(v) Review the collaboration with and the involvement of appropriate community, volunteer, and social service agencies and organizations in addressing all aspects of education disadvantage.

(vi) Review, evaluate, and make recommendations for changes in the school readiness program.

(2) To be eligible for a grant under this section, a program shall demonstrate that more than 50% of the children participating in the program live with families with a household income that is less than or equal to 250% of the federal poverty level.

(3) The superintendent may award grants under this section at whatever level the superintendent determines appropriate. However, the amount of a grant under this section, when combined with other sources of state revenue for this program, shall not exceed $3,300.00 per participating child or the cost of the program, whichever is less.

(4) For a grant recipient that enrolls pupils in a full-day program funded under this section, each child enrolled in the full-day program shall be counted as 2 children served by the program for purposes of determining the number of children to be served and for determining the amount of the grant award. A grant award shall not be increased solely on the basis of providing a full-day program. As used in this subsection, "full-day program" means a program that operates for at least the same length of day as a district's first grade program for a minimum of 4 days per week, 30 weeks per year. A classroom that offers a full-day program must enroll all children for the full day to be considered a full-day program.

(5) Except as otherwise provided in this subsection, an applicant that receives a new grant under this section for 2006-2007 shall also receive priority for funding under this section for 2007-2008 and 2008-2009. However, after 3 fiscal years of continuous funding, an applicant is required to compete openly with new programs and other programs completing their third year. All grant awards under this section are contingent on the availability of funds and documented evidence of grantee compliance with early childhood standards of quality for prekindergarten, as approved by the state board, and with all operational, fiscal, administrative, and other program requirements.

(6) Notwithstanding section 17b, payments to eligible entities under this section shall be paid on a schedule and in a manner determined by the department.

History: Add. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1632m Providing preschool children with book each month; grants; programs.

Sec. 32m.

(1) From the state school aid fund appropriation in section 11, there is allocated an amount not to exceed $500,000.00 for 2006-2007 for grants under this section. The department shall make grants to applicant districts or intermediate districts to assist in funding programs to provide preschool children with a book each month from birth to age 5.

(2) All of the following apply to a grant under this section:

(a) A district or intermediate district shall apply for the grant to the department in the form and manner prescribed by the department.

(b) The grants shall be distributed through a competitive process established by the department. The selection of grant recipients shall be based on the ability of the grant recipient to serve children in the area and the need for the program in the area served by the grant recipient.

(c) A grant recipient shall provide a local match from locally raised funds at least equal to the amount of the grant under this section.

(d) Grant funds shall be used only for costs of providing preschool children with a book each month from birth to age 5. A grant recipient may operate the program itself or work within a contractual or cooperative arrangement with another local unit of government, a foundation, or another nonprofit entity.

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

History: Add. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1633 Repealed. 2006, Act 342, Eff. Oct. 1, 2006.

Compiler's Notes: The repealed section pertained to allocation to assist in transition from governance by a school reform board to governance by an elected school board.

388.1634 Appropriation of funds for 2006-2007; grants.

Sec. 34.

(1) From the appropriations in section 11, there is allocated an amount not to exceed $400,000.00 for 2006-2007 to the department for grants to districts under this section.

(2) Not more than 76% of the money allocated under this section shall be used for grants to districts for the first year of a 5-year grant program to develop an early intervening model program for grades K to 3. The early intervening program will instruct classroom teachers and support staff on how to monitor individual pupil learning and how to provide specific support or learning strategies to pupils as early as possible in order to reduce the need for special education placement. The program will include literacy and numeracy supports, sensory motor skill development, behavior supports, instructional consultation for teachers, and the development of a parent/school learning plan. Specific support or learning strategies may include support in or out of the general classroom in areas including reading, writing, math, visual memory, motor skill development, behavior, or language development. These would be provided based on an understanding of the individual child's learning needs. All of the following apply to the grants:

(a) Each site funded by a grant shall serve as either a model site of practice or a site of improvement. A model site will serve as an ongoing model that provides the early intervening program for pupils and conducts professional development on site for personnel visiting from a site of improvement. A site of improvement is a site that seeks to implement the early intervening program.

(b) The grants shall be distributed through a process established by the department. The selection of grant recipients shall be based on the ability to serve as a model site of practice or, for a site of improvement, based on the highest demonstrated need to improve opportunities for learning success as reflected by either a combined percentage of pupils who are learning disabled, emotionally impaired, or speech and language impaired that is higher than the statewide percentage of those pupils or a percentage of pupils reading below grade level as measured by the statewide third grade English

language arts assessment that is higher than the statewide percentage of those pupils, as determined by the department. The department shall ensure geographic diversity in awarding grants.

(c) The department shall award up to 19 grants, with not more than 4 of the grants for development of model sites of practice and not more than 15 of the grants for sites of improvement. A model site of practice shall use the grant funds to make professional development on how to provide the program available on site to personnel from sites of improvement. A site of improvement shall use the grant funds to pay for the expenses of obtaining this professional development and other expenses related to implementing an early intervening program.

(d) The amount of a grant to a district shall be $40,000.00.

(e) A grant shall be used for early intervening programs for pupils at the elementary level only.

(3) Not more than 24% of the money allocated under this section shall be used for grants to districts for programs that provide early intervening strategies for pupils in grades K to 3 using schoolwide systems of academic and behavioral supports and shall be scientifically research-based. The strategies to be provided shall include at least pupil performance indicators based upon response to intervention, instructional consultation for teachers, and ongoing progress monitoring. A schoolwide system of academic and behavioral support should be based on a support team available to the classroom teachers. The members of this team could include the principal, special education staff, reading teachers, and other appropriate personnel who would be available to systematically study the needs of the individual child and work with the teacher to match instruction to the needs of the individual child. These grants shall be distributed through a competitive process established by the department. A grant shall be used for providing these programs for pupils at the elementary level only.

(4) The department shall develop guidelines on the use of the grant funds allocated under this section. These guidelines shall ensure that the use of these grant funds is consistent with research and instructional programs that include data-driven processes and proven methods of success.

(5) Programs funded under this section shall invite visitation and feedback from the regional literacy training center in which service area the recipient district is located, as identified by the department.

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

(7) Not later than January 30 of the next fiscal year, the department shall prepare and submit to the governor, the senate and house standing committees on education, and the senate and house appropriations subcommittees having jurisdiction over state school aid an annual report of outcomes achieved by the grant recipients funded under this section for a fiscal year. For this report, the funded sites shall collect data prescribed by the department and report to the department on the percentage of pupils reading at grade level before implementation of the program and the percentage of pupils reading at grade level after implementation of the program, as measured by the statewide third grade English language arts assessment.

History: Add. 2006, Act 120, Imd. Eff. Apr. 14, 2006;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Former MCL 388.1634, which pertained to low-income eligibility counts, was repealed by Act 336 of 1993, Eff. Oct. 1, 1994. Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1634a Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to achievement incentive grants.

388.1635 Repealed. 2001, Act 121, Imd. Eff. Sept. 28, 2001.

Compiler's Notes: The repealed section pertained to family opportunity project.

388.1636, 388.1636a Repealed. 2000, Act 297, Eff. Oct. 1, 2000.

Compiler's Notes: The repealed sections pertained to comprehensive compensatory programs to improve readiness and achievement of educationally disadvantaged children, and grants for community based collaborative prevention services.

388.1637 Eligibility of district for allocation under MCL 388.1632d; preapplication; final application; consortium; submission of resolution showing certain risk factors.

Sec. 37.

(1) A district is eligible for an allocation under section 32d if the district meets all of the requirements in subsections (2), (3), and (4).

(2) The district shall submit a preapplication, in a manner and on forms prescribed by the department, by a date specified by the department in the immediately preceding state fiscal year. The preapplication shall include a comprehensive needs assessment and community collaboration plan, and shall identify all of the following:

(a) The estimated total number of children in the community who meet the criteria of section 32d and how that calculation was made.

(b) The estimated number of children in the community who meet the criteria of section 32d and are being served by other early childhood development programs operating in the community, and how that calculation was made.

(c) The number of children the district will be able to serve who meet the criteria of section 32d including a verification of physical facility and staff resources capacity.

(d) The estimated number of children who meet the criteria of section 32d who will remain unserved after the district and community early childhood programs have met their funded enrollments. The school district shall maintain a waiting list of identified unserved eligible children who would be served when openings are available.

(3) The district shall submit a final application for approval, in a manner and on forms prescribed by the department, by a date specified by the department. The final application shall indicate all of the following that apply:

(a) The district complies with the state board approved early childhood standards of quality for prekindergarten.

(b) The district provides for the active and continuous participation of parents or guardians of the children in the program, and describes the district's participation plan as part of the application.

(c) The district only employs for this program the following:

(i) Teachers possessing proper training. For programs the district manages itself, a valid teaching certificate and an early childhood (ZA) endorsement are required. This provision does not apply to a district that subcontracts with an eligible child development program. In that situation a teacher must have a valid Michigan teaching certificate with an early childhood (ZA) endorsement, a valid Michigan teaching certificate with a child development associate credential, or a bachelor's degree in child development with specialization in preschool teaching. However, both of the following apply to this subparagraph:

(A) If a district demonstrates to the department that it is unable to fully comply with this subparagraph after making reasonable efforts to comply, teachers who have significant but

incomplete training in early childhood education or child development may be employed by the district if the district provides to the department, and the department approves, a plan for each teacher to come into compliance with the standards in this subparagraph. A teacher's compliance plan must be completed within 4 years of the date of employment. Progress toward completion of the compliance plan shall consist of at least 2 courses per calendar year.

(B) For a subcontracted program, the department shall consider a teacher with 90 credit hours and at least 4 years' teaching experience in a qualified preschool program to meet the requirements under this subparagraph.

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

(d) The district has submitted for approval a program budget that includes only those costs not reimbursed or reimbursable by federal funding, that are clearly and directly attributable to the early childhood readiness program, and that would not be incurred if the program were not being offered. If children other than those determined to be educationally disadvantaged participate in the program, state reimbursement under section 32d shall be limited to the portion of approved costs attributable to educationally disadvantaged children.

(e) The district has established a, or has joined a multidistrict, multiagency, school readiness advisory committee consisting of, at a minimum, classroom teachers for prekindergarten, kindergarten, and first grade; parents or guardians of program participants; representatives from appropriate community agencies and organizations; the district curriculum director or equivalent administrator; and, if feasible, a school psychologist, school social worker, or school counselor. In addition, there shall be on the committee at least 1 parent or guardian of a program participant for every 18 children enrolled in the program, with a minimum of 2 parent or guardian representatives. The committee shall do all of the following:

(i) Ensure the ongoing articulation of the early childhood, kindergarten, and first grade programs offered by the district or districts.

(ii) Review the mechanisms and criteria used to determine participation in the early childhood program.

(iii) Review the health screening program for all participants.

(iv) Review the nutritional services provided to program participants.

(v) Review the mechanisms in place for the referral of families to community social service agencies, as appropriate.

(vi) Review the collaboration with and the involvement of appropriate community, volunteer, and social service agencies and organizations in addressing all aspects of educational disadvantage.

(vii) Review, evaluate, and make recommendations to a local school readiness program or programs for changes to the school readiness program.

(f) The district has submitted for departmental approval a plan to conduct and report annual school readiness program evaluations and continuous improvement plans using criteria approved by the department. At a minimum, the evaluations shall include a self-assessment of program quality and assessment of the gains in educational readiness and progress of the children participating in the program.

(g) More than 50% of the children participating in the program live with families with a household income that is equal to or less than 250% of the federal poverty level.

(4) A consortium of 2 or more districts shall be eligible for an allocation under section 32d if the districts designate a single fiscal agent for the allocation. A district or intermediate district may administer a consortium described in this subsection. A consortium shall submit a single preapplication and application for the children to be served, regardless of the number of districts participating in the consortium.

(5) With the final application, an applicant district shall submit to the department a resolution adopted by its board certifying the number of 4-year-old children who show evidence of risk factors as described in section 32d who live with families with a household income that is less than or equal to 250% of the federal poverty level.

History: Add. 1986, Act 212, Eff. Oct. 1, 1986;-- Am. 1987, Act 128, Eff. Oct. 1, 1987;-- Am. 1988, Act 318, Eff. Oct. 1, 1988;-- Am. 1989, Act 197, Eff. Oct. 1, 1989;-- Am. 1989, Act 235, Imd. Eff. Dec. 21, 1989;-- Am. 1990, Act 207, Eff. Oct. 1, 1990;-- Am. 1992, Act 148, Eff. Oct. 1, 1992;-- Am. 1993, Act 175, Eff. Oct. 1, 1993;-- Am. 1993, Act 336, Eff. Oct. 1, 1994;-- Am. 1994, Act 283, Eff. Oct. 1, 1994;-- Am. 1995, Act 130, Eff. Oct. 1, 1995;-- Am. 1996, Act 300, Eff. Oct. 1, 1996;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002;-- Am. 2004, Act 351, Eff. Oct. 1, 2004;-- Am. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1637a Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to conditions in which requirements of § 388.1637(h) are considered met.

388.1638 Number of prekindergarten children in need of special readiness assistance; calculation.

Sec. 38.

The maximum number of prekindergarten children construed to be in need of special readiness assistance under section 32d shall be calculated for each district in the following manner: one-half of the percentage of the district's pupils in grades 1-5 who are eligible for free lunch, as determined by the district's October count in the school year 2 years before the fiscal year for which the calculation is made under the Richard B. Russell national school lunch act, chapter 281, 60 Stat. 230, 42 U.S.C. 1751 to 1753, 1755 to 1761, 1762a, 1765 to 1766a, 1769, 1769b to 1769c, and 1769f to 1769h, as reported to the department not later than December 31 of the fiscal year 2 years before the fiscal year for which the calculation is made, shall be multiplied by the average kindergarten enrollment of the district on the pupil membership count day of the 2 immediately preceding years.

History: Add. 1987, Act 128, Eff. Oct. 1, 1987;-- Am. 1987, Act 220, Eff. Dec. 28, 1987;-- Am. 1988, Act 318, Eff. Oct. 1, 1988;-- Am. 1989, Act 197, Eff. Oct. 1, 1989;-- Am. 1990, Act 207, Eff. Oct. 1, 1990;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991;-- Am. 1993, Act 336, Eff. Oct. 1, 1994;-- Am. 1994, Act 283, Eff. Oct. 1, 1994;-- Am. 1995, Act 130, Eff. Oct. 1, 1995;-- Am. 1996, Act 300, Eff. Oct. 1, 1996;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002;-- Am. 2003, Act 158, Eff. Oct. 1, 2003

Compiler's Notes: Section 2 of Act 220 of 1987 provides: "In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act is $2,334,299,200.00 and state appropriations to be paid to local units of

government are $2,005,216,000.00."Section 4 of Act 220 of 1987 provides: "The changes effected by this amendatory act shall be applied retroactively to October 1, 1987."

388.1639 Tentative allocation to eligible district under MCL 388.1632d; priority in funding; contingency; supplementary day care; district with 315 or more eligible pupils; additional eligible children; full-day program; definition.

Sec. 39.

(1) The tentative allocation for each fiscal year to each eligible district under section 32d shall be determined by multiplying the number of children determined in section 38 or the number of children the district indicates it will be able to serve under section 37(2)(c), whichever is less, by $3,300.00 and shall be distributed among districts in decreasing order of concentration of eligible children as determined by section 38 until the money allocated in section 32d is distributed. If the number of children a district indicates it will be able to serve under section 37(2)(c) includes children able to be served in a full-day program, then the number able to be served in a full-day program shall be doubled for the purposes of making this calculation of the lesser of the number of children determined in section 38 and the number of children the district indicates it will be able to serve under section 37(2)(c) and determining the amount of the tentative allocation to the district under section 32d.

(2) A district that received funds under this section in at least 1 of the 2 immediately preceding fiscal years shall receive priority in funding over other eligible districts. However, funding beyond 3 state fiscal years is contingent upon the availability of funds and documented evidence satisfactory to the department of compliance with all operational, fiscal, administrative, and other program requirements.

(3) A district that offers supplementary day care funded by funds other than those received under this section and therefore offers full-day programs as part of its early childhood development program shall receive priority in the allocation of funds under this section over other eligible districts other than those districts funded under subsection (2).

(4) For any district with 315 or more eligible pupils, the number of eligible pupils shall be 65% of the number calculated under section 38. However, none of these districts may have less than 315 pupils for purposes of calculating the tentative allocation under section 32d.

(5) If, taking into account the total amount to be allocated to the district as calculated under this section, a district determines that it is able to include additional eligible children in the school readiness program without additional funds under this section, the district may include additional eligible children but shall not receive additional funding under this section for those children.

(6) For a district that enrolls pupils in a full-day program under section 32d, each child enrolled in the full-day program shall be counted as 2 children served by the program for purposes of determining the number of children to be served and for determining the allocation under section 32d. A district's allocation shall not be increased solely on the basis of providing a full-day program.

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

History: Add. 1987, Act 128, Eff. Oct. 1, 1987;-- Am. 1987, Act 220, Eff. Dec. 28, 1987;-- Am. 1988, Act 318, Eff. Oct. 1, 1988;-- Am. 1988, Act 509, Imd. Eff. Dec. 29, 1988;-- Am. 1989, Act 197, Eff. Oct. 1, 1989;-- Am. 1989, Act 235, Imd. Eff. Dec. 21, 1989;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993;-- Am. 1993, Act 336, Eff. Oct. 1, 1994;-- Am. 1995, Act 130, Eff. Oct. 1, 1995;-- Am. 1996, Act 300, Eff. Oct. 1, 1996;-- Am. 1997, Act 93, Eff. Oct. 1, 1997;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002;-- Am. 2005, Act 155, Eff. Oct. 1, 2005

Compiler's Notes: Section 2 of Act 220 of 1987 provides: "In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act is $2,334,299,200.00 and state appropriations to be paid to local units of government are $2,005,216,000.00." Section 4 of Act 220 of 1987 provides: "The changes effected by this amendatory act shall be applied retroactively to October 1, 1987." Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state

sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."

388.1639a Allocation of federal funds; definitions.

Sec. 39a.

(1) From the federal funds appropriated in section 11, there is allocated for 2006-2007 to districts, intermediate districts, and other eligible entities all available federal funding, estimated at $636,978,000.00, for the federal programs under the no child left behind act of 2001, Public Law 107-110. These funds are allocated as follows:

(a) An amount estimated at $9,625,800.00 to provide students with drug- and violence-prevention programs and to implement strategies to improve school safety, funded from DED-OESE, drug-free schools and communities funds.

(b) An amount estimated at $6,140,900.00 for the purpose of improving teaching and learning through a more effective use of technology, funded from DED-OESE, educational technology state grant funds.

(c) An amount estimated at $106,249,200.00 for the purpose of preparing, training, and recruiting high-quality teachers and class size reduction, funded from DED-OESE, improving teacher quality funds.

(d) An amount estimated at $7,627,400.00 for programs to teach English to limited English proficient (LEP) children, funded from DED-OESE, language acquisition state grant funds.

(e) An amount estimated at $8,550,000.00 for the Michigan charter school subgrant program, funded from DED-OESE, charter school funds.

(f) An amount estimated at $58,000.00 for Michigan model partnership for character education programs, funded from DED-OESE, title X, fund for improvement of education funds.

(g) An amount estimated at $468,700.00 for rural and low income schools, funded from DED-OESE, rural and low income school funds.

(h) An amount estimated at $3,115,900.00 to help schools develop and implement comprehensive school reform programs, funded from DED-OESE, title I and title X, comprehensive school reform funds.

(i) An amount estimated at $428,860,300.00 to provide supplemental programs to enable educationally disadvantaged children to meet challenging academic standards, funded from DED-OESE, title I, disadvantaged children funds.

(j) An amount estimated at $3,022,700.00 for the purpose of providing unified family literacy programs, funded from DED-OESE, title I, even start funds.

(k) An amount estimated at $8,186,200.00 for the purpose of identifying and serving migrant children, funded from DED-OESE, title I, migrant education funds.

(l) An amount estimated at $22,928,000.00 to promote high-quality school reading instruction for grades K-3, funded from DED-OESE, title I, reading first state grant funds.

(m) An amount estimated at $2,848,900.00 for the purpose of implementing innovative strategies for improving student achievement, funded from DED-OESE, title VI, innovative strategies funds.

(n) An amount estimated at $29,296,000.00 for the purpose of providing high-quality extended learning opportunities, after school and during the summer, for children in low-performing schools, funded from DED-OESE, twenty-first century community learning center funds. Of these funds, $25,000.00 may be used to support the Michigan after-school partnership. All of the following apply to the Michigan after-school partnership:

(i) The department shall collaborate with the department of human services to extend the duration of the Michigan after-school initiative, to be renamed the Michigan after-school partnership and oversee its efforts to implement the policy recommendations and strategic next steps identified in the Michigan after-school initiative's report of December 15, 2003.

(ii) Funds shall be used to leverage other private and public funding to engage the public and private sectors in building and sustaining high-quality out-of-school-time programs and resources. The co-chairs, representing the department and the department of human services, shall name a fiduciary agent and may authorize the fiduciary to expend funds and hire people to accomplish the work of the Michigan after-school partnership.

(iii) Participation in the Michigan after-school partnership shall be expanded beyond the membership of the initial Michigan after-school initiative to increase the representation of parents, youth, foundations, employers, and others with experience in education, child care, after-school and youth development services, and crime and violence prevention, and to include representation from the Michigan department of community health. Each year, on or before December 31, the Michigan after-school partnership shall report its progress in reaching the recommendations set forth in the Michigan after-school initiative's report to the legislature and the governor.

(2) From the federal funds appropriated in section 11, there is allocated for 2006-2007 to districts, intermediate districts, and other eligible entities all available federal funding, estimated at $4,646,400.00, for the following programs that are funded by federal grants:

(a) An amount estimated at $600,000.00 for acquired immunodeficiency syndrome education grants, funded from HHS-center for disease control, AIDS funding.

(b) An amount estimated at $1,500,100.00 to provide services to homeless children and youth, funded from DED-OVAE, homeless children and youth funds.

(c) An amount estimated at $1,000,000.00 for refugee children school impact grants, funded from HHS-ACF, refugee children school impact funds.

(d) An amount estimated at $1,445,600.00 for serve America grants, funded from the corporation for national and community service funds.

(e) An amount estimated at $100,700.00 to encourage interstate and intrastate coordination of migrant education, funded from DED-OESE, title I, migrant education program funds.

(3) To the extent allowed under federal law, the funds allocated under subsection (1)(i), (j), and (l) may be used for 1 or more reading improvement programs that meet at least 1 of the following:

(a) A research-based, validated, structured reading program that aligns learning resources to state standards and includes continuous assessment of pupils and individualized education plans for pupils.

(b) A mentoring program that is a research-based, validated program or a statewide 1-to-1 mentoring program and is designed to enhance the independence and life quality of pupils who are mentally impaired by providing opportunities for mentoring and integrated employment.

(c) A cognitive development program that is a research-based, validated educational service program focused on assessing and building essential cognitive and perceptual learning abilities to strengthen pupil concentration and learning.

(d) A structured mentoring-tutorial reading program for pupils in preschool to grade 4 that is a research-based, validated program that develops individualized educational plans based on each pupil's age, assessed needs, reading level, interests, and learning style.

(4) All federal funds allocated under this section shall be distributed in accordance with federal law and with flexibility provisions outlined in Public Law 107-116, and in the education flexibility partnership act of 1999, Public Law 106-25. Notwithstanding section 17b, payments of federal funds to districts, intermediate districts, and other eligible entities under this section shall be paid on a schedule determined by the department.

(5) As used in this section:

(a) "DED" means the United States department of education.

(b) "DED-OESE" means the DED office of elementary and secondary education.

(c) "DED-OVAE" means the DED office of vocational and adult education.

(d) "HHS" means the United States department of health and human services.

(e) "HHS-ACF" means the HHS administration for children and families.

History: Add. 2002, Act 191, Imd. Eff. Apr. 26, 2002;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002;-- Am. 2003, Act 158, Eff. Oct. 1, 2003;-- Am. 2004, Act 351, Eff. Oct. 1, 2004;-- Am. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 3 of Act 521 of 2002 provides: "Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963." For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002. Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

Article 4

388.1640 Children in need of special readiness assistance; alternative methods of determining number; review; report.

Sec. 40.

The department biennially shall review alternative methods to determine the number of children construed to be in need of special readiness assistance and shall report not later than November 15 of each even-numbered year its findings and recommendations to the senate and house appropriations subcommittees responsible for district funding and the senate and house committees responsible for education legislation and the state budget director.

History: Add. 1987, Act 128, Eff. Oct. 1, 1987;-- Am. 1988, Act 318, Eff. Oct. 1, 1988;-- Am. 1989, Act 197, Eff. Oct. 1, 1989;-- Am. 1990, Act 207, Eff. Oct. 1, 1990;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000

388.1641 Instruction for pupils of limited English-speaking ability; allocation; reimbursement; use of funds.

Sec. 41.

From the appropriation in section 11, there is allocated an amount not to exceed $2,800,000.00 for 2006-2007 to applicant districts and intermediate districts offering programs of instruction for pupils of limited English-speaking ability under section 1153 of the revised school code, MCL 380.1153. Reimbursement shall be on a per pupil basis and shall be based on the number of pupils of limited English-speaking ability in membership on the pupil membership count day. Funds allocated under this section shall be used solely for instruction in speaking, reading, writing, or comprehension of English. A pupil shall not be counted under this section or instructed in a program under this section for more than 3 years.

History: 1979, Act 94, Eff. Oct. 1, 1979;-- Am. 1980, Act 320, Imd. Eff. Dec. 10, 1980;-- Am. 1981, Act 36, Eff. Oct. 1, 1981;-- Am. 1981, Act 113, Eff. Oct. 1, 1981;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982;-- Am. 1983, Act 169, Eff. Oct. 1, 1983;-- Am. 1984, Act 239, Eff. Oct. 1, 1984;-- Am. 1985, Act 110, Eff. Oct. 1, 1985;-- Am. 1986, Act 212, Eff. Oct. 1, 1986;-- Am. 1987, Act 220, Eff. Dec. 28, 1987;-- Am. 1988, Act 318, Eff. Oct. 1, 1988;-- Am. 1989, Act 197, Eff. Oct. 1, 1989;-- Am. 1990, Act 207, Eff. Oct. 1, 1990;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991;-- Am. 1992, Act 148, Eff. Oct. 1, 1992;-- Am. 1993, Act 175, Eff. Oct. 1, 1993;-- Am. 1993, Act 336, Eff. Oct. 1, 1994;-- Am. 1995, Act 130, Eff. Oct. 1, 1995;-- Am. 1996, Act 300, Eff. Oct. 1, 1996;-- Am. 1997, Act 93, Eff. Oct. 1, 1997;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002;-- Am. 2003, Act 158, Eff. Oct. 1, 2003;-- Am. 2004, Act 351, Eff. Oct. 1, 2004;-- Am. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Section 2 of Act 220 of 1987 provides: "In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act is $2,334,299,200.00 and state appropriations to be paid to local units of government are $2,005,216,000.00." Section 4 of Act 220 of 1987 provides: "The changes effected by this amendatory act shall be applied retroactively to October 1, 1987." In the first sentence of subsection (1), as amended by Act 121 of 2001, the phrase "and for 2002-2003" was vetoed by the governor September 28, 2001. Enacting section 3 of Act 521 of 2002 provides: "Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963." For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002. Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1641a Instruction for pupils of limited English-speaking ability; federal funds.

Sec. 41a.

From the federal funds appropriated in section 11, there is allocated an amount estimated at $1,232,100.00 for 2006-2007 from the United States department of education - office of elementary and secondary education, language acquisition state grant funds, to districts and intermediate districts offering programs of instruction for pupils of limited English-speaking ability.

History: Add. 2003, Act 158, Eff. Oct. 1, 2003;-- Am. 2004, Act 351, Eff. Oct. 1, 2004;-- Am. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 155 provides :"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from

state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1645-388.1648 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed sections pertained to school health education curriculum, school dropout prevention programs, gifted and talented pupil programs, and nonresidential alternative juvenile rehabilitation programs.

Article 5

388.1651 Repealed. 1996, Act 300, Eff. Oct. 1, 1996.

Compiler's Notes: The repealed section pertained to reimbursement to districts and intermediate districts for special education programs, services, and personnel, certain net tuition payments, and programs for pupils with handicaps.

388.1651a Allocations for reimbursement to districts and intermediate districts for special education programs, services, and personnel, certain net tuition payments, and programs for pupils eligible for special education programs; allocation of state and federal funds; reimbursement; total payment; adjustments; rights, benefits, and tenure of transferred personnel; refund; foundation allowance; order of expenditures.

Sec. 51a.

(1) From the appropriation in section 11, there is allocated for 2005-2006 an amount not to exceed $932,083,000.00 from state sources and all available federal funding under sections 611 to 619 of part B of the individuals with disabilities education act, 20 USC 1411 to 1419, estimated at $345,850,000.00, plus any carryover federal funds from previous year appropriations. From the appropriation in section 11, there is allocated for 2006-2007 an amount not to exceed $991,983,000.00 from state sources and all available federal funding under sections 611 to 619 of part B of the individuals with disabilities education act, 20 USC 1411 to 1419, estimated at $350,700,000.00, plus any carryover federal funds from previous year appropriations. The allocations under this subsection are for the purpose of reimbursing districts and intermediate districts for special education programs, services, and special education personnel as prescribed in article 3 of the revised school code, MCL 380.1701 to 380.1766; net tuition payments made by intermediate districts to the Michigan schools for the deaf and blind; and special education programs and services for pupils who are eligible for special education programs and services according to statute or rule. For meeting the costs of special education programs and services not reimbursed under this article, a district or intermediate district may use money in general funds or special education funds, not otherwise restricted, or contributions from districts to intermediate districts, tuition payments, gifts and contributions from individuals, or federal funds that may be available for this purpose, as determined by the intermediate district plan prepared pursuant to article 3 of the revised school code, MCL 380.1701 to 380.1766. All federal funds allocated under this section in excess of those allocated under this section for 2002-2003 may be distributed in accordance with the flexible funding provisions of the individuals with disabilities education act, Public Law 108-446, including, but not limited to, 34 CFR 300.234 and 300.235. Notwithstanding section 17b, payments of federal funds to districts, intermediate districts, and other eligible entities under this section shall be paid on a schedule determined by the department.

(2) From the funds allocated under subsection (1), there is allocated each fiscal year for 2005-2006 and for 2006-2007 the amount necessary, estimated at $191,800,000.00 for 2005-2006 and $205,600,000.00 for 2006-2007, for payments toward reimbursing districts and intermediate districts for 28.6138% of total approved costs of special education, excluding costs reimbursed under section 53a, and 70.4165% of total approved costs of special education transportation. Allocations under this subsection shall be made as follows:

(a) The initial amount allocated to a district under this subsection toward fulfilling the specified percentages shall be calculated by multiplying the district's special education pupil membership, excluding pupils described in subsection (12), times the sum of the foundation allowance under section 20 of the pupil's district of residence plus the amount of the district's per pupil allocation under section 20j(2), not to exceed $6,500.00 adjusted by the dollar amount of the difference between the basic foundation allowance under section 20 for the current fiscal year and $5,000.00 minus $200.00, or, for a special education pupil in membership in a district that is a public school academy or university school, times an amount equal to the amount per membership pupil calculated under section 20(6). For an intermediate district, the amount allocated under this subdivision toward fulfilling the specified percentages shall be an amount per special education membership pupil, excluding pupils described in subsection (12), and shall be calculated in the same manner as for a district, using the foundation allowance under section 20 of the pupil's district of residence, not to exceed $6,500.00 adjusted by the dollar amount of the difference between the basic foundation allowance under section 20 for the current fiscal year and $5,000.00 minus $200.00, and that district's per pupil allocation under section 20j(2).

(b) After the allocations under subdivision (a), districts and intermediate districts for which the payments under subdivision (a) do not fulfill the specified percentages shall be paid the amount necessary to achieve the specified percentages for the district or intermediate district.

(3) From the funds allocated under subsection (1), there is allocated each fiscal year for 2005-2006 and for 2006-2007 the amount necessary, estimated at $2,200,000.00 for 2005-2006 and $1,600,000.00 for 2006-2007, to make payments to districts and intermediate districts under this subsection. If the amount allocated to a district or intermediate district for a fiscal year under subsection (2)(b) is less than the sum of the amounts allocated to the district or intermediate district for 1996-97 under sections 52 and 58, there is allocated to the district or intermediate district for the fiscal year an amount equal to that difference, adjusted by applying the same proration factor that was used in the distribution of funds under section 52 in 1996-97 as adjusted to the district's or intermediate district's necessary costs of special education used in calculations for the fiscal year. This adjustment is to reflect reductions in special education program operations or services between 1996-97 and subsequent fiscal years. Adjustments for reductions in special education program operations or services shall be made in a manner determined by the department and shall include adjustments for program or service shifts.

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

(5) State funds shall be allocated on a total approved cost basis. Federal funds shall be allocated under applicable federal requirements, except that an amount not to exceed $3,500,000.00 may be allocated by the department each fiscal year for 2005-2006 and for 2006-2007 to districts, intermediate districts, or other eligible entities on a competitive grant basis for programs, equipment, and services that the department determines to be designed to benefit or improve special education on a statewide scale.

(6) From the amount allocated in subsection (1), there is allocated an amount not to exceed $2,200,000.00 each fiscal year for 2005-2006 and for 2006-2007 to reimburse 100% of the net increase in necessary costs incurred by a district or intermediate district in implementing the revisions in the administrative rules for

special education that became effective on July 1, 1987. As used in this subsection, "net increase in necessary costs" means the necessary additional costs incurred solely because of new or revised requirements in the administrative rules minus cost savings permitted in implementing the revised rules. Net increase in necessary costs shall be determined in a manner specified by the department.

(7) For purposes of this article, all of the following apply:

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

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

(c) If the department determines before bookclosing for 2004-2005 that the amounts allocated under this section for 2004-2005 will exceed expenditures under this section for 2004-2005, then for 2004-2005 only, for a district or intermediate district whose reimbursement for 2004-2005 would otherwise be affected by subdivision (b), subdivision (b) does not apply to the calculation of the reimbursement for that district or intermediate district and reimbursement for that district or intermediate district shall be calculated in the same manner as it was for 2003-2004. If the amount of the excess allocations under this section is not sufficient to fully fund the calculation of reimbursement to those districts and intermediate districts under this subdivision, then the calculations and resulting reimbursement under this subdivision shall be prorated on an equal percentage basis.

(d) If the department determines before bookclosing for 2005-2006 that the amounts allocated for 2005-2006 under subsections (2), (3), (6), (8), and (12) and sections 53a, 54, and 56 will exceed expenditures for 2005-2006 under subsections (2), (3), (6), (8), and (12) and sections 53a, 54, and 56, then for 2005-2006 only, for a district or intermediate district whose reimbursement for 2005-2006 would otherwise be affected by subdivision (b), subdivision (b) does not apply to the calculation of the reimbursement for that district or intermediate district and reimbursement for that district or intermediate district shall be calculated in the same manner as it was for 2003-2004. If the amount of the excess allocations under subsections (2), (3), (6), (8), and (12) and sections 53a, 54, and 56 is not sufficient to fully fund the calculation of reimbursement to those districts and intermediate districts under this subdivision, then the calculations and resulting reimbursement under this subdivision shall be prorated on an equal percentage basis.

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

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

(8) From the allocation in subsection (1), there is allocated each fiscal year for 2005-2006 and for 2006-2007 an amount not to exceed $15,313,900.00 to intermediate districts. The payment under this subsection to each intermediate district shall be equal to the amount of the 1996-97 allocation to the intermediate district under subsection (6) of this section as in effect for 1996-97.

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

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

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

(12) From the funds allocated in subsection (1), there is allocated each fiscal year for 2005-2006 and for 2006-2007 the amount necessary, estimated at $6,900,000.00 for 2005-2006 and $7,700,000.00 for 2006-2007, to pay the foundation allowances for pupils described in this subsection. The allocation to a district under this subsection shall be calculated by multiplying the number of pupils described in this subsection who are counted in membership in the district times the sum of the foundation allowance under section 20 of the pupil's district of residence plus the amount of the district's per pupil allocation under section 20j(2), not to exceed $6,500.00 adjusted by the dollar amount of the difference between the basic foundation allowance under section 20 for the current fiscal year and $5,000.00 minus $200.00, or, for a pupil described in this subsection who is counted in membership in a district that is a public school academy or university school, times an amount equal to the amount per membership pupil under section 20(6). The allocation to an intermediate district under this subsection shall be calculated in the same manner as for a district, using the foundation allowance under section 20 of the pupil's district of residence, not to exceed $6,500.00 adjusted by the dollar amount of the difference between the basic foundation allowance under section 20 for the current fiscal year and $5,000.00 minus $200.00, and that district's per pupil allocation under section 20j(2). This subsection applies to all of the following pupils:

(a) Pupils described in section 53a.

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

(c) Emotionally impaired pupils counted in membership by an intermediate district and provided educational services by the department of community health.

(13) After payments under subsections (2) and (12) and section 51c, the remaining expenditures from the allocation in subsection (1) shall be made in the following order:

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

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

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

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

(e) 100% of the payment required under subsection (8).

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

(14) The allocations under subsection (2), subsection (3), and subsection (12) shall be allocations to intermediate districts only and shall not be allocations to districts, but instead shall be calculations used only to determine the state payments under section 22b.

History: Add. 1996, Act 300, Eff. Oct. 1, 1996;-- Am. 1997, Act 93, Eff. Oct. 1, 1997;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998;-- Am. 1998, Act 553, Imd. Eff. Jan. 27, 1999;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002;-- Am. 2003, Act 158, Eff. Oct. 1, 2003;-- Am. 2004, Act 351, Eff. Oct. 1, 2004;-- Am. 2004, Act 518, Imd. Eff. Jan. 3, 2005;-- Am. 2005, Act 98, Imd. Eff. July 22, 2005;-- Am. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 90, Imd. Eff. Apr. 4, 2006;-- Am. 2006, Act 342, Imd. Eff. Aug. 15, 2006

Compiler's Notes: Enacting section 3 of Act 521 of 2002 provides :"Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963." For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002. Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 98 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2004-2005 in this amendatory act, 2004 PA 518, 2004 PA 351, and 2004 PA 185 is estimated at $11,113,522, 200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,050,922,200.00." Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1651b Funding; compliance with rules.

Sec. 51b.

A district or intermediate district shall not receive funds under this article unless the district or intermediate district complies with rules promulgated under article 3 of the revised school code, being sections 380.1701 to 380.1766 of the Michigan Compiled Laws.

History: Add. 1996, Act 300, Eff. Oct. 1, 1996

388.1651c Reimbursement for percentage of special education and special education transportation costs.

Sec. 51c.

As required by the court in the consolidated cases known as Durant v State of Michigan, Michigan supreme court docket no. 104458-104492, from the allocation under section 51a(1), there is allocated each fiscal year for 2005-2006 and for 2006-2007 the amount necessary, estimated at $662,300,000.00 for 2005-2006 and $708,200,000.00 for 2006-2007, for payments to reimburse districts for 28.6138% of total approved costs of special education excluding costs reimbursed under section 53a, and 70.4165% of total approved costs of special education transportation. Funds allocated under this section that are not expended in the state fiscal year for which they were allocated, as determined by the department, may be used to supplement the allocations under sections 22a and 22b in order to fully fund those calculated allocations for the same fiscal year.

History: Add. 2000, Act 297, Imd. Eff. July 26, 2000;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002;-- Am. 2003, Act 158, Eff. Oct. 1, 2003;-- Am. 2004, Act 351, Eff. Oct. 1, 2004;-- Am. 2005, Act 98, Imd. Eff. July 22, 2005;-- Am. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 342, Imd. Eff. Aug. 15, 2006

Compiler's Notes: Enacting section 3 of Act 521 of 2002 provides: "Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963." For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002. Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 98 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2004-2005 in this amendatory act, 2004 PA 518, 2004 PA 351, and 2004 PA 185 is estimated at $11,113,522, 200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,050,922,200.00." Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1651d Federally funded special education programs; distribution; payment schedule; "DED-OSERS" defined.

Sec. 51d.

(1) From the federal funds appropriated in section 11, there is allocated for 2006-2007 all available federal funding, estimated at $74,000,000.00, for special education programs that are funded by federal grants. All federal funds allocated under this section shall be distributed in accordance with federal law. Notwithstanding section 17b, payments of federal funds to districts, intermediate districts, and other eligible entities under this section shall be paid on a schedule determined by the department.

(2) From the federal funds allocated under subsection (1), the following amounts are allocated for 2006-2007:

(a) An amount estimated at $15,000,000.00 for handicapped infants and toddlers, funded from DED-OSERS, handicapped infants and toddlers funds.

(b) An amount estimated at $14,000,000.00 for preschool grants (Public Law 94-142), funded from DED-OSERS, handicapped preschool incentive funds.

(c) An amount estimated at $45,000,000.00 for special education programs funded by DED-OSERS, handicapped program, individuals with disabilities act funds.

(3) As used in this section, "DED-OSERS" means the United States department of education office of special education and rehabilitative services.

History: Add. 2002, Act 191, Imd. Eff. Apr. 26, 2002;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002;-- Am. 2003, Act 158, Eff. Oct. 1, 2003;-- Am. 2004, Act 351, Eff. Oct. 1, 2004;-- Am. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 3 of Act 521 of 2002 provides: "Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963." For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002. Enacting section 1 of Act 351 of 2004 provides: "Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00." Enacting section 1 of 2005 PA 155 provides: "Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00." Enacting section 1 of Act 342 of 2006 provides: "Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1652 Special education programs and services; reimbursement; limitation.

Sec. 52.

Reimbursement for the necessary costs of special education programs and services shall be a portion determined by the amount allocated under section 51a(1), but not to exceed 75% of the total approved costs of operating special education programs and services approved by the department and included or applying for inclusion in the intermediate district plan adopted pursuant to article 3 of the revised school code, MCL 380.1701 to 380.1766, for special education pupils other than those programs funded under section 53a, and of the costs of summer programs and services and the costs of providing room and board for special education pupils, as approved by the department. If the state financed proportion of reimbursement of the necessary costs of a special education activity or service required by article 3 of the revised school code, MCL 380.1701 to 380.1766, which is in addition to or different from the special education activities or services required under sections 611 to 620 of part B of the individuals with disabilities education act, title VI of Public Law 91-230, 20 U.S.C. 1411 to 1420, is less than the state financed proportion of the necessary costs of that activity or service in 1978-79, the portion of the amount appropriated shall be increased to reimburse that activity or service accordingly.

History: 1979, Act 94, Eff. Oct. 1, 1979;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982;-- Am. 1983, Act 169, Eff. Oct. 1, 1983;-- Am. 1984, Act 239, Eff. Oct. 1, 1984;-- Am. 1992, Act 148, Eff. Oct. 1, 1992;-- Am. 1993, Act 175, Eff. Oct. 1, 1993;-- Am. 1993, Act 336, Eff. Oct. 1, 1994;-- Am. 1995, Act 130, Eff. Oct. 1, 1995;-- Am. 1996, Act 300, Eff. Oct. 1, 1996;-- Am. 1997, Act 93, Eff. Oct. 1, 1997

388.1653 Repealed. 1996, Act 300, Eff. Oct. 1, 1996.

Compiler's Notes: The repealed section pertained to special education programs and services.

388.1653a Special education programs and services; reimbursement of total approved costs; limitation; costs of transportation; allocation.

Sec. 53a.

(1) For districts, reimbursement for pupils described in subsection (2) shall be 100% of the total approved costs of operating special education programs and services approved by the department and included in the intermediate district plan adopted pursuant to article 3 of the revised school code, MCL 380.1701 to 380.1766, minus the district's foundation allowance calculated under section 20, and minus the amount calculated for the district under section 20j. For intermediate districts, reimbursement for pupils described in subsection (2) shall be calculated in the same manner as for a district, using the foundation allowance under section 20 of the pupil's district of residence, not to exceed $6,500.00 adjusted by the dollar amount of the difference between the basic foundation allowance under section 20 for the current fiscal year and $5,000.00, minus $200.00, and under section 20j.

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

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

(b) Pupils who are residents of institutions operated by the department of community health.

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

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

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

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

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

(5) Not more than $12,800,000.00 of the allocation for 2006-2007 in section 51a(1) shall be allocated under this section.

History: Add. 1996, Act 300, Eff. Oct. 1, 1996;-- Am. 1997, Act 93, Eff. Oct. 1, 1997;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002;-- Am. 2003, Act 158, Eff. Oct. 1, 2003;-- Am. 2004, Act 351, Eff. Oct. 1, 2004;-- Am. 2005, Act 155, Eff. Oct. 1, 2005;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Former MCL 388.1653a, which pertained to competitive contract bidding process to provide education services to emotionally impaired pupils, was repealed by Act 175 of 1993, Eff. Oct. 1, 1993.Enacting section 3 of Act 521 of 2002 provides:"Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."In the second sentence of subsection (1), the reference to "section (2)" evidently should read "subsection (2)."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1654 Intermediate district to receive amount for pupil attending Michigan schools for the deaf and blind.

Sec. 54.

Each intermediate district shall receive an amount per pupil for each pupil in attendance at the Michigan schools for the deaf and blind. The amount shall be proportionate to the total instructional cost at each school. Not more than $1,688,000.00 of the allocation for 2006-2007 in section 51a(1) shall be allocated under this section.

History: Add. 1981, Act 36, Eff. Oct. 1, 1981 ;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1983, Act 169, Eff. Oct. 1, 1983 ;-- Am. 1984, Act 239, Eff. Oct. 1, 1984 ;-- Am. 1985, Act 110, Eff. Oct. 1, 1985 ;-- Am. 1986, Act 212, Eff. Oct. 1, 1986 ;-- Am. 1987, Act 220, Eff. Dec. 28, 1987 ;-- Am. 1988, Act 318, Eff. Oct. 1, 1988 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336,

Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Section 2 of Act 220 of 1987 provides: "In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act is $2,334,299,200.00 and state appropriations to be paid to local units of government are $2,005,216,000.00."Section 4 of Act 220 of 1987 provides: "The changes effected by this amendatory act shall be applied retroactively to October 1, 1987."Enacting section 3 of Act 521 of 2002 provides:"Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1654a Lending library at central Michigan university.

Sec. 54a.

From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $250,000.00 for 2006-2007 to the lending library located at central Michigan university from which districts and intermediate districts can borrow assessment materials designed specifically for children with severe loss of vision or hearing, severe cognitive or motor disabilities, or multiple disabilities and for children who require the most specialized types of psychological and educational assessment. The lending library shall make test assessment materials available through borrowing to districts and intermediate districts. The lending library shall also provide information about the lending library at meetings and conferences for school personnel and shall develop a website to describe the services offered by the lending library. The lending library also shall mail information about the services offered by the lending library to all districts and intermediate districts.

History: Add. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1654b Conductive learning center; study.

Sec. 54b.

(1) From the money appropriated in section 11, there is allocated an amount not to exceed $250,000.00 for 2006-2007 to Michigan state university for a study of the conductive learning center located at Aquinas college. This funding shall be used to develop and implement an evaluation of the effectiveness of conductive education for children with cerebral palsy. The evaluation shall be multidimensional and shall include a control group of children with cerebral palsy not enrolled in conductive education. It should include an assessment of the motor system itself as well as the impact of conductive education on each of the following:

(a) The acquisition of skills permitting complex motor functions.

(b) The performance of tasks essential to daily living.

(c) The attitudes and feelings of both children and parents.

(d) The long-term need for special education for children with cerebral palsy.

(2) It is the intent of the legislature that this funding is for the first of 3 years of funding for this purpose.

History: Add. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1655 Repealed. 2003, Act 158, Eff. Oct. 1, 2003.

Compiler's Notes: The repealed section pertained to allocation to west Michigan center for autism spectrum disorders at Grand Valley state university.

388.1656 Definitions; reimbursement to intermediate districts levying millages for special education; limitation; distribution plan; computation.

Sec. 56.

(1) For the purposes of this section:

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

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

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

(2) From the allocation under section 51a(1), there is allocated an amount each fiscal year not to exceed $36,881,100.00 for 2005-2006 and for 2006-2007 to reimburse intermediate districts levying millages for special education pursuant to part 30 of the revised school code, MCL 380.1711 to 380.1743. The purpose, use, and expenditure of the reimbursement shall be limited as if the funds were generated by these millages and governed by the intermediate district plan adopted pursuant to article 3 of the revised school code, MCL 380.1701 to 380.1766. As a condition of receiving funds under this section, an intermediate district distributing any portion of special education millage funds to its constituent districts shall submit for departmental approval and implement a distribution plan.

(3) Reimbursement for those millages levied in 2004-2005 shall be made in 2005-2006 at an amount per 2004-2005 membership pupil computed by subtracting from $142,900.00 the 2004-2005 taxable value behind each membership pupil and multiplying the resulting difference by the 2004-2005 millage levied. Reimbursement for those millages levied in 2005-2006 shall be made in 2006-2007 at an amount per 2005-2006 membership pupil computed by subtracting from $151,300.00 the 2005-2006 taxable value behind each membership pupil and multiplying the resulting difference by the 2005-2006 millage levied.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1980, Act 320, Imd. Eff. Dec. 10, 1980 ;-- Am. 1981, Act 36, Eff. Oct. 1, 1981 ;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1983, Act 169, Eff. Oct. 1, 1983 ;-- Am. 1984, Act 239, Eff. Oct. 1, 1984 ;-- Am. 1985, Act 110, Eff. Oct. 1, 1985 ;-- Am. 1986, Act 212, Eff. Oct. 1, 1986 ;-- Am. 1987, Act 128, Eff. Oct. 1, 1987 ;-- Am. 1988, Act 318, Eff. Oct. 1, 1988 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339,

Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Imd. Eff. Aug. 15, 2006

Compiler's Notes: Enacting section 3 of Act 521 of 2002 provides:"Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1657 Advanced and accelerated students; grants.

Sec. 57.

(1) From the appropriation in section 11, there is allocated an amount not to exceed $285,000.00 for 2006-2007 for grants to intermediate districts for advanced and accelerated students.

(2) To qualify for funding under this section, a grant recipient shall support part of the cost of summer institutes for advanced and accelerated students and, to the extent the funding allows, provide comprehensive programs for advanced and accelerated pupils.

(3) Except as otherwise provided in this subsection, the amount of a single grant award under this section shall not exceed $5,000.00. Intermediate districts may form a consortium, and that consortium may receive a maximum grant amount of $5,000.00 for each participant intermediate district. Each intermediate district or consortium must apply for grant funding by April 1, 2007 and demonstrate compliance with subsection (2).

(4) A district, intermediate district, or consortium that receives a grant under this section shall provide at least a 25% match for grant money received under this section from local public or private resources.

(5) Any unallocated grant funds may be allocated to intermediate districts and consortia receiving grants under this section in an equal amount per intermediate district.

History: Add. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Former MCL 388.1657, which pertained to allocation for special education students, was repealed by Act 128 of 1987, Eff. Oct. 1, 1987.In the first sentence of subsection (1), as amended by Act 121 of 2001, the phrase "and for 2002-2003" was vetoed by the governor September 28, 2001.In the first sentence of subsection (2), as amended by Act 121 of 2001, the phrase "and for 2002-2003" was vetoed by the governor September 28, 2001.In the first sentence of subsection (3), as amended by Act 121 of 2001, the phrase "and an amount not to exceed $4,000,000.00 for 2002-2003" was vetoed by the governor September 28, 2001.Enacting section 3 of Act 521 of 2002 provides:"Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at

$11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1657a International baccalaureate diploma program or international baccalaureate middle years program.

Sec. 57a.

(1) From the state school aid fund appropriation in section 11, there is allocated an amount not to exceed $250,000.00 for 2006-2007 for grants under this section. The department shall make grants to applicant districts, intermediate districts, or consortia consisting of districts or intermediate districts or both, to assist to offset the costs of establishing an international baccalaureate diploma program or international baccalaureate middle years program.

(2) All of the following apply to a grant under this section:

(a) A district, intermediate district, or consortium consisting of districts or intermediate districts or both shall apply for the grant to the department in the form and manner prescribed by the department.

(b) The amount of each grant shall be $50,000.00, and a grant recipient may receive a grant under this section each fiscal year for not more than 4 fiscal years.

(c) Grant funds shall be used only for start-up costs for the first 4 years of establishing an international baccalaureate diploma program or international baccalaureate middle years program, as prescribed by the department.

(d) The department shall award the grants to grant applicants in consultation with an advisory committee established by the department. The advisory committee shall consist of a representative of the department, a representative designated by the governor, a district superintendent, a representative from an existing international baccalaureate diploma program, and a representative of the international baccalaureate organization.

(e) A program funded by a grant under this section shall serve either at least 75 pupils enrolled in each grade level in which the program is offered or at least 200 total pupils enrolled in the program.

(f) If the number of grant applicants exceeds the number that may be fully funded with the amount allocated under this section, the department shall award the grants based on the following:

(i) The number of pupils to be enrolled in the program. For a middle years program, this means the number enrolled in the program in grades 6 to 8. For a diploma program, this means the number of pupils enrolled in grades 9 to 12.

(ii) The department shall give priority to programs operated by a consortium and to diploma programs that require full diploma participation.

(iii) The department shall attempt to balance the grants between diploma programs and middle years programs.

(g) If more than 1 district, intermediate district, or consortium applies for a grant or grants under this section, the department shall not award more than 1 grant under this section to a particular district, intermediate district, or consortium.

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

(3) As used in this section:

(a) "International baccalaureate diploma program" or "diploma program" means a program that offers the curriculum and examinations leading to an international baccalaureate diploma awarded by the international baccalaureate organization and that either has been authorized by the international baccalaureate organization or has initiated the application process for achieving that authorization.

(b) "International baccalaureate middle years program" or "middle years program" means a middle school program that offers the middle school curriculum and examinations of the international baccalaureate organization and that either has been authorized by the international baccalaureate organization or has initiated the application process for achieving that authorization.

History: Add. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1658 Special education transportation services; basis.

Sec. 58.

Allocations to districts and intermediate districts under section 51a for providing special education transportation services shall be based on data reported by the districts and intermediate districts for the current school year.

History: Add. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997

Article 6

388.1661 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to reimbursement for vocational-technical education programs.

388.1661a Vocational-technical programs; added cost; reimbursement for local vocational administration, shared-time vocational administration, and career education planning district vocational-technical administration; allocation.

Sec. 61a.

(1) From the appropriation in section 11, there is allocated an amount not to exceed $30,000,000.00 for 2006-2007 to reimburse on an added cost basis districts, except for a district that served as the fiscal agent for a vocational education consortium in the 1993-94 school year, and secondary area vocational-technical education centers for secondary-level vocational-technical education programs, including parenthood education programs, according to rules approved by the superintendent. Applications for participation in the programs shall be submitted in the form prescribed by the department. The department shall determine the added cost for each vocational-technical program area. The allocation of added cost funds shall be based on the type of vocational-technical programs provided, the number of pupils enrolled, and the length of the training period provided, and shall not exceed 75% of the added cost of any program. With the approval of the department, the board of a district maintaining a secondary vocational-technical education program may offer the program for the period from the close of the school year until September 1. The program shall use existing facilities and shall be operated as prescribed by rules promulgated by the superintendent.

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

(3) From the allocation in subsection (1), there is allocated an amount not to exceed $388,700.00 for 2006-2007 to intermediate districts with constituent districts that had combined state and local revenue per membership pupil in the 1994-95 state fiscal year of $6,500.00 or more, served as a fiscal agent for a state board designated area vocational education center in the 1993-94 school year, and had an adjustment made to their 1994-95 combined state and local revenue per membership pupil pursuant to section 20d. The payment under this subsection to the intermediate district shall equal the amount of the allocation to the intermediate district for 1996-97 under this subsection.

History: Add. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: In the first sentence of subsection (1), as amended by Act 121 of 2001, the phrase "and for 2002-2003" was vetoed by the governor September 28, 2001.Enacting section 3 of Act 521 of 2002 provides:"Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1662 Definitions; vocational-technical education programs; limitation.

Sec. 62.

(1) For the purposes of this section:

(a) "Membership" means for a particular fiscal year the total membership for the immediately preceding fiscal year of the intermediate district and the districts constituent to the intermediate district or the total membership for the immediately preceding fiscal year of the area vocational-technical program.

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

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

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

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

(2) From the appropriation in section 11, there is allocated each fiscal year an amount not to exceed $9,000,000.00 for 2005-2006 and for 2006-2007 to reimburse intermediate districts and area vocational-technical education programs established under section 690(3) of the revised school code, MCL 380.690, levying millages for area vocational-technical education pursuant to sections 681 to 690 of the revised school code, MCL 380.681 to 380.690. The purpose, use, and expenditure of the reimbursement shall be limited as if the funds were generated by those millages.

(3) Reimbursement for the millages levied in 2004-2005 shall be made in 2005-2006 at an amount per 2004-2005 membership pupil computed by subtracting from $152,000.00 the 2004-2005 taxable value behind each membership pupil and multiplying the resulting difference by the 2004-2005 millage levied. Reimbursement for the millages levied in 2005-2006 shall be made in 2006-2007 at an amount per 2005-2006 membership pupil computed by subtracting from $160,500.00 the 2005-2006 taxable value behind each membership pupil and multiplying the resulting difference by the 2005-2006 millage levied.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1980, Act 320, Imd. Eff. Dec. 10, 1980 ;-- Am. 1981, Act 36, Eff. Oct. 1, 1981 ;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1983, Act 169, Eff. Oct. 1, 1983 ;-- Am. 1984, Act 239, Eff. Oct. 1, 1984 ;-- Am. 1985, Act 110, Eff. Oct. 1, 1985 ;-- Am. 1986, Act 212, Eff. Oct. 1, 1986 ;-- Am. 1987, Act 128, Eff. Oct. 1, 1987 ;-- Am. 1988, Act 318, Eff. Oct. 1, 1988 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1990, Act 207, Imd. Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Imd. Eff. Aug. 15, 2006

Compiler's Notes: In the first sentence of subsection (2), as amended by Act 121 of 2001, the phrase "and an amount not to exceed $11,330,000.00 for 2002-2003" was vetoed by the governor September 28, 2001.In the first sentence of subsection (4), as amended by Act 121 of 2001, the phrase "and an amount not to exceed $1,470,000.00 for 2002-2003" was vetoed by the governor September 28, 2001.Enacting section 3 of Act 521 of 2002 provides:"Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1663 Repealed. 2002, Act 191, Imd. Eff. Apr. 26, 2002.

Compiler's Notes: The repealed section pertained to Michigan manufacturing technology program.

388.1664 Middle college focused on field of health sciences; grants; awards; "middle college" defined.

Sec. 64.

(1) From the appropriation in section 11, there is allocated an amount not to exceed $2,000,000.00 for grants to intermediate districts or a district of the first class that are in consortium with a community college or

state public university and a hospital to create and implement a middle college focused on the field of health sciences.

(2) Awards shall be made in a manner and form as determined by the department; however, at a minimum, eligible consortia funded under this section shall ensure the middle college provides all of the following:

(a) Outreach programs to provide information to middle school and high school students about career opportunities in the health sciences field.

(b) An individualized education plan for each pupil enrolled in the program.

(c) Curriculum that includes entry-level college courses.

(d) Clinical rotations that provide opportunities for pupils to observe careers in the health sciences.

(3) For the purposes of this section, "middle college" means a series of courses and other requirements and conditions established by the consortium that allow a pupil to graduate with a high school diploma and a certificate or degree from a community college or state public university.

History: Add. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Former MCL 388.1665, which pertained to adult vocational training, was repealed by Act 300 of 1996, Eff. Oct. 1, 1996.Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1665 Precollege programs in engineering and sciences; report.

Sec. 65.

(1) From the amount appropriated in section 11, there is allocated an amount not to exceed $780,100.00 for 2006-2007 for grants to districts or intermediate districts, as determined by the department of labor and economic growth, for eligible precollege programs in engineering and the sciences.

(2) From the funds allocated under subsection (1), the department of labor and economic growth shall award $680,100.00 for 2006-2007 to the 2 eligible existing programs that received funds appropriated for these purposes in the appropriations act containing the department of labor and economic growth budget for 2005-2006.

(3) From the funds allocated under subsection (1), the department of labor and economic growth shall award $100,000.00 for 2006-2007 to the Kalamazoo regional education service agency to support an area program substantially similar to the 2 eligible existing programs receiving funds under subsection (1).

(4) The department of labor and economic growth shall submit a report to the appropriations subcommittees responsible for this act and to the house and senate fiscal agencies by February 1, 2007 regarding dropout rates, grade point averages, enrollment in science, engineering, and math-based curricula, and employment in science, engineering, and mathematics-based fields for pupils who were enrolled in the programs awarded funds under this section or under preceding legislation. The report shall continue to evaluate the effectiveness of the precollege programs in engineering and sciences funded under this section.

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

History: Add. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Former MCL 388.1665, which pertained to expenditures for vocational spending, was repealed by Act 130 of 1995, Eff. Oct. 1, 1995.Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at

$11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1666 Repealed. 1996, Act 300, Eff. Oct. 1, 1996.

Compiler's Notes: The repealed section pertained to job training and development programs.

388.1667 Repealed. 2003, Act 158, Eff. Oct. 1, 2003.

Compiler's Notes: The repealed section pertained to Michigan career preparation system grants.

388.1668 Repealed. 2004, Act 351, Eff. Oct. 1, 2004.

Compiler's Notes: The repealed section pertained to Michigan career preparation system.

Article 7

388.1671, 388.1672 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed sections pertained to transportation services funding and aid.

388.1673 Repealed. 1986, Act 212, Eff. Oct. 1, 1986.

Compiler's Notes: The repealed section pertained to transportation programs and procurement of school buses.

388.1674 School bus driver safety instruction or driver skills road tests; cost of instruction and driver compensation; nonspecial education auxiliary services transportation; inspection by department of state police; reimbursement.

Sec. 74.

(1) From the amount appropriated in section 11, there is allocated an amount not to exceed $2,965,000.00 for 2006-2007 for the purposes of this section.

(2) From the allocation in subsection (1), there is allocated each fiscal year the amount necessary for payments to state supported colleges or universities and intermediate districts providing school bus driver safety instruction or driver skills road tests pursuant to sections 51 and 52 of the pupil transportation act, 1990 PA 187, MCL 257.1851 and 257.1852. The payments shall be in an amount determined by the department not to exceed 75% of the actual cost of instruction and driver compensation for each public or nonpublic school bus driver attending a course of instruction. For the purpose of computing compensation, the hourly rate allowed each school bus driver shall not exceed the hourly rate received for driving a school bus. Reimbursement compensating the driver during the course of instruction or driver skills road tests shall be made by the department to the college or university or intermediate district providing the course of instruction.

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

(4) From the funds allocated in subsection (1), there is allocated an amount not to exceed $1,340,000.00 for 2006-2007 for reimbursement to districts and intermediate districts for costs associated with the inspection of school buses and pupil transportation vehicles by the department of state police as required

under section 715a of the Michigan vehicle code, 1949 PA 300, MCL 257.715a, and section 39 of the pupil transportation act, 1990 PA 187, MCL 257.1839. The department of state police shall prepare a statement of costs attributable to each district for which bus inspections are provided and submit it to the department and to each affected district in a time and manner determined jointly by the department and the department of state police. The department shall reimburse each district and intermediate district for costs detailed on the statement within 30 days after receipt of the statement. Districts for which services are provided shall make payment in the amount specified on the statement to the department of state police within 45 days after receipt of the statement. The total reimbursement of costs under this subsection shall not exceed the amount allocated under this subsection.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1991, Act 200, Imd. Eff. Jan. 2, 1992 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: In his veto message relative to Enrolled House Bill 4572, which became Act 118 of 1991, the governor stated that "the tradition of not re-enacting annually the unchanged appropriation sections of the school aid act is constitutionally flawed. It assumes the invalid creation of a continuing appropriation. Therefore, the following sections of the school aid act and their associated allocations must be considered inoperative: 24, 55, 74, 75, 105a, 111, and 116. These sections will be treated as excluded from the current bill... ."In subsection (1), as amended by Act 121 of 2001, the phrase "and for 2002-2003" was vetoed by the governor September 28, 2001.Enacting section 3 of Act 521 of 2002 provides:"Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1675 Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to nonspecial education auxiliary services transportation.

388.1676 Funding for transporting nonpublic school students.

Sec. 76.

If a district received money in 1993-94 attributable to nonspecial education transportation under former section 71 and that money was included in calculating the district's combined state and local revenue per membership pupil in 1993-94 under section 20(21), as that section was in effect for 1994-95, then the district shall use money received under section 20 as the funding for transporting nonpublic school students as required under section 1321 of the revised school code, being section 380.1321 of the Michigan Compiled Laws.

History: Add. 1995, Act 130, Imd. Eff. June 30, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996

Article 8

388.1681 Allocations to intermediate districts; amounts; report of adjustment and amount of increase; expanded professional development opportunities for teachers; consolidated, annexed, or attached districts; employment of person trained in pupil counting.

Sec. 81.

(1) Except as otherwise provided in this section, from the appropriation in section 11, there is allocated for 2006-2007 to the intermediate districts the sum necessary, but not to exceed $80,110,900.00, to provide state aid to intermediate districts under this section. Except as otherwise provided in this section, there shall be allocated to each intermediate district for 2006-2007 an amount equal to 103.1% of the amount appropriated under this subsection for 2005-2006. Funding provided under this section shall be used to comply with requirements of this act and the revised school code that are applicable to intermediate districts, and for which funding is not provided elsewhere in this act, and to provide technical assistance to districts as authorized by the intermediate school board.

(2) It is the intent of the legislature that intermediate districts receiving funds under this section shall collaborate with the department to develop expanded professional development opportunities for teachers to update and expand their knowledge and skills needed to support the Michigan merit curriculum.

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

(4) During a fiscal year, the department shall not increase an intermediate district's allocation under subsection (1) because of an adjustment made by the department during the fiscal year in the intermediate district's taxable value for a prior year. Instead, the department shall report the adjustment and the estimated amount of the increase to the house and senate fiscal agencies and the state budget director not later than June 1 of the fiscal year, and the legislature shall appropriate money for the adjustment in the next succeeding fiscal year.

(5) In order to receive funding under this section, an intermediate district shall demonstrate to the satisfaction of the department that the intermediate district employs at least 1 person who is trained in pupil counting procedures, rules, and regulations.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1980, Act 320, Imd. Eff. Dec. 10, 1980 ;-- Am. 1981, Act 36, Eff. Oct. 1, 1981 ;-- Am. 1981, Act 113, Eff. Oct. 1, 1981 ;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1983, Act 169, Eff. Oct. 1, 1983 ;-- Am. 1984, Act 239, Eff. Oct. 1, 1984 ;-- Am. 1985, Act 110, Eff. Oct. 1, 1985 ;-- Am. 1986, Act 212, Eff. Oct. 1, 1986 ;-- Am. 1987, Act 128, Eff. Oct. 1, 1987 ;-- Am. 1987, Act 220, Eff. Dec. 28, 1987 ;-- Am. 1988, Act 318, Eff. Oct. 1, 1988 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1989, Act 235, Imd. Eff. Dec. 21, 1989 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Mar. 15, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1998, Act 553, Imd. Eff. Jan. 27, 1999 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Subsection (3) of Sec. 81, as amended by Act 128 of 1987, was vetoed by the governor on July 24, 1987.Sec. 81, as amended by Act 212 of 1986, did not have a subsection (3).Section 2 of Act 220 of 1987 provides: "In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act is $2,334,299,200.00 and state appropriations to be paid to local units of government are $2,005,216,000.00."Section 4 of Act 220 of 1987 provides: "The changes effected by this amendatory act shall be applied retroactively to October 1, 1987."Subsection (3) of Sec. 81, as amended by Act 118 of 1991, was vetoed by the governor on October 11, 1991. Subsection (3) of Sec. 81, as amended by Act 207 of 1990, is set forth in the text of Sec. 81 above.In the first sentence of subsection (1), as amended by Act 121 of 2001, the phrases "and for 2002-2003" and "and not to exceed $95,028,100.00 for 2002-2003" were vetoed by the governor September 28, 2001.The fourth sentence of subsection (1), as amended by Act 121 of 2001, and which read "Except as otherwise provided in this section, there shall be allocated to each intermediate district for 2002-2003 an amount equal to 103.1% of the amount of funding actually received by the intermediate district under this subsection for 2001-

2002.", was vetoed by the governor September 28, 2001.In the second sentence of subsection (3), as amended by Act 121 of 2001, the phrase "and for 2002-2003" was vetoed by the governor September 28, 2001.In the first sentence of subsection (5), as amended by Act 121 of 2001, the phrase "and an amount not to exceed $940,000.00 for 2002-2003" was vetoed by the governor September 28, 2001.Enacting section 3 of Act 521 of 2002 provides:"Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1681a Repealed. 1988, Act 318, Eff. Oct. 1, 1988.

Compiler's Notes: The repealed section pertained to reduction of allocations.

388.1683 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to educational media centers.

388.1684 Repealed. 1991, Act 118, Imd. Eff. Oct. 11, 1991.

Compiler's Notes: The repealed section pertained to instructional services to homebound or hospitalized pupils.

388.1685 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to allocations for intermediate school districts.

388.1686 Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to regular nonspecial education educational programs in residential child care institutions for court placed pupils.

Article 9

388.1690 Repealed. 1992, Act 148, Eff. Oct. 1, 1992.

Compiler's Notes: The repealed section pertained to allocations for innovative and diversified educational programs and for pilot school-level building program.

388.1691 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to long-range school improvement plans, annual education report, and core curriculum.

388.1691a Cessation of pilot intermediate district schools of choice program; enrollment of nonresident pupil in district.

Sec. 91a.

If a district allowed a nonresident pupil to enroll in the district under a pilot intermediate district schools of choice program under former section 91, the district shall continue to allow that pupil to enroll in the district until the pupil graduates from high school even if the district ceases to participate in the pilot intermediate district schools of choice program or the program is discontinued.

History: Add. 1995, Act 130, Eff. Oct. 1, 1995

388.1691b Repealed. 2000, Act 297, Eff. Oct. 1, 2000.

Compiler's Notes: The repealed section pertained to enrollment of nonresident pupil in district.

388.1691c Transfer student; eligibility to participate in interscholastic athletic competition.

Sec. 91c.

A pupil who transfers to a district other than the pupil's district of residence under an intermediate district schools of choice pilot program under former section 91 is ineligible to participate in interscholastic athletic competition for a period of 1 semester from the date the pupil transfers.

History: Add. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000

388.1692a Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to basic skills development program.

388.1693 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to alternative education programs for school-age expectant parents and school-age parents and their children.

388.1694 Repealed. 2003, Act 158, Eff. Oct. 1, 2003.

Compiler's Notes: The repealed section pertained to technical assistance to districts for school accreditation purposes.

388.1694a Center for educational performance and information.

Sec. 94a.

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

(a) Coordinate the collection of all data required by state and federal law from all entities receiving funds under this act.

(b) Collect data in the most efficient manner possible in order to reduce the administrative burden on reporting entities.

(c) Establish procedures to ensure the validity and reliability of the data and the collection process.

(d) Develop state and model local data collection policies, including, but not limited to, policies that ensure the privacy of individual student data. State privacy policies shall ensure that student social security numbers are not released to the public for any purpose.

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

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

(g) Assist all entities receiving funds under this act in complying with audits performed according to generally accepted accounting procedures.

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

(2) Each state department, officer, or agency that collects information from districts or intermediate districts as required under state or federal law shall make arrangements with the center, and with the districts or intermediate districts, to have the center collect the information and to provide it to the department, officer, or agency as necessary. To the extent that it does not cause financial hardship, the center shall arrange to collect the information in a manner that allows electronic submission of the information to the center. Each affected state department, officer, or agency shall provide the center with any details necessary for the center to collect information as provided under this subsection. This subsection does not apply to information collected by the department of treasury under the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821; the school bond qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to 388.1939; or section 1351a of the revised school code, MCL 380.1351a.

(3) The state budget director shall appoint a CEPI advisory committee, consisting of the following members:

(a) One representative from the house fiscal agency.

(b) One representative from the senate fiscal agency.

(c) One representative from the office of the state budget director.

(d) One representative from the state education agency.

(e) One representative each from the department of labor and economic growth and the department of treasury.

(f) Three representatives from intermediate school districts.

(g) One representative from each of the following educational organizations:

(i) Michigan association of school boards.

(ii) Michigan association of school administrators.

(iii) Michigan school business officials.

(h) One representative representing private sector firms responsible for auditing school records.

(i) Other representatives as the state budget director determines are necessary.

(4) The CEPI advisory committee appointed under subsection (3) shall provide advice to the director of the center regarding the management of the center's data collection activities, including, but not limited to:

(a) Determining what data is necessary to collect and maintain in order to perform the center's functions in the most efficient manner possible.

(b) Defining the roles of all stakeholders in the data collection system.

(c) Recommending timelines for the implementation and ongoing collection of data.

(d) Establishing and maintaining data definitions, data transmission protocols, and system specifications and procedures for the efficient and accurate transmission and collection of data.

(e) Establishing and maintaining a process for ensuring the accuracy of the data.

(f) Establishing and maintaining state and model local policies related to data collection, including, but not limited to, privacy policies related to individual student data.

(g) Ensuring the data is made available to state and local policymakers and citizens of this state in the most useful format possible.

(h) Other matters as determined by the state budget director or the director of the center.

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

(6) From the general fund appropriation in section 11, there is allocated an amount not to exceed $2,350,000.00 for 2006-2007 to the department of management and budget to support the operations of the center and the development and implementation of a comprehensive data management and student tracking system. The center shall cooperate with the state education agency to ensure that this state is in compliance with federal law and is maximizing opportunities for increased federal funding to improve education in this state. In addition, from the federal funds appropriated in section 11 for 2006-2007, there is allocated the amount necessary, estimated at $3,543,200.00 in order to fulfill federal reporting requirements.

(7) From the general fund allocation under subsection (6), there is allocated for 2006-2007 an amount not to exceed $1,850,000.00 to support the development and implementation of a comprehensive longitudinal educational data management and student tracking system. In addition, from the federal funds allocated in subsection (6), there is allocated for 2006-2007 an amount not to exceed $1,500,000.00 funded from the competitive grants of DED-OESE, title II, educational technology funds for the purposes of this subsection. Not later than November 30, 2006, the department shall award a single grant to an eligible partnership that includes an intermediate district with at least 1 high-need local school district and the center.

(8) The center and the department shall work cooperatively to develop a cost allocation plan that pays for center expenses from the appropriate federal fund revenues.

(9) Funds allocated under this section that are not expended in the fiscal year in which they were allocated may be carried forward to a subsequent fiscal year.

(10) The center may bill departments as necessary in order to fulfill reporting requirements of state and federal law. The center may also enter into agreements to supply custom data, analysis, and reporting to other principal executive departments, state agencies, local units of government, and other individuals and organizations. The center may receive and expend funds in addition to those authorized in subsection (6) to cover the costs associated with salaries, benefits, supplies, materials, and equipment necessary to provide such data, analysis, and reporting services.

(11) As used in this section:

(a) "DED-OESE" means the United States department of education office of elementary and secondary education.

(b) "High-need local school district" means a local educational agency as defined in the enhancing education through technology part of the no child left behind act of 2001, Public Law 107-110.

(c) "State education agency" means the department.

History: Add. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 180, Imd. Eff. Oct. 3, 2003 ;-- Am. 2004, Act 351, Imd. Eff. Sept. 30, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: In subsection (1), as amended by Act 121 of 2001, the phrase "and an amount not to exceed $2,519,000.00 for 2002-2003" was vetoed by the governor September 28, 2001.For transfer of powers, duties, functions, and responsibilities of the database for educational performance and information to the center for educational performance and information by type II transfer, see E.R.O. No. 2000-6, compiled at § 388.996 of the Michigan compiled laws.Enacting section 3 of Act 521 of 2002 provides:"Enacting section 3. This amendatory

act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Sec. 94a, as amended by Act 158 of 2003, was vetoed by the governor on August 11, 2003.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1695 Repealed. 2002, Act 191, Imd. Eff. Apr. 26, 2002.

Compiler's Notes: The repealed section pertained to teacher professional development training program.

388.1696 Repealed. 2003, Act 158, Eff. Oct. 1, 2003.

Compiler's Notes: The repealed section pertained to golden apple awards.

388.1697 Repealed. 2002, Act 191, Imd. Eff. Apr. 26, 2002.

Compiler's Notes: The repealed section pertained to teacher technology initiative.

388.1698 Michigan virtual high school; powers and duties of Michigan virtual university.

Sec. 98.

(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $500,000.00 for 2006-2007 and from the general fund money appropriated in section 11, there is allocated an amount not to exceed $2,250,000.00 for 2006-2007 to provide a grant to the Michigan virtual university for the development, implementation, and operation of the Michigan virtual high school; to provide professional development opportunities for educators; and to fund other purposes described in this section. In addition, from the federal funds appropriated in section 11, there is allocated for 2006-2007 an amount estimated at $3,250,000.00.

(2) The Michigan virtual high school shall have the following goals:

(a) Significantly expand curricular offerings for high schools across this state through agreements with districts or licenses from other recognized providers. The Michigan virtual high school shall explore options for providing rigorous civics curricula online.

(b) Create statewide instructional models using interactive multimedia tools delivered by electronic means, including, but not limited to, the internet, digital broadcast, or satellite network, for distributed learning at the high school level.

(c) Provide pupils with opportunities to develop skills and competencies through on-line learning.

(d) Provide online test preparation resources for pupils.

(e) Grant high school diplomas through a dual enrollment method with districts.

(f) Act as a broker for college level equivalent courses, as defined in section 1471 of the revised school code, MCL 380.1471, and dual enrollment courses from postsecondary education institutions.

(3) From the general fund money allocated in subsection (1), an amount estimated at, but not to exceed $500,000.00, shall be used by the Michigan virtual high school to provide online test preparation resources for all Michigan high school pupils using web-based tools that align with the Michigan merit exam requirements, including the ACT and the revised MEAP exam. These resources shall include the following:

(a) Practice test opportunities for students.

(b) Information on effective test taking strategies.

(c) Diagnostic tools to identify student learning gaps.

(d) Self-paced online instructional tutorials.

(e) Electronic reports that provide feedback for students and school personnel.

(4) The Michigan virtual high school course offerings shall include, but are not limited to, all of the following:

(a) Information technology courses.

(b) College level equivalent courses, as defined in section 1471 of the revised school code, MCL 380.1471.

(c) Courses and dual enrollment opportunities.

(d) Programs and services for at-risk pupils.

(e) General education development test preparation courses for adjudicated youth.

(f) Special interest courses.

(g) Professional development programs and services for teachers.

(5) From the federal funds allocated in subsection (1), there is allocated for 2006-2007 an amount estimated at $2,250,000.00 from DED-OESE, title II, improving teacher quality funds for a grant to the Michigan virtual university for the purpose of this subsection. The state education agency shall sign a memorandum of understanding with the Michigan virtual university regarding the DED-OESE, title II, improving teacher quality funds as provided under this subsection. The memorandum of understanding under this subsection shall require that the Michigan virtual university coordinate the following activities related to DED-OESE, title II, improving teacher quality funds in accordance with federal law:

(a) Develop, and assist districts in the development and use of, proven, innovative strategies to deliver intensive professional development programs that are both cost-effective and easily accessible, such as strategies that involve delivery through the use of technology, peer networks, and distance learning.

(b) Encourage and support the training of teachers and administrators to effectively integrate technology into curricula and instruction.

(c) Coordinate the activities of eligible partnerships that include higher education institutions for the purposes of providing professional development activities for teachers, paraprofessionals, and principals as defined in federal law.

(d) Offer teachers opportunities to learn new skills and strategies for developing and delivering instructional services.

(e) Provide online professional development opportunities for educators to update and expand knowledge and skills needed to support the Michigan merit curriculum core content standards and credit requirements.

(6) The Michigan virtual university shall offer at least 200 hours of online professional development for classroom teachers under this section each fiscal year beginning in 2006-2007 without charge to the

teachers or to districts or intermediate districts. A district or intermediate district may require a full-time teacher to participate in at least 5 hours of online professional development provided by the Michigan virtual university under subsection (5). Five hours of this professional development shall be considered to be part of the 38 hours allowed to be counted as hours of pupil instruction under section 101(10).

(7) From the federal funds appropriated in subsection (1), there is allocated for 2006-2007 an amount estimated at $1,000,000.00 from the DED-OESE, title II, educational technology grant funds to support e-learning and virtual school initiatives consistent with the goals contained in the United States national educational technology plan issued in January 2005. Not later than November 30, 2006, from the funds allocated in this subsection, the department shall award a single grant of $1,000,000.00 to a consortium or partnership established by the Michigan virtual university that meets the requirements of this subsection. To be eligible for this funding, a consortium or partnership established by the Michigan virtual university shall include at least 1 intermediate district and at least 1 high-need local district. All of the following apply to this funding:

(a) An eligible consortium or partnership must demonstrate the following:

(i) Prior success in delivering online courses and instructional services to K-12 pupils throughout this state.

(ii) Expertise in designing, developing, and evaluating online K-12 course content.

(iii) Experience in maintaining a statewide help desk service for pupils, online teachers, and other school personnel.

(iv) Knowledge and experience in providing technical assistance and support to K-12 schools in the area of online education.

(v) Experience in training and supporting K-12 educators in this state to teach online courses.

(vi) Demonstrated technical expertise and capacity in managing complex technology systems.

(vii) Experience promoting twenty-first century learning skills through the use of online technologies.

(b) The Michigan virtual university, which operates the Michigan virtual high school, shall perform the following tasks related to this funding:

(i) Examine the curricular and specific course content needs of middle and high school students in the areas of mathematics and science.

(ii) Design, develop, and acquire online courses and related supplemental resources aligned to state standards to create a comprehensive and rigorous statewide catalog of online courses and instructional services.

(iii) Conduct a demonstration pilot to promote new and innovative online courses and instructional services.

(iv) Evaluate existing online teaching and learning practices and develop continuous improvement strategies to enhance student achievement.

(v) Develop, support, and maintain the technology infrastructure and related software required to deliver online courses and instructional services to students statewide.

(8) From the state school aid fund allocation in subsection (1), an amount not to exceed $500,000.00 for 2006-2007 shall be awarded as a single grant to an intermediate district working in partnership with the Michigan virtual high school for a statewide license for "my dream explorer", a career exploration and planning tool, to be made available to all pupils at no cost.

(9) If a home-schooled or nonpublic school student is a resident of a district that subscribes to services provided by the Michigan virtual high school, the student may use the services provided by the Michigan virtual high school to the district without charge to the student beyond what is charged to a district pupil using the same services.

(10) All activities funded under this section relating to science shall include the use of the scientific method to critically evaluate scientific theories and the use of relevant scientific data to assess the validity of those theories.

(11) As used in this section:

(a) "DED-OESE" means the United States department of education office of elementary and secondary education.

(b) "High-need local district" means a local educational agency as defined in the enhancing education through technology part of the no child left behind act of 2001, Public Law 107-110.

(c) "State education agency" means the department.

History: Add. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Former MCL 388.1698, which pertained to professional development programs, was repealed by Act 336 of 1993, Eff. Oct. 1, 1994.In subsection (1), as amended by Act 121 of 2001, the phrase "and for 2002-2003" was vetoed by the governor September 28, 2001.Enacting section 3 of Act 521 of 2002 provides:"Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1698a Repealed. 2001, Act 121, Eff. Oct. 1, 2001.

Compiler's Notes: The repealed section pertained to collaborative efforts to provide curricular support to teachers.

388.1698b Freedom to learn program.

Sec. 98b.

(1) From the federal funds appropriated in section 11 there is allocated for 2006-2007 an amount not to exceed $1,500,000.00 from funds carried forward from 2005-2006 from unexpended DED-OESE, title II, educational technology grants funds, for the freedom to learn program described in this section.

(2) The allocations in subsection (1) shall be used to develop, implement, and operate the freedom to learn program and make program grants. The goal of the program is to achieve one-to-one access to wireless technology for K-12 pupils through statewide and local public-private partnerships. To implement the program, the state education agency shall sign a memorandum of understanding with the independent institute that provides for joint administration of program grants under this subsection.

(3) The independent institute and the state education agency shall make grants to districts as described in this section. In awarding the grants, the independent institute and the state education agency shall give priority to applications that demonstrate that the district's program will meet all of the following:

(a) Will be ready for immediate implementation and will have begun professional development on technology integration in the classroom.

(b) Will utilize state structure and resources for professional development, as coordinated by the independent institute.

(c) Will opt to participate in the statewide partnership described in subsection (8) or will participate in an approved alternative 1-to-1 deployment described in subsection (9).

(d) Will agree to participate in the program and its professional development and evaluation components.

(4) The amount of program grants to districts is estimated at $1,000.00 per pupil in membership in grade 6 in 2006-2007, or in another grade allowed in this section, or per grade 6 teacher if the funding is awarded in a ratio of at least 20 pupils funded for each teacher funded. The state education agency and the independent institute shall establish grant criteria that maximize the distribution of federal funds to achieve the $1,000.00 per pupil or teacher in districts that qualify for federal funds. To qualify for a grant under this section, a district shall submit an application to the state education agency and the independent institute and complete the application process established by the state education agency and the independent institute. The application shall include at least all of the following:

(a) If the district is applying for federal funds, how the district will meet the requirements of the competitive grants under DED-OESE, title II, part D.

(b) How the district will provide the opportunity for each pupil in membership in grade 6 to receive a wireless computing device. If the district has already achieved one-to-one wireless access in grade 6 or if the district's school building grade configuration makes implementation of the program for grade 6 impractical, the district may apply for a grant for the next highest grade. If the district does not have a grade 6 or higher, the district may apply for funding for the next lowest grade level. If the district operates 1 or more schools that are not meeting adequate yearly progress, as determined by the department, and that contain grade 6, the district may apply for funding for a school building-wide program for 1 or more of those schools. A public school academy that does not offer a grade higher than grade 5 may apply to receive a grant under this section for pupils in the highest grade offered by the public school academy.

(c) The district shall submit a plan describing the uses of the grant funds. The plan shall describe a plan for professional development on technology integration, content and curriculum, and local partnerships with the other districts and representatives from businesses, industry, and higher education. The plan shall include at least the following:

(i) The academic achievement goals, which may include, but are not limited to, goals related to mathematics, science, and language arts.

(ii) The engagement goals, which may include, but are not limited to, goals related to retention rates, dropout rates, detentions, and suspensions.

(iii) The professional development goals, which may include, but are not limited to, goals related to staff and teacher development and performance indicators.

(d) A 3- to 5-year plan or funding model for increasing the share that is borne locally of the expenditures for one-to-one wireless access. The independent institute shall provide districts with sample local plans and funding models for the purposes of this subdivision and with information on available federal and private resources.

(e) How the district will amend its local technology plan as required under state and federal law to reflect the program under this section.

(5) The amount of a grant under this section to a single district for a fiscal year shall not exceed 25% of the total amount available for grants under this section for that fiscal year.

(6) A district that received money under section 98 in 2002-2003 for a wireless technology grant is eligible to receive a grant under this section.

(7) Not more than 25% of the DED-OESE, title II, educational technology grants funds under subsection (1) that are allocated for grants to districts that participate in the statewide public-private partnership under subsection (8) may be used to provide statewide professional development that will be coordinated by the independent institute.

(8) The department of management and budget shall maintain a statewide public-private partnership to implement the program.

(9) A district may elect to purchase or lease wireless computing devices from a vendor other than the statewide partnership described in subsection (8) if the independent institute determines that the vendor meets or exceeds minimum requirements and the vendor is identified in the district's grant application. Districts may apply to receive additional grants of $1,000.00 per pupil for use in professional development activities specific to the alternative deployment solution instead of the statewide professional development as described under subsection (7).

(10) The state education agency shall sign a memorandum of understanding with the independent institute regarding DED-OESE, title II, educational technology grants, as provided under this subsection not later than October 1, 2006. The independent institute shall coordinate activities described in this subsection with the freedom to learn grants described under this section. The memorandum of understanding shall require that the independent institute coordinate the following state activities related to DED-OESE, title II, educational technology grants in accordance with federal law:

(a) Assist in the development of innovative strategies for the delivery of specialized or rigorous academic courses and curricula through the use of technology, including distance learning technologies.

(b) Establish and support public-private initiatives for the acquisition of educational technology.

(11) Funds allocated under this section that are not expended in the state fiscal year for which they were allocated may be carried forward to a subsequent state fiscal year.

(12) It is the intent of the legislature that all plans or applications submitted by the state education agency to the United States department of education relating to the distribution of federal funds under this section are for the purposes described in this section.

(13) The state education agency shall ensure that the program goals and plans for the freedom to learn program are contained in the state technology plan required by federal law.

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

(15) It is the intent of the legislature that this state will seek to raise private funds for the current and future funding of the freedom to learn program under this section and all of the program components.

(16) As used in this section:

(a) "DED-OESE" means the United States department of education office of elementary and secondary education.

(b) "Independent institute" means the independent institute created under this section as it was in effect for 2005-2006.

(c) "State education agency" means the department.

History: Add. 2003, Act 158, Imd. Eff. Aug. 11, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2004, Act 593, Imd. Eff. Jan. 5, 2005 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Former MCL 388.1698b, which pertained to state cabinet on professional and technical standards, was repealed by Act 336 of 1993, Eff. Oct. 1, 1994.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."In subsection (1), as amended by Act 155 of 2005, the last sentence, which read "In addition, from the state school aid fund money appropriated in section 11, there is allocated for 2005-2006 and amount not to exceed $250,000.00 for the purposes of this section.", was vetoed by the governor September 30, 2005.Subsection (16), as amended by Act 155 of 2005, was vetoed by the governor September 30, 2005.Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1698c Web-based practice assessment and classroom remediation program.

Sec. 98c.

From the general fund money appropriated in section 11, there is allocated for 2006-2007 an amount not to exceed $1,000,000.00 for web-based practice assessments. The department shall contract for a web-based practice assessment and classroom remediation program that includes reading, mathematics, social science, and science for up to 240,000 pupils in grades 6, 7, and 8. Priority shall be placed on providing practice assessments in mathematics for up to 240,000 of the state's pupils in grades 6, 7, and 8 in order to help prepare them for the Michigan merit standard graduation requirements. To be eligible for funding under this section, a program shall meet all of the following:

(a) Have the ability to register pupils online.

(b) Be accessible over the internet.

(c) Provide test results immediately upon completion of the test.

(d) Provide remedial service by linking to textbooks in the classroom.

(e) Provide results that are reported to the district superintendent, the school principal, parents, pupils, the department, and the teacher training institutions of this state and that are tracked by pupil, classroom, school, and district.

History: Add. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1699 Mathematics and science centers.

Sec. 99.

(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $3,416,000.00 for 2006-2007 and from the general fund appropriation in section 11, there is allocated an amount not to exceed $84,000.00 for 2006-2007 for implementing the comprehensive master

plan for mathematics and science centers developed by the department and approved by the state board on August 8, 2002, and for other purposes as described in this section. In addition, from the federal funds appropriated in section 11, there is allocated for 2006-2007 an amount estimated at $4,456,000.00 from DED-OESE, title II, mathematics and science partnership grants.

(2) Within a service area designated locally, approved by the department, and consistent with the master plan described in subsection (1), an established mathematics and science center shall address 2 or more of the following 6 basic services, as described in the master plan, to constituent districts and communities: leadership, pupil services, curriculum support, community involvement, professional development, and resource clearinghouse services.

(3) The department shall not award a state grant under this section to more than 1 mathematics and science center located in a designated region as prescribed in the 2002 master plan unless each of the grants serves a distinct target population or provides a service that does not duplicate another program in the designated region.

(4) As part of the technical assistance process, the department shall provide minimum standard guidelines that may be used by the mathematics and science center for providing fair access for qualified pupils and professional staff as prescribed in this section.

(5) Allocations under this section to support the activities and programs of mathematics and science centers shall be continuing support grants to all 33 established mathematics and science centers. Each established mathematics and science center that was funded in 2005-2006 shall receive state funding in an amount equal to 100% of the amount it received under this section for 2005-2006. If a center declines state funding or a center closes, the remaining money available under this section shall be distributed on a pro rata basis to the remaining centers, as determined by the department.

(6) From the funds allocated in subsection (1), there is allocated $1,000,000.00 in a form and manner determined by the department to those centers able to provide curriculum and professional development support to assist districts in implementing the Michigan merit curriculum components for mathematics and science. Funding under this subsection is in addition to funding under subsection (5).

(7) In order to receive state funds under this section, a grant recipient shall allow access for the department or the department's designee to audit all records related to the program for which it receives such funds. The grant recipient shall reimburse the state for all disallowances found in the audit.

(8) Not later than September 30, 2007, the department shall reevaluate and update the comprehensive master plan described in subsection (1).

(9) The department shall give preference in awarding the federal grants allocated in subsection (1) to eligible existing mathematics and science centers.

(10) In order to receive state funds under this section, a grant recipient shall provide at least a 10% local match from local public or private resources for the funds received under this section.

(11) All activities funded under this section relating to science shall include the use of the scientific method to critically evaluate scientific theories and the use of relevant scientific data to assess the validity of those theories.

(12) As used in this section:

(a) "DED" means the United States department of education.

(b) "DED-OESE" means the DED office of elementary and secondary education.

History: Add. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 360, Imd. Eff. Dec. 22, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 24, Imd. Eff. June 16, 1997 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-

- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Subsections (5), (7), and (8), as amended by Act 300 of 1996, were vetoed by the governor on June 19, 1996.Subsections (7), (8), (9), and (10), as amended by Act 93 of 1997, were vetoed by the governor August 1, 1997.In subsection (1), as amended by Act 121 of 2001, the phrases "and an amount not to exceed $9,784,500.00 for 2002-2003" and "and an amount not to exceed $596,000.00 for 2002-2003" were vetoed by the governor September 28, 2001.In the first sentence of subsection (7), as amended by Act 121 of 2001, the phrase "and 2002-2003" was vetoed by the governor September 28, 2001.Enacting section 3 of Act 521 of 2002 provides:"Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1699a Repealed. 2003, Act 158, Eff. Oct. 1, 2003.

Compiler's Notes: The repealed section pertained to school health education curriculum.

388.1699b Repealed. 2006, Act 342, Eff. Oct. 1, 2006.

Compiler's Notes: The repealed section pertained to amounts allocated for middle school mathematics initiative, amounts allocated to intermediate districts, funds to improve MEAP mathematics assessment, and eligibility of intermediate school districts for continued funding.

388.1699c Middle school mathematics initiative.

Sec. 99c.

(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed $20,000,000.00 for 2006-2007 for payments to districts under this section for the middle school mathematics initiative to achieve the middle school mathematics standards and benchmarks adopted by the state board.

(2) The amount of the payment to each district for 2006-2007 shall be an equal amount per pupil for each pupil actually enrolled and attending school in the district in grades 6 to 8. Payments to a district under this section for subsequent fiscal years shall be as described in subsection (4).

(3) A district shall use funds received under this section for activities and efforts designed to improve pupil performance in mathematics.

(4) It is the intent of the legislature to continue to allocate funds under this section for subsequent fiscal years based on improved pupil performance in mathematics. It is also the intent of the legislature to develop standards for determining improvement in pupil performance by March 1, 2007.

History: Add. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1699d Purchase of automated external defibrillators.

Sec. 99d.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2006-2007 an amount not to exceed $100,000.00 for grants to districts for purchasing automated external defibrillators.

(2) To be eligible to receive a grant under this section, a district shall meet all of the following:

(a) Shall apply to the department in the form and manner prescribed by the department.

(b) Shall provide at least a 50% local match from local public or private resources for the funds received under this section.

(c) Shall meet other criteria that are established by the department and designed to maximize the effectiveness of the grant funds.

(3) Grants shall be awarded to districts under this section in descending order of a district's percentage of pupils who met the income eligibility criteria for free breakfast, lunch, or milk as determined under the Richard B. Russell national school lunch act and as reported to the department by October 31, 2005 and adjusted not later than December 31, 2005.

(4) The department shall not award a grant to a district under this section to purchase more than 1 automated external defibrillator unless the department determines that each district either has at least 1 automated external defibrillator or has been awarded a grant under this section for purchasing 1 automated external defibrillator. After that point, until the total amount allocated under this section has been used, the department shall award grants to districts in the same order as prescribed in subsection (3) in sufficient amount to ensure that the district receiving a grant for more than 1 automated external defibrillator will have enough automated external defibrillators after the grant to place 1 in each high school it operates.

(5) A district receiving a grant under this section may decide where to place an automated external defibrillator purchased pursuant to the grant.

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

History: Add. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1699e Allocation to districts having reduced foundation allowance; conditions.

Sec. 99e.

(1) From the funds appropriated in section 11, there is allocated the amount of $125,000.00 for 2006-2007 to a district that meets all of the following requirements:

(a) The district's membership has grown by at least 20% between 2004-2005 and 2005-2006.

(b) At least 60% of the pupils in the district were eligible for free or reduced lunch for 2005-2006.

(c) The district levies at least 10 mills for the purpose of debt retirement.

(d) The district had an emergency financial manager in place during 2004-2005.

(2) The funds allocated under subsection (1) shall be used to supplement the district's operational funds as compensation for having received a reduced foundation allowance due to proration while having had an emergency financial manager in place.

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

History: Add. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1699f School building security mapping.

Sec. 99f.

(1) From the funds appropriated in section 11, there is allocated an amount not to exceed $350,000.00 for a pilot program as provided for in this section. The department shall make grants to districts and intermediate districts as provided in this section for school building security mapping for use by response agencies that are called to respond to an emergency such as the release of a hazardous material, the presence of an armed individual on or near the premises, an act of terrorism, or a related emergency. This mapping shall be conducted by either the Michigan commission on law enforcement standards or the Michigan state police emergency management division.

(2) From the funds allocated in subsection (1), the department shall award $105,000.00 to an intermediate district that meets all of the following:

(a) The total combined membership of all of the intermediate district's constituent districts is less than 10,000.

(b) The intermediate district had a 2005 taxable value per pupil of less than $200,000.00.

(c) The intermediate district has 5 constituent districts, excluding public school academies.

(3) Subject to subsection (7), from the funds allocated in subsection (1), the department shall award $84,000.00 in grants of $28,000.00 each to each of 3 intermediate districts that meet all of the following:

(a) The total combined membership of all of the intermediate district's constituent districts is more than 25,000 but less than 35,000.

(b) The intermediate district had a 2005 taxable value per pupil of less than $200,000.00.

(c) The intermediate district has no more than 16 constituent districts.

(4) From the funds allocated in subsection (1), the department shall award $28,000.00 to an intermediate district that meets all of the following:

(a) The total combined membership of all of the intermediate district's constituent districts is less than 4,000.

(b) The intermediate district had a 2005 taxable value per pupil of less than $150,000.00.

(5) From the funds allocated in subsection (1), the department shall award $28,000.00 to a district that levied 1.9 mills in 1993 to finance an operating deficit.

(6) From the funds allocated in subsection (1), the department shall award $105,000.00 to applicant districts in grants of $7,000.00 each per school building. A district is eligible to receive a grant for a school building under this subsection if an emergency situation has occurred in or near the school building within the last 5 years or if the department, in conjunction with the department of state police, has determined that an emergency situation is likely to occur in or near the school building. Grants under this subsection shall be

awarded in a form and manner determined by the department. However, a district may not receive more than 3 grants under this subsection.

(7) An intermediate district that receives a grant under subsection (3) shall contract for school building security mapping in 4 school buildings, 2 of which are located in rural areas and 2 of which are located in urban areas, as defined by the department.

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

History: Add. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1699g Expansion of school-based crisis intervention project.

Sec. 99g.

(1) From the funds appropriated in section 11, there is allocated the amount of $300,000.00 for 2006-2007 to a district that meets all of the following requirements:

(a) The district's membership is greater than 9,000 pupils.

(b) At least 60% of the pupils in the district were eligible for free or reduced lunch for 2005-2006.

(c) The district's foundation allowance for 2006-2007 is less than $7,310.00.

(2) Funds allocated to a district under this section shall be used to expand the school-based crisis intervention project that received funds in 2005-2006 under section 304 of 2005 PA 147.

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

History: Add. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1699h FIRST robotics competitions.

Sec. 99h.

(1) From the appropriation in section 11, there is allocated an amount not to exceed $150,000.00 for 2006-2007 for competitive grants to districts that provide pupils in high school with expanded opportunities to improve mathematics, science, and technology skills by participating in events hosted by a science and technology development program known as FIRST (for inspiration and recognition of science and technology) robotics competition.

(2) A district applying for a grant shall submit an application in a form and manner determined by the department. To be eligible for a grant, a district shall demonstrate in its application that the district has established a partnership for the purposes of the program with at least 1 sponsor, business entity, higher education institution, or technical school.

(3) Each grant recipient shall provide a local match from other private or local funds for the funds received under this section. The amount of the local match shall be at least equal to 50% of the costs of participating in an event.

(4) Grant awards shall be made in a manner determined by the department in collaboration with the department of labor and economic growth. However, the department shall set maximum grant amounts in a manner that maximizes the number of high schools that will be able to participate.

(5) Funds received under this section may be used for event registrations, materials, travel costs, and other expenses associated with the preparation for and attendance at FIRST robotics competitions.

History: Add. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

Article 10

388.1701 Eligibility to receive state aid; filing certified and sworn copy of enrollment; failure to file; withholding state aid; falsification; minimum hours of pupil instruction; forfeiture; certification; strikes or teachers' conferences; rules; hours not counted as pupil instruction; alternative scheduling program; certification of planned number of hours of pupil instruction; conditions requiring forfeiture; waiver for alternative education program; counting qualifying professional development as pupil instruction.

Sec. 101.

(1) To be eligible to receive state aid under this act, not later than the fifth Wednesday after the pupil membership count day and not later than the fifth Wednesday after the supplemental count day, each district superintendent through the secretary of the district's board shall file with the intermediate superintendent a certified and sworn copy of the number of pupils enrolled and in regular daily attendance in the district as of the pupil membership count day and as of the supplemental count day, as applicable, for the current school year. In addition, a district maintaining school during the entire year, as provided under section 1561 of the revised school code, MCL 380.1561, shall file with the intermediate superintendent a certified and sworn copy of the number of pupils enrolled and in regular daily attendance in the district for the current school year pursuant to rules promulgated by the superintendent. Not later than the seventh Wednesday after the pupil membership count day and not later than the seventh Wednesday after the supplemental count day, the intermediate district shall transmit to the center revised data, as applicable, for each of its constituent districts. If a district fails to file the sworn and certified copy with the intermediate superintendent in a timely manner, as required under this subsection, the intermediate district shall notify the department and state aid due to be distributed under this act shall be withheld from the defaulting district immediately, beginning with the next payment after the failure and continuing with each payment until the district complies with this subsection. If an intermediate district fails to transmit the data in its possession in a timely and accurate manner to the center, as required under this subsection, state aid due to be distributed under this act shall be withheld from the defaulting intermediate district immediately, beginning with the next payment after the failure and continuing with each payment until the intermediate district complies with this subsection. If a district or intermediate district does not comply with this subsection by the end of the fiscal year, the district or intermediate district forfeits the amount withheld. A person who willfully falsifies a figure or statement in the certified and sworn copy of enrollment shall be punished in the manner prescribed by section 161.

(2) To be eligible to receive state aid under this act, not later than the twenty-fourth Wednesday after the pupil membership count day and not later than the twenty-fourth Wednesday after the supplemental count day, an intermediate district shall submit to the center, in a form and manner prescribed by the center, the audited enrollment and attendance data for the pupils of its constituent districts and of the intermediate district. If an intermediate district fails to transmit the audited data as required under this subsection, state aid due to be distributed under this act shall be withheld from the defaulting intermediate district immediately, beginning with the next payment after the failure and continuing with each payment until the intermediate district complies with this subsection. If an intermediate district does not comply with this subsection by the end of the fiscal year, the intermediate district forfeits the amount withheld.

(3) All of the following apply to the provision of pupil instruction:

(a) Except as otherwise provided in this section, each district shall provide at least 1,098 hours of pupil instruction. Except as otherwise provided in this act, a district failing to comply with the required minimum hours of pupil instruction under this subsection shall forfeit from its total state aid allocation an amount determined by applying a ratio of the number of hours the district was in noncompliance in relation to the required minimum number of hours under this subsection. Not later than August 1, the board of each district shall certify to the department the number of hours of pupil instruction in the previous school year. If the district did not provide at least the required minimum number of hours of pupil instruction under this subsection, the deduction of state aid shall be made in the following fiscal year from the first payment of state school aid. A district is not subject to forfeiture of funds under this subsection for a fiscal year in which a forfeiture was already imposed under subsection (6). Hours lost because of strikes or teachers' conferences shall not be counted as days or hours of pupil instruction.

(b) Except as otherwise provided in subdivision (c), a district not having at least 75% of the district's membership in attendance on any day of pupil instruction shall receive state aid in that proportion of 1/180 that the actual percent of attendance bears to the specified percentage.

(c) Beginning in 2005-2006, at the request of a district that operates a department-approved alternative education program and that does not provide instruction for pupils in all of grades K to 12, the superintendent shall grant a waiver for a period of 3 school years from the requirements of subdivision (b) in order to conduct a pilot study. The waiver shall indicate that an eligible district is subject to the proration provisions of subdivision (b) only if the district does not have at least 50% of the district's membership in attendance on any day of pupil instruction. Not later than 2008-2009, the department shall report on the impact of this waiver on the academic achievement of pupils in these districts to the state budget director and the senate and house appropriations subcommittees on state school aid. In order to be eligible for this waiver, a district must maintain records to substantiate its compliance with the following requirements during the pilot study:

(i) The district offers the minimum hours of pupil instruction as required under this section.

(ii) For each enrolled pupil, the district uses appropriate academic assessments to develop an individual education plan that leads to a high school diploma.

(iii) The district tests each pupil to determine academic progress at regular intervals and records the results of those tests in that pupil's individual education plan.

(d) The superintendent shall promulgate rules for the implementation of this subsection.

(4) Except as otherwise provided in this subsection, the first 30 hours for which pupil instruction is not provided because of conditions not within the control of school authorities, such as severe storms, fires, epidemics, utility power unavailability, water or sewer failure, or health conditions as defined by the city, county, or state health authorities, shall be counted as hours of pupil instruction. Beginning in 2003-2004, with the approval of the superintendent of public instruction, the department shall count as hours of pupil instruction for a fiscal year not more than 30 additional hours for which pupil instruction is not provided in

a district after April 1 of the applicable school year due to unusual and extenuating occurrences resulting from conditions not within the control of school authorities such as those conditions described in this subsection. Subsequent such hours shall not be counted as hours of pupil instruction.

(5) A district shall not forfeit part of its state aid appropriation because it adopts or has in existence an alternative scheduling program for pupils in kindergarten if the program provides at least the number of hours required under subsection (3) for a full-time equated membership for a pupil in kindergarten as provided under section 6(4).

(6) Not later than April 15 of each fiscal year, the board of each district shall certify to the department the planned number of hours of pupil instruction in the district for the school year ending in the fiscal year. In addition to any other penalty or forfeiture under this section, if at any time the department determines that 1 or more of the following has occurred in a district, the district shall forfeit in the current fiscal year beginning in the next payment to be calculated by the department a proportion of the funds due to the district under this act that is equal to the proportion below the required minimum number of hours of pupil instruction under subsection (3), as specified in the following:

(a) The district fails to operate its schools for at least the required minimum number of hours of pupil instruction under subsection (3) in a school year, including hours counted under subsection (4).

(b) The board of the district takes formal action not to operate its schools for at least the required minimum number of hours of pupil instruction under subsection (3) in a school year, including hours counted under subsection (4).

(7) In providing the minimum number of hours of pupil instruction required under subsection (3), a district shall use the following guidelines, and a district shall maintain records to substantiate its compliance with the following guidelines:

(a) Except as otherwise provided in this subsection, a pupil must be scheduled for at least the required minimum number of hours of instruction, excluding study halls, or at least the sum of 90 hours plus the required minimum number of hours of instruction, including up to 2 study halls.

(b) The time a pupil is assigned to any tutorial activity in a block schedule may be considered instructional time, unless that time is determined in an audit to be a study hall period.

(c) Except as otherwise provided in this subdivision, a pupil in grades 9 to 12 for whom a reduced schedule is determined to be in the individual pupil's best educational interest must be scheduled for a number of hours equal to at least 80% of the required minimum number of hours of pupil instruction to be considered a full-time equivalent pupil. A pupil in grades 9 to 12 who is scheduled in a 4-block schedule may receive a reduced schedule under this subsection if the pupil is scheduled for a number of hours equal to at least 75% of the required minimum number of hours of pupil instruction to be considered a full-time equivalent pupil.

(d) If a pupil in grades 9 to 12 who is enrolled in a cooperative education program or a special education pupil cannot receive the required minimum number of hours of pupil instruction solely because of travel time between instructional sites during the school day, that travel time, up to a maximum of 3 hours per school week, shall be considered to be pupil instruction time for the purpose of determining whether the pupil is receiving the required minimum number of hours of pupil instruction. However, if a district demonstrates to the satisfaction of the department that the travel time limitation under this subdivision would create undue costs or hardship to the district, the department may consider more travel time to be pupil instruction time for this purpose.

(e) In grades 7 through 12, instructional time that is part of a junior reserve officer training corps (JROTC) program shall be considered to be pupil instruction time regardless of whether the instructor is a certificated teacher if all of the following are met:

(i) The instructor has met all of the requirements established by the United States department of defense and the applicable branch of the armed services for serving as an instructor in the junior reserve officer training corps program.

(ii) The board of the district or intermediate district employing or assigning the instructor complies with the requirements of sections 1230 and 1230a of the revised school code, MCL 380.1230 and 380.1230a, with respect to the instructor to the same extent as if employing the instructor as a regular classroom teacher.

(8) The department shall apply the guidelines under subsection (7) in calculating the full-time equivalency of pupils.

(9) Upon application by the district for a particular fiscal year, the superintendent may waive for a district the minimum number of hours of pupil instruction requirement of subsection (3) for a department-approved alternative education program. If a district applies for and receives a waiver under this subsection and complies with the terms of the waiver, for the fiscal year covered by the waiver the district is not subject to forfeiture under this section for the specific program covered by the waiver. If the district does not comply with the terms of the waiver, the amount of the forfeiture shall be calculated based upon a comparison of the number of hours of pupil instruction actually provided to the minimum number of hours of pupil instruction required under subsection (3).

(10) A district may count up to 38 hours of qualifying professional development for teachers, including the 5 hours of online professional development provided by the Michigan virtual university under section 98, as hours of pupil instruction. However, if a collective bargaining agreement that provides more than 38 but not more than 51 hours of professional development for teachers is in effect for employees of a district as of the effective date of the 2006 amendatory act that amended this subsection, then until the fiscal year that begins after the expiration of that collective bargaining agreement a district may count up to 51 hours of qualifying professional development for teachers, including the 5 hours of online professional development provided by the Michigan virtual university under section 98, as hours of pupil instruction. A district that elects to use this exception shall notify the department of its election. As used in this subsection, "qualifying professional development" means professional development that is focused on 1 or more of the following:

(a) Achieving or improving adequate yearly progress as defined under the no child left behind act of 2001, Public Law 107-110.

(b) Achieving accreditation or improving a school's accreditation status under section 1280 of the revised school code, MCL 380.1280.

(c) Achieving highly qualified teacher status as defined under the no child left behind act of 2001, Public Law 107-110.

(d) Maintaining teacher certification.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1983, Act 169, Eff. Oct. 1, 1983 ;-- Am. 1984, Act 239, Eff. Oct. 1, 1984 ;-- Am. 1985, Act 110, Eff. Oct. 1, 1985 ;-- Am. 1986, Act 212, Eff. Oct. 1, 1986 ;-- Am. 1986, Act 298, Imd. Eff. Dec. 22, 1986 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 142, Imd. Eff. July 15, 1992 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Imd. Eff. June 30, 1995 ;-- Am. 1996, Act 180, Imd. Eff. Apr. 19, 1996 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 476, Imd. Eff. June 27, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 127, Imd. Eff. June 3, 2004 ;-- Am. 2004, Act 351, Imd. Eff. Sept. 30, 2004 ;-- Am. 2005, Act 41, Imd. Eff. June 7, 2005 ;-- Am. 2005, Act 155, Imd. Eff. Sept. 30, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: The last sentence of subsection (4), as amended by Act 180 of 1996, which provided "However, for 1995-96 only, for a school district at or above townline 16, the first 5 days for which pupil instruction is not provided because of conditions described in this subsection shall be counted as days of pupil instruction." was vetoed by the governor on April 22, 1996.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House

Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

Admin Rule: R 340.1 et seq. of the Michigan Administrative Code.

388.1701a Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to extended school year.

388.1702 Deficit budget or operating deficit prohibited; release of state aid payments; report; amount of permissible deficit; monthly monitoring report; plan to eliminate deficit; district considered to have incurred deficit.

Sec. 102.

(1) A district or intermediate district receiving money under this act shall not adopt or operate under a deficit budget, and a district or intermediate district shall not incur an operating deficit in a fund during a school fiscal year. A district or intermediate district having an existing deficit or which incurs a deficit shall not be allotted or paid a further sum under this act until the district or intermediate district submits to the department for approval a budget for the current school fiscal year and a plan to eliminate the district's or intermediate district's deficit not later than the end of the second school fiscal year after the deficit was incurred. Withheld state aid payments shall be released after the department approves the deficit reduction plan and ensures that the budget for the current school fiscal year is balanced.

(2) Not later than March 1 of each year, the department shall prepare a report of deficits incurred by districts and intermediate districts in the immediately preceding fiscal year and the progress made in reducing those deficits and submit the report to the standing committees of the legislature responsible for K-12 education legislation, the appropriations subcommittees of the legislature responsible for K-12 education appropriations, the house and senate fiscal agencies, the state treasurer, and the state budget director. The department shall also submit interim reports concerning district and intermediate district deficits as necessary.

(3) The amount of the permissible deficit for each school fiscal year shall not exceed the amount of state aid reduced by an executive order during that school fiscal year.

(4) A district or intermediate district with an existing deficit or which incurs a deficit shall submit to the department a monthly monitoring report on revenue and expenditures in a form and manner prescribed by the department.

(5) If a district or intermediate district is not able to comply with the provisions of this section, the district or intermediate district shall submit to the department a plan to eliminate its deficit. Upon approval of the plan submitted, the superintendent of public instruction may continue allotment and payment of funds under this act, extend the period of time in which a district or intermediate district has to eliminate its deficit, and set special conditions that the district or intermediate district must meet during the period of the extension.

(6) For the purposes of this section, a district or intermediate district is considered to have incurred an operating deficit if the district or intermediate district incurs any withholding of or financial penalty, other than a temporary delay, against any portion of its total state school aid allocation under this act.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1979, Act 138, Imd. Eff. Nov. 7, 1979 ;-- Am. 1980, Act 52, Imd. Eff. Mar. 27, 1980 ;-- Am. 1980, Act 320, Imd. Eff. Dec. 10, 1980 ;-- Am. 1981, Act 36, Eff. Oct. 1, 1981 ;-- Am. 1982, Act 136, Imd. Eff. Apr. 27, 1982 ;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1983, Act 55, Imd. Eff. May 16, 1983 ;-- Am. 1983, Act 169, Eff. Oct. 1, 1983 ;-- Am. 1984, Act 239, Eff. Oct. 1, 1984 ;-- Am. 1985, Act 110, Eff. Oct. 1, 1985 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000

388.1703 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to pupil to teacher ratio.

388.1704 Compliance with federal no child left behind act of 2001; allocation of federal funds.

Sec. 104.

(1) From the state school aid fund money appropriated in section 11, there is allocated for 2006-2007 an amount not to exceed $19,500,000.00 for reimbursement to districts of costs associated with complying with sections 104a and 104b, sections 1279, 1279g, and 1280b of the revised school code, MCL 380.1279, 380.1279g, and 380.1280b, and 1970 PA 38, MCL 388.1081 to 388.1086. In addition, from the federal funds appropriated in section 11, there is allocated for 2006-2007 an amount estimated at $8,425,200.00, funded from DED-OESE, title VI, state assessments funds for the purposes of complying with the federal no child left behind act of 2001, Public Law 107-110.

(2) The results of each test administered as part of the Michigan educational assessment program, including tests administered to high school students, shall include an item analysis that lists all items that are counted for individual pupil scores and the percentage of pupils choosing each possible response.

(3) All federal funds allocated under this section shall be distributed in accordance with federal law and with flexibility provisions outlined in Public Law 107-116, and in the education flexibility partnership act of 1999, Public Law 106-25. Notwithstanding section 17b, payments of federal funds to districts, intermediate districts, and other eligible entities under this section shall be paid on a schedule determined by the department.

History: Add. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Former MCL 388.1704, which pertained to student portfolios, was repealed by Act 300 of 1996, Eff. Oct. 1, 1996.Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1704a State assessments to high school pupils.

Sec. 104a.

(1) Subject to subsection (14) and section 104b, until the end of the 2005-2006 school year, in order to receive state aid under this act, a district shall comply with this section and shall administer state assessments to high school pupils in the subject areas of English language arts, mathematics, science, and social studies. If the superintendent determines that it would be consistent with the purposes of this section, the superintendent may designate the grade 11 Michigan education assessment program tests as the assessments to be used for the purposes of this section. The district shall include on the pupil's high school transcript all of the following:

(a) For each high school graduate who has completed a subject area assessment under this section, the pupil's scaled score on the assessment.

(b) If the pupil's scaled score on a subject area assessment falls within the range required under subsection (2) for "exceeds expectations", "meets expectations", or "basic", an indication that the pupil has achieved state endorsement for that subject area.

(c) The number of school days the pupil was in attendance at school each school year during high school and the total number of school days in session for each of those school years.

(2) The superintendent shall develop scaled scores for reporting subject area assessment results for each of the subject areas under this section. The superintendent shall establish 4 categories for each subject area indicating exceeds expectations, meets expectations, basic, and below basic, and shall establish the scaled

score range required for each category. The superintendent shall design and distribute to districts, intermediate districts, and nonpublic schools a simple and concise document that describes these categories in each subject area and indicates the scaled score ranges for each category in each subject area. A district may award a high school diploma to a pupil who successfully completes local district requirements established in accordance with state law for high school graduation, regardless of whether the pupil is eligible for any state endorsement.

(3) The assessments administered for the purposes of this section shall be administered to pupils during the last 90 school days of grade 11. The superintendent shall ensure that the assessments are scored and the scores are returned to pupils, their parents or legal guardians, and districts not later than the beginning of the pupil's first semester of grade 12. The returned scores shall indicate the pupil's scaled score for each subject area assessment, the range of scaled scores for each subject area, and the range of scaled scores required for each category established under subsection (2). In reporting the scores to pupils, parents, and schools, the superintendent shall provide specific, meaningful, and timely feedback on the pupil's performance on the assessment.

(4) Beginning with assessments conducted in the 2005-2006 school year, all of the following apply to the assessments under this section:

(a) The superintendent shall ensure that any contractor used for scoring the assessment supplies an individual report for each pupil that will identify for the student's parents and teachers whether the pupil met expectations or failed to meet expectations for each standard, to allow the pupil's parents and teachers to assess and remedy problems before the pupil moves to the next grade.

(b) The superintendent shall ensure that any contractor used for scoring, developing, or processing an assessment instrument meets quality management standards commonly used in the assessment industry, including at least meeting level 2 of the capability maturity model developed by the software engineering institute of Carnegie Mellon university for the 2005-2006 school year assessments and at least meeting level 3 of the capability maturity model for subsequent assessments.

(c) The superintendent shall ensure that any contract it enters into for scoring, administering, or developing an assessment instrument includes specific deadlines for all steps of the assessment process, including, but not limited to, deadlines for the correct testing materials to be supplied to schools and for the correct results to be returned to schools, and includes penalties for noncompliance with these deadlines.

(d) The superintendent shall ensure that the assessment instruments meet all of the following:

(i) Are designed to test pupils on grade level content expectations or course content expectations, as appropriate, in all subjects tested.

(ii) Comply with requirements of the no child left behind act of 2001, Public Law 107-110.

(iii) Are consistent with the code of fair testing practices in education prepared by the joint committee on testing practices of the American psychological association.

(iv) Are factually accurate. If the superintendent determines that a question is not factually accurate and should be removed from an assessment instrument, the state board and the superintendent shall ensure that the question is removed from the assessment instrument.

(5) For each pupil who does not achieve proficiency in 1 or more subject areas, the board of the district in which the pupil is enrolled shall provide that there be at least 1 meeting attended by at least the pupil and a member of the district's staff or a local or intermediate district consultant who is proficient in the measurement and evaluation of pupils. The district may provide the meeting as a group meeting for pupils in similar circumstances. If the pupil is a minor, the district shall invite and encourage the pupil's parent, legal guardian, or person in loco parentis to attend the meeting and shall mail a notice of the meeting to the

pupil's parent, legal guardian, or person in loco parentis. The purpose of this meeting and any subsequent meeting under this subsection shall be to determine an educational program for the pupil designed to have the pupil achieve state endorsement in each subject area in which he or she did not achieve state endorsement. In addition, a district may provide for subsequent meetings with the pupil conducted by a high school counselor or teacher designated by the pupil's high school principal, and shall invite and encourage the pupil's parent, legal guardian, or person in loco parentis to attend the subsequent meetings. The district shall provide special programs for the pupil or develop a program using the educational programs regularly provided by the district unless the board of the district decides otherwise and publishes and explains its decision in a public justification report.

(6) A pupil who wants to repeat an assessment administered under this section may repeat the assessment, without charge to the pupil, in the next school year or after graduation. An individual may repeat an assessment at any time the district administers an applicable assessment instrument or during a retesting period under subsection (8).

(7) The superintendent shall ensure that the length of the assessments used for the purposes of this section and the combined total time necessary to administer all of the assessments are the shortest possible that will still maintain the degree of reliability and validity of the assessment results determined necessary by the superintendent. The superintendent shall ensure that the maximum total combined length of time that schools are required to set aside for administration of all of the assessments used for the purposes of this section does not exceed 8 hours. However, this subsection does not limit the amount of time that individuals may have to complete the assessments.

(8) The superintendent shall establish, schedule, and arrange periodic retesting periods throughout the year until the end of the 2006-2007 school year for individuals who desire to repeat an assessment under this section. The superintendent shall coordinate the arrangements for administering the repeat assessments and shall ensure that the retesting is made available at least within each intermediate district and, to the extent possible, within each district.

(9) A district shall provide accommodations to a pupil with disabilities for the assessments required under this section, as provided under section 504 of title V of the rehabilitation act of 1973, 29 USC 794; subtitle A of title II of the Americans with disabilities act of 1990, 42 USC 12131 to 12134; the individuals with disabilities education act amendments of 1997, Public Law 105-17; and the implementing regulations for those statutes.

(10) For the purposes of this section, the superintendent shall develop or select and approve assessment instruments to measure pupil performance in English language arts, mathematics, social studies, and science. The assessment instruments shall be based on grade level content expectations or course content expectations, as appropriate.

(11) Upon written request by the pupil's parent or legal guardian stating that the request is being made for the purpose of providing the pupil with an opportunity to qualify to take 1 or more postsecondary courses as an eligible student under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, or under the career and technical preparation act, 2000 PA 258, MCL 388.1901 to 388.1913, the board of a district shall allow a pupil who is in at least grade 10 to take an assessment administered under this section without charge at any time the district regularly administers the assessment or during a retesting period established under subsection (8). A district is not required to include in an annual education report, or in any other report submitted to the superintendent for accreditation purposes, results of assessments taken under this subsection by a pupil in grade 11 or lower until the results of that pupil's graduating class are otherwise reported.

(12) All assessment instruments developed or selected and approved by the state under any statute or rule for a purpose related to K to 12 education shall be objective-oriented and consistent with grade level content expectations or course content expectations, as appropriate.

(13) Until the end of the 2006-2007 school year, a person who has graduated from high school after 1996 and who has not previously taken an assessment under this section may take an assessment used for the purposes of this section, without charge to the person, at the district from which he or she graduated from high school at any time that district administers the assessment or during a retesting period scheduled under subsection (8) and have his or her scaled score on the assessment included on his or her high school transcript. If the person's scaled score on a subject area assessment falls within the range required under subsection (2) for a category established under subsection (2), the district shall also indicate on the person's high school transcript that the person has achieved state endorsement for that subject area.

(14) Until the end of the 2006-2007 school year, a person who has previously taken an assessment under this section may take a retest on the assessment for the purposes of qualifying for a Michigan merit award under the Michigan merit award scholarship act, 1999 PA 94, MCL 390.1451 to 390.1459. The person may take the retest, without charge to the person, at the district in which he or she is enrolled or resides or, if it is not available in that district, at another location within the intermediate district in which he or she resides, at a regular testing time scheduled for the assessment or during a retesting period scheduled under subsection (8).

(15) A child who is a student in a nonpublic school or home school may take an assessment under this section. To take an assessment, a child who is a student in a home school shall contact the district in which the child resides, and that district shall administer the assessment, or the child may take the assessment at a nonpublic school if allowed by the nonpublic school. Upon request from a nonpublic school, the superintendent shall supply assessments and the nonpublic school may administer the assessment. If a district administers an assessment under this subsection to a child who is not enrolled in the district, the scores for that child are not considered for any purpose to be scores of a pupil of the district.

(16) The purpose of the assessment under this section is to assess pupil performance in mathematics, science, social studies, and English language arts for the purpose of improving academic achievement and establishing a statewide standard of competency. The assessment under this section provides a common measure of data that will contribute to the improvement of Michigan schools' curriculum and instruction by encouraging alignment with Michigan's curriculum framework standards. These standards are based upon the expectations of what pupils should know and be able to do by the end of grade 11.

(17) As used in this section:

(a) "English language arts" means reading and writing.

(b) "Social studies" means United States history, world history, world geography, economics, and American government.

History: Add. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Mar. 15, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 161, Eff. July 1, 1996 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 24, Imd. Eff. June 16, 1997 ;-- Am. 1997, Act 176, Imd. Eff. Dec. 30, 1997 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2004, Act 425, Imd. Eff. Dec. 15, 2004 ;-- Am. 2004, Act 593, Imd. Eff. Jan. 5, 2005

Compiler's Notes: Enacting section 3 of Act 521 of 2002 provides:"Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."

388.1704b Michigan merit examination.

Sec. 104b.

(1) Beginning in the 2006 calendar year, in order to receive state aid under this act, a district shall comply with this section and shall administer the state assessments under section 1279 or the Michigan merit examination to pupils in grade 11 as provided in this section, as follows:

(a) For pupils in grade 11 in the 2005-2006 school year, the provisions concerning state assessments under section 104a apply to all pupils in grade 11 and the Michigan merit examination shall be administered to a sample of pupils in grade 11 statewide, as identified by the department. The pupils to be included in this sample shall be determined by the department as the department determines necessary to seek the approval of the United States department of education to use the Michigan merit examination for the purposes of the federal no child left behind act of 2001, Public Law 107-110.

(b) Subject to subdivision (c), for pupils in grade 11 in the 2006-2007 school year and subsequent school years, the Michigan merit examination shall be offered to all pupils in grade 11.

(c) If the United States department of education has not approved the use of the Michigan merit examination for the purposes of the federal no child left behind act of 2001, Public Law 107-110, by December 31, 2006, all of the following apply:

(i) The provisions concerning state assessments under section 104a shall continue to apply to all pupils in grade 11 until the next calendar year that begins after that approval occurs.

(ii) The Michigan merit examination shall be offered to all pupils in grade 11 beginning in the next calendar year that begins after that approval occurs.

(iii) If it is necessary as part of the process of continuing to seek the approval of the United States department of education to use the Michigan merit examination for the purposes of the federal no child left behind act of 2001, Public Law 107-110, the department may again provide for the administration of both the state assessments under section 104a and the Michigan merit examination to a sample of pupils in grade 11 statewide as described in subdivision (a).

(2) The department shall take all steps necessary, including, but not limited to, conducting a content alignment study and statistical analyses, to obtain the approval of the United States department of education to use the Michigan merit examination for the purposes of the federal no child left behind act of 2001, Public Law 107-110, by not later than December 31, 2006 or as soon thereafter as possible.

(3) For the purposes of this section, the department of management and budget shall contract with 1 or more providers to develop, supply, and score the Michigan merit examination. The Michigan merit examination shall consist of all of the following:

(a) Assessment instruments that measure English language arts, mathematics, reading, and science and are used by colleges and universities in this state for entrance or placement purposes.

(b) One or more tests from 1 or more test developers that assess a pupil's ability to apply reading and mathematics skills in a manner that is intended to allow employers to use the results in making employment decisions.

(c) A social studies component.

(d) Any other component that is necessary to obtain the approval of the United States department of education to use the Michigan merit examination for the purposes of the federal no child left behind act of 2001, Public Law 107-110.

(4) In addition to all other requirements of this section, all of the following apply to the Michigan merit examination:

(a) The department of management and budget and the superintendent shall ensure that any contractor used for scoring the Michigan merit examination supplies an individual report for each pupil that will identify for the pupil's parents and teachers whether the pupil met expectations or failed to meet expectations for each standard, to allow the pupil's parents and teachers to assess and remedy problems before the pupil moves to the next grade.

(b) The department of management and budget and the superintendent shall ensure that any contractor used for scoring, developing, or processing the Michigan merit examination meets quality management standards commonly used in the assessment industry, including at least meeting level 2 of the capability maturity model developed by the software engineering institute of Carnegie Mellon university for the first year the Michigan merit examination is offered to all grade 11 pupils and at least meeting level 3 of the capability maturity model for subsequent years.

(c) The department of management and budget and the superintendent shall ensure that any contract for scoring, administering, or developing the Michigan merit examination includes specific deadlines for all steps of the assessment process, including, but not limited to, deadlines for the correct testing materials to be supplied to schools and for the correct results to be returned to schools, and includes penalties for noncompliance with these deadlines.

(d) The superintendent shall ensure that the Michigan merit examination meets all of the following:

(i) Is designed to test pupils on grade level content expectations or course content expectations, as appropriate, in all subjects tested.

(ii) Complies with requirements of the no child left behind act of 2001, Public Law 107-110.

(iii) Is consistent with the code of fair testing practices in education prepared by the joint committee on testing practices of the American psychological association.

(iv) Is factually accurate. If the superintendent determines that a question is not factually accurate and should be removed from an assessment instrument, the state board and the superintendent shall ensure that the question is removed from the assessment instrument.

(5) Beginning with pupils completing grade 11 in 2006, a district shall include on each pupil's high school transcript all of the following:

(a) For each high school graduate who has completed the Michigan merit examination under this section, the pupil's scaled score on each subject area component of the Michigan merit examination.

(b) The number of school days the pupil was in attendance at school each school year during high school and the total number of school days in session for each of those school years.

(6) The superintendent shall work with the provider or providers of the Michigan merit examination to produce Michigan merit examination subject area scores for each pupil participating in the Michigan merit examination, including scaling and merging of test items for the different subject area components. The superintendent shall design and distribute to districts, intermediate districts, and nonpublic schools a simple and concise document that describes the scoring for each subject area and indicates the scaled score ranges for each subject area.

(7) The Michigan merit examination shall be administered each year after March 1 and before June 1 to pupils in grade 11. The superintendent shall ensure that the Michigan merit examination is scored and the scores are returned to pupils, their parents or legal guardians, and districts not later than the beginning of the pupil's first semester of grade 12. The returned scores shall indicate at least the pupil's scaled score for each subject area component and the range of scaled scores for each subject area. In reporting the scores to pupils, parents, and schools, the superintendent shall provide standards-specific, meaningful, and timely feedback on the pupil's performance on the Michigan merit examination.

(8) A pupil who does not qualify for a Michigan merit award scholarship under the Michigan merit award scholarship act, 1999 PA 94, MCL 390.1451 to 390.1459, and who wants to repeat the Michigan merit examination may repeat the Michigan merit examination in the next school year on a designated testing date. The first time a pupil repeats the Michigan merit examination under this subsection shall be without charge to the pupil, but the pupil is responsible for paying the cost of any subsequent repeat.

(9) The superintendent shall ensure that the length of the Michigan merit examination and the combined total time necessary to administer all of the components of the Michigan merit examination are the shortest possible that will still maintain the degree of reliability and validity of the Michigan merit examination results determined necessary by the superintendent. The superintendent shall ensure that the maximum total combined length of time that schools are required to set aside for administration of all of the components of the Michigan merit examination does not exceed 8 hours.

(10) A district shall provide accommodations to a pupil with disabilities for the Michigan merit examination, as provided under section 504 of title V of the rehabilitation act of 1973, 29 USC 794; subtitle A of title II of the Americans with disabilities act of 1990, 42 USC 12131 to 12134; the individuals with disabilities education act amendments of 1997, Public Law 105-17; and the implementing regulations for those statutes. The provider or providers of the Michigan merit examination and the superintendent shall mutually agree upon the accommodations to be provided under this subsection.

(11) To the greatest extent possible, the Michigan merit examination shall be based on grade level content expectations or course content expectations, as appropriate.

(12) A child who is a student in a nonpublic school or home school may take the Michigan merit examination under this section. To take the Michigan merit examination, a child who is a student in a home school shall contact the district in which the child resides, and that district shall administer the Michigan merit examination, or the child may take the Michigan merit examination at a nonpublic school if allowed by the nonpublic school. Upon request from a nonpublic school, the superintendent shall direct the provider or providers to supply the Michigan merit examination to the nonpublic school and the nonpublic school may administer the Michigan merit examination. If a district administers the Michigan merit examination under this subsection to a child who is not enrolled in the district, the scores for that child are not considered for any purpose to be scores of a pupil of the district.

(13) In contracting under subsection (3), the department of management and budget shall consider a contractor that provides electronically-scored essays with the ability to score constructed response feedback in multiple languages and provide ongoing instruction and feedback.

(14) The purpose of the Michigan merit examination is to assess pupil performance in mathematics, science, social studies, and English language arts for the purpose of improving academic achievement and establishing a statewide standard of competency. The assessment under this section provides a common measure of data that will contribute to the improvement of Michigan schools' curriculum and instruction by encouraging alignment with Michigan's curriculum framework standards and promotes pupil participation in higher level mathematics, science, social studies, and English language arts courses. These standards are based upon the expectations of what pupils should learn through high school and are aligned with national standards.

(15) As used in this section:

(a) "English language arts" means reading and writing.

(b) "Social studies" means United States history, world history, world geography, economics, and American government.

History: Add. 2004, Act 593, Imd. Eff. Jan. 5, 2005

388.1705 Counting nonresident pupils in membership; application for enrollment; procedures.
Sec. 105.

(1) In order to avoid a penalty under this section, and in order to count a nonresident pupil residing within the same intermediate district in membership without the approval of the pupil's district of residence, a district shall comply with this section.

(2) Except as otherwise provided in this section, a district shall determine whether or not it will accept applications for enrollment by nonresident applicants residing within the same intermediate district for the next school year. If the district determines to accept applications for enrollment of a number of nonresidents, beyond those entitled to preference under this section, the district shall use the following procedures for accepting applications from and enrolling nonresidents:

(a) The district shall publish the grades, schools, and special programs, if any, for which enrollment may be available to, and for which applications will be accepted from, nonresident applicants residing within the same intermediate district.

(b) If the district has a limited number of positions available for nonresidents residing within the same intermediate district in a grade, school, or program, all of the following apply to accepting applications for and enrollment of nonresidents in that grade, school, or program:

(i) The district shall do all of the following not later than the second Friday in August:

(A) Provide notice to the general public that applications will be taken for a 15-day period from nonresidents residing within the same intermediate district for enrollment in that grade, school, or program. The notice shall identify the 15-day period and the place and manner for submitting applications.

(B) During the application period under sub-subparagraph (A), accept applications from nonresidents residing within the same intermediate district for enrollment in that grade, school, or program.

(C) Within 15 days after the end of the application period under sub-subparagraph (A), using the procedures and preferences required under this section, determine which nonresident applicants will be allowed to enroll in that grade, school, or program, using the random draw system required under subsection (14) as necessary, and notify the parent or legal guardian of each nonresident applicant of whether or not the applicant may enroll in the district. The notification to parents or legal guardians of nonresident applicants accepted for enrollment shall contain notification of the date by which the applicant must enroll in the district and procedures for enrollment.

(ii) Beginning on the third Monday in August and not later than the end of the first week of school, if any positions become available in a grade, school, or program due to accepted applicants failing to enroll or to more positions being added, the district may enroll nonresident applicants from the waiting list maintained under subsection (14), offering enrollment in the order that applicants appear on the waiting list. If there are still positions available after enrolling all applicants from the waiting list who desire to enroll, the district may not fill those positions until the second semester enrollment under subsection (3), as provided under that subsection, or until the next school year.

(c) For a grade, school, or program that has an unlimited number of positions available for nonresidents residing within the same intermediate district, all of the following apply to enrollment of nonresidents in that grade, school, or program:

(i) The district may accept applications for enrollment in that grade, school, or program, and may enroll nonresidents residing within the same intermediate district in that grade, school, or program, until the end of the first week of school. The district shall provide notice to the general public of the place and manner for submitting applications and, if the district has a limited

application period, the notice shall include the dates of the application period. The application period shall be at least a 15-day period.

(ii) Not later than the end of the first week of school, the district shall notify the parent or legal guardian of each nonresident applicant who is accepted for enrollment that the applicant has been accepted for enrollment in the grade, school, or program and of the date by which the applicant must enroll in the district and the procedures for enrollment.

(3) If a district determines during the first semester of a school year that it has positions available for enrollment of a number of nonresidents residing within the same intermediate district, beyond those entitled to preference under this section, for the second semester of the school year, the district may accept applications from and enroll nonresidents residing within the same intermediate district for the second semester using the following procedures:

(a) Not later than 2 weeks before the end of the first semester, the district shall publish the grades, schools, and special programs, if any, for which enrollment for the second semester may be available to, and for which applications will be accepted from, nonresident applicants residing within the same intermediate district.

(b) During the last 2 weeks of the first semester, the district shall accept applications from nonresidents residing within the same intermediate district for enrollment for the second semester in the available grades, schools, and programs.

(c) By the beginning of the second semester, using the procedures and preferences required under this section, the district shall determine which nonresident applicants will be allowed to enroll in the district for the second semester and notify the parent or legal guardian of each nonresident applicant residing within the same intermediate district of whether or not the applicant may enroll in the district. The notification to parents or legal guardians of nonresident applicants accepted for enrollment shall contain notification of the date by which the applicant must enroll in the district and procedures for enrollment.

(4) If deadlines similar to those described in subsection (2) or (3) have been established in an intermediate district, and if those deadlines are not later than the deadlines under subsection (2) or (3), the districts within the intermediate district may use those deadlines.

(5) A district offering to enroll nonresident applicants residing within the same intermediate district may limit the number of nonresident pupils it accepts in a grade, school, or program, at its discretion, and may use that limit as the reason for refusal to enroll an applicant.

(6) A nonresident applicant residing within the same intermediate district shall not be granted or refused enrollment based on intellectual, academic, artistic, or other ability, talent, or accomplishment, or lack thereof, or based on a mental or physical disability, except that a district may refuse to admit a nonresident applicant if the applicant does not meet the same criteria, other than residence, that an applicant who is a resident of the district must meet to be accepted for enrollment in a grade or a specialized, magnet, or intra-district choice school or program to which the applicant applies.

(7) A nonresident applicant residing within the same intermediate district shall not be granted or refused enrollment based on age, except that a district may refuse to admit a nonresident applicant applying for a program that is not appropriate for the age of the applicant.

(8) A nonresident applicant residing within the same intermediate district shall not be granted or refused enrollment based upon religion, race, color, national origin, sex, height, weight, marital status, or athletic ability, or, generally, in violation of any state or federal law prohibiting discrimination.

(9) Subject to subsection (10), a district may refuse to enroll a nonresident applicant if any of the following are met:

(a) The applicant is, or has been within the preceding 2 years, suspended from another school.

(b) The applicant, at any time before enrolling under this section, has been expelled from another school.

(c) The applicant, at any time before enrolling under this section, has been convicted of a felony.

(10) If a district has counted a pupil in membership on either the pupil membership count day or the supplemental count day, the district shall not refuse to enroll or refuse to continue to enroll that pupil for a reason specified in subsection (9). This subsection does not prohibit a district from expelling a pupil described in this subsection for disciplinary reasons.

(11) A district shall continue to allow a pupil who was enrolled in and attended the district under this section in the school year or semester immediately preceding the school year or semester in question to enroll in the district until the pupil graduates from high school. This subsection does not prohibit a district from expelling a pupil described in this subsection for disciplinary reasons.

(12) A district shall give preference for enrollment under this section over all other nonresident applicants residing within the same intermediate district to other school-age children who reside in the same household as a pupil described in subsection (11).

(13) If a nonresident pupil was enrolled in and attending school in a district as a nonresident pupil in the 1995-96 school year and continues to be enrolled continuously each school year in that district, the district shall allow that nonresident pupil to continue to enroll in and attend school in the district until high school graduation, without requiring the nonresident pupil to apply for enrollment under this section. This subsection does not prohibit a district from expelling a pupil described in this subsection for disciplinary reasons.

(14) If the number of qualified nonresident applicants eligible for acceptance in a school, grade, or program does not exceed the positions available for nonresident pupils in the school, grade, or program, the school district shall accept for enrollment all of the qualified nonresident applicants eligible for acceptance. If the number of qualified nonresident applicants residing within the same intermediate district eligible for acceptance exceeds the positions available in a grade, school, or program in a district for nonresident pupils, the district shall use a random draw system, subject to the need to abide by state and federal antidiscrimination laws and court orders and subject to preferences allowed by this section. The district shall develop and maintain a waiting list based on the order in which nonresident applicants were drawn under this random draw system.

(15) If a district, or the nonresident applicant, requests the district in which a nonresident applicant resides to supply information needed by the district for evaluating the applicant's application for enrollment or for enrolling the applicant, the district of residence shall provide that information on a timely basis.

(16) If a district is subject to a court-ordered desegregation plan, and if the court issues an order prohibiting pupils residing in that district from enrolling in another district or prohibiting pupils residing in another district from enrolling in that district, this section is subject to the court order.

(17) This section does not require a district to provide transportation for a nonresident pupil enrolled in the district under this section or for a resident pupil enrolled in another district under this section. However, at the time a nonresident pupil enrolls in the district, a district shall provide to the pupil's parent or legal guardian information on available transportation to and from the school in which the pupil enrolls.

(18) A district may participate in a cooperative education program with 1 or more other districts or intermediate districts whether or not the district enrolls any nonresidents pursuant to this section.

(19) A district that, pursuant to this section, enrolls a nonresident pupil who is eligible for special education programs and services according to statute or rule, or who is a child with disabilities, as defined under the individuals with disabilities education act, Public Law 108-446, shall be considered to be the resident district of the pupil for the purpose of providing the pupil with a free appropriate public education. Consistent with

state and federal law, that district is responsible for developing and implementing an individualized education plan annually for a nonresident pupil described in this subsection.

(20) If a district does not comply with this section, the district forfeits 5% of the total state school aid allocation to the district under this act.

(21) Upon application by a district, the superintendent may grant a waiver for the district from a specific requirement under this section for not more than 1 year.

History: Add. 1996, Act 300, Imd. Eff. June 19, 1996 ;-- Am. 1998, Act 553, Imd. Eff. Jan. 27, 1999 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Former MCL 388.1705, which pertained to age of pupils counted in membership, was repealed by Act 175 of 1993, Eff. Oct. 1, 1993.Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1705a Repealed. 2006, Act 342, Eff. Oct. 1, 2006.

Compiler's Notes: The repealed section pertained to counting nonresident pupils in membership.

388.1705b Intermediate district operating under pilot schools of choice program.

Sec. 105b.

If an intermediate district is operating under an intermediate district pilot schools of choice program established under former section 91 or as described in section 91a, the intermediate district and its constituent districts are exempt from section 105.

History: Add. 1997, Act 24, Imd. Eff. June 16, 1997 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000

388.1705c Enrollment by nonresident applicants residing in district located in a contiguous intermediate district.

Sec. 105c.

(1) In order to avoid a penalty under this section, and in order to count a nonresident pupil residing in a district located in a contiguous intermediate district in membership without the approval of the pupil's district of residence, a district shall comply with this section.

(2) Except as otherwise provided in this section, a district shall determine whether or not it will accept applications for enrollment by nonresident applicants residing in a district located in a contiguous intermediate district for the next school year. If the district determines to accept applications for enrollment of a number of nonresidents under this section, beyond those entitled to preference under this section, the district shall use the following procedures for accepting applications from and enrolling nonresidents under this section:

(a) The district shall publish the grades, schools, and special programs, if any, for which enrollment may be available to, and for which applications will be accepted from, nonresident applicants residing in a district located in a contiguous intermediate district.

(b) If the district has a limited number of positions available for nonresidents residing in a district located in a contiguous intermediate district in a grade, school, or program, all of the following apply to accepting applications for and enrollment of nonresidents under this section in that grade, school, or program:

(i) The district shall do all of the following not later than the second Friday in August:

(A) Provide notice to the general public that applications will be taken for a 15-day period from nonresidents residing in a district located in a contiguous intermediate district for enrollment in that grade, school, or program. The notice shall identify the 15-day period and the place and manner for submitting applications.

(B) During the application period under sub-subparagraph (A), accept applications from nonresidents residing in a district located in a contiguous intermediate district for enrollment in that grade, school, or program.

(C) Within 15 days after the end of the application period under sub-subparagraph (A), using the procedures and preferences required under this section, determine which nonresident applicants will be allowed to enroll under this section in that grade, school, or program, using the random draw system required under subsection (14) as necessary, and notify the parent or legal guardian of each nonresident applicant of whether or not the applicant may enroll in the district. The notification to parents or legal guardians of nonresident applicants accepted for enrollment under this section shall contain notification of the date by which the applicant must enroll in the district and procedures for enrollment.

(ii) Beginning on the third Monday in August and not later than the end of the first week of school, if any positions become available in a grade, school, or program due to accepted applicants failing to enroll or to more positions being added, the district may enroll nonresident applicants from the waiting list maintained under subsection (14), offering enrollment in the order that applicants appear on the waiting list. If there are still positions available after enrolling all applicants from the waiting list who desire to enroll, the district may not fill those positions until the second semester enrollment under subsection (3), as provided under that subsection, or until the next school year.

(c) For a grade, school, or program that has an unlimited number of positions available for nonresidents residing in a district located in a contiguous intermediate district, all of the following apply to enrollment of nonresidents in that grade, school, or program under this section:

(i) The district may accept applications for enrollment in that grade, school, or program, and may enroll nonresidents residing in a district located in a contiguous intermediate district in that grade, school, or program, until the end of the first week of school. The district shall provide notice to the general public of the place and manner for submitting applications and, if the district has a limited application period, the notice shall include the dates of the application period. The application period shall be at least a 15-day period.

(ii) Not later than the end of the first week of school, the district shall notify the parent or legal guardian of each nonresident applicant who is accepted for enrollment under this section that the applicant has been accepted for enrollment in the grade, school, or program and of the date by which the applicant must enroll in the district and the procedures for enrollment.

(3) If a district determines during the first semester of a school year that it has positions available for enrollment of a number of nonresidents residing in a district located in a contiguous intermediate district, beyond those entitled to preference under this section, for the second semester of the school year, the district may accept applications from and enroll nonresidents residing in a district located in a contiguous intermediate district for the second semester using the following procedures:

(a) Not later than 2 weeks before the end of the first semester, the district shall publish the grades, schools, and special programs, if any, for which enrollment for the second semester may be available to, and for which applications will be accepted from, nonresident applicants residing in a district located in a contiguous intermediate district.

(b) During the last 2 weeks of the first semester, the district shall accept applications from nonresidents residing in a district located in a contiguous intermediate district for enrollment for the second semester in the available grades, schools, and programs.

(c) By the beginning of the second semester, using the procedures and preferences required under this section, the district shall determine which nonresident applicants will be allowed to enroll under this section in the district for the second semester and notify the parent or legal guardian of each nonresident applicant residing in a district located in a contiguous intermediate district of whether or not the applicant may enroll in the district. The notification to parents or legal guardians of nonresident applicants accepted for enrollment shall contain notification of the date by which the applicant must enroll in the district and procedures for enrollment.

(4) If deadlines similar to those described in subsection (2) or (3) have been established in an intermediate district, and if those deadlines are not later than the deadlines under subsection (2) or (3), the districts within the intermediate district may use those deadlines.

(5) A district offering to enroll nonresident applicants residing in a district located in a contiguous intermediate district may limit the number of those nonresident pupils it accepts in a grade, school, or program, at its discretion, and may use that limit as the reason for refusal to enroll an applicant under this section.

(6) A nonresident applicant residing in a district located in a contiguous intermediate district shall not be granted or refused enrollment based on intellectual, academic, artistic, or other ability, talent, or accomplishment, or lack thereof, or based on a mental or physical disability, except that a district may refuse to admit a nonresident applicant under this section if the applicant does not meet the same criteria, other than residence, that an applicant who is a resident of the district must meet to be accepted for enrollment in a grade or a specialized, magnet, or intra-district choice school or program to which the applicant applies.

(7) A nonresident applicant residing in a district located in a contiguous intermediate district shall not be granted or refused enrollment under this section based on age, except that a district may refuse to admit a nonresident applicant applying for a program that is not appropriate for the age of the applicant.

(8) A nonresident applicant residing in a district located in a contiguous intermediate district shall not be granted or refused enrollment under this section based upon religion, race, color, national origin, sex, height, weight, marital status, or athletic ability, or, generally, in violation of any state or federal law prohibiting discrimination.

(9) Subject to subsection (10), a district may refuse to enroll a nonresident applicant under this section if any of the following are met:

(a) The applicant is, or has been within the preceding 2 years, suspended from another school.

(b) The applicant, at any time before enrolling under this section, has been expelled from another school.

(c) The applicant, at any time before enrolling under this section, has been convicted of a felony.

(10) If a district has counted a pupil in membership on either the pupil membership count day or the supplemental count day, the district shall not refuse to enroll or refuse to continue to enroll that pupil for a reason specified in subsection (9). This subsection does not prohibit a district from expelling a pupil described in this subsection for disciplinary reasons.

(11) A district shall continue to allow a pupil who was enrolled in and attended the district under this section in the school year or semester immediately preceding the school year or semester in question to enroll in the district until the pupil graduates from high school. This subsection does not prohibit a district from expelling a pupil described in this subsection for disciplinary reasons.

(12) A district shall give preference for enrollment under this section over all other nonresident applicants residing in a district located in a contiguous intermediate district to other school-age children who reside in the same household as a pupil described in subsection (11).

(13) If a nonresident pupil was enrolled in and attending school in a district as a nonresident pupil in the 1995-96 school year and continues to be enrolled continuously each school year in that district, the district shall allow that nonresident pupil to continue to enroll in and attend school in the district until high school graduation, without requiring the nonresident pupil to apply for enrollment under this section. This subsection does not prohibit a district from expelling a pupil described in this subsection for disciplinary reasons.

(14) If the number of qualified nonresident applicants eligible for acceptance under this section in a school, grade, or program does not exceed the positions available for nonresident pupils under this section in the school, grade, or program, the school district shall accept for enrollment all of the qualified nonresident applicants eligible for acceptance. If the number of qualified nonresident applicants residing in a district located in a contiguous intermediate district eligible for acceptance under this section exceeds the positions available in a grade, school, or program in a district for nonresident pupils, the district shall use a random draw system, subject to the need to abide by state and federal antidiscrimination laws and court orders and subject to preferences allowed by this section. The district shall develop and maintain a waiting list based on the order in which nonresident applicants were drawn under this random draw system.

(15) If a district, or the nonresident applicant, requests the district in which a nonresident applicant resides to supply information needed by the district for evaluating the applicant's application for enrollment or for enrolling the applicant under this section, the district of residence shall provide that information on a timely basis.

(16) If a district is subject to a court-ordered desegregation plan, and if the court issues an order prohibiting pupils residing in that district from enrolling in another district or prohibiting pupils residing in another district from enrolling in that district, this section is subject to the court order.

(17) This section does not require a district to provide transportation for a nonresident pupil enrolled in the district under this section or for a resident pupil enrolled in another district under this section. However, at the time a nonresident pupil enrolls in the district, a district shall provide to the pupil's parent or legal guardian information on available transportation to and from the school in which the pupil enrolls.

(18) A district may participate in a cooperative education program with 1 or more other districts or intermediate districts whether or not the district enrolls any nonresidents pursuant to this section.

(19) In order for a district or intermediate district to enroll pursuant to this section a nonresident pupil who resides in a district located in a contiguous intermediate district and who is eligible for special education programs and services according to statute or rule, or who is a child with disabilities, as defined under the individuals with disabilities education act, Public Law 108-446, the enrolling district shall have a written agreement with the resident district of the pupil for the purpose of providing the pupil with a free appropriate public education. The written agreement shall include, but is not limited to, an agreement on the responsibility for the payment of the added costs of special education programs and services for the pupil.

(20) If a district does not comply with this section, the district forfeits 5% of the total state school aid allocation to the district under this act.

(21) Upon application by a district, the superintendent may grant a waiver for the district from a specific requirement under this section for not more than 1 year.

(22) This section is repealed if the final decision of a court of competent jurisdiction holds that any portion of this section is unconstitutional, ineffective, invalid, or in violation of federal law.

(23) As used in this section, "district located in a contiguous intermediate district" means a district located in an intermediate district that is contiguous to the intermediate district in which a pupil's district of residence is located.

History: Add. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1706 Pupils not counted in membership.

Sec. 106.

A pupil enrolled in a public school program organized under federal or state supervision and in which the teaching costs are fully subsidized from federal or state funds shall not be counted in membership.

History: 1979, Act 94, Eff. Oct. 1, 1979

388.1707 Allocation for adult education programs.

Sec. 107.

(1) From the appropriation in section 11, there is allocated an amount not to exceed $24,000,000.00 for 2006-2007 for adult education programs authorized under this section.

(2) To be eligible to be a participant funded under this section, a person shall be enrolled in an adult basic education program, an adult English as a second language program, a general educational development (G.E.D.) test preparation program, a job or employment related program, or a high school completion program, that meets the requirements of this section, and shall meet either of the following, as applicable:

(a) If the individual has obtained a high school diploma or a general educational development (G.E.D.) certificate, the individual meets 1 of the following:

(i) Is less than 20 years of age on September 1 of the school year and is enrolled in the state technical institute and rehabilitation center.

(ii) Is less than 20 years of age on September 1 of the school year, is not attending an institution of higher education, and is enrolled in a job or employment-related program through a referral by an employer.

(iii) Is enrolled in an English as a second language program.

(iv) Is enrolled in a high school completion program.

(b) If the individual has not obtained a high school diploma or G.E.D. certificate, the individual meets 1 of the following:

(i) Is at least 20 years of age on September 1 of the school year.

(ii) Is at least 16 years of age on September 1 of the school year, has been permanently expelled from school under section 1311(2) or 1311a of the revised school code, MCL 380.1311 and 380.1311a, and has no appropriate alternative education program available through his or her district of residence.

(3) Except as otherwise provided in subsection (4), from the amount allocated under subsection (1), $22,500,000.00 shall be distributed as follows:

(a) For districts and consortia that received payments for 2005-2006 under this section, the amount allocated to each for 2006-2007 shall be based on the number of participants served by the district or consortium for 2006-2007, using the amount allocated per full-time equated participant under subsection (6), up to a maximum total allocation under this subsection in an amount equal to 107.1% of the amount the district or consortium received for 2005-2006 under this section before any reallocations made for 2005-2006 under subsection (4).

(b) A district or consortium that received funding in 2003-2004 under this section may operate independently of a consortium or join or form a consortium for 2006-2007. The allocation for 2006-2007 to the district or the newly formed consortium under this subsection shall be determined by the department of labor and economic growth and shall be based on the proportion of the amounts that are attributable to the district or consortium that received funding in 2005-2006. A district or consortium described in this subdivision shall notify the department of labor and economic growth of its intention with regard to 2006-2007 by October 1, 2006.

(4) A district that operated an adult education program in 2005-2006 and does not intend to operate a program in 2006-2007 shall notify the department of labor and economic growth by October 1, 2006 of its intention. The funds intended to be allocated under this section to a district that does not operate a program in 2006-2007 and the unspent funds originally allocated under this section to a district or consortium that subsequently operates a program at less than the level of funding allocated under subsection (3) shall instead be proportionately reallocated to the other districts described in subsection (3)(a) that are operating an adult education program in 2006-2007 under this section.

(5) From the amount allocated under subsection (1), $1,500,000.00 shall be allocated as follows:

(a) At least $1,300,000.00 shall be allocated for districts or consortia that did not receive payments for 2005-2006 under this section and that notify the department of labor and economic growth by October 1, 2006 of an intention to operate a program in 2006-2007 and provide an estimate of full-time equated participants to be served. The allocation for 2006-2007 shall be based on the number of participants served by the district or consortium for 2006-2007, using the amount allocated per full-time equated participant under subsection (6), up to a maximum total allocation under this subsection in an amount equal to $1,400,000.00.

(b) Up to a maximum of $200,000.00 shall be allocated for not more than 1 grant not to exceed $200,000.00 for expansion of an existing innovative community college program that focuses on educating adults. Grants may be used for program operating expenses such as staffing, rent, equipment, and other expenses. To be eligible for this grant funding, a program must meet the following criteria:

(i) Collaborates with local districts and businesses to determine area academic needs and to promote the learning opportunities.

(ii) Is located off-campus in an urban residential setting with documented high poverty and low high school graduation rates.

(iii) Provides general educational development (G.E.D.) test preparation courses and workshops.

(iv) Provides developmental courses taught by college faculty that prepare students to be successful in college-level courses.

(v) Uses learning communities to allow for shared, rather than isolated, learning experiences.

(vi) Provides on-site tutoring.

(vii) Provides access to up-to-date technology, including personal computers.

(viii) Partners with a financial institution to provide financial literacy education.

(ix) Assists students in gaining access to financial aid.

(x) Provides on-site academic advising to students.

(xi) Provides vouchers for reduced G.E.D. testing costs.

(xii) Partners with local agencies to provide referrals for social services as needed.

(xiii) Enrolls participants as students of the community college.

(xiv) Partners with philanthropic and business entities to provide capital funding.

(c) After October 1, 2006, if the department of labor and economic growth determines that there will be unspent funds under this subsection, then those unspent funds shall instead be proportionally reallocated to the districts or consortia that receive funds under subsection (3)(a) and under this subsection.

(6) The amount allocated under this section per full-time equated participant is $2,850.00 for a 450-hour program. The amount shall be proportionately reduced for a program offering less than 450 hours of instruction.

(7) An adult basic education program or an adult English as a second language program operated on a year-round or school year basis may be funded under this section, subject to all of the following:

(a) The program enrolls adults who are determined by an appropriate assessment to be below ninth grade level in reading or mathematics, or both, or to lack basic English proficiency.

(b) The program tests individuals for eligibility under subdivision (a) before enrollment and tests participants to determine progress after every 90 hours of attendance, using assessment instruments approved by the department of labor and economic growth.

(c) A participant in an adult basic education program is eligible for reimbursement until 1 of the following occurs:

(i) The participant's reading and mathematics proficiency are assessed at or above the ninth grade level.

(ii) The participant fails to show progress on 2 successive assessments after having completed at least 450 hours of instruction.

(d) A funding recipient enrolling a participant in an English as a second language program is eligible for funding according to subsection (11) until the participant meets 1 of the following:

(i) The participant is assessed as having attained basic English proficiency.

(ii) The participant fails to show progress on 2 successive assessments after having completed at least 450 hours of instruction. The department of labor and economic growth shall provide information to a funding recipient regarding appropriate assessment instruments for this program.

(8) A general educational development (G.E.D.) test preparation program operated on a year-round or school year basis may be funded under this section, subject to all of the following:

(a) The program enrolls adults who do not have a high school diploma.

(b) The program shall administer a G.E.D. pre-test approved by the department of labor and economic growth before enrolling an individual to determine the individual's potential for success on the G.E.D.

test, and shall administer other tests after every 90 hours of attendance to determine a participant's readiness to take the G.E.D. test.

(c) A funding recipient shall receive funding according to subsection (11) for a participant, and a participant may be enrolled in the program until 1 of the following occurs:

(i) The participant passes the G.E.D. test.

(ii) The participant fails to show progress on 2 successive tests used to determine readiness to take the G.E.D. test after having completed at least 450 hours of instruction.

(9) A high school completion program operated on a year-round or school year basis may be funded under this section, subject to all of the following:

(a) The program enrolls adults who do not have a high school diploma.

(b) A funding recipient shall receive funding according to subsection (11) for a participant in a course offered under this subsection until 1 of the following occurs:

(i) The participant passes the course and earns a high school diploma.

(ii) The participant fails to earn credit in 2 successive semesters or terms in which the participant is enrolled after having completed at least 900 hours of instruction.

(10) A job or employment-related adult education program operated on a year-round or school year basis may be funded under this section, subject to all of the following:

(a) The program enrolls adults referred by their employer who are less than 20 years of age, have a high school diploma, are determined to be in need of remedial mathematics or communication arts skills and are not attending an institution of higher education.

(b) An individual may be enrolled in this program and the grant recipient shall receive funding according to subsection (11) until 1 of the following occurs:

(i) The individual achieves the requisite skills as determined by appropriate assessment instruments administered at least after every 90 hours of attendance.

(ii) The individual fails to show progress on 2 successive assessments after having completed at least 450 hours of instruction. The department of labor and economic growth shall provide information to a funding recipient regarding appropriate assessment instruments for this program.

(11) A funding recipient shall receive payments under this section in accordance with the following:

(a) Ninety percent for enrollment of eligible participants.

(b) Ten percent for completion of the adult basic education objectives by achieving an increase of at least 1 grade level of proficiency in reading or mathematics; for achieving basic English proficiency; for passage of the G.E.D. test; for passage of a course required for a participant to attain a high school diploma; or for completion of the course and demonstrated proficiency in the academic skills to be learned in the course, as applicable.

(12) As used in this section, "participant" means the sum of the number of full-time equated individuals enrolled in and attending a department-approved adult education program under this section, using quarterly participant count days on the schedule described in section 6(7)(b).

(13) A person who is not eligible to be a participant funded under this section may receive adult education services upon the payment of tuition. In addition, a person who is not eligible to be served in a program under this section due to the program limitations specified in subsection (7), (8), (9), or (10) may continue

to receive adult education services in that program upon the payment of tuition. The tuition level shall be determined by the local or intermediate district conducting the program.

(14) An individual who is an inmate in a state correctional facility shall not be counted as a participant under this section.

(15) A district shall not commingle money received under this section or from another source for adult education purposes with any other funds of the district. A district receiving adult education funds shall establish a separate ledger account for those funds. This subsection does not prohibit a district from using general funds of the district to support an adult education or community education program.

(16) A district or intermediate district receiving funds under this section may establish a sliding scale of tuition rates based upon a participant's family income. A district or intermediate district may charge a participant tuition to receive adult education services under this section from that sliding scale of tuition rates on a uniform basis. The amount of tuition charged per participant shall not exceed the actual operating cost per participant minus any funds received under this section per participant. A district or intermediate district may not charge a participant tuition under this section if the participant's income is at or below 200% of the federal poverty guidelines published by the United States department of health and human services.

History: Add. 1996, Act 300, Imd. Eff. June 19, 1996 ;-- Am. 1997, Act 24, Imd. Eff. June 16, 1997 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Former MCL 388.1707, which pertained to adult education programs, was repealed by Act 336 of 1993, Eff. Oct. 1, 1994.In subsection (1), as amended by Act 121 of 2001, the phrase "and for 2002-2003" was vetoed by the governor September 28, 2001.In subdivision (3)(a), as amended by Act 121 of 2001, the phrase "and 2002-2003" was vetoed by the governor September 28, 2001.In subdivision (3)(b), as amended by Act 121 of 2001, the phrase "and for 2002-2003" was vetoed by the governor September 28, 2001.Enacting section 3 of Act 521 of 2002 provides:"Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Subsection (16), as amended by Act 158 of 2003, was vetoed by the governor on August 11, 2003.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1707a Repealed. 2004, Act 351, Eff. Oct. 1, 2004.

Compiler's Notes: The repealed section pertained to family resource center curriculum blue ribbon study committee.

388.1707b Repealed. 2005, Act 155, Eff. Oct. 1, 2005.

Compiler's Notes: The repealed section pertained to adult learning system pilot project.

388.1707c, 388.1707d Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed sections pertained to literacy project grants and adult education categorical grants.

388.1707e Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to adult education programs.

388.1707f Repealed. 1996, Act 300, Eff. Oct. 1, 1996.

Compiler's Notes: The repealed section pertained to adult education programs.

388.1708 Repealed. 2004, Act 351, Eff. Oct. 1, 2004.

Compiler's Notes: The repealed section pertained to adult learning programs.

388.1709 Providing appropriate instructional services to pupil requiring hospitalization or confinement at home.

Sec. 109.

(1) Subject to subsection (2), in order to receive funds under this act, each district or intermediate district shall provide appropriate instructional services, as determined by the district or intermediate district, to an enrolled pupil who is certified by the pupil's attending physician as having a medical condition that requires the pupil to be hospitalized or confined to his or her home during regular school hours and that is expected to require the hospitalization or confinement for a period longer than 5 school days. The district or intermediate district may provide the services itself or may contract with an intermediate district, a hospital, a treatment center, or another district to provide the services. In choosing a provider for the instructional services, the district or intermediate district shall consider which of those potential providers is best able to deliver the appropriate instructional services. The district or intermediate district shall pay reasonable costs as agreed upon between the district or intermediate district and the provider for services provided to a pupil under this section.

(2) A district or intermediate district is required to provide instructional services under subsection (1) to a pupil placed in a hospital, treatment center, or other treatment facility without the district's or intermediate district's prior knowledge only if the district or intermediate district is notified of the pupil's placement by the hospital, treatment center, facility, or the pupil's parent or legal guardian. Upon being notified, the district or intermediate district shall make arrangements to provide instructional services under subsection (1) within 3 school days after being notified.

(3) Not later than October 15 of each odd numbered year, the department shall prepare and distribute to each district and intermediate district a written explanation of the operation of this section and the respective duties of all affected parties. The department shall provide a copy of the explanation to any other person upon request.

History: Add. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994

Article 11

388.1711 Tuition rates; computation; uniformity.

Sec. 111.

A district having tuition pupils enrolled on the pupil membership count day of each year may charge the district of residence an amount for tuition that does not exceed the tuition rate computed under section 1401 of the revised school code, MCL 380.1401. The rate charged by a district shall be uniform within each category of tuition pupils enrolled in the district. However, for a tuition pupil who resides in a K-5, K-6, or K-8 district and who is enrolled in a grade not offered by the pupil's district of residence, the tuition rate charged to the pupil's district of residence shall not exceed the foundation allowance of the pupil's district of residence or the foundation allowance of the educating district, whichever is greater.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1980, Act 320, Imd. Eff. Dec. 10, 1980 ;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1983, Act 169, Eff. Oct. 1, 1983 ;-- Am. 1984, Act 239, Eff. Oct. 1, 1984 ;-- Am. 1985, Act 4, Imd. Eff. Mar. 27, 1985 ;-- Am. 1986, Act 97, Imd. Eff. May 14, 1986 ;-- Am. 1988, Act 318, Eff. Oct. 1, 1988 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 200, Imd. Eff. Jan. 2, 1992

;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1995 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 360, Imd. Eff. Dec. 22, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997

Compiler's Notes: In his veto message relative to Enrolled House Bill 4572, which became Act 118 of 1991, the governor stated that "the tradition of not re-enacting annually the unchanged appropriation sections of the school aid act is constitutionally flawed. It assumes the invalid creation of a continuing appropriation. Therefore, the following sections of the school aid act and their associated allocations must be considered inoperative: 24, 55, 74, 75, 105a, 111, and 116. These sections will be treated as excluded from the current bill... ."

388.1712 Full-day kindergarten; tuition or fee prohibited.

Sec. 112.

A district receiving funds under this act shall not charge tuition or any other fee for full-day kindergarten for a pupil who is eligible to enroll in the district.

History: Add. 1997, Act 93, Eff. Oct. 1, 1997

388.1713 Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to pupils residing in juvenile or detention home and attending school by court direction.

388.1716 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to American Indian pupils.

388.1717 Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to charging legal amount of tuition as requirement for allotment or payment.

388.1718 Conditions for allotment or payment; failure to pay full amount; remittance; deduction from school aid.

Sec. 118.

(1) Subject to subsection (3), a district shall not be allotted or paid a sum under this act unless that district pays the agreed-upon amount of tuition or other payment for pupils educated outside the boundaries of the pupil's district of residence.

(2) A district that sends pupils to 1 or more districts, that is legally liable for the payment of the amount described in subsection (1), and that fails to pay that amount in full before April 1 of each year shall remit the full amount owed to the receiving district before making any other financial expenditure or commitment for the next school fiscal year.

(3) The department shall not deduct any amount from a district's state school aid pursuant to this section unless the receiving district demonstrates to the satisfaction of the department, not later than April 30 of the same fiscal year, that the liable district has not paid the required amount as described in subsection (2).

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995

Article 12

388.1721 Valuation of district; adjustments.

Sec. 121.

(1) The valuation of a whole or fractional district shall be the total taxable value of the property contained in the whole or fractional district as last determined by the state tax commission and placed on the ad

valorem tax roll. For purposes of computations made under this act, except as provided in section 26, the taxable value of a district or intermediate district shall include the value of property used to calculate the tax imposed on lessees or users of tax-exempt property under 1953 PA 189, MCL 211.181 to 211.182, and the value of property used to calculate the state payment in lieu of taxes on state purchased property under section 2153 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2153. Adjustments to this taxable value shall be made for all of the following:

(a) State tax tribunal decisions.

(b) Court decisions.

(c) Local board of review adjustments made after the state tax commission determination.

(d) Lands deeded to the state for jurisdictions without delinquent tax revolving funds or for jurisdictions that have required repayment to the delinquent tax revolving funds.

(e) The requirements of this act.

(2) Adjustments under subsection (1) shall not be made for more than the 6 state fiscal years immediately preceding the state fiscal year in which the adjustment is made, except that an adjustment pursuant to a state tax tribunal decision or court decision shall be made for the tax years involved in the decision and any subsequent years affected by the decision.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1986, Act 212, Eff. Oct. 1, 1986 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1721a Repealed. 2003, Act 158, Eff. Oct. 1, 2003.

Compiler's Notes: The repealed section pertained to state education tax.

388.1722 Deducting valuation of property from valuation of district; condition; credit as lien; payment of school aid fund.

Sec. 122.

The valuation of property assessed under Act No. 189 of the Public Acts of 1953, as amended, being sections 211.181 to 211.182 of the Michigan Compiled Laws, shall be deducted from the total valuation of a district if school taxes levied against the property are not collected from the lessee or user of the property. The credit so obtained by a district in the calculation of payments to the district under this act shall remain a lien against the district and shall be paid by the district to the school aid fund when the taxes are collected.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994

388.1724 Reducing valuation of district when taxes paid under certain conditions; credits as lien against district; payment to school aid fund; implementation of subsection (2).

Sec. 124.

(1) If taxes levied for operating purposes against property constituting at least 5% of the valuation of a district are paid under protest and, therefore, are unavailable to the district, the total valuation of the district for the purposes of this act shall be reduced by the valuation of the property. The credits so obtained by a district in the calculation of payments to the district under this act shall remain a lien against the district and shall be paid by the district to the school aid fund when the taxes are collected.

(2) If taxes levied for operating purposes against property constituting at least 5% of the valuation of a district are not paid by a single bankrupt debtor that files for reorganization under chapter 11 of title 11 of the United States Code, 11 U.S.C. 1101 to 1174, and, therefore, are unavailable to the district, the total valuation of the district for the purposes of this act shall be reduced by the valuation of the property. The credits so obtained by a district in the calculation of payments to the district under this act shall remain a lien against the district and shall be paid by the district to the school aid fund when the taxes are collected. This subsection shall be implemented upon verification by the department that the district has taken proper action to attempt to secure payment of taxes by the bankrupt debtor.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1982, Act 276, Imd. Eff. Oct. 5, 1982 ;-- Am. 1987, Act 17, Imd. Eff. Apr. 24, 1987 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Imd. Eff. June 30, 1995 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997

Article 14

388.1743-388.1744a Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed sections pertained to amounts allocated to eligible districts, allocations to applicants sustaining SEV reduction due to listing of forest land, deductions of amounts, and sources of revenue.

388.1745 Repealed. 1996, Act 300, Eff. Oct. 1, 1996.

Compiler's Notes: The repealed section pertained to state share of desegregation costs.

388.1746 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed section pertained to social security and medicare obligations.

388.1746a Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to payments to districts for social security and medicare.

388.1747 Allocations to public school employees' retirement system.

Sec. 147.

The allocation for 2006-2007 for the public school employees' retirement system pursuant to the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1408, shall be made using the entry age normal cost actuarial method and risk assumptions adopted by the public school employees retirement board and the department of management and budget. The annual level percentage of payroll contribution rate is estimated at 17.74% for the 2006-2007 state fiscal year. The portion of the contribution rate assigned to districts and intermediate districts for each fiscal year is all of the total percentage points. This contribution rate reflects an amortization period of 30 years for 2006-2007. The public school employees' retirement system board shall notify each district and intermediate district by February 28 of each fiscal year of the estimated contribution rate for the next fiscal year.

History: Add. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 180, Imd. Eff. Apr. 19, 1996 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 1997, Act 142, Imd. Eff. Nov. 19, 1997 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2001, Act 121, Imd. Eff. Sept. 28, 2001 ;-- Am. 2002, Act 191, Imd. Eff. Apr. 26, 2002 ;-- Am. 2002, Act 521, Imd. Eff. July 25, 2002 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 3 of Act 521 of 2002 provides:"Enacting section 3. This amendatory act does not take effect unless the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 50 cents or more per pack of cigarettes (25 mills per cigarette) effective on or before September 30, 2002 and the revenue from not less than 20 cents per pack of cigarettes (10 mills per cigarette) of that increase is dedicated by law for deposit into the state school aid fund established by section 11 of

article IX of the state constitution of 1963."For legislation increasing tax on cigarettes and dedicating a portion of increased revenue to state school aid fund, see 2002 PA 503, Imd. Eff. July 18, 2002.Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1748, 388.1749 Repealed. 1996, Act 300, Eff. Oct. 1, 1996.

Compiler's Notes: The repealed sections pertained to grant to Detroit compact for comprehensive school, business, government, and community partnership, and Michigan partnership for new education.

388.1749a, 388.1749c, Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed sections pertained to dropout prevention program and Detroit compact for comprehensive school, business, government, and community partnerships.

Article 15

388.1751 Statement of taxable value; duty of tax tribunal; report.

Sec. 151.

(1) The treasurer of each county shall furnish to the department, on or before August 1 of each year following the receipt of assessment rolls, a statement of the taxable value of each district and fraction of a district within the county, using forms furnished by the department. On or before May 1 of each year, the treasurer of each county shall submit to the department revisions to the taxable value for the immediately preceding year of each district and fraction of a district within the county, using forms furnished by the department. On or before October 1 of each year, the treasurer of each county shall submit to the department revisions to the taxable value for the years after 1993 of each district and fraction of a district within the county, using forms furnished by the department. The reports required by this subsection shall also contain the amount of ad valorem taxable value captured for school operating taxes under a tax increment financing plan under 1975 PA 197, MCL 125.1651 to 125.1681, the tax increment finance authority act, 1980 PA 450, MCL 125.1801 to 125.1830, the local development financing act, 1986 PA 281, MCL 125.2151 to 125.2174, or the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672.

(2) Not later than the tenth day of each month, the tax tribunal created by the tax tribunal act, 1973 PA 186, MCL 205.701 to 205.779, shall report to the department the changes in taxable value for tax years after 1993 that are not reported to the department under subsection (1) and that are caused by tax tribunal decisions in the immediately preceding month for homestead and qualified agricultural property, as defined in section 1211 of the revised school code, MCL 380.1211, and for property that is not homestead or qualified agricultural property, in each district and intermediate district. The report shall also contain the amount of taxable value captured under a tax increment financing plan described in subsection (1) for school operating tax purposes.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1985, Act 110, Eff. Oct. 1, 1985 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1994, Act 283, Imd. Eff. July 12, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000

388.1752 Reports for determination of allocation of funds; information; reports of educational progress.

Sec. 152.

Except for reports due on other dates specified in this act, each district and intermediate district shall furnish to the center or the department, as applicable, before the first Monday in November of each year those reports the department considers necessary for the determination of the allocation of funds under this act. In order to receive funds under this act, each district and intermediate district shall also furnish to the center or the department, as applicable, the information the department considers necessary for the administration of this act, including information necessary to determine compliance with article 16, and for the provision of reports of educational progress to the senate and house committees responsible for education, the senate and house appropriations subcommittees responsible for appropriations to school districts, the senate and house fiscal agencies, and the state budget director, as appropriate. This section does not require a district or intermediate district to submit any information to both the center and the department.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1980, Act 320, Imd. Eff. Dec. 10, 1980 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."

388.1752a Repealed. 1995, Act 130, Imd. Eff. June 30, 1995.

Compiler's Notes: The repealed section pertained to estimates of full-time equated K-12 and part-time membership.

388.1753 Furnishing information to legislative fiscal agencies.

Sec. 153.

Each district and intermediate district shall furnish to the legislative fiscal agencies of the state legislature information the agencies require on forms prepared and furnished by the agencies, relative to the expenditure of funds appropriated and allocated under this act.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1980, Act 320, Imd. Eff. Dec. 10, 1980

388.1754 Repealed. 1996, Act 300, Eff. Oct. 1, 1996.

Compiler's Notes: The repealed section pertained to names and post office addresses of treasurers, presidents, and secretaries of boards.

388.1755 Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to certifications as to nonresident pupils.

388.1756, 388.1757 Repealed. 1993, Act 336, Eff. Oct. 1, 1994.

Compiler's Notes: The repealed sections pertained to informing legislators of amounts received and study of suspended or expelled students.

388.1758 Repealed. 2003, Act 158, Eff. Oct. 1, 2003.

Compiler's Notes: The repealed section pertained to furnishing information for preparation of district pupil retention report.

388.1758a Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to reports on suspended and expelled pupils.

388.1758b Report by district receiving federal impact aid.

Sec. 158b.

Each district that receives federal impact aid annually shall report to the center, in the form and manner prescribed by the center, the amount of that aid the district received.

History: Add. 1994, Act 283, Eff. Oct. 1, 1994 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."

388.1758c Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to reports on grants or contracts.

388.1759 Repealed. 1993, Act 175, Eff. Oct. 1, 1993.

Compiler's Notes: The repealed section pertained to special report including membership data.

Article 16

388.1761 Violation as misdemeanor; penalty.

Sec. 161.

A school official or member of a board or other person who neglects or refuses to do or perform an act required by this act or who violates or knowingly permits or consents to the violation of this act is guilty of a misdemeanor, punishable by imprisonment for not more than 90 days, or a fine of not more than $1,500.00, or both.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990

388.1761a False report; court order.

Sec. 161a.

If a court determines that a person intentionally violated section 411a of the Michigan penal code, 1931 PA 328, MCL 750.411a, by making a false report of the commission of a crime described in section 6(6)(f) knowing the report to be false for the purpose of having a pupil counted in membership in a district under section 6(6)(f), as part of the restitution ordered under section 30 of chapter XIIA of 1939 PA 288, MCL 712A.30, section 16, 44, or 76 of the crime victim's rights act, 1985 PA 87, MCL 780.766, 780.794, and 780.826, or section 1a of chapter IX of the code of criminal procedure, 1927 PA 175, MCL 769.1a, the court may order the person to pay the pupil's district of residence an amount that is not more than the state school aid that district would have received attributable to the pupil if the pupil had been counted in membership in his or her district of residence.

History: Add. 1998, Act 553, Imd. Eff. Jan. 27, 1999 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1762 Failure to file reports; forfeiture of funds.

Sec. 162.

A district or intermediate district that fails through the negligence of school officials to file reports pursuant to this act shall forfeit that proportion of funds to which the district or intermediate district otherwise would be entitled under this act as the delay in the reports bears to a school year consisting of the required minimum number of days and hours, as prescribed in section 1284 of the revised school code, being section 380.1284 of the Michigan Compiled Laws, for the district or intermediate district.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996

388.1763 Prohibited conduct; deduction; notice; misdemeanor; penalty.

Sec. 163.

(1) Except as provided in the revised school code or in section 107b, the board of a district or intermediate district shall not permit any of the following:

(a) A noncertificated teacher to teach in an elementary or secondary school or in an adult basic education or high school completion program.

(b) A noncertificated counselor to provide counseling services to pupils in an elementary or secondary school or in an adult basic education or high school completion program.

(2) Except as provided in the revised school code or in section 107b, a district or intermediate district employing teachers or counselors not legally certificated shall have deducted the sum equal to the amount paid the teachers or counselors for the period of noncertificated or illegal employment. Each intermediate superintendent shall notify the department of the name of the noncertificated teacher or counselor, and the district employing that individual and the amount of salary the noncertificated teacher or counselor was paid within a constituent district.

(3) If a school official is notified by the department that he or she is employing a nonapproved noncertificated teacher or counselor in violation of this section and knowingly continues to employ that teacher or counselor, the school official is guilty of a misdemeanor, punishable by a fine of $1,500.00 for each incidence.

History: 1979, Act 94, Eff. Oct. 1, 1979 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 2000, Act 297, Imd. Eff. July 26, 2000 ;-- Am. 2004, Act 351, Eff. Oct. 1, 2004

Compiler's Notes: Enacting section 1 of Act 351 of 2004 provides:"Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2004-2005 is estimated at $11,173,900,000.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,113,650,400.00."

388.1763a Enrollment of homeless child; definition.

Sec. 163a.

(1) A district shall allow a homeless child who is residing in the district to enroll in the district in accordance with state law and with subtitle B of title VII of the Stewart B. McKinney homeless assistance act, Public Law 100-77, 42 U.S.C. 11431 to 11435.

(2) As used in this section, "homeless child" means a school-age child who is homeless, as defined in section 103 of title I of Public Law 100-77, 42 U.S.C. 11302, or who is the child of a homeless individual, as defined in 42 U.S.C. 11302.

History: Add. 1994, Act 283, Eff. Oct. 1, 1994

388.1764 Forfeiture of amount equal to expenditure for cars or chauffeurs.

Sec. 164.

A district or intermediate district shall forfeit an amount to which the district or intermediate district otherwise would be entitled under this act equal to the district's or intermediate district's expenditures in the immediately preceding school fiscal year for purchasing, leasing, or renting cars for board members for use within district or intermediate district boundaries, and for chauffeurs for board members or administrators.

History: Add. 1986, Act 212, Eff. Oct. 1, 1986 ;-- Am. 1987, Act 128, Eff. Oct. 1, 1987 ;-- Am. 1988, Act 318, Eff. Oct. 1, 1988 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996

388.1764a Receipt by school administrator of monetary payment in lieu of unused vacation or personal leave.

Sec. 164a.

A district or intermediate district shall not allow a school administrator to receive a monetary payment in lieu of unused vacation or personal leave for the purpose of increasing the school administrator's retirement benefits. If a district or intermediate district violates this section in a fiscal year, the district or intermediate district forfeits from its funds due under this act for that fiscal year an amount equal to the salary of the district's or intermediate district's superintendent for that fiscal year.

History: Add. 1994, Act 283, Eff. Oct. 1, 1994

388.1764b Payment or reimbursement of board member expenses.

Sec. 164b.

(1) The board of a district or intermediate district shall not pay an expense incurred by a member of the board unless the payment is in compliance with section 1254 of the revised school code, being section 380.1254 of the Michigan Compiled Laws.

(2) In addition to the requirements of section 1254 of the revised school code, the board of a district or intermediate district shall not approve reimbursement of an expense incurred by a board member unless 1 or both of the following conditions is met:

   (a) The board, by a majority vote of its members at an open meeting, approved reimbursement of the specific expense before the expense was incurred.

   (b) The expense is consistent with a policy adopted by the board, by a majority vote of its members at a regular board meeting, establishing specific categories of reimbursable expenses and the board, by a majority vote of its members at an open meeting, approved the reimbursement before it is actually paid.

(3) Records of all payments under this section shall be open to the public.

(4) A violation of this section is punishable under section 161.

History: Add. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996

388.1764c Purchase of foreign goods or services.

Sec. 164c.

A district or intermediate district shall not use funds appropriated under this act to purchase foreign goods or services, or both, if American goods or services, or both, are available and are competitively priced and of comparable quality. Preference should be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable quality.

History: Add. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005

Compiler's Notes: Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."

388.1764d Adoption, implementation, or issuance of certain policies, practices, or statements; prohibition.

Sec. 164d.

A district or intermediate district shall not expend funds received under this act to adopt or implement a policy or practice, or to make or issue any public statement or directive, that has the effect of any of the following:

(a) Denies to a student of a particular state university access to the district or intermediate district for student teaching purposes solely because the student is enrolled in that state university.

(b) Prevents the hiring of a graduate of a particular state university solely because the individual graduated from that state university.

(c) Discourages or prohibits a counselor employed by the district or intermediate district from recommending a particular state university to a pupil of the district or intermediate district for reasons other than the suitability of the state university's educational offerings for the particular pupil.

History: Add. 1995, Act 130, Eff. Oct. 1, 1995

388.1764e Student teaching; employment discrimination prohibited.

Sec. 164e.

If a district or an employee of a district discriminates against a person engaging in or seeking to engage in student teaching in the district because the state university in which the person is enrolled serves as the authorizing body for 1 or more public school academies, the district forfeits an amount equal to 10% of the funds due to the district under this act.

History: Add. 1996, Act 300, Eff. Oct. 1, 1996

388.1765 Reimbursement by entity in contractual shared time agreement.

Sec. 165.

If an individual or private entity receives payment or consideration from a district or intermediate district as a result of involvement in a contractual shared time agreement and if memberships attributable to that agreement are subsequently disallowed by the department, the individual or entity shall reimburse to the district or intermediate district the full amount of the payment or consideration received. The attorney general may take any action necessary to enforce the reimbursement required under this section.

History: Add. 1998, Act 339, Imd. Eff. Oct. 13, 1998
Compiler's Notes: Former MCL 388.1765, which pertained to forfeiture of apportionments, was repealed by Act 300 of 1996, Eff. Oct. 1, 1996.

388.1766 Dispensing or distributing family planning or drug or device, dispensing prescriptions for family planning drug, or making referrals for abortion; forfeiture.

Sec. 166.

A district in which a school official, member of a board, or other person dispenses or otherwise distributes a family planning drug or device in a public school in violation of section 1507 of the revised school code, being section 380.1507 of the Michigan Compiled Laws, dispenses prescriptions for any family planning drug, or makes referrals for abortions shall forfeit 5% of its total state aid appropriation.

History: Add. 1987, Act 128, Eff. Oct. 1, 1987 ;-- Am. 1988, Act 318, Eff. Oct. 1, 1988 ;-- Am. 1989, Act 197, Eff. Oct. 1, 1989 ;-- Am. 1990, Act 207, Eff. Oct. 1, 1990 ;-- Am. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996

388.1766a Instruction in reproductive health or other sex education; complaint process.

Sec. 166a.

(1) In order to avoid forfeiture of state aid under subsection (2), the board of a district or intermediate district providing reproductive health or other sex education instruction under section 1169, 1506, or 1507 of the revised school code, MCL 380.1169, 380.1506, and 380.1507, or under any other provision of law, shall ensure that all of the following are met:

(a) That the district or intermediate district does not provide any of the instruction to a pupil who is less than 18 years of age unless the district or intermediate district notifies the pupil's parent or legal guardian in advance of the instruction and the content of the instruction, gives the pupil's parent or legal guardian a prior opportunity to review the materials to be used in the instruction, allows the pupil's parent or legal guardian to observe the instruction, and notifies the pupil's parent or legal guardian in advance of his or her rights to observe the instruction and to have the pupil excused from the instruction.

(b) That, upon the written request of a pupil's parent or legal guardian or of a pupil if the pupil is at least age 18, the pupil shall be excused, without penalty or loss of academic credit, from attending class sessions in which the instruction is provided.

(c) That the sex education instruction includes age-appropriate information clearly informing pupils at 1 or more age-appropriate grade levels that having sex or sexual contact with an individual under the age of 16 is a crime punishable by imprisonment, and that 1 of the other results of being convicted of this crime is to be listed on the sex offender registry on the internet for up to 25 years.

(2) If a parent or legal guardian of a pupil enrolled in a district or intermediate district believes that the district or intermediate district has violated this section or section 1169, 1506, or 1507 of the revised school code, MCL 380.1169, 380.1506, and 380.1507, he or she may file a complaint with the superintendent or chief administrator of the district or intermediate district in which the pupil is enrolled. Upon receipt of the complaint, the superintendent or chief administrator of the district or intermediate district shall investigate the complaint and, within 30 days after the date of the complaint, provide a written report of his or her findings to the parent or legal guardian who filed the complaint and to the superintendent of public instruction. If the investigation reveals that 1 or more violations have occurred, the written report shall contain a description of each violation and of corrective action the district or intermediate district will take to correct the situation to ensure that there is no further violation. The district or intermediate district shall take the corrective action described in the written report within 30 days after the date of the written report.

(3) If a parent who has filed a complaint with a district under subsection (2) believes that the district is still not in compliance with law based on the findings made by the superintendent or chief administrator of the district, the parent may appeal the findings to the intermediate district in which the district is located. If there is an appeal to an intermediate district under this subsection, the intermediate superintendent of the intermediate district shall investigate the complaint and, within 30 days after the date of the appeal, provide a written report of his or her findings to the parent or legal guardian who filed the appeal and to the superintendent of public instruction. If the investigation by the intermediate superintendent reveals that 1 or more violations have occurred, the intermediate superintendent in consultation with the local district shall develop a plan for corrective action for the district to take to correct the situation to ensure that there is no further violation, and shall include this plan for corrective action with the written report provided to the parent or legal guardian and the superintendent of public instruction. The district shall take the corrective action described in the plan within 30 days after the date of the written report.

(4) If a parent who has filed a complaint with an intermediate district under subsection (2) or a parent who has filed an appeal with an intermediate district under subsection (3) believes that the district or intermediate district is still not in compliance with law based on the findings made by the intermediate superintendent of the intermediate district, the parent may appeal the findings to the department. If there is an appeal to the department under this subsection, the department shall investigate the complaint and, within 90 days after

the date of the appeal, provide a written report of its findings to the parent or legal guardian who filed the appeal, to the superintendent of public instruction, and to the district and intermediate district. If the department finds 1 or more violations as a result of its investigation, then all of the following apply:

(a) The department shall develop a plan for corrective action for the district or intermediate district to take to correct the situation to ensure that there is no further violation, and shall include this plan for corrective action with the written report provided to the parent or legal guardian, the superintendent of public instruction, and the district or intermediate district. The district or intermediate district shall take the corrective action described in the plan within 30 days after the date of the written report.

(b) In addition to withholding the percentage of state school aid forfeited by the district or intermediate district under subsection (5), the department may assess a fee to the district or intermediate district that committed the violation in an amount not to exceed the actual cost to the department of conducting the investigation and making the reports required under this subsection.

(5) If an investigation conducted by the department under subsection (4) reveals that a district or intermediate district has committed 1 or more violations of this section or section 1169, 1506, or 1507 of the revised school code, MCL 380.1169, 380.1506, and 380.1507, the district or intermediate district shall forfeit an amount equal to 1% of its total state school aid allocation under this act.

(6) The department, with the approval of the superintendent of public instruction, shall establish a reasonable process for a complainant to appeal to the department under subsection (4). The process shall not place an undue burden on the complainant, the district or intermediate district, or the department.

(7) The department shall track the number of complaints and appeals it receives under this section for the 2004-2005 school year and, not later than the end of that school year, shall submit a report to the standing committees and appropriations subcommittees of the legislature having jurisdiction over education legislation and state school aid that details the number and nature of those complaints and appeals and the cost to the department of handling them.

History: Add. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Mar. 15, 1994 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 2003, Act 158, Eff. Oct. 1, 2003 ;-- Am. 2004, Act 166, Imd. Eff. June 24, 2004

388.1766b Minor enrolled in nonpublic school or home school.

Sec. 166b.

(1) This act does not prohibit a parent or legal guardian of a minor who is enrolled in any of grades 1 to 12 in a nonpublic school or who is being home-schooled from also enrolling the minor in a district or intermediate district in any curricular offering that is provided by the district or intermediate district at a public school site and is available to pupils in the minor's grade level or age group, subject to compliance with the same requirements that apply to a full-time pupil's participation in the offering. However, state school aid shall be provided under this act for a minor enrolled as described in this subsection only for curricular offerings that are offered to full-time pupils in the minor's grade level or age group during regularly scheduled school hours.

(2) This act does not prohibit a parent or legal guardian of a minor who is enrolled in any of grades 1 to 12 in a nonpublic school located within the district or who resides within the district and is being home-schooled from also enrolling the minor in the district in a curricular offering being provided by the district at the nonpublic school site. However, state school aid shall be provided under this act for a minor enrolled as described in this subsection only if all of the following apply:

(a) The nonpublic school site is located, or the nonpublic students are educated, within the geographic boundaries of either the district or a contiguous district operating under a cooperative program of which the district is a member and that is established for the purpose of providing nonessential elective courses to nonpublic school students.

(b) The nonpublic school is registered with the department as a nonpublic school and meets all state reporting requirements for nonpublic schools.

(c) The instruction is scheduled to occur during the regular school day.

(d) The instruction is provided directly by an employee of the district or of an intermediate district.

(e) The curricular offering is also available to full-time pupils in the minor's grade level or age group in the district during the regular school day at a public school site.

(f) The curricular offering is restricted to nonessential elective courses for pupils in grades 1 to 12.

(3) A minor enrolled as described in this section is a part-time pupil for purposes of state school aid under this act.

History: Add. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1998, Act 339, Imd. Eff. Oct. 13, 1998 ;-- Am. 1999, Act 119, Imd. Eff. July 20, 1999

388.1766d Repealed. 2002, Act 191, Imd. Eff. Apr. 26, 2002.

Compiler's Notes: The repealed section pertained to health care coverage for abortion services.

388.1766e Construction of new building, or addition to or repair or renovation of existing building; use of competitive bid process.

Sec. 166e.

Before entering into a contract in an amount in excess of $15,000.00 for any materials, supplies, or equipment or a contract in an amount in excess of $15,000.00 for construction of a new building, or addition to or repair or renovation of an existing building, the board of a district organized as a school district of the first class under part 6 of the revised school code, MCL 380.401 to 380.485, or any other purchasing authority within a district organized as a school district of the first class, shall obtain sealed competitive bids, and the district shall award such a contract using this competitive bid process. This section does not prohibit a district from making a public request for proposals before requesting bids and does not prohibit a district from awarding a contract based on a combination of price, quality, and service factors. A school official or member of a school board or other person who neglects or refuses to do or perform an act required by this section, or who violates or knowingly permits or consents to a violation of this section, is guilty of a misdemeanor punishable by a fine of not more than $500.00, or imprisonment for not more than 3 months, or both.

History: Add. 1997, Act 93, Eff. Oct. 1, 1997

388.1767 Plan for compliance with MCL 333.9209 and 380.1177; report of immunization status; districts subject to subsection (4); failure to comply with section; pupil relocated in state due to natural disaster.

Sec. 167.

(1) The department in cooperation with the department of community health shall develop plans to assist districts and intermediate districts and local county health departments to comply with section 1177 of the revised school code, MCL 380.1177, and section 9209 of the public health code, 1978 PA 368, MCL 333.9209, for each school year.

(2) Each district or intermediate district shall report to the local health department in which it is located by November 1 of each fiscal year, in a manner prescribed by the department of community health, the immunization status of each pupil in grades K through 12 who enrolled in the district or intermediate district for the first time or, beginning in 2002-2003, who enrolled in grade 6 in the district or intermediate district for the first time, between January 1 and September 30 of the immediately preceding fiscal year. Not later than December 31 of each fiscal year, the department of community health shall notify the department by district or intermediate district of the percentage of entering pupils and, beginning in 2002-

2003, of pupils who enrolled in grade 6 for the first time who do not have a completed, waived, or provisional immunization record in accordance with section 1177 of the revised school code, MCL 380.1177. If a district or intermediate district does not have a completed, waived, or provisional immunization record in accordance with section 1177 of the revised school code, MCL 380.1177, for at least 90% of the district's or intermediate district's entering pupils, as recorded in the November 1 reports required under this subsection, the district or intermediate district is subject to subsection (4) until the district or intermediate district has such an immunization record for at least 90% of its pupils who enrolled in the district or intermediate district for the first time.

(3) Each district or intermediate district shall again report to the local health department in which it is located by February 1 of each fiscal year, in a manner prescribed by the department of community health, the immunization status of each pupil in grades K through 12 who enrolled in the district or intermediate district for the first time or, beginning in 2002-2003, who enrolled in grade 6 in the district or intermediate district for the first time, between January 1 of the immediately preceding fiscal year and December 31 of the current fiscal year. Not later than March 31 of each fiscal year, the department of community health shall notify the department by district or intermediate district of the percentage of entering pupils and, beginning in 2002-2003, of pupils who enrolled in grade 6 for the first time who do not have a completed, waived, or provisional immunization record in accordance with section 1177 of the revised school code, MCL 380.1177. If a district or intermediate district does not have a completed, waived, or provisional immunization record in accordance with section 1177 of the revised school code, MCL 380.1177, for at least 95% of the district's or intermediate district's entering pupils, as recorded in the February 1 reports required under this subsection, the district or intermediate district is subject to subsection (4) until the district or intermediate district has such an immunization record for at least 95% of its pupils who enrolled in the district or intermediate district for the first time. If the department of community health is not able to report to the department by March 31 because a district or intermediate district fails to submit a report as required in this subsection, or submits an incomplete, inaccurate, or late report, the district or intermediate district is subject to subsection (4) until the report is submitted in a complete and accurate form.

(4) If a district or intermediate district does not comply with this section, the department shall withhold 5% of the total funds due to the district or intermediate district under this act after the date the department of community health reports a district's or intermediate district's noncompliance with this section to the department until the district or intermediate district complies with this section. If the district or intermediate district does not comply with this section by the end of the fiscal year, the district or intermediate district forfeits the total amount withheld.

History: Add. 1991, Act 118, Imd. Eff. Oct. 11, 1991 ;-- Am. 1992, Act 148, Eff. Oct. 1, 1992 ;-- Am. 1993, Act 175, Eff. Oct. 1, 1993 ;-- Am. 1993, Act 336, Eff. Oct. 1, 1994 ;-- Am. 1995, Act 130, Eff. Oct. 1, 1995 ;-- Am. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997 ;-- Am. 2000, Act 89, Imd. Eff. May 1, 2000 ;-- Am. 2005, Act 155, Eff. Oct. 1, 2005 ;-- Am. 2006, Act 342, Eff. Oct. 1, 2006

Compiler's Notes: Enacting section 1 of 2005 PA 155 provides:"Enacting section 1. In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act and in House Bill No. 4831 of the 93rd Legislature from state sources for fiscal year 2005-2006 is estimated at $11,364,814,000.00 and state appropriations to be paid to local units of government for fiscal year 2005-2006 are estimated at $11,341,913,100.00."Enacting section 1 of Act 342 of 2006 provides:"Enacting section 1. (1) In accordance with section 30 of article I of the state constitution of 1963, total state spending in this amendatory act from state sources for fiscal year 2006-2007 is estimated at $11,682,508,200.00 and state appropriations to be paid to local units of government for fiscal year 2006-2007 are estimated at $11,536,597,200.00.(2) In accordance with section 30 of article I of the state constitution of 1963, total state spending from state sources for fiscal year 2005-2006 in this amendatory act and 2005 PA 155 is estimated at $11,308,027,200.00 and state appropriations to be paid to local units of government for fiscal year 2004-2005 are estimated at $11,285,376,300.00."

388.1767a Repealed. 1995, Act 130, Eff. Oct. 1, 1995.

Compiler's Notes: The repealed section pertained to funds held in escrow.

388.1768 Access to records; audit.

Sec. 168.

In order to receive funds under this act, a district, intermediate district, grant recipient, contractor, or other entity that directly or indirectly receives funds under this act shall allow access for the department or the department's designee to audit all records related to a program for which it receives such funds. The district, intermediate district, grant recipient, contractor, or other entity shall reimburse the state for all disallowances found in the audit.

History: Add. 1993, Act 175, Eff. Oct. 1, 1993

388.1768a Removing or contracting to remove asbestos.

Sec. 168a.

In order to receive funds under this act, a district or intermediate district shall not remove asbestos, or contract for the removal of asbestos, from an educational facility unless the removal is required under Act No. 51 of the Public Acts of 1993, being sections 388.861 to 388.864 of the Michigan Compiled Laws.

History: Add. 1993, Act 175, Eff. Oct. 1, 1993

388.1769 State aid to public school academies.

Sec. 169.

In order for a public school academy to receive state aid under this act, the public school academy shall demonstrate to the satisfaction of the department that the public school academy has made a good faith effort to advertise, throughout the entire area of the intermediate district in which the public school academy is located, that the academy is enrolling students and the procedures for applying for enrollment. The department shall not make any payments to a public school academy until the public school academy supplies evidence satisfactory to the department demonstrating compliance with this section. If a public school academy is a successor to a nonpublic school and more than 75% of the pupils enrolled in the public school academy during its first school year of operation were previously enrolled in that nonpublic school, there is a rebuttable presumption that the public school academy did not make the good faith effort required under this section.

History: Add. 1996, Act 300, Eff. Oct. 1, 1996

Compiler's Notes: Former MCL 388.1769, which pertained to purchasing foreign goods or services, was repealed by Act 175 of 1993, Eff. Oct. 1, 1993.

388.1769a Michigan schools for the deaf and blind; information about residential programs; interference with right or ability prohibited; educational placement options.

Sec. 169a.

(1) A board member, official, or employee of a district or intermediate district shall not interfere with the right or ability of the Michigan schools for the deaf and blind to provide information about the residential program among parents and guardians of pupils or residents of the district or intermediate district.

(2) Upon determining that a pupil is deaf or hard of hearing, a district or intermediate district shall provide to the pupil's parent or legal guardian information, provided by the Michigan coalition for deaf and hard of hearing persons, on educational placement options for deaf and hard of hearing children.

(3) Upon determining that a pupil is blind, a district or intermediate district shall provide to the pupil's parent or legal guardian information, provided by the Michigan federation for the blind, on educational placement options for blind children.

History: Add. 1996, Act 300, Eff. Oct. 1, 1996 ;-- Am. 1997, Act 93, Eff. Oct. 1, 1997

Compiler's Notes: Former MCL 388.1769a, which pertained to reports, was repealed by Act 336 of 1993, Eff. Oct. 1, 1994.

388.1769b Contract in which board member has conflict of interest; abstention from voting.

Sec. 169b.

A board member of a district, intermediate district, public school academy, or public school academy corporation shall abstain from voting on any contract in which the board member has a conflict of interest.

History: Add. 1996, Act 300, Eff. Oct. 1, 1996

Article 17

388.1771 Repeal of §§ 388.1401 to 388.1572; certain references considered references to former act.

Sec. 171.

(1) Act No. 90 of the Public Acts of 1977, as amended, being sections 388.1401 to 388.1572 of the Compiled Laws of 1970, is repealed.

(2) A reference to a section or subsection of this act applicable to a fiscal year ending before October 1, 1979, shall be considered a reference to the section, subsection, or provision of former Act No. 90 of the Public Acts of 1977 or former Act No. 258 of the Public Acts of 1972, governing the same subject matter, as determined by the department.

History: 1979, Act 94, Eff. Oct. 1, 1979

388.1771a Repealed. 1984, Act 239, Eff. Oct. 1, 1984.

Compiler's Notes: The repealed section pertained to revised method of distributing general membership aid.

388.1772 Effective date.

Sec. 172.

This act shall take effect October 1, 1979.

History: 1979, Act 94, Eff. Oct. 1, 1979

APPENDICES

APPENDIX A
State School Aid Act Appropriations
FY 2005-06 and FY 2006-07

Section		Dollars in Thousands FY 2005-06	FY 2006-07
11f/11g	Durant Non-Plaintiff (Cash/Debt) Payment	$66,961.0	$66,961.0
11j	School Bond Redemption Fund (SBRF)	$44,500.0	$48,000.0
11m	Cash Flow Borrowing Costs	$0.0	$22,800.0
22a	Proposal A Obligation Payment	$6,407,000.0	$6,207,000.0
22b	Discretionary Payment	$3,217,000.0	$3,584,950.0
22c	Equity Payment	$0.0	$20,000.0
24	Court-Placed Children	$8,000.0	$8,000.0
24a	Juvenile Justice Service Facilities	$0.0	$3,000.0
24c	Youth Challenge Program	$0.0	$1,253.1
26a	Renaissance Zone Reimbursement	$45,000.0	$50,200.0
26b	PILT Reimbursement	$2,400.0	$2,400.0
29	Declining Enrollment Grants	$0.0	$20,000.0
31a	"At Risk" Pupil Support	$310,457.0	$310,457.0
31a	Adolescent Health Centers	$3,743.0	$3,743.0
31a	Hearing and Vision Screening	$0.0	$5,150.0
31a	Mercy Education Project	$0.0	$100.0
31c	Children of Incarcerated Parents Grants	$0.0	$1,875.0
31d	School Lunch Programs	$345,001.1	$345,001.1
31f	School Breakfast Program	$0.0	$9,625.0
32b	Great Start Communities Grants	$0.0	$1,000.0
32c	Interagency Early Childhood Grants	$250.0	$1,750.0
32d	School Readiness Grants - District	$72,800.0	$78,800.0
32j	Great Parents, Great Start ISD Grants	$3,326.0	$5,000.0
32l	School Readiness Grants - Non-District	$12,250.0	$12,250.0
32m	Book a Month Program	$0.0	$500.0
33	Detroit Transition Grant	$7,000.0	$0.0
34	Early Intervention Program	$0.0	$400.0
39a	Federal Grants	$657,566.0	$641,624.4
41	Bilingual Education - State	$2,800.0	$2,800.0
41a	Bilingual Education - Federal	$1,232.1	$1,232.1
51a	Special Education	$1,342,933.0	$1,416,683.0
54a	Special Education Lending Library	$250.0	$250.0
54b	Conductive Learning Center Evaluation	$0.0	$250.0
57	Advanced & Accelerated Grants	$285.0	$285.0
57a	International Baccalaureate Grants	$0.0	$250.0
61a	Vocational-Technical Education Programs	$30,000.0	$30,000.0
62	ISD Vocational Education Millage Equalization	$9,000.0	$9,000.0
64	Health Sciences Middle College Program	$0.0	$2,000.0

Section		Dollars in Thousands FY 2005-06	FY 2006-07
65	Precollege Engineering Grants	$0.0	$780.1
74	Bus Driver Safety Instruction/Auxiliary Services Transportation	$1,625.0	$2,965.0
81	ISD General Operations Support	$77,702.1	$80,110.9
94a	Center for Educational Performance (CEPI)	$5,543.2	$5,893.2
98	Michigan Virtual High School (MVHS)	$5,000.0	$6,000.0
98b	Freedom To Learn	$5,500.0	$1,500.0
98c	Web Based Practice Assessments	$0.0	$1,000.0
99	Math/Science Centers	$4,708.0	$7,956.0
99b	Middle School Math - ISD Funding	$3,850.0	$0.0
99c	Middle School Math - District Funding	$0.0	$20,000.0
99d	Automatic External Defibrillators	$0.0	$100.0
99e	Financial Emergency District Funding	$0.0	$125.0
99f	School Building Security Mapping	$0.0	$350.0
99g	School Based Crisis Intervention Project	$0.0	$300.0
99h	FIRST Robotics Grants	$0.0	$150.0
104	MEAP Testing	$0.0	$27,925.2
107	Adult Education	$21,000.0	$24,000.0
	TOTAL APPROPRIATIONS	**$12,700,614.5**	**$13,093,745.1**

REVENUE BY SOURCE		
Federal Aid	$1,392,587.3	$1,411,236.9
School Aid Fund	$11,107,113.2	$11,552,308.2
Capitalization Proceeds from SBRF	$44,500.0	$0.0
School Aid Stabilization Fund/ Lapse Sec. 98b	$93,700.0	$95,200.0
General Fund/General Purpose	$62,714.0	$35,000.0
TOTAL REVENUE	**$12,700,614.5**	**$13,093,745.1**

APPENDIX B
Description of Allocation Sections

This appendix contains brief descriptions of the sections of the State School Aid Act that authorize FY 2005-06 and FY 2006-07 expenditures, including the amount appropriated, purpose, method for calculating payments, and eligible recipients.

Section 11f	***Durant* v. *State of Michigan* Non-Plaintiffs' Cash Award**
Appropriation:	$32,000,000 in FY 2006-07.
Purpose:	This section pays monies to eligible local and intermediate school districts that were not plaintiffs in the *Durant* v. *State of Michigan* case decided by the Michigan Supreme Court in July 1997. The funds may be used for textbooks, electronic instructional materials, software, technology, training for technology, early intervening programs, infrastructure or infrastructure improvements, school buses, school security, or to pay debt service on previously-issued, voter-approved bonds. For an intermediate district, funds may also be used for projects on behalf of constituent districts, other non-recurring instructional expenditures, or debt service for acquisition of technology for academic support services.
Payment Calculation:	The annual payment is equal to 1/20 of the settlement amount. FY 2006-07 is the ninth year of 10 years of payments. Payments are made annually on November 15 or the next business day.
Eligible for Payments:	Local and intermediate school districts that were not plaintiffs in the cases consolidated into the *Durant* v. *State of Michigan* case, submitted a waiver of liability by March 2, 1998, and have a settlement amount stated in Section 11h greater than $75,000.

Section 11g	***Durant* v. *State of Michigan* Non-Plaintiffs' Debt Service Payment**
Appropriation:	$34,961,000 in FY 2006-07.
Purpose:	This section pays monies to local and intermediate school districts that were not plaintiffs in the *Durant* v. *State of Michigan* case decided by the Michigan Supreme Court in July 1997. A district may issue bonds through Michigan Municipal Bond Authority under language in Section 11i for 1/2 of its settlement amount. The appropriation pays the debt service (principal, interest, and cost of issuance) of those bonds. Bond proceeds may be used for any construction, renovation, or other purpose described in Section 1351a of the Revised School Code. Bond proceeds became available on or after November 15, 1998. A district that does not issue bonds may receive instead an annual cash payment equal to 1/30 of the settlement amount. Cash payments can only be used for the following, listed in order of priority: (1) to pay debt service on previously-issued, voter-approved bonds, (2) to pay debt service on other limited tax obligations, or (3) for deposit into a sinking fund. FY 2006-07 is the ninth of 15 years of appropriations for this purpose. Payments are made annually on May 15 or the next business day.
Payment Calculation:	For a district that issues bonds under Section 11i, the payment is equal to the annual debt service. For districts that do not issue bonds, the payment is equal to 1/30th of the settlement amount.
Eligible for Payments:	Local and intermediate school districts that were not plaintiffs in the cases consolidated into the *Durant* v. *State of Michigan* case, have a settlement amount of more than $75,000, and submitted a waiver of *Durant*-related liability to the State Treasurer by March 2, 1998.

Section 11j	**School Bond Loan Redemption Fund**
Appropriation:	$48,000,000 in FY 2006-07.
Purpose:	To make payments on behalf of districts and intermediate districts to the school bond loan redemption fund in the Department of Treasury for debt service payments.
Payment Calculation:	A payment is made on behalf of districts and intermediate districts to the Department of Treasury for the amount owed for the State's debt service payments on loans made to districts through the School Bond Loan Fund program.
Eligible for Payments:	Local and intermediate districts, with payments to Department of Treasury.

Section 11m	**Cash Flow Borrowing Costs**
Appropriation:	$22,800,000 in FY 2006-07.
Purpose:	To make payments for cash-flow borrowing costs solely related to the School Aid Fund.
Payment Calculation:	A payment will be made to partially cover the cash-flow borrowing interest costs incurred by the General Fund for borrowing on behalf of districts and intermediate districts solely related to the School Aid Fund.
Eligible for Payments:	On behalf of local districts, public school academies, and intermediate districts, with payments to Department of Treasury.

Section 20	**Foundation Allowance**
Appropriation:	See Sections 22a and 22b.
Basic Foundation Allowance:	$6,875 in FY 2005-06; $7,085 in FY 2006-07.
Purpose:	This section is for calculation (not payment) of foundation allowances only.
Payment Calculation - Local School District:	A foundation allowance is a per pupil amount determined for each local school district. In general, the FY 1994-95 foundation allowance for local districts was calculated based on the amount of eligible State and local revenue per pupil a district received in FY 1993-94. For FY 2005-06, the basic (and minimum) per pupil amount increased by $175 over the FY 2004-05 level to $6,875 per pupil. In FY 2006-07, a $210 increase in the basic (and minimum) foundation allowance occurred, bringing it to $7,085 per pupil. This means all districts receive a $210 per pupil increase in their calculated foundation allowances. <u>Exceptions to Foundation Allowance Calculations</u> Five additional provisions targeting specific districts or purposes have been included in this Section: 1. Beginning in FY 2000-01, for a district in which 7.75 mills levied in 1992 for school operating purposes in the 1992-93 school year were not renewed for 1993-94, the foundation allowance was recalculated as if that millage reduction did not occur. Only Wayne-Westland Schools meets this criterion. Section 20(17) 2. Beginning in FY 2002-03, for a district in which a certain industrial facilities exemption certificate was issued, the district's foundation allowance was increased by $250. Only Gibraltar Schools meets this criterion. Section 20(18) 3. Beginning in FY 2002-03, the 26 districts that received Small Class Size grants under Section 32e had their foundation allowances increased by the amount of their Class Size grant divided by their pupil memberships. Section 20(19) 4. Beginning in FY 2006-07, for a district that levied 1.9 mills in 1993 to finance an operating deficit, the district's 1994-95 foundation allowance will be recalculated (thereby driving an

increase in the FY 2006-07 foundation allowance) as if those mills were included as operating mills in the calculation of the district's foundation allowance. Only Garden City Schools meets this criterion. Section 20(21)

5. Beginning in FY 2006-07, for a district that levied 2.23 mills in 1993 to finance an operating deficit, the district's 1994-95 foundation allowance will be recalculated (thereby driving an increase in the FY 2006-07 foundation allowance) as if those mills were included as operating mills in the calculation of the district's foundation allowance. Only Huron Schools meets this criterion. Section 20(22)

The State and local shares of the total foundation allowance revenue are determined as follows:

State Portion. For non-hold harmless districts in FY 2006-07 with a foundation allowance per pupil of less than $8,385, the State allocation to a district is the difference between the product of the district's foundation allowance per pupil and the district's pupil membership (excluding special education pupils), less the local revenue on 18 mills or the number of mills levied in 1993, whichever is less.

For hold harmless districts in FY 2006-07, the State portion of the foundation allowance is equal to $8,385, multiplied by the district's pupils' membership (excluding special education pupils), less the local revenue on 18 mills or the number of mills levied in 1993, whichever is less.

Local Portion. The local share of the foundation allowance is raised from limited local school operating mills levied as provided in Section 1211 of the Revised School Code.

For districts with a foundation allowance per pupil of less than $8,385 in FY 2006-07, the local portion of the foundation allowance is the school operating property tax revenue from 18 mills (or the number of school operating mills levied in 1993, whichever is less) levied on non-homestead property in the district.

For districts with a foundation allowance of more than $8,385 per pupil in FY 2006-07, the local share of the foundation allowance has two parts: (1) the local revenue on 18 mills levied on non-homestead property (or the number of mills levied in 1993, whichever is less); and (2) additional millage referred to as "hold harmless" millage that may be levied to raise revenue per pupil equal to the difference between the foundation allowance and $8,385 in FY 2006-07. This millage is levied first on homestead and qualified agricultural property. Any hold harmless millage levied above 18 mills or the number of school operating mills levied in 1993 is levied uniformly on all taxable property in the district.

Hold harmless districts that have fewer than 350 pupils or that need to levy 0.5 mill or less are eligible for State payments of the amount of hold harmless revenue necessary to achieve the foundation allowance.

Payment Calculation - Public School Academies:

The foundation allowance for a pupil in a public school academy is equal to the lesser of the foundation allowance of the local school district in which the public school academy is located or $7,385 in FY 2006-07.

The State allocation to a public school academy or university school from the foundation allowance appropriation is equal to the foundation allowance per pupil multiplied by the number of pupils in membership. The State payments are made to the authorizing body for a public school academy or the board of a public university operating a university school. Payments are calculated in Section 20, but allocated in Sections 22a and 22b.

If more than 25% of a school district's resident pupils are enrolled in one or more public school academies, the local district must pay the public school academy an amount per pupil equal to the local school operating revenue of the school district, calculated as if the district's resident pupils of the public school academy were in membership in the district.

Eligible for Payments:

Local school districts, public school academies, and university schools.

Section 20j	**Additional Calculations for Hold-Harmless Districts**
Appropriation:	See Section 22b.
Purpose:	This section is for calculation (not payment) of foundation allowances only.
Payment Calculation:	Section 1211(3) of the Revised School Code prohibits "hold-harmless" districts from collecting more than an inflationary increase in their per-pupil State and local revenue from one year to the next year. (A "hold-harmless" district is one whose foundation allowance exceeds the State Maximum Foundation Allowance, which in FY 2006-07 is $8,385.) Section 20j came into existence when the dollar increase given in the basic foundation allowance exceeded the cap in Section 1211(3) of the Code. This section ensures that each "hold-harmless" district receives the full dollar increase given for the basic foundation allowance, even when that dollar increase exceeds the dollar increase that would result from applying inflation to a hold-harmless district's individual foundation allowance.
Eligible for Payments:	Local school districts whose FY 1994-95 foundation allowances were at or above $6,500 per-pupil (i.e., "hold-harmless" districts).

Section 22a	**Proposal A Obligation Payment**
Appropriation:	$6,407,000,000 in FY 2005-06; $6,207,000,000 in FY 2006-07.
Purpose:	To satisfy the State's Proposal A Constitutional per pupil funding obligation. This Section allocates payments to guarantee an FY 1994-95 foundation allowance for every pupil.
Payment Calculation:	Local District. The Section 22a payment to a local district is calculated by subtracting the district's current-year local operating revenue from the lesser of the district's FY 1994-95 foundation allowance or $6,500. The resulting per pupil State portion is multiplied by the district's current-year total pupil membership. Public School Academy. A public school academy (PSA) in operation in FY 1994-95 and continuing in the current year will receive a payment equal to the current-year membership multiplied by the academy's FY 1994-95 foundation allowance. See Section 22b discussion for a PSA that opened after FY 1994-95.
Eligible for Payments:	Local districts and public school academies in operation in FY 1994-95 and continuing operations in the current fiscal year.

Section 22b	**Discretionary Payment**
Appropriation:	$3,217,000,000 in FY 2005-06; $3,584,950,000 in FY 2006-07.
Purpose:	To make discretionary non-mandated payments to districts. In order to receive the funds, districts must do all of the following: administer department-approved standardized tests of basic educational skills in grades 1-5 or any other grades required under the Revised School Code; comply with Sections 1230g (criminal history or records checks for employees), 1278a (requirements for high school diploma), and 1278b (awarding of high school diploma, credit requirements, and annual report) of the Revised School Code; and, furnish data and other information required by State and Federal law to the Center for Educational Performance and Information.
Payment Calculation:	Payments are equal to the sum of calculations under Sections 20, 20j, 51a(2), 51a(3), and 51a(12) minus the payments made under Sections 22a and 51c. Section 20 calculates foundation allowances. Section 20j provides additional payment calculations for hold harmless districts when foundation allowance increases exceed inflation. Section 51a(2) calculates special education foundation allowances. Section 51a(3) calculates special education hold harmless figures. Section 51a(12) calculates special education foundation allowances for certain special education pupils, such as court-placed pupils. The calculations in these five sections are totaled in the first step for determining discretionary payments.

The second step allocates the Constitutional obligation payments under Section 22a (guaranteeing FY 1994-95 per-pupil funding) and Section 51c (meeting the Headlee-required percentages of the approved costs of special education and special education transportation).

Discretionary payments, then, are equal to the difference between the total calculated in the first step, minus the two payments made in the second step.

If proration of the School Aid Act is required under Section 11(3), public school academies that opened after 1994-95 and are in operation would first receive (before proration of this section) an amount equal to the 1994-95 foundation allowance of the district in which the PSA is located, multiplied by the PSA's pupil membership. The balance of the payment under this section would then be subject to any required proration. This provides a "guaranteed" allowance for PSAs that began operation after 1994-95, similar to the guarantee in Section 22a for districts and PSAs in operation in 1994-95.

Eligible for Payments: Local districts and public school academies.

Section 22c — **Equity Payment**

Appropriation: $20,000,000 in FY 2006-07.

Purpose: To provide supplemental payments to districts whose calculated foundation allowances under Section 20 are below $7,360 per pupil in FY 2006-07.

Payment Calculation: The Section 22c payment is calculated by multiplying an eligible district's total membership pupils by the lesser of $23 or the difference between $7,360 and the district's FY 2006-07 foundation allowance. Intent language is included stating that this payment, in FY 2007-08, will be built into eligible districts' FY 2006-07 base foundation allowances, thereby reducing the gap between the basic and state maximum foundation allowances from $1,300 to $1,277.

Eligible for Payments: Local districts and public school academies whose FY 2006-07 calculated foundation allowances are below $7,360 per pupil.

Section 22d — **Isolated Districts Grants**

Appropriation: $750,000 in FY 2006-07 (allocated out of Section 22b).

Purpose: To provide supplemental payments to small, geographically isolated districts.

Payment Calculation: The amount of supplemental funding under this section is determined under a spending plan developed by the district and the intermediate school district in which it is located and approved by the Superintendent of Public Instruction.

Eligible for Payments: Only five districts meet the criteria laid out in the School Aid Act: Burt Township, Beaver Island, Detour Area, Whitefish, and Mackinac Island.

Section 24 — **Court-Placed Children**

Appropriation: $8,000,000 in FY 2006-07.

Purpose: To reimburse the educating district for providing an on-grounds educational program to pupils under court jurisdiction placed in or assigned to attend a juvenile detention facility or child caring institution.

Payment Calculation: For FY 2006-07, 80% percent of the total appropriation will be paid in an amount equal to the lesser of the educating districts' or intermediate districts' (ISD) added costs or the Department of Education's approved per-pupil allocations for the districts or ISDs, and 20% of the total appropriation shall be paid to the educating districts or ISDs an amount equal to the districts' or ISDs' added costs. The Department's "approved per-pupil allocation" is determined by dividing the total appropriation ($8,000,000) by the number of full-time equated court-placed pupils

	funded under this section. Added costs for this program are computed by deducting from the total costs of the educational program all other school aid received by the educating local or intermediate district for educating court-placed pupils, as approved by the Michigan Department of Education.
Eligible for Payments:	Any local or intermediate district educating court-placed pupils in an on-grounds educational program or child caring institution. This provision is also extended to a local or intermediate district educating court-placed pupils in an educational program operated on property adjacent to a juvenile detention facility or child caring institution.

Section 24a	**Educational Costs of Juvenile Justice Service Facilities**
Appropriation:	$3,000,000 in FY 2006-07.
Purpose:	To make payments to intermediate districts (ISD) for pupils who are placed in juvenile justice facilities operated by the Department of Human Services (DHS).
Payment Calculation:	Each ISD shall receive an amount equal to the State share of educational costs for pupils placed in juvenile justice facilities operated by the DHS and located within the ISD's boundaries. Any ISD receiving a payment under this section must cooperate with the DHS to ensure this funding is used by the ISD and the DHS for educational programs of pupils in the juvenile justice service facilities.
Eligible for Payments:	Intermediate districts, in cooperation with the Department of Human Services.

Section 24c	**Youth ChalleNGe Program**
Appropriation:	$1,253,100 in FY 2006-07.
Purpose:	To make payments for pupils who are enrolled in the Youth ChalleNGe Program, a nationally administered, community-based education and youth mentoring program.
Payment Calculation:	One grant made to the eligible district in the amount of the appropriation.
Eligible for Payments:	District in which the Youth ChalleNGe program is located and administered by the Department of Military and Veterans Affairs. Only Battle Creek Public Schools currently meets these criteria.

Section 26a	**Renaissance Zone Reimbursement**
Appropriation:	$45,000,000 in FY 2006-07: $37,650,000 General Fund, $12,550,000 School Aid Fund.
Purpose:	To reimburse districts, intermediate districts, and the School Aid Fund for tax revenues lost due to Renaissance Zone tax exemptions, or for payments to districts as reimbursement for interest paid as a result of property tax refunds.
Payment Calculation:	Payments to cover the amount of property tax exempt under the Renaissance Zone Act (that affects the foundation allowance, ISD special education millage equalization, ISD vocational education millage equalization, and ISD general operation millage) are made by the Department of Education based on amounts certified by the Department of Treasury. The School Aid Fund also is adjusted.
Eligible for Payments:	Local and intermediate districts and the School Aid Fund.

Section 26b	**Payments in Lieu of Taxes**
Appropriation:	$2,400,000 in FY 2006-07 (General Fund).
Purpose:	To reimburse districts, intermediate districts, and community colleges for taxes not collected on land owned by the Department of Natural Resources, pursuant to Section 2154 of the Natural

	Resources and Environmental Protection Act, MCL 324.2154.
Payment Calculation:	Payments are determined and paid by the Department of Natural Resources. If the appropriation is insufficient to fully pay obligations, payments are prorated on an equal basis.
Eligible for Payments:	Local and intermediate districts and community colleges with land owned by the Department of Natural Resources in their boundaries, where taxes are not collected.

Section 29	**Declining Enrollment**
Appropriation:	$20,000,000 in FY 2006-07.
Purpose:	To make supplemental payments to local districts with two consecutive years of declining enrollment.
Payment Calculation:	Each eligible local district receives a payment equal to the difference between its most recent three-year average pupil membership and its actual FY 2006-07 pupil membership, multiplied by its foundation allowance. If the appropriation is insufficient to fully fund the formula, payments are prorated on an equal percentage basis.
Eligible for Payments:	Local districts with two consecutive years of declining enrollment, where the FY 2006-07 pupil membership blend is less than the FY 2005-06 blend, and the FY 2005-06 blend is less than the FY 2004-05 blend.

Section 31a	**At-Risk Pupils**
Appropriation:	$319,450,000 in FY 2006-07.
Purpose:	To provide instructional programs and direct non-instructional services for at-risk pupils, to support child and adolescent health centers, and to pay for the State portion of hearing and vision screenings. To provide part of the required State funding for school breakfast programs, a district that operates a school breakfast program shall use up to $10 per free lunch eligible pupil, if necessary, to support a breakfast program.
Payment Calculation:	From the total appropriation, $3,743,000 is allocated to support existing child and adolescent health centers. Beginning in FY 2003-04, the grants were awarded jointly by the Departments of Education and Community Health with intent to fund the grants for five consecutive years. Also from the total appropriation, $5,150,000 is allocated for the State portion of hearing and vision screenings described in Section 9301 of the Public Health Code, MCL 333.9301. And, from the total appropriation, $100,000 is allocated to the Detroit Public Schools to support after-school tutoring for at-risk girls in Grades 1-8; the district may contract with an outside agency for these services. From the remaining appropriation, payments to a district or public school academy are equal to 11.5% of its foundation allowance (up to a maximum of $8,385) times the number of pupils eligible for free breakfast, lunch, or milk as reported to the Department by October 31 of the immediately preceding year. For new public school academies, the eligibility count is the count from the current school year. Payments are prorated, if necessary, by reducing each district's allocation by an equal dollar amount per free lunch eligible pupil.
Eligible for Payments:	A local district or public school academy whose calculated combined State and local revenue per membership pupil under Section 20 in FY 2006-07 is less than or equal to $8,385. The local district or public school academy must agree to use the funds only for purposes allowed in Section 31a. A local district not meeting the previously stated eligibility requirements is eligible for funding if at least 1/4 of its membership pupils (totaling at least 4,500) are free breakfast- or lunch-eligible. Only Dearborn City School District meets these criteria, and receives an amount per pupil equal to 11.5% of its foundation allowance, capped at $8,385.

Section 31c	**Children of Incarcerated Parents Program Grants**
Appropriation:	$1,875,000 in FY 2006-07.
Purpose:	To provide grants to eligible districts to fund pilot programs designed to address the needs of pupils whose parent or parents are incarcerated. Districts receiving grants must at least provide video or audio conferencing between the pupil and his/her parent(s) and academic or social support by qualified persons.
Payment Calculation:	Successful applicants (other than Detroit Public Schools) shall be awarded $75,000; for Detroit Public Schools (if a successful applicant), the grant shall be $150,000.
Eligible for Payments:	Local districts where at least 60% of the pupils in membership qualified for free breakfast, milk, or lunch as reported to the Department of Education in October 2005.

Section 31d	**School Lunch Programs**
Appropriation:	$345,001,100 in FY 2006-07: $322,506,000 Federal Funds, $22,495,100 School Aid Fund.
Purpose:	To reimburse districts for 6.0127% of the necessary costs of the State mandated portion of the school lunch programs, and to reimburse districts for the Federal National School Lunch and Emergency Food Assistance programs.
Payment Calculation:	For the State funding, the amount due to each district is calculated by the Department using the methods of calculation adopted by the Michigan Supreme Court in the *Durant* case, and shall equal 6.0127% of the district's costs. Federal reimbursement is guided by Federal provisions not outlined in the School Aid Act.
Eligible for Payments:	Local districts, public school academies, and intermediate school districts that provide a school lunch program, or participate in the Emergency Food Assistance Program.

Section 31f	**School Breakfast Programs**
Appropriation:	$9,625,000 in FY 2006-07.
Purpose:	To make payments to districts to reimburse for the cost of providing breakfast.
Payment Calculation:	The payment is at a per-meal rate equal to the lesser of the district's actual cost or 100% of the cost of a breakfast served by an efficiently operated program, determined by the Department, less all forms of reimbursement.
Eligible for Payments:	Local districts, public school academies, and intermediate districts that provide breakfast and participate in the Federal school breakfast program, meeting all Federal standards.

Section 32b	**Great Start Communities Grants**
Appropriation:	$1,000,000 in FY 2006-07.
Purpose:	To provide competitive grants to intermediate districts for the creation of Great Start communities or other community purposes identified by the Early Childhood Investment Corporation.
Payment Calculation:	The Early Childhood Investment Corporation awards grants to eligible intermediate districts in amounts determined by the Corporation.
Eligible for Payments:	Intermediate school districts which are successful in competing for grants. To receive funding, each applicant shall agree to convene local Great Start collaboratives to address the availability of physical and socio-emotional health, family supports, basic needs, economic stability and safety, and parenting and early education.

Section 32c	**Interagency Early Childhood Grants**
Appropriation:	$1,750,000 in FY 2006-07 (General Fund).
Purpose:	To fund grants for community-based collaborative prevention services to promote marriage and foster positive parenting skills, and prevent child abuse and neglect, especially for children ages 0-3, as part of a local integrated comprehensive family support strategy.
Payment Calculation:	Grants will be awarded by the Department of Education in conjunction with the Children's Trust Fund and the State interagency director's workgroup.
Eligible for Payments:	Projects selected by the Department of Education, the Children's Trust Fund, and the State interagency director's workgroup.

Section 32d	**School Readiness Program – District Portion**
Appropriation:	$78,800,000 in FY 2006-07: $78,600,000 School Aid Fund, $200,000 General Fund.
Purpose:	To provide comprehensive compensatory education programs to improve the school readiness of at-risk four-year-olds or provide preschool and parenting education programs. An approved program may include an age-appropriate educational curriculum, and shall include nutritional services, health screening, a plan for parent (legal guardian) involvement, and referrals for community social services.
Payment Calculation:	Eligible districts are ranked in decreasing order of concentration of eligible children. In the first round of funding, payment will be equal to $3,300 multiplied by the lesser of the number of children to be served or number eligible. The maximum number of children in each district eligible for early childhood funding is determined as 50% of the percentage of pupils in grades 1-5 who are eligible for free lunch in the preceding year multiplied by the average kindergarten enrollment in the two preceding years. In the second round of funding, districts get the difference between their request number and the number of eligible children until the entire appropriation is distributed. $200,000 is allocated for a competitive grant for continuation of a longitudinal evaluation of children who participated in the school readiness program.
Eligible for Payments:	Any local district or public school academy submitting a pre-application including a comprehensive needs assessment and community collaboration plan. The pre-application must include information on the number of eligible children, the number served by other programs in the community, and the number the applicant program will serve. More than 50% of participating children must meet the income criteria for free or reduced-price lunch or the participation criteria for the Family Independence Agency's Unified Child Day Care Program. A district also must submit a final application indicating compliance with State Board approved early childhood standards of quality for prekindergarten, provision for active and continuous participation of parents, and employment of persons with proper training (specified in Section 37 of the School Aid Act).

Section 32j	**Great Parents, Great Start Grants**
Appropriation:	$5,000,000 in FY 2006-07.
Purpose:	To provide programs for parents with preschool children, encouraging early math and reading literacy, improving school readiness, reducing the need for special education, and fostering the maintenance of stable families by encouraging positive parenting skills.
Payment Calculation:	Each intermediate school district (ISD) received a payment under this section in FY 2005-06 equal to 3.5% of its operating funds in Section 81 (the total appropriation under this section was $3,326,000). For FY 2006-07, the total appropriation increased by 50.33%, so the allocation to each ISD with an approved plan for the delivery of specified programs shall be 150.33% of the amount paid to the ISD under this section in FY 2005-06.

Eligible for Payments:	Intermediate school districts with plans for delivery of programs approved by the Superintendent of Public Instruction.

Section 32*l*	**School Readiness Program – Non-District Portion**
Appropriation:	$12,250,000 in FY 2006-07 (General Fund).
Purpose:	To provide competitive grants for the purposes of preparing children for success in school, including language, early literacy, and early mathematics.
Payment Calculation:	The Superintendent of Public Instruction determines the level of grant funding; however, the per-pupil amount of the grant, when combined with other sources of State revenue for this program, shall not exceed $3,300.
Eligible for Payments:	Any public or private nonprofit legal entity or agency, except a district or intermediate school district (unless acting as a fiscal agent for a child caring organization), demonstrating that more than 50% of the children participating in the program live with families whose household income is no more than 250% of the Federal poverty level.

Section 32m	**Book-a-Month Program**
Appropriation:	$500,000 in FY 2006-07.
Purpose:	To assist in funding programs to provide preschool children with a book each month from birth to age 5.
Payment Calculation:	The Department of Education shall determine grant awards through a competitive process established by the Department.
Eligible for Payments:	Local districts, public school academies, and intermediate school districts. Grant recipients shall be based on the ability of the grant recipient to serve children in the area and the need in the area. Also, grant recipients must provide a local match from locally-raised funds, in an amount at least equal to the grant award.

Section 34	**Early Intervening Program**
Appropriation:	$400,000 in FY 2006-07.
Purpose:	To provide grants for the development of an early intervening model program for grades K-3, and grants for programs that provide early intervening strategies for pupils in grades K-3 using scientifically-based school-wide systems of academic and behavior supports.
Payment Calculation:	A district awarded funding to serve as a model site or site of improvement shall be awarded $40,000 (76% of the total appropriation is allocated in this manner). Through a competitive grant process, the Department of Education determines grant awards for successful applicants that provide early intervening strategies (24% of the total appropriation is allocated in this manner).
Eligible for Payments:	Local districts and public school academies meeting the criteria in the section that are successful grant applicants.

Section 39a	**Federal Grants**
Appropriation:	$641,624,400 in FY 2006-07 (Federal Funds).
Purpose:	To provide federal grants to eligible applicants. The funded programs are further explained in Appendix E of this document.
Payment Calculation:	Grants will be distributed in accordance with federal law.
Eligible for Payments:	Local districts, public school academies, intermediate districts, and other eligible entities.

Section 41	**Bilingual Education - State**
Appropriation:	$2,800,000 in FY 2006-07.
Purpose:	To provide instruction programs for pupils of limited English-speaking ability. Funds received may be used only for instruction in speaking, reading, writing, or comprehension of English.
Payment Calculation:	Reimbursement is on an equal per pupil basis and is based on the number of pupils of limited English-speaking ability in membership on the pupil membership count day.
Eligible for Payments:	Local districts, public school academies, and intermediate districts offering programs of instruction for pupils of limited English-speaking ability.

Section 41a	**Bilingual Education - Federal**
Appropriation:	$1,232,100 in FY 2006-07 (Federal Funds).
Purpose:	To provide instruction programs for pupils of limited English-speaking ability.
Payment Calculation:	Reimbursement is on an equal per pupil basis and is based on the number of pupils of limited English-speaking ability in membership on the pupil membership count day.
Eligible for Payments:	Local districts, public school academies, and intermediate districts offering programs of instruction for pupils of limited English-speaking ability.

Section 51a — **Special Education**

Appropriation:

FY 2005-06	FY 2006-07
$932,083,000 School Aid Fund	$991,983,000 School Aid Fund
$345,850,000 Estimated Federal Funds	$350,700,000 Estimated Federal Funds

Purpose: Provides payments for the required state funding percentages for special education and special education transportation, including foundation allowance payments for students in special education membership and other special education categorical programs.

Payment Calculation - State Funds: The Section 51a state appropriation funds the following specific allocations which are listed in order of funding priority:

1. An estimated $191,800,000 in FY 2005-06, and $205,600,000 in FY 2006-07 for reimbursing intermediate districts 28.6138% of total approved costs of special education students, excluding costs reimbursed under Section 53a, and 70.4165% of total approved costs of special education transportation. "Total approved costs of special education" is defined in Section 51a(7) to include direct and indirect costs of operating special education programs including compensation of special education employees and the cost of certain related services. For each special education pupil counted in membership by the intermediate district, the first payment made under this Section is equal to the sum of the foundation allowances for those pupils' districts of residence (up to $8,385 in FY 2006-07). An additional payment is made, if necessary, to achieve the required state funding percentages. These allocations are calculated in Section 51a(2).

   For districts and public school academies (not intermediate districts), the above process is used for calculation purposes only, to determine the amount (if any) of discretionary payments under Section 22b attributable to this step of the process.

2. An estimated $662,300,000 in FY 2005-06, and an estimated $708,200,000 in FY 2006-07 is allocated to reimburse districts and public school academies for 28.6138% of total approved costs of special education, and 70.4165% of total approved costs of special education transportation. These payments are required by the *Durant v. State of Michigan* decision and are intended to satisfy the Headlee funding percentages as determined by the Supreme Court. These allocations are made in Section 51c.

3. An estimated $6,900,000 in FY 2005-06 and an estimated $7,700,000 in FY 2006-07 for foundation allowance payments for intermediate district pupils described in Section 51a(12),

including those in institutional placements and nonspecial education pupils served by an ISD in a juvenile detention facility. Payments are based on the foundation allowance of the district of residence (up to $8,385 in FY 2006-07). This payment Section applies only to intermediate districts, and is used for calculation purposes only for districts and charter schools. Allocations made in Section 51a(12).

4. Up to $12,800,000 for FY 2006-07 for reimbursement of 100% of the total approved costs of special education [excluding foundation allowance payments which are made under Section 51a(12)] for pupils in institutional and community placements described in Section 53a.
5. Up to $2,200,000 in FYs 2005-06 and 2006-07 for the cost of implementing administrative rule revisions made in 1987. Allocations are made in Section 51a(6).
6. The amount of $1,688,000 in FY 2006-07 for intermediate school districts in an amount per pupil for each pupil enrolled at the Michigan School for the Deaf and Blind. Allocations are made in Section 54.
7. An estimated $2,200,000 in FY 2005-06, and an estimated $1,600,000 in FY 2006-07 for payments to ensure that intermediate districts receive at least the amount of the 1996-97 allocation under Sections 52 and 58. Allocations are made in Section 51a(3). For local districts and public school academies, this Section is for calculation purposes only, to determine discretionary payments under Section 22b.
8. Up to $15,313,900 in FYs 2005-06, and 2006-07 to ISDs for payments based on previous state allocations for retirement and Social Security costs attributable to center program employees. Allocations are made in Section 51a(8).
9. Up to $36,881,100 in FYs 2005-06 and 2006-07 for equalization of ISD special education millages. Payments may be prorated if necessary. Eligible ISDs in FYs 2005-06 and 2006-07 have taxable value per membership pupil of less than $142,900 in FY 2004-05 and less than $151,300 in FY 2006-07, respectively. Allocations are made in Section 56.

Payment Calculation - Federal Funds:	From the total federal allocation, not more than $3,500,000 in FYs 2005-06 and 2006-07 may be allocated by the Department of Education for competitive grants to improve special education on a statewide basis. All remaining federal monies are distributed in an equal amount per special education-identified pupil, based on federally-required head counts of students. Allocation is found in Section 51a(5).
Eligible for Payments:	Local districts, public school academies, and intermediate school districts.

Section 51d	**Federal Special Education Grants**
Appropriation:	$74,000,000 in FY 2006-07 (Federal Funds).
Purpose:	To allocate funding for special education programs funded by federal grants, including Handicapped Infants and Toddlers, Preschool Grants, and Special Education Programs (funded with Individuals with Disabilities Education Act funds).
Payment Calculation:	All funds allocated under this section are distributed in accordance with federal law.
Eligible for Payments:	Local districts, public school academies, intermediate districts, or other eligible entities.

Section 54a	**Special Education Lending Library**
Appropriation:	$250,000 in FY 2006-07.
Purpose:	To provide funding to the lending library at Central Michigan University from which districts and ISDs can borrow special education assessment materials.

Payment Calculation:	Direct grant to Central Michigan University.
Eligible for Payments:	Special Education Lending Library located at Central Michigan University.

Section 54b	**Conductive Learning Center Evaluation**
Appropriation:	$250,000 in FY 2006-07.
Purpose:	To fund an evaluation of the Conductive Learning Center at Aquinas College to determine the effectiveness of conductive learning for children with cerebral palsy.
Payment Calculation:	Direct grant to Michigan State University.
Eligible for Payments:	Michigan State University.

Section 57	**Advanced and Accelerated Grants**
Appropriation:	$285,000 in FY 2006-07.
Purpose:	Funding must support part of the cost of summer institutes for advanced and accelerated students and to the extent funding allows also may be used to provide comprehensive programs for advanced and accelerated students.
Payment Calculation:	A grant may not exceed $5,000 or $5,000 per ISD in a consortium. Any unallocated funds may be allocated in an equal amount per ISD to grantees under this section.
Eligible for Payments:	Intermediate districts or consortia that provide at least 25% match.

Section 57a	**International Baccalaureate Grants**
Appropriation:	$250,000 in FY 2006-07.
Purpose:	To provide funding to offset the costs of establishing an international baccalaureate diploma or middle years program.
Payment Calculation:	Grants of $50,000 with emphasis on the number of pupils enrolled, priority for consortia, and a balance between diploma and middle years programs. Recipients may not receive a grant for more than four years, and if more than one applicant applies, no more than one grant shall be awarded to a particular district, ISD or consortia.
Eligible for Payments:	Local districts, public school academies, intermediate districts, or consortia with a program that would serve at least 75 pupils in each grade in the program or at least 200 total pupils.

Section 61a	**Vocational-Technical Education Programs**
Appropriation:	$30,000,000 in FY 2006-07.
Purpose:	To reimburse for the added costs of secondary level vocational-technical education.
Payment Calculation:	Reimbursement of up to 75% of added costs to local districts or secondary area vocational technical centers and programs. Reimbursement is dependent on the type of program provided, the number of pupils enrolled, and the length of the program. $388,700 is allocated to intermediate districts with constituent districts that had foundation allowance revenue equal to or greater than $6,500 in FY 1994-95, served as fiscal agents for vocational education centers, and had adjustments in their FY 1994-95 foundation allowances pursuant to Section 20d.

	Disbursement of up to $800,000 may be used for program administration at the local and intermediate district level pursuant to State Board of Education guidelines.
Eligible for Payments:	Local districts and public school academies that did not serve as a fiscal agent for a vocational education consortium in the 1993-94 school year and secondary area vocational-technical education centers are eligible for the approximately $29.2 million. Local and intermediate districts are eligible for support of program administration.

Section 62	**Intermediate School District Vocational Education Millage Equalization**
Appropriation:	$9,000,000 in FYs 2005-06 and 2006-07.
Purpose:	To equalize intermediate school district (ISD) millage revenues for vocational education.
Payment Calculation:	For an intermediate district with taxable value per pupil less than a specified level, the state provides a payment that enables the intermediate district to receive combined state and local revenue as if the ISD had a taxable value of the specified level. Eligible ISDs in FYs 2005-06 and 2006-07 have taxable value per membership pupil of less than $152,000 in FY 2004-05 and less than $160,500 in FY 2006-07, respectively.
Eligible for Payments:	ISDs and area vocational-technical education programs established under Section 690(3) of the School Code and levying millages pursuant to Sections 681 to 690 of the Code.

Section 64	**Health Sciences Middle College**
Appropriation:	$2,000,000 in FY 2006-07.
Purpose:	To create and implement a middle college focused on health sciences.
Payment Calculation:	Awards to be made in a form and manner determined by the department but shall be made to programs which provide outreach programs to make students aware of health care career opportunities, individualized education plans for students, a curriculum with entry-level college courses, and clinical rotations to observe health care careers.
Eligible for Payments:	Intermediate school districts or a district of the first class in consortium with a community college or state public university and a hospital.

Section 65	**Precollege Engineering and Science Programs**
Appropriation:	$780,100 in FY 2006-07.
Purpose:	To fund precollege programs in engineering and the sciences.
Payment Calculation:	$680,000 to the 2 eligible existing programs that received funds for this program in the Department of Labor and Economic Growth budget in FY 2005-06. $100,000 to the Kalamazoo regional education service agency (RESA) to support a program similar to the 2 existing programs above.
Eligible for Payments:	Detroit Public Schools, Grand Rapids Public Schools, Kalamazoo RESA.

Section 74	**Bus Driver Safety Instruction and Auxiliary Services Transportation**
Appropriation:	$2,965,000 in FY 2006-07.
Purpose:	To support bus driver safety instruction or evaluation, reimburse districts for nonspecial education auxiliary services transportation, and reimburse districts for the costs of school bus inspections by the department of State Police.
Payment Calculation:	The bus driver safety instruction reimbursement is based on 75% of the actual cost for the instruction and driver compensation during the instruction or testing.

	Payment for the nonspecial education auxiliary services transportation is based on reasonable costs for the transportation of nonpublic pupils to and from the site where nonspecial education auxiliary services (such as speech and language, health screening, remedial reading, and school social work services) are provided. $1,340,000 for reimbursement of the actual costs of school bus inspections carried out by the Michigan State Police.
Eligible for Payments:	State-supported colleges and universities and intermediate districts are eligible for bus driver safety instruction reimbursement and local districts are eligible for the nonspecial education auxiliary services transportation funds. Local districts, public school academies and intermediate districts are eligible for school bus inspection funds.

Section 81	**Intermediate School District General Operations Support**
Appropriation:	$80,110,900 in FY 2006-07.
Purpose:	To fund intermediate school districts for general operations.
Payment Calculation:	FY 2006-07 allocations equal to 103.1% of FY 2005-06 funding levels under this Section.
Eligible for Payments:	Intermediate school districts which employ at least 1 person trained in pupil counting procedures, rules, and regulations.

Section 94a	**Center for Educational Performance and Information (CEPI)**
Appropriation:	$5,893,200 in FY 2006-07: $2,350,000 General Fund, $3,543,200 Federal Funds.
Purpose:	To operate the center, which coordinates the collection of all education data required by state and federal law, and to develop and implement a comprehensive longitudinal educational data management and student tracking system.
Payment Calculation:	Payments made to the CEPI.
Eligible for Payments:	The CEPI.

Section 98	**Michigan Virtual High School (MVHS)**
Appropriation:	$6,000,000 in FY 2006-07: $500,000 School Aid Fund, $2,250,000 General Fund, $3,250,000 Federal Funds.
Purpose:	To the Michigan Virtual University (MVU) to operate the MVHS, to provide professional development opportunities for educators, and to provide online test preparation resources and an online career planning tool.
Payment Calculation:	$500,000 General Fund to provide online test preparation for all Michigan high school students. $1,750,000 General Fund for general operations of the MVHS. $2,250,000 Federal Funds to provide professional development. $1,000,000 Federal Funds to support the virtual high school. $500,000 School Aid fund to provide My Dream Explorer, an online career exploration and planning tool to all Michigan students.
Eligible for Payments:	The MVU is eligible for the General and Federal funds. An intermediate district in partnership with the MVU is eligible for the School Aid Funds.

Section 98b	**Freedom to Learn**
Appropriation:	Up to $1,500,000 in FY 2006-07 from Federal Funds carried forward from FY 2005-06.
Purpose:	To operate the Freedom to Learn program operated by the One to One Institute and provide professional development.
Payment Calculation:	A single contract awarded by the One to One Institute in conjunction with Department of Education.
Eligible for Payments:	Berrian Intermediate School District.

Section 98c	**Web-based Practice Assessments**
Appropriation:	$1,000,000 in FY 2006-07 (General Fund).
Purpose:	To provide a web-based practice assessment and classroom remediation program that includes reading, mathematics, social science, and science for up to 240,000 pupils in grades 6, 7, and 8.
Payment Calculation:	A single contract awarded by the Department of Education.
Eligible for Payments:	A program which can register pupils online, is accessible over the Internet, can provide test results immediately upon completion of the test, can provide remedial service by linking to textbooks in the classroom, and will report results that can be tracked by pupil, classroom, school, and district.

Section 99	**Mathematics & Science Centers**
Appropriation:	$3,416,000 in FY 2006-07: School Aid Fund, $84,000 General Fund, $4,456,000 Federal Funds.
Purpose:	To support a statewide network of mathematics and science centers.
Payment Calculation:	Established centers will receive 100% of the amount they received in FY 2005-06. An additional $1,000,000 to be distributed in a form and manner determined by the department to centers able to provide professional development to assist districts in implementing the Michigan merit curriculum standards for math and science.
Eligible for Payments:	Existing mathematics and science centers.

Section 99c	**Middle School Math**
Appropriation:	$20,000,000 in FY 2006-07.
Purpose:	To fund efforts designed to improve pupil performance in mathematics to achieve middle school math standards and benchmarks adopted by the State Board of Education.
Payment Calculation:	Allocations shall be an equal amount per pupil for each pupil enrolled in grades 6,7, and 8. The payment is estimated to be $54 per pupil.
Eligible for Payments:	Local districts and public school academies.

Section 99d	**Automated External Defibrillators (AEDs)**
Appropriation:	$100,000 in FY 2006-07.
Purpose:	To provide matching funds to districts for the purchase of AEDs.
Payment Calculation:	Grants to be awarded to districts in descending order of a district's percentage of pupils who met the income eligibility criteria for free breakfast, lunch, or milk program.

	Districts may not receive a grant for more than one AED until every district has one.
Eligible for Payments:	Local districts and public school academies that provide 50% local match and meet criteria established by the department to maximize effectiveness of the funds.

Section 99e	**Financial Emergency District Funding**
Appropriation:	$125,000 in FY 2006-07.
Purpose:	To reimburse a district for having received a reduced foundation allowance due to proration while having had an emergency manager in place.
Payment Calculation:	Direct payment to Inkster Public Schools.
Eligible for Payments:	Inkster Public Schools.

Section 99f	**School Building Security Mapping**
Appropriation:	$350,000 in FY 2006-07.
Purpose:	A pilot program to fund security mapping of school buildings provided by the Michigan State Police or the Michigan Commission on Law Enforcement Standards for use by response agencies that are called to respond in case of emergencies.
Payment Calculation:	$105,000 to Clare Gladwin ISD. $28,000 to each Jackson ISD, Kalamazoo RESA, Muskegon ISD, Menominee ISD, and Garden City School District. $105,000 to applicant districts in grants of $7,000 per school building who have had an emergency situation in or near a school building in the last 5 years or who are determined likely to have an emergency situation occur by the department in conjunction with the Michigan State Police.
Eligible for Payments:	Local districts, public school academies, and intermediate districts.

Section 99g	**School Based Crisis Intervention Project**
Appropriation:	$300,000 in FY 2006-07.
Purpose:	To expand a positive behavioral support program to additional schools in the district.
Payment Calculation:	Direct payment to Pontiac School District.
Eligible for Payments:	Pontiac School District.

Section 99h	**FIRST Robotics**
Appropriation:	$150,000 in FY 2006-07.
Purpose:	To provide grants to high schools that provide students with opportunities to improve mathematics, science, and technology skills by participating in events hosted by the For Inspiration and Recognition of Science and Technology (FIRST) Robotics Competition.
Payment Calculation:	Competitive grants awarded in a manner to be determined by the department in a way that maximizes the number of high schools able to participate.
Eligible for Payments:	Local districts and public school academies that provide a 50% local match.

Section 104	**Michigan Education Assessment Program (MEAP)**
Appropriation:	FY 2006-07: $19,500,000 School Aid Fund, $8,425,200 Federal Funds.
Purpose:	To reimburse districts for costs associated with providing the MEAP tests to comply with State and Federal assessment requirements.
Payment Calculation:	Reimbursement for actual costs.
Eligible for Payments:	Local districts and public school academies and intermediate school districts.

Section 107	**Adult Education**
Appropriation:	$24,000,000 in FY 2006-07.
Purpose:	To provide high school completion, General Education Development (GED) test training, English as a second language, adult basic education, and job- or employment-related programs to eligible adults. Eligibility depends on an individual's age and whether or not he or she has a high school diploma or GED. A person without a high school diploma or GED and who is at least 20 years old (or at least 16 years old, permanently expelled, and without available local alternative education) is eligible to participate. The only persons with a high school diploma or GED that are eligible for adult education funding under this Section are those enrolled in an English as a second language course, those enrolled in a high school completion program, or persons less than 20 years of age who are enrolled in the State Technical Institute and Rehabilitation Center or who are not attending an institution of higher education and enrolled in a job- or employment-related program through a referral by their employers.
Payment Calculation:	$22,500,000 for districts or consortia that received a grant in FY 2005-06. Allocations shall be equal to 107.1% of the FY 2005-06 award before reallocations were made under subsection (4). Up to $1,400,000 to districts or consortia that did not receive grants in FY 2005-06. Up to $200,000 to expand an existing innovative community college program that focuses on educating adults and fits a number of statutory criteria.
Eligible for Payments:	Local districts, public school academies, and intermediate districts, and consortia are eligible for up to $23.9 million. Community colleges are eligible for up to $200,000.

APPENDIX C
Sample Calculations: Foundation Allowances, Special Education Funding, and The Three-Tier Payment System

Basic Foundation Allowance History

Set by the Legislature at $5,000 per pupil in FY 1994-95, the first full fiscal year in which Proposal A was in effect, the basic foundation allowance was a target per pupil funding level which lawmakers hoped all districts below that funding level would one day reach. The Legislature sets the basic foundation allowance each year and, until FY 1999-2000, districts with foundation allowances below the basic foundation allowance received larger foundation allowance increases than districts with allowances at or above the basic. This was the mechanism by which lawmakers hoped to lessen inequities in per pupil funding among districts over time.

The table below provides information on the foundation allowances since Proposal A took effect in FY 1994-95. It shows the minimum foundation allowance that any district receives, the basic foundation allowance, the public school academy (PSA) maximum foundation allowance, and the maximum foundation allowance upon which state foundation allowance payments may be based. In the last column, the dollar increase is the amount by which the basic foundation allowance has increased each year since FY 1994-95, with the exception of the increase for FY 2002-03. (See note at bottom of table below.)

The Foundation Allowance: FY 1994-95 to FY 2006-07

Fiscal Year	Minimum Foundation Allowance	Basic Foundation Allowance	PSA Maximum Foundation Allowance	State Maximum Foundation Allowance	Dollar Increase
1994-95	$4,200	$5,000	$5,500	$6,500	N/A
1995-96	$4,506	$5,153	$5,653	$6,653	$153
1996-97	$4,816	$5,308	$5,808	$6,808	$155
1997-98	$5,124	$5,462	$5,962	$6,962	$154
1998-99	$5,170	$5,462	$5,962	$6,962	$0
1999-2000	$5,700	$5,700	$6,200	$7,200	$238
2000-01	$6,000	$6,000	$6,500	$7,500	$300
2001-02	$6,300	$6,300	$6,800	$7,800	$300*
2002-03	$6,700	$6,700	$7,000	$8,000	$200
2003-04	$6,700	$6,700	$7,000	$8,000	$0
2004-05	$6,700	$6,700	$7,000	$8,000	$0
2005-06	$6,875	$6,875	$7,175	$8,175	$175
2006-07	$7,085	$7,085	$7,385	$8,385	$210

**In FY 2001-02, districts with a foundation below $6,500 also received an equity payment of up to $200 per pupil. The FY 2002-03 dollar increase of $200 was calculated from the FY 2001-02 basic foundation allowance, plus $200 to reflect the equity payment.*

Equity Payments

In FY 2001-02, the state made a one-time "equity" payment of up to $200 per pupil to any district with a foundation allowance below $6,500 in FY 2001-02. This equity payment, which became part of eligible districts' foundation allowances beginning in FY 2002-03, closed the state funding gap between the basic and the state maximum foundation from $1,500 to $1,300 per pupil.

For FY 2006-07, the state again will make a one-time "equity" payment of up to $23 per pupil to any district with a foundation allowance below $7,360 in FY 2006-07. Language in the School Aid Act includes an intent that, like

the equity payment in FY 2001-02, this payment will become part of eligible districts' foundation allowances beginning in FY 2007-08. There are 399 school districts eligible for this payment in FY 2006-07.

Annual Increases

In FY 1999-2000, all districts reached the basic foundation allowance for the first time. *All school districts now receive the same dollar increase in their foundation allowance as the annual increase in the basic foundation allowance*. For example, when the basic foundation allowance increased by $300 per pupil from $5,700 in FY 1999-2000 to $6,000 in FY 2000-01, all districts received an increase of $300 per pupil in their FY 2000-01 foundation allowance over FY 1999-2000 levels. For FY 2006-07, all districts will receive a $210 increase.

Public School Academies

Since Proposal A went into effect and until FY 2002-03, the foundation allowance for a public school academy was the lesser of $500 above the basic foundation allowance or the foundation allowance of the local district in which the public school academy is located. However, due to implementation of the $200 equity payment in FY 2001-02, beginning in FY 2002-03, public school academies receive a maximum of $300 above the basic foundation allowance level—rather than $500. In FY 2006-07, public school academies will receive a maximum of $7,385, which is $300 above the $7,085 basic foundation allowance.

Foundation Allowance Adjustments

Since FY 1994-95, for a variety of reasons, the foundation allowances of 30 districts have received permanent increases in addition to standard increases in the basic foundation allowance. Thus, the foundation allowance *base* upon which annual increases are added has been increased for these districts. (See table below.) Of the 30 increases, 26 were made when small class-size grants were rolled into eligible districts' foundation allowances in Section 20(19). The others were made for miscellaneous reasons shown in the table below. After these initial one-time adjustments, the districts will still receive the same dollar increase as the increase in the basic foundation allowance, but the increases are added to the new, higher foundation allowance amounts.

Revised Foundation Allowances: FY 2006-07

District Name	Unadjusted	Adjusted	Increase	Reason	
Alma	$7,085	$7,389	$304	Small Class-Size Adjustment	
Baldwin	7,199	7,407	208	Small Class-Size Adjustment	
Bangor	7,085	7,210	125	Small Class-Size Adjustment	
Bridgeport-Spaulding	7,085	7,444	359	Small Class-Size Adjustment	
Cheboygan	7,085	7,177	92	Small Class-Size Adjustment	
Ferndale	7,994	8,027	33	Small Class-Size Adjustment	
Flint	7,637	7,817	180	Small Class-Size Adjustment	
Garden City	7,569	7,712	143	Operating-Mills Adjustment	(a)
Gibraltar	7,203	7,453	250	Tax Abatement Adjustment	(b)
Grand Rapids	7,166	7,326	160	Small Class-Size Adjustment	
Hart	7,085	7,209	124	Small Class-Size Adjustment	
Hartford	7,085	7,393	308	Small Class-Size Adjustment	
Hazel Park	7,619	7,696	77	Small Class-Size Adjustment	
Huron	7,469	7,660	191	Operating-Mills Adjustment	(c)
Kalamazoo	7,556	7,753	197	Small Class-Size Adjustment	
Kaleva Norman-Dickson	7,085	7,617	532	Small Class-Size Adjustment	
Lansing	7,490	7,653	163	Small Class-Size Adjustment	
Mt. Clemens	7,789	8,277	488	Small Class-Size Adjustment	
Muskegon City	7,343	7,623	280	Small Class-Size Adjustment	

Revised Foundation Allowances: FY 2006-07

District Name	Unadjusted	Adjusted	Increase	Reason	
Muskegon Heights	7,575	7,741	166	Small Class-Size Adjustment	
Oak Park	7,972	8,104	132	Small Class-Size Adjustment	
Orchard View	7,224	7,285	61	Small Class-Size Adjustment	
Port Huron	7,085	7,190	105	Small Class-Size Adjustment	
Shelby	7,085	7,395	310	Small Class-Size Adjustment	
Taylor	7,852	8,017	165	Small Class-Size Adjustment	
Wayne-Westland	7,306	7,781	475	Millage Adjustment	(d)
Westwood	7,795	8,115	320	Small Class-Size Adjustment	
Willow Run	7,469	7,659	190	Small Class-Size Adjustment	
Wolverine	7,085	8,383	1,298	Small Class-Size Adjustment	
Wyoming	7,085	7,113	28	Small Class-Size Adjustment	

Notes: (a) Section 20(21); (b) Section 20(18); (c) Section 20(22); (d) Section 20(17); Increases for Garden City and Huron are estimates based on FY 2006-07 estimated pupil counts. Garden City shall not receive more than $800,000 and Huron shall not receive more than $500,000.

Foundation Allowance Calculations

Calculation of Foundation Allowance Revenue (Section 20)

The total amount of state aid a district will receive for foundation allowances is calculated in Section 20. It is derived from multiplying the number of general education membership pupils a district educates by the district's foundation allowance, then subtracting the local revenue from levying 18.0 mills. (See note below regarding pupil membership.) Note that the state pays only a portion of a district's foundation allowance revenue—it pays the amount remaining after subtracting from the foundation allowance amount the local revenue the district collects from its "nonhomestead" property tax. This tax is equal to 18 mills or the number of mills a district levied in 1993, whichever is less, multiplied by the nonhomestead taxable value (taxable value from businesses and second homes) in the district.

Foundation Allowance Calculation (Sec. 20): FY 2006-07

STATE PORTION = { General Education Membership Pupils **X** The lesser of $8,385 or the District's Foundation Allowance } **–** Local Revenue from levying 18.0 mills* on nonhomestead property

**Or the number of school operating mills levied in 1993, whichever is less.*

Example of FY 2006-07 Sec. 20 Calculation

FY 2006-07 Foundation = $7,200
General Education Membership = 1,000
Local Revenue from Nonhomestead Property Tax = $2,000,000

State and Local Foundation Allowance Revenue = $7,200 X 1,000 = $7,200,000
State Portion of Foundation Allowance Revenue = $7,200,000 – $2,000,000 = $5,200,000
State Portion Per Pupil = $5,200,000 ÷ 1,000 = $5,200

There is a maximum amount, called the state maximum foundation allowance, which may be used when calculating the state portion of the foundation allowance. This is the highest foundation allowance that may be used when multiplying the number of general education membership pupils by a district's foundation allowance to calculate total revenue (as described above). The state maximum foundation revenue was set at $1,500 above the basic foundation allowance each year until FY 2002-03. Beginning in FY 2002-03, the first year following the equity payment, the state maximum foundation is $1,300 above the foundation allowance, which

for FY 2006-07 will be $8,385 per pupil. (Districts with a foundation allowance above the state maximum—so-called "hold harmless" districts—must levy additional local millages to make up the difference between this $8,385 maximum and their foundation allowances.)

A Note on Pupil Membership

Pupil membership is calculated by adding a percentage of the number of full-time equivalent (FTE) pupils counted in September of the current school year to a percentage of those counted during the prior February. In FY 2006-07, pupil membership is the sum of 25% of the February 2006 count plus 75% of the September 2006 count. The 75/25 pupil membership blend has been used since FY 2004-05, when it replaced an 80/20 blend.

There is two notable exception to this membership blend—a provision intended to assist certain districts with declining enrollment that allows districts with a 75/25 blend membership of 1,550 or less and fewer than 4.5 pupils per square mile to use a three-year average membership blend.

For qualified districts, the previous two years' 75/25 blends plus the current 75/25 blend are averaged and the foundation allowance revenue calculation is based on this three-year average membership. The three-year average calculation will be higher than the current 75/25 blend in declining districts, thus giving qualified districts more revenue. In FY 2006-07, this "declining enrollment" provision is expected to affect around 60 districts and result in an additional nearly 1,000 memberships statewide.

Calculation of Section 20j

Section 1211(3) of the Revised School Code prohibits "hold-harmless" districts from collecting more than an inflationary increase in their per-pupil State and local revenue from one year to the next year. (A "hold-harmless" district is one whose foundation allowance exceeds the State Maximum Foundation Allowance, which, in Fiscal Year (FY) 2006-07 is $8,385.) Section 20j came into existence when the dollar increase given in the basic foundation allowance exceeded the cap in Section 1211(3) of the Code. This section ensures that each "hold-harmless" district receives the full dollar increase given for the basic foundation allowance, even when that dollar increase exceeds the dollar increase that would result from applying inflation to a hold-harmless district's individual foundation allowance. A total of 51 districts are eligible to receive a payment under Section 20j.

The Section 20j amount is calculated by subtracting an amount equal to the current-year Consumer's Price Index multiplied by the previous year's foundation allowance from the dollar increase in the foundation allowance and multiplying this sum by the general education pupil membership. Amounts calculated under Section 20j are added to those calculated under Section 20 in order to calculate total foundation allowance funding.

Foundation Allowance Calculation Part II (Sec. 20J): FY 2006-07

STATE AMOUNT = General Education Memberships **X** { Dollar Amount of Foundation Allowance Increase from Previous Fiscal Year **–** U.S. CPI Multiplied by Previous Year's Foundation Allowance }

NOTE: This calculation is made only for districts with a foundation allowance greater than the state maximum, which for FY 2006-07 is $8,385.

Example of FY 2006-07 Sec. 20J Calculation

Increase in Basic Foundation Allowance, FY 2005-06 to FY 2006-07 = $210

FY 2005-06 Foundation Allowance for District A = $10,000 — General Education FTE Membership = 1,000

FY 2006-07 Foundation Allowance for District A = $10,210 — FY 2006-07 U.S. Consumer Price Index: 1.8 percent

Inflationary Increase in Foundation Allowance = 0.018 X 10,000 = $180

Difference Between Allocated and Inflationary = $210-$180 = $30

District A's Sec. 20j Payment = $30 X 1,000 = $30,000

Note: The actual U.S. Consumer Price Index is estimated to be 3.4% and therefore no additional Sec. 20j payments are anticipated for FY 2006-07. The example above is purely hypothetical.

The Special Education Calculation

As in previous years, special education funding is calculated by adding together the amounts calculated in Sections 51a(2), 51a(3), and 51a(12):

Sec. 51a(2).

This subsection calculates the special education foundation allowance amount, which accounts for the majority of special education funding. Two separate calculations are made and compared in order to calculate the final Sec. 51a(2) amount.

- **Foundation Allowance Calculation**
  Special education pupil membership is multiplied by the district's current-year foundation allowance (capped at $1,300 above the basic, or $8,385, for FY 2006-07).
- **Durant Percentages**
  28.6138% of the district's special education costs are added to 70.4165% of the district's special education transportation costs. These percentages are commonly referred to as the "Durant Percentages".
- **The Comparison and the "Categorical" Amount**
  The amount calculated with the Durant percentages is compared to the amount calculated with the foundation allowance, and the larger of the two is the final Section 51a(2) amount. *If the amount calculated with the Durant Percentages exceeds the amount calculated for the foundation allowance, the difference is made up with an amount called the "Categorical" Amount.*

Sec. 51a(3).

This section calculates the "hold harmless" special education payment amount. The payment was created as part of the state's response to the *Durant* case to ensure that districts did not see a decline in their special education funding from their FY 1996-97 amount. It is calculated by comparing the amount of special education categorical funding that a district received in FY 1996-97 to the amount calculated by subtracting a district's special education foundation allowance amount described above (its foundation allowance multiplied by special education membership) from the amount calculated for it with the Durant percentages.

If the FY 1996-97 funding was higher than the Categorical Amount, the state will make up the difference through the hold harmless payment. If it is the same or less than the amount calculated with the Durant percentages, the district receives no hold harmless payment amount. If a district does receive a hold harmless payment, the Department of Education may adjust it to reflect program reductions or shifts made since FY 1996-97. (The Department determines the methodology to do this.)

Sec. 51a(12).

This section pays the foundation allowance for certain special education students in very specific, unusual situations, including students placed in community settings, residents of institutions operated by the Department of Community Health, and others. Many of the students eligible for funding under this section are described in Section 53a of the School Aid Act, and are commonly referred to as "Section 53a students". These students are not counted towards special education pupil membership as used in Section 51a(2).

The Special Education Calculation (Secs. 51a (2), 51a(3), and 51a(12))

Sec. 51a(2) Greater of						Sec. 51a(3)		Sec. 51a(12)
{ Special Education Membership	X	Foundation Allowance	OR	Amount Calculated from Durant Percentages }	+	Difference Between Categorical Amount and FY 1996–97 Funding*	+	Membership Pupils Eligible for Sec. 51a(12) Funding X Foundation Allowance

******This calculation is completed only if FY 1996-97 Sec. 52 and 58 funding is greater than the Categorical Amount.*

Example of FY 2006-07 Special Education Calculation

FY 2006-07 Foundation Allowance = $7,100
Special Education Membership Eligible for 51a(2) Funding = 200.0
Special Education Membership Eligible for 51a(12) Funding = 5.0
FY 1996-97 Special Education Funding = $500,000
Special Education Costs = $3,200,000
Special Education Transportation Costs = $160,000

Sec. 51a(2) Calculation

Foundation Allowance Calculation: 200.0 X $7,100 = $1,420,000
Durant Percentages = (.286138 X $3,200,000) + (.704165 X $160,000) = $1,028,308
Sec. 51a(2) Payment Amount = $1,420,000, since $1,420,000 > $1,028,308
Sec. 51a(2)(b) Categorical Amount = 0, since $1,420,000>$1,028,308

Sec. 51a(3) Calculation = $500,000 - $0 = $500,000

Sec. 51a(12) Calculation = 5.0 X $7,100 = $35,500

TOTAL SPECIAL EDUCATION AMOUNT = $1,420,000 + $500,000 + $35,500 = $1,955,500

A Note on Special Education Membership

A student who is eligible for special education services may be counted in both general and special education memberships. A pupil who is served 100% in a special education classroom generates 1.0 special education FTE. A pupil who is 40% in a resource room generates a 0.4 special education FTE membership and a 0.6 general education FTE. A pupil who receives only special education pull-out services such as speech therapy, physical therapy, or occupational therapy generates no special education FTEs.

The Three-Tier Payments Sections

Since FY 2000-01, payments of the amounts calculated in Sections 20, 20j, 51a(2), 51a(3), and 51a(12) have been made out of the three new payment sections, as described below.

Section 22a. The Proposal A Guarantee

As part of Proposal A, Article IX of Michigan Constitution was amended to guarantee that districts will receive at least the same state-local revenue each year as they received in FY 1994-95. This section pays the state portion of that guarantee. To calculate payments under this section, a district's FY 1994-95 foundation allowance (capped at the FY 1994-95 state maximum of $6,500 per pupil) is multiplied by the district's total general and special education membership (51a(2) plus 51a(12)) in the current fiscal year. The revenue from the nonhomestead property tax in the current year is then subtracted from this product. The difference is the Section 22a payment.

Proposal A Guarantee (Sec. 22a)

TOTAL PAYMENT = { FY 1994-95 Foundation Allowance **X** Current Year General Education and Special Education Memberships (51a(2)+51a(12)) } **–** Revenue from levying 18.0 mills* on nonhomestead property

**Or the number of school operating mills levied in 1993, whichever is less.*

Sec. 51c. The Headlee Obligation Payment

This section pays the percentages of special education costs and special education transportation costs required under the "Headlee Amendment" to the Michigan Constitution as determined in the 1997 ruling in the *Durant v. State of Michigan* case. That ruling requires the state to pay school districts 28.6138 % of the approved costs

they incur providing special education services and 70.4165% of the approved costs of providing special education transportation services. The Section 51c payment is calculated as shown below.

Headlee Obligation Payment (Sec. 51c)

$$\textbf{TOTAL PAYMENT} = \left\{ \text{Total Approved Cost of Special Education} \times 0.286138 \right\} + \left\{ \text{Total Approved Cost of Special Education Transportation} \times 0.704165 \right\}$$

Sec. 22b. The Discretionary Payment

The discretionary payment is the mechanism by which the state will assure that districts receive the same amount of funding as they would have had the three-tier payment system not gone into effect. To calculate payments under this section, the amounts calculated for foundation allowances and special education under Sections 20, 20j, 51a(2), 51a(3), and 51a(12) are added together. Payments made under Section 22a and 51c are then subtracted from this total, and the remainder is paid out as a "Discretionary Payment." The amounts allocated under the payment sections (Sections 22a, 51c, and 22b) should equal the amount calculated under the old methodology for foundation allowance and special education funding (Sections 20, 20j, 51a(2), 51a(3), and 51a(12)).

Discretionary Payment (Sec. 22b)

$$\textbf{DISCRETIONARY PAYMENT} = \text{Sum of the Amounts Calculated Under Sections 20, 20j, 51a(2), 51a(3), and 51a(12)} - \left\{ \text{Payment Made Under Section 22a} + \text{Payment Made Under Section 51c} \right\}$$

EXERCISES

Use the information from the discussion above to answer questions 1 through 8.

1. The Basic Foundation Allowance for FY 1994-95 was:
   a. $4,200
   b. $5,000
   c. $6,500

2. The Basic Foundation Allowance for FY 2004-2005 was:
   a. $6,500
   b. $6,600
   c. $6,700

3. The Basic Foundation Allowance for FY 2005-2006 was:
   a. $6,675
   b $6,775
   c. $6,875

4. The Basic Foundation Allowance for FY 2006-2007 is:
   a. $7,085
   b. $7,185
   c. $7,285

5. District B had a foundation allowance of $7,100 per pupil in FY 2005-06. What will the district receive in FY 2006-07?
   a. a $7,310 foundation allowance
   b. a $7,310 foundation allowance plus a $23 equity payment
   c. a $7,333 foundation allowance

6. District C had a foundation allowance of $7,180 per pupil in FY 2005-06. Which of the following will the district receive in FY 2006-07?
   a. a $7,390 foundation allowance
   b. a $7,390 foundation allowance plus a $23 equity payment
   c. a $7,413 foundation allowance

7. District A had a foundation allowance of $10,700 per pupil in FY 2005-06. What is the district's foundation allowance in FY 2006-07?
   a. $10,900
   b. $10,910
   c. $10,933

8. District D is a Public School Academy with a foundation allowance of $7,175 per pupil in FY 2005-06 and located in a district with a foundation allowance of $7,400. What will the district's foundation allowance be in FY 2006-07?
   a. $7,385
   b. $7,400
   c. $7,485

Use the information in the Table below to answer questions 9 through 13.

District E Data for Questions 9 to 13
(FY 2006-07 data unless otherwise noted.)

Foundation Allowance, FY 1994-95	$5,500
Foundation Allowance, FY 2006-07	$8,000
General Education Pupil Membership	4,000
Section 51a(2) Special Education Pupil Membership	500
Revenue from 18-mill Non-homestead Tax	$20,000,000
Section 51a(12) Special Education Pupil Membership	10
Special Education Cost	$8,000,000
Special Education Transportation Cost	$400,000
FY 1996-97 Special Education Funding	$1,000,000

9. What is the total general education foundation allowance calculation amount calculated under Sec. 20 for District E from state sources for FY 2006-07?
   a. $10,000,000
   b. $11,000,000
   c. $12,000,000

10. What is the total special education calculation amount for District E for FY 2006-07?
   a. $2,570,770
   b. $4,080,000
   c. $5,080,000

11. What is the total Section 22a (Proposal A Guarantee) payment that District E will receive from State sources for FY 2006-07?
   a. $4,805,000
   b. $6,000,000
   c. $6,750,000

12. What is the total Section 51c (Headlee Obligation) payment that District E will receive for FY 2006-07?
   a. $2,289,104
   b. $2,570,770
   c. $3,880,000

13. What is the total Section 22b (Discretionary) payment that District E will receive from State sources for FY 2006-07?
   a. $2,570,770
   b. $6,250,770
   c. $9,704,230

ANSWERS

1. b. $5,000
2. c. $6,700
3. c. $6,875
4. a. $7,085
5. b. $7,310 plus a $23 equity payment
6. a. a $7,390 foundation allowance
7. b. $10,910
8. a. $7,385

9.

Foundation Allowance Calculation = { General Education Membership Pupils ***4,000*** **X** FY 2006-07 Foundation Allowance ***$8,000*** } **–** Local Revenue on 18.0 mills ***$20,000***

Answer: c. $12,000,000

10.

Special Education Calculation

Sec. 51a(2) = Greater of

{ Special Education Membership ***500*** **X** Foundation Allowance ***$8,000*** ***= $4,000,000*** **OR** 28.6138 % of Special Ed. Costs + 70.4165 % of Special Ed. Transp. Costs ***(.286138 X $8,000,000) + (.704165 X $400,000) = $2,570,770*** } **+** Hold Harmless Amount ***$1,000,000*** **+** Amount for Sec. 51a(12) Memberships ***10.0 X $8,000 = $80,000***

Answer: c. $5,080,000

11.

Section 22a Payment = { FY 1994-95 Foundation Allowance ***$5,500*** **X** General Ed. + Special Ed. Membership (51a(2)+51a(12)) ***4,000 + 510 = 4,510*** } **–** Local revenue on 18.0 mills ***$20,000,000***

Answer: a. $4,805,000

12.

Section 51c Payment = { Total Approved Cost of Special Education ***$8,000,000*** **X** 0.286138 ***= $2,289,104*** } **+** { Total Approved Cost of Special Education Transportation ***$400,000*** **X** 0.704165 ***= $281,666*** }

Answer: b. $2,570,770

13.

Section 22b Payment = Sum of Calculations for Secs. 20, 20j, 51a(2), 51a(3), and 51a(12) ***$12,000,000 + $5,080,000 = $17,080,000*** **–** { Payment Made Under Section 22a ***$4,805,000*** **+** Payment Made Under Section 51c ***$2,570,770*** }

Answer: b. $9,704,230

APPENDIX D
Schools of Choice Deadlines

IF LIMITED POSITIONS ARE AVAILABLE

Deadline Date	Purpose
No Specific Date Stated	Decision by school district whether or not to become a "Schools of Choice" district under Section 105 or Section 105c.
Prior to the Application process	Publication of the grades, schools, and special programs for which applications for enrollment of nonresident pupils under sections 105 or 105c will be accepted.
Prior to the Second Friday in August	• Provide notification to the public that applications will be taken during a 15-day period. • Determine which nonresident applicants will be allowed to enroll under the "Schools of Choice" program within 15 days after the application period.
3rd Monday in August until the 1st week of School	Allow additional pupils from a waiting list to enroll if positions become available.

IF UNLIMITED POSITIONS ARE AVAILABLE

Deadline Date	Purpose
No Specific Date Stated	Decision by school district whether or not to become a "Schools of Choice" district under Section 105 or Section 105c.
15 Day Period - No Specific Date Stated	Publication of the grades, schools, and special programs for which applications for enrollment of nonresident pupils under sections 105 or 105c will be accepted.
End of the First Week School	Acceptance of applications until the end of the first week of school.

FOR SECOND SEMESTER ENROLLMENT

Deadline Date	Purpose
Not Later than Two Weeks Before the End of the First Semester	Publication of the grades, schools, and special programs for which applications for enrollment of nonresident pupils under sections 105 or 105c will be accepted.
Last Two Weeks of the First Semester	Date for acceptance of applications. Applications must be taken for a 15-day period. The district may extend this deadline date.
The Beginning of the Second Semester	Determination of the nonresident applicants who will be allowed to enroll under the "Schools of Choice" program under section 105 and notification to their parents and legal guardians.

APPENDIX E
Federal Grant Programs FY 2006-07

This appendix briefly describes the Federal grants that are appropriated in the K-12 School Aid budget. A total of $1,411,236,900 in Federal funds are appropriated, of which more than $636 million are No Child Left Behind grants and more than $424 million are part of Special Education funding.

Program Name	FY 2006-07 Appropriation	Program Purpose
		Sec. 39a(1). No Child Left Behind Program
Drug Free Schools Grants	$9,625,800	Provides grants to local districts for drug and violence prevention. The state is required to allow students who attend "persistently dangerous schools" to transfer to a safe school. State grants to locals are based 60% on Title I basic grants, and 40% on enrollment.
Educational Technology Grants	$6,140,900	Provides formula grants to support the integration of educational technology into classrooms to improve teaching and learning, and to assist all students in becoming technologically literate by the end of the eighth grade. The state must allocate 50% of the grants to local education agencies (LEAs) based on Title I formula and the other 50% through a competitive grant process.
Improving Teacher Quality	$106,249,200	Combines the Eisenhower Professional Development and Class Size Reduction programs into one program that focuses on preparing, training, and recruiting high-quality teachers. Allows local districts increased flexibility to allocate funds among professional development, class-size reduction, and other teacher activities. The state can use funds for reforming certification requirements, teacher/principal recruitment and retention initiatives, reforming tenure systems, testing, and merit pay. Local districts will receive the amount they received in 2001 for Eisenhower/Class-Size. Any remaining funds will be distributed based on child population and child poverty. Subgrants to Eligible Partnerships will be awarded competitively (higher education).
Language Acquisition State Grants	$7,627,400	Focuses on assisting districts in teaching English to limited-English proficient students. The state allocates funds to districts based on their share of the limited-English proficient student population.
Michigan Charter School Subgrant	$8,550,000	Competitive grants for charter schools to support the planning, design, and initial implementation of charter schools. Grants are awarded for a maximum of three years, and applicants must show progress toward meeting their goals and objectives.
Character Education	$58,000	Competitive grants to states and districts for providing programs that focus on caring, civic virtue and citizenship, justice and fairness, respect, responsibility, and trustworthiness. This program has ended.

Program Name	FY 2006-07 Appropriation	Program Purpose
Rural and Low Income Schools Grant	$468,700	Available only for small or rural schools with a child-poverty rate of at least 20%. The program is designed to increase student achievement and decrease dropout rates. Funds may be used for teacher recruitment and retention, educational technology, and parental involvement activities.
Title I, Comprehensive School Reform	$3,115,900	Designed to support the development, adoption, and implementation of comprehensive school reforms that are based on reliable research and that will improve the academic achievement of children in participating schools. The state will award competitive grants to LEAs that receive funds under Part A of Title I, with priority given to LEAs that plan to use the funds for schools that are in improvement or corrective action under Title I.
Title I, Disadvantaged Children Grants	$428,860,300	Provides extra resources to help improve instruction in high-poverty schools and ensure that minority and poor children have the same opportunity as other children to meet challenging state academic standards. Standards and assessments must be developed by the state for grades 3-8 in reading and math, and LEAs must use Title I funds for activities that research suggests will help all students meet the standards. Allocations to LEAs are based primarily on the number of poor children in each school district. Of the LEA's allocation, 5-10% must be used for professional development, aimed at ensuring that all teachers were highly qualified by the end of the 2005-06 school year.
Title I, Even Start Grants	$3,022,700	Designed to support family literacy programs that integrate early childhood education, adult education, parenting education, and literacy activities for low-income families. The state will make competitive grants to partnerships of LEAs and other organizations, giving priority to proposals that target areas designated as empowerment zones or enterprise communities, or that propose to serve families in other high-poverty areas.
Title I, Migrant Grants	$8,186,200	Provides financial assistance to states to establish and improve programs of education for children of migratory farm workers and fishers. The state can provide services either directly or through subgrants to LEAs or other nonprofit private agencies.
Title I, Reading First State Grants	$22,928,000	Helps states and LEAs utilize scientifically-based reading research to implement comprehensive reading instruction for children in kindergarten through third grade. The state will award competitive grants to eligible LEAs; 1) those that have at least 15% of their students coming from families with incomes below the Census poverty line or at least 6,500 children from families with incomes below the poverty line; 2) districts with highest percentages of students in K-3 reading below grade level; or 3) districts identified for School Improvement under Adequate Yearly Progress.

Program Name	FY 2006-07 Appropriation	Program Purpose
Title VI, Innovative Strategies Grants	$2,848,900	Provides flexible funds to states and LEAs for innovative educational programs. The state will allocate at least 85% of funds to LEAs based on relative enrollments in public and private schools. Local uses of the funds include professional development, class-size reduction, charter schools, community service programs, school nurses, school-based mental health services, and more.
21st Century Community Learning Centers	$29,296,000	Funds are targeted to high-poverty, low-performing schools to provide academic enrichment activities. The state will make competitive awards to eligible entities, where schools identified for improvement under Title I are prioritized for funding. Community-based (including faith-based) or other public or private entities, in addition to LEAs, are able to compete for funds.
		Sec. 39a(2). Other Federal Funding
AIDS Education Grants	$600,000	Designed to develop and implement HIV prevention programs of public information and education.
Homeless Children and Youth Grants	$1,500,100	Provides grants to states to help ensure that homeless children and youth have access to the same free and appropriate public education (including preschool) as other children. The state will make awards to LEAs on the basis of need.
Refugee Children School Impact Grants	$1,000,000	Designed to assist districts in educating refugee children and youth. Eligible districts are those in which the number of refugee children and youth is at least 30; districts having fewer than 30 refugee children may form a consortium and receive funds if the total number of refugee children in the consortium is at least 30. This program has ended.
Serve America Grants	$1,445,600	Designed to encourage and expand development of service-learning programs in school districts and promote greater school-community collaboration. Renewal grants are available for Statewide Capacity-Building, Service-Learning Program Planning, and Operational Grants.
Coordination of Migrant Education	$100,700	Designed to support activities involving multistate consortia for improving coordination in seven areas of need (e.g., improving the identification and recruitment of eligible migrant children; using scientifically based research to improve school readiness; improving reading and math proficiency; decreasing the dropout rate; improving high school completion rates; strengthening the involvement of parents; and expanding access to innovative technologies). This program has ended.
	$641,624,400	**SECTION 39a TOTAL FEDERAL GRANTS**

Program Name	FY 2006-07 Appropriation	Program Purpose
		Miscellaneous Federal Funding
School Lunch (Section 31d)	$322,506,000	Includes $320,000,000 for the National School Lunch Program, and $2,506,000 for the Emergency Food Assistance Program. Programs funded include school breakfast and school lunch, summer food program, and team nutrition programs.
Bilingual Education (Section 41a)	$1,232,100	Funds to districts and intermediate districts offering instruction for pupils of limited English-speaking ability.
Special Education (Sections 51a and 51d)	$424,700,000	Includes $350,700,000 in Section 51a from Individuals with Disabilities Education Act, and in Section 51d, includes $15,000,000 for Handicapped Infants and Toddlers, $14,000,000 for Preschool Grants, and $45,000,000 for Special Education. Funds are intended to implement and maintain a statewide, comprehensive, coordinated, multidisciplinary, interagency system to provide services to infants, preschoolers, and school-age students with disabilities.
Center for Educational Performance and Information (Section 94a)	$3,543,200	Various Federal funds to support the fulfillment of Federal reporting requirements.
Michigan Virtual High School (Section 98)	$3,250,000	Includes $2,250,000 from Improving Teacher Quality funds for development of intensive professional development programs, and $1,000,000 from Educational Technology funds to support e-learning and virtual school initiatives.
Freedom to Learn (Section 98b)	$1,500,000	Includes carryforward funds from unexpended Educational Technology grants to support the Freedom to Learn program.
Math and Science Centers (Section 99)	$4,456,000	Includes funds from the Mathematics and Science Partnership grants to support mathematics and science centers, improve math and science teacher education, curriculum development, and alignment of achievement standards for postsecondary study in engineering, mathematics and science.
MEAP Testing (Section 104)	$8,425,200	Includes No Child Left Behind State Assessment funds for the purposes of providing MEAP tests to comply with Federal law.
	$1,411,236,900	**TOTAL FEDERAL GRANTS**

APPENDIX F
Public Acts Amending the State School Aid Act
September 2000 Through August 2006

Public Act	Bill Number	Subject
297 of 2000	Senate Bill 1044	FY 1999-2000 and FY 2000-01 Supplementals FY 2001-02 and FY 2002-03 Budgets
121 of 2001	House Bill 4371	FY 2000-01, FY 2001-02, and FY 2002-03 Supplementals
71 of 2002	House Bill 5419	Amends Sec. 17a (Bonding Provision Reference)
191 of 2002	Senate Bill 1107	FY 2001-02 and FY 2002-03 Supplementals
476 of 2002	House Bill 4462	Amends Sec. 101 (Days and Hours of Instruction)
521 of 2002	House Bill 5881	FY 2001-02 and FY 2002-03 Supplementals FY 2003-04 Budget
141 of 2003	Senate Bill 134	Amends Sec. 20 (Homestead Exemption Reference)
158 of 2003	House Bill 4401	FY 2002-03 and FY 2003-04 Supplementals
180 of 2003	Senate Bill 365	Amends Sec. 94a (CEPI)
236 of 2003	Senate Bill 556	FY 2003-04 Supplemental
127 of 2004	House Bill 5666	Amends Sec. 101 (Days and Hours of Instruction)
166 of 2004	House Bill 5478	Amends Sec. 166a (Sex Education Penalties)
185 of 2004	Senate Bill 1194	FY 2003-04 Supplemental
227 of 2004	Senate Bill 599	Amends Sec. 6 (Pupil Membership Definitions)
337 of 2004	Senate Bill 885	Amends Sec. 32j (Evaluation Requirements for ISD)
351 of 2004	Senate Bill 1069	FY 2003-04 Supplemental and FY 2004-05 Budget
414 of 2004	House Bill 5627	Amends Sec. 18 (Financial Reporting by ISDs to CEPI)
425 of 2004	House Bill 6230	Amends Sec. 104a (MEAP testing)
518 of 2004	Senate Bill 1193	FY 2003-04 and FY 2004-05 Supplementals
593 of 2004	Senate Bill 1155	Amends Secs. 31a, 98b 104a, and creates Sec.104b (Michigan Merit Examination)
41 of 2005	Senate Bill 77	Amends Sec. 101 (Days and Hours of Instruction)
95 of 2005	Senate Bill 410	Amends Sec. 17a (School Bond Loan Revolving Fund)
98 of 2005	Senate Bill 279	FY 2004-05 Supplemental
150 of 2005	House Bill 4306	Amend Secs. 6 and 17b (Pupil Membership Definition)

Public Act	Bill Number	Subject
155 of 2005	House Bill 4887 (SB 279 Executive & Senate version)	FY 2005-06 Budget
90 of 2006	Senate Bill 866	Amends Sec. 51a (Special Education Transportation)
119 of 2006 120 of 2006 121 of 2006	Senate Bill 328 Senate Bill 329 Senate Bill 330	Amends Sec. 11f, 20, 31a, and creates Sec. 34 (Early Intervention Programs)
342 of 2006	Senate Bill 1095 (HB 5789 House version)	FY 2005-06 Supplemental and FY 2006-07 Budget

APPENDIX G
Michigan Public School Academies: FY 2006-07

District Code	Public School Academy Name	Local School District	Grades	Authorizer	Date Opened
56903	Academic and Career Education Academy	Midland	9-12-ALT	Midland ESA	9/5/2006
74908	Academic Transitional Academy of St. Clair	Port Huron	9-10	St. Clair ISD	8/25/2003
82921	Academy for Business & Technology	Inkster	K-12	Eastern Michigan University	8/18/1997
73903	Academy for Technology & Enterprise	Saginaw City	10-12	Saginaw ISD	8/28/1995
82909	Academy of Detroit-West	Detroit	K-6	Central Michigan University	9/25/1995
25908	Academy of Flint	Westwood Heights	K-8	Central Michigan University	9/9/1999
82961	Academy of Inkster	Inkster	9-12	Central Michigan University	8/23/1999
63904	Academy of Lathrup Village	Southfield	K-8	Central Michigan University	9/25/1995
63908	Academy of Michigan	Oak Park	9-12	Oakland University	9/10/1997
63902	Academy of Oak Park	Detroit	K-12	Central Michigan University	9/25/1995
63903	Academy of Southfield	Southfield	K-8	Central Michigan University	9/25/1995
50911	Academy of Warren	VanDyke	K-8	Bay Mills CC	8/24/2005
63916	Academy of Waterford	Waterford	K-7	Bay Mills CC	8/18/2003
82912	Academy of Westland	Wayne-Westland	K-8	Central Michigan University	8/26/1996
63914	Advanced Technology Academy	Dearborn	K-12	Lake Superior State University	8/28/2000
63901	AGBU Alex & Marie Manoogian School	Southfield	K-12	Central Michigan University	8/28/1995
82903	Aisha Shule/WEB Dubois Prep School	Detroit	K-12	Detroit Public Schools	9/6/1995
82955	Allen Academy	Detroit	K-12	Ferris State University	9/8/1999
82981	American Montessori Academy	Livonia	K-5	Bay Mills CC	9/15/2004
81904	Ann Arbor Learning Community	Ann Arbor	K-8	Eastern Michigan University	9/8/1998
13901	Arbor Academy	Lakeview	PK-6	Grand Valley State University	8/31/1998
63915	Arts & Technology Academy of Pontiac	Pontiac	K-8	Bay Mills CC	8/22/2001
50905	Arts Academy in the Woods	Warren	9-12	Macomb ISD	8/27/2001
13904	Battle Creek Area Learning Center	Battle Creek	10-12-ALT	Kellogg CC	9/3/2002
09902	Bay County Public School Academy	Bay City	K-8	Bay Mills CC	8/22/2001
09901	Bay-Arenac Community High School	Essexville-Hampton	9-12-ALT	Bay-Arenac ISD	8/28/1995
50910	Ben Ross Public School Academy	Warren	K-8	Bay Mills CC	9/9/2004
11903	Benton Harbor Charter School	Benton Harbor	PK-8	Ferris State University	8/21/2000
04901	Bingham Academy	Alpena	K-5	Bay Mills CC	9/7/2004
70904	Black River Public School	Holland	1-12	Grand Valley State University	8/26/1996
82971	Blanche Kelso Bruce Academy	Detroit	5-12	Wayne RESA	9/4/2001
74906	Blue Water Learning Academy	Algonac	7-12	St. Clair ISD	9/5/2000
63917	Bradford Academy	Southfield	K-7	Bay Mills CC	8/28/2003
82983	Bridge Academy	Hamtramck	K-8	Ferris State University	8/23/2004
25909	Burton Glen Charter Academy	Atherton	K-8	Northern Michigan University	9/9/1999
82980	Business Entrepreneurship, Science & Tech	Highland Park	K-7	Bay Mills CC	9/17/2004
41908	Byron Center Charter School	Byron Center	K-12	Grand Valley State University	8/26/1996

District Code	Public School Academy Name	Local School District	Grades	Authorizer	Date Opened
82968	Canton Charter Academy	Plymouth-Canton	K-8	Central Michigan University	8/31/2000
33907	Capital Area Academy	Lansing	PK-8	Central Michigan University	8/23/1999
82902	Casa Richard Academy	Detroit	9-12	Wayne RESA	8/30/1995
51903	Casman Alternative Academy	Manistee	7-12	Manistee ISD	9/2/1997
25906	Center Academy	Flint	PK-8	Central Michigan University	8/23/1999
82949	Center for Literacy and Creativity	Detroit	K-8	Detroit Public Schools	8/31/1998
81902	Central Academy	Ann Arbor	PK-12	Central Michigan University	8/26/1996
82918	Cesar Chavez Academy	Detroit	K-12	Saginaw Valley State University	9/3/1996
82923	Chandler Park Academy	Detroit	K-8	Saginaw Valley State University	8/25/1997
41920	Chandler Woods Charter Academy	Comstock Park	K-8	Grand Valley State University	8/25/1999
82936	Charlotte Forten Academy	Detroit	5-12	Wayne RESA	8/31/1998
47902	Charyl Stockwell Academy	Hartland	K-8	Central Michigan University	8/19/1996
44901	Chatfield School	Lapeer	K-6	Saginaw Valley State University	8/18/1997
82960	Cherry Hill School of Performing Arts	Inkster	K-12	Central Michigan University	8/23/1999
33901	Cole Academy	Lansing	K-5	Central Michigan University	8/28/1995
82914	Colin Powell Academy	Detroit	K-8	Central Michigan University	8/27/1996
82919	Commonwealth Comm Dev Academy	Detroit	K-6	Eastern Michigan University	9/4/1996
05901	Concord Academy-Antrim	Alba	K-12	Lake Superior State University	9/15/1998
15901	Concord Academy-Boyne	Boyne Falls	K-12	Lake Superior State University	10/2/1995
24901	Concord Academy-Petoskey	Petoskey	K-12	Lake Superior State University	4/3/1995
50904	Conner Creek Academy	Warren	K-11	Central Michigan University	8/31/1999
50902	Conner Creek Academy East	Roseville	K-12	Ferris State University	8/25/1999
11901	Countryside Academy	Benton Harbor	K-12	Central Michigan University	8/26/1996
82991	Covenant House Life Skills Center Central	Detroit	9-12 ALT	Detroit Public Schools	1/10/2006
82990	Covenant House Life Skills Center East	Detroit	9-12, ALT	Detroit Public Schools	9/26/2005
82989	Covenant House Life Skills Center West	Detroit	9-12 ALT	Detroit Public Schools	9/26/2005
26901	Creative Learning Academy of Sci Math & Humanities	Beaverton Rural	K-8	Saginaw Valley State University	8/19/1996
82969	Creative Montessori Academy	Taylor	K-8	Wayne RESA	1/29/2001
41918	Creative Technologies Academy	Cedar Springs	K-12	Ferris State University	8/25/1998
63921	Crescent Academy	Southfield	K-8	Bay Mills CC	8/30/2004
41916	Cross Creek Charter Academy	Byron Center	K-8	Central Michigan University	9/2/1997
54901	Crossroads Charter Academy	Big Rapid	K-12	Grand Valley State University	8/25/1998
38901	da Vinci Institute	Jackson	K-12	Central Michigan University	8/28/1995
82947	David Ellis Academy	Detroit	K-8	Detroit Public Schools	8/31/1998
82994	David Ellis Academy West	Redford Union	K-8	Bay Mills CC	9/5/2006
82928	Dearborn Academy	Dearborn	K-8	Central Michigan University	9/3/1997
82929	Detroit Academy of Arts & Sciences	Detroit	K-12	Oakland University	9/2/1997
82925	Detroit Community High School	Detroit	K-5, 9-12	Saginaw Valley State University	9/2/1997
82945	Detroit Edison Public School Academy	Detroit	K-8	Oakland University	9/9/1998
82979	Detroit Enterprise Academy	Detroit	K-7	Grand Valley State University	8/30/2004

District Code	Public School Academy Name	Local School District	Grades	Authorizer	Date Opened
82974	Detroit Merit Charter Academy	Detroit	K-8	Grand Valley State University	10/10/2002
82985	Detroit Premier Academy	Detroit	K-7	Grand Valley State University	8/31/2005
82988	Discovery Arts & Technology Public School Academy	Wayne-Westland	K-5	Bay Mills CC	9/6/2005
03901	Discovery Elementary School	Fennville	K-8	Grand Valley State University	9/3/1996
82930	Dove Academy of Detroit	Detroit	K-6	Oakland University	8/25/1997
82984	Dr. Charles Drew Academy	Ecorse	K-7	Central Michigan University	8/24/2005
70906	Eagle's Crest Charter Academy	West Ottawa	K-8	Central Michigan University	9/2/1997
81908	Eastern Washtenaw Multicultural Academy	Ann Arbor	K-10	Bay Mills CC	9/9/2004
82915	Eaton Academy	East Detroit	K-5, 9-12	Central Michigan University	9/5/1996
63910	Edison Oakland Public School Academy	Ferndale	K-6	Eastern Michigan University	8/31/1999
33902	El-Hajj Malik El-Shabazz Academy	Lansing	K-6	Central Michigan University	9/5/1995
13902	Endeavor Charter Academy	Battle Creek	K-8	Grand Valley State University	8/31/1998
41905	Excel Charter Academy	Kentwood	K-8	Grand Valley State University	9/6/1995
81906	Fortis Academy	Ypsilanti	K-7	Bay Mills CC	8/25/2004
73909	Francis Reh Public School Academy	Saginaw	K-8	Ferris State University	9/8/1998
82987	Frontier International Academy	Hamtramck	6-12	Bay Mills CC	8/22/2005
41913	Gateway Middle High School	Grand Rapids	7-12	Grand Valley State University	9/2/1997
82911	Gaudior Academy	Wayne-Westland	PK-8	Eastern Michigan University	9/4/1996
82937	George Crockett Academy	Detroit	K-12	Ferris State University	8/20/1998
82963	George Washington Carver Academy	Highland Park	K-8	Central Michigan University	9/20/1999
25903	Grand Blanc Academy	Grand Blanc	K-8	Eastern Michigan University	8/23/1999
41921	Grand Rapids Child Discovery Center	Grand Rapids	K-5	Grand Rapids Public Schools	8/22/2000
28902	Grand Traverse Academy	Traverse City	K-12	Lake Superior State University	10/1/2000
41911	Grattan Academy	Belding	K-12	Saginaw Valley State University	9/16/1996
63907	Great Lakes Academy	Pontiac	K-6	Eastern Michigan University	8/25/1997
63922	Great Oaks Academy	Lamphere	K-7	Bay Mills CC	8/30/2004
82977	Hamtramck Academy	Hamtramck	K-7	Bay Mills CC	9/8/2003
82986	Hanley International Academy	Hamtramck	K-6	Grand Valley State University	9/6/2005
74904	Health Careers Academy of St Clair	Port Huron	11-12	St. Clair ISD	8/30/1999
82927	HEART Academy	Detroit	9-12	Saginaw Valley State University	9/2/1997
82926	Henry Ford Academy	Dearborn	9-12	Wayne RESA	8/26/1997
30901	Hillsdale Preparatory School	Hillsdale	K-6	Hillsdale ISD	8/25/1997
63911	Holly Academy	Holly	K-8	Central Michigan University	8/25/1999
81901	Honey Creek Community School	Ann Arbor	K-8	Washtenaw ISD	9/5/1995
82942	Hope Academy	Detroit	K-6	Eastern Michigan University	8/25/1998
82957	Hope of Detroit Academy	Detroit	K-12	Ferris State University	9/1/1999
41902	Horizons Community High School	Wyoming	9-12-ALT	Wyoming Public Schools	8/28/1995
74905	Hospitality Academy of St Clair Co	Port Huron	11-12	St. Clair ISD	8/24/2000
50903	Huron Academy	Utica	K-8	Ferris State University	8/31/1999
74902	Industrial Technology Academy	Port Huron	11-12	St. Clair ISD	9/3/1996

District Code	Public School Academy Name	Local School District	Grades	Authorizer	Date Opened
74907	Info Tech Acad of St Clair Co	Port Huron	11-12	St. Clair ISD	8/24/2000
25905	International Academy of Flint	Flint	K-12	Central Michigan University	9/7/1999
23901	Island City Academy	Eaton Rapids	K-8	Central Michigan University	9/3/1996
38903	Jackson Arts & Technology Public School Academy	Jackson	K-7	Bay Mills CC	8/19/2003
17901	Joseph K. Lumsden Bahweting Anishnabe Academy	Sault Ste Marie	K-8	Northern Michigan University	9/28/1995
82958	Joy Preparatory Academy	Detroit	K-7	Ferris State University	9/1/1999
39904	Kalamazoo Advantage Academy	Kalamazoo	PK-8	Grand Valley State University	8/31/1998
47901	Kensington Woods High School	Howell	9-12	Central Michigan University	9/5/1995
82976	Keystone Academy	Van Buren	K-8	Bay Mills CC	8/19/2003
41914	Knapp Charter Academy	Forest Hills	K-8	Grand Valley State University	9/2/1997
64901	Lakeshore Public Academy	Pentwater	K-12	Grand Valley State University	8/8/1996
74903	Landmark Academy	Port Huron	K-8	Saginaw Valley State University	8/31/1999
63918	Laurus Academy	Southfield	K-7	Bay Mills CC	8/23/2004
82978	Life Skills Center of Metropolitan Detroit	Detroit	9-12-ALT	Central Michigan University	7/1/2004
63920	Life Skills Center of Pontiac	Pontiac City	9-12-ALT	Bay Mills CC	9/10/2004
25907	Linden Charter Academy	Westwood Heights	K-8	Central Michigan University	8/25/1999
50901	Macomb Academy	Chippewa Valley	12	Central Michigan University	9/18/1995
25911	Madison Academy	Bendle	K-6	Bay Mills CC	9/7/2004
82964	Marilyn F Lundy Academy	Detroit	6-11	Wayne RESA	10/5/2000
13903	Marshall Academy	Marshall	K-9	Ferris State University	9/5/2000
82910	Martin Luther King Jr Ed Ctr	Detroit	K-6	Detroit Public Schools	10/24/1995
82924	Marvin L Winans Academy of Performing Arts	Detroit	K-12	Saginaw Valley State University	8/26/1997
50906	Merritt Academy	New Haven	K-8	Saginaw Valley State University	8/27/2002
82967	Metro Charter Academy	Romulus	K-8	Grand Valley State University	8/22/2000
82917	Michigan Health Academy	Detroit	9-12	Saginaw Valley State University	9/3/1996
82907	Michigan Technical Academy	Detroit	K-12-ALT	Central Michigan University	9/11/1995
56902	Midland Acad of Adv & Creative Studies	Midland	K-12	Central Michigan University	1/22/1997
33904	Mid-Michigan Leadership Academy	Lansing	K-8	Central Michigan University	9/3/1996
11904	Mildred C. Wells Preparatory Academy	Benton Harbor	K-6	Bay Mills CC	9/6/2005
37902	Morey Charter School	Mt. Pleasant	PK-12	Central Michigan University	8/25/1997
50908	Mt. Clemens Montessori Academy	Mt. Clemens	K-5	Bay Mills CC	8/25/2003
61903	Muskegon Technical Academy	Muskegon	5-12	Grand Valley State University	9/4/2001
55901	Nah Tah Wahsh Public School Academy	Bark River	K-12	Northern Michigan University	4/28/1995
82905	Nataki Talibah Schoolhouse of Detroit	Detroit	K-8	Central Michigan University	9/5/1995
58901	New Bedford Academy	Bedford	K-8	Ferris State University	8/24/1998
82962	New Beginnings Academy	Ypsilanti	K-5	Central Michigan University	8/30/1999
41901	New Branches School	Grand Rapids	K-6	Central Michigan University	8/29/1995
33908	New City Academy	Lansing	K-8	Ferris State University	8/31/1999
73910	North Saginaw Charter Academy	Saginaw	K-8	Central Michigan University	8/25/1999
52901	North Star Academy	Ishpeming	7-12	Northern Michigan University	9/2/1997

District Code	Public School Academy Name	Local School District	Grades	Authorizer	Date Opened
82992	Northpointe Academy	Highland Park	K-8	Highland Park School District	9/6/2005
25904	Northridge Academy	Flint	K-8	Ferris State University	8/30/1999
15902	Northwest Academy	Charlevoix	5-12	Saginaw Valley State University	9/3/1996
82922	Nsoroma Institute	Oak Park	K-8	Oakland University	2/10/1997
39903	Oakland Academy	Portage	PK-6	Grand Valley State University	8/21/1998
63912	Oakland International Academy	Farmington	K-12	Saginaw Valley State University	9/8/1999
17902	Ojibwe Charter School	Brimley	K-10	Bay Mills CC	9/10/2003
82956	Old Redford Academy	Detroit	K-12	Central Michigan University	8/30/1999
03902	Outlook Academy	Allegan	5-10	Allegan ISD	8/27/2002
12901	Pansophia Academy	Coldwater	K-12	Central Michigan University	9/5/1995
38902	Paragon Charter Academy	Jackson	K-8	Grand Valley State University	8/31/1998
39905	Paramount Charter Academy	Kalamazoo	K-8	Bay Mills CC	8/31/1998
82939	Pierre Toussaint Academy	Detroit	K-8	Ferris State University	8/24/1998
82904	Plymouth Educational Center	Detroit	K-8	Central Michigan University	8/28/1995
63906	Pontiac Academy for Excellence	Pontiac	K-11	Saginaw Valley State University	1/21/1997
71902	Presque Isle Academy II	Onaway	9-12-ALT	Cheboygan-Otsego Presque Isle ESD	1/21/2001
50909	Prevail Academy	Mt. Clemens	K-7	Bay Mills CC	8/23/2004
74909	Public Safety Academy of St. Clair County	Port Huron	11-12	St. Clair ISD	8/25/2003
37901	Renaissance Public School Academy	Mt Pleasant	K-8	Central Michigan University	8/12/1996
25910	Richfield Public School Academy	Flint	K-7	Bay Mills CC	8/25/2003
41919	Ridge Park Charter Academy	Grand Rapids	K-8	Lake Superior State University	8/31/1998
82975	Riverside Academy	Dearborn	K-10	Central Michigan University	9/1/2003
82948	Ross Hill Academy Jr.	Detroit	K-8	Detroit Public Schools	8/31/1998
73905	Saginaw County Transition Academy	Saginaw City	7-12	Saginaw ISD	10/5/1995
73911	Saginaw Learn to Earn Academy	Saginaw	10-12 ALT	Saginaw ISD	7/3/2005
73908	Saginaw Preparatory Academy	Buena Vista	PK-6	Saginaw Valley State University	9/15/1997
33903	Sankofa Shule Academy	Lansing	K-8	Central Michigan University	9/5/1995
81905	South Arbor Charter Academy	Milan	K-8	Central Michigan University	8/30/1999
74910	St. Clair County Academy of Style	Marysville	11-12	St. Clair ISD	8/25/2003
74911	St. Clair County Intervention Academy	Port Huron	6-12-ALT	St. Clair ISD	9/1/2004
74901	St. Clair County Learning Academy	Port Huron	6-12-ALT	St. Clair ISD	11/13/1995
82941	Star International Academy	Detroit	K-12	Oakland University	9/10/1998
82916	Summit Academy	Flat Rock	K-8	Central Michigan University	8/28/1996
82938	Summit Academy North	Huron	K-12	Central Michigan University	9/8/1998
35901	Sunrise Education Center	Tawas	PK-8	Saginaw Valley State University	9/3/1996
82995	Taylor Exemplary Academy	Taylor	K-5	Bay Mills CC	9/5/2006
82908	Thomas-Gist Academy	Inkster	K-8	Central Michigan University	9/1/1995
61904	Three Oaks Public School Academy	Muskegon	K-9	Bay Mills CC	9/3/2003
59901	Threshold Academy	Belding	K-6	Central Michigan University	8/27/1997
61902	Timberland Academy	Muskegon	K-8	Grand Valley State University	9/2/1998

District Code	Public School Academy Name	Local School District	Grades	Authorizer	Date Opened
82933	Timbuktu Academy of Science and Technology	Detroit	K-8	Detroit Public Schools	9/2/1997
28901	Traverse Bay Community School	Elk Rapids	K-8	Saginaw Valley State University	9/3/1996
61901	Tri Valley Academy of Arts and Academics	Muskegon	K-8	Grand Valley State University	8/28/1995
82973	Trillium Academy	Taylor	K-10	Central Michigan University	9/11/2002
58902	Triumph Academy	Jefferson	K-7	Bay Mills CC	8/25/2004
82950	Universal Academy	Detroit	K-12	Oakland University	8/31/1998
82982	Universal Learning Academy	Dearborn Heights	K-3	Bay Mills CC	9/1/2004
82965	University Preparatory Academy	Detroit	K-11	Grand Valley State University	9/5/2000
70905	Vanderbilt Charter Academy	Holland	K-8	Grand Valley State University	9/3/1996
41910	Vanguard Charter Academy	Wyoming	K-8	Grand Valley State University	9/3/1996
81907	Victory Academy Charter School	Ypsilanti	K-5	Bay Mills CC	9/5/2006
41909	Vista Charter Academy	Godwin Heights	K-8	Bay Mills CC	9/3/1996
82940	Voyageur Academy	Detroit	K-12	Ferris State University	8/24/1998
70901	Walden Green Montessori	Spring Lake	K-8	Central Michigan University	4/3/1995
41915	Walker Charter Academy	Kenowa Hills	K-8	Grand Valley State University	9/2/1997
63913	Walton Charter Academy	Pontiac	K-8	Northern Michigan University	8/25/1999
82970	Warrendale Charter Academy	Detroit	K-8	Grand Valley State University	8/23/2001
81903	Washtenaw Technical Middle College	Ann Arbor	10-12	Washtenaw CC	9/2/1997
70907	Wavecrest Career Academy	Holland	9-12 Alt	Ottawa Area ISD	9/5/2006
70902	West MI Academy for Arts and Academics	Grand Haven	K-8	Grand Valley State University	8/19/1996
41904	West MI Academy of Environmental Science	Kenowa Hills	K-12	Central Michigan University	8/28/1995
82959	West Village Academy	Dearborn	K-8	Central Michigan University	9/9/1999
82943	Weston Technical Academy	Detroit	K-12	Oakland University	8/31/1998
33906	White Pine Academy	Leslie	K-8	Saginaw Valley State University	8/31/1999
30902	Will Carleton Charter School Academy	Hillsdale	K-9	Hillsdale ISD	8/31/1998
41917	William C Abney Academy	Grand Rapids	K-5	Grand Valley State University	9/8/1998
33909	Windemere Park Charter Academy	Waverly	K-8	Grand Valley State University	8/30/1999
56901	Windover High School	Midland	9-12-ALT	Midland ESA	8/30/1995
25902	Woodland Park Academy	Grand Blanc	K-8	Central Michigan University	1/6/1996
63919	Woodmont Academy	Southfield	K-6	Bay Mills CC	9/8/2004
82913	Woodward Academy	Detroit	K-8	Central Michigan University	9/3/1996
82953	YMCA Service Learning Academy	Detroit	K-8	Lake Superior State University	8/31/1999

NOTES:

CC = Community College *ISD = Intermediate School District*
ESA = Education Service Agency *RESA = Regional Education Service Agency*

APPENDIX H

FY 2006-07 Foundation Allowances by School District

District Code	District Name	*Foundation Allowance
ALCONA		
01010	Alcona Community Schools	$7,130
ALGER		
02010	Autrain-Onota Public Schools	$7,466
02020	Burt Township School District	$10,473
02070	Munising Public Schools	$7,085
02080	Superior Central School District	$7,085
ALLEGAN		
03010	Plainwell Community Schools	$7,085
03020	Otsego Public Schools	$7,085
03030	Allegan Public Schools	$7,085
03040	Wayland Union Schools	$7,085
03050	Fennville Public Schools	$7,085
03060	Martin Public Schools	$7,085
03070	Hopkins Public Schools	$7,085
03080	Saugatuck Public Schools	$8,716
03100	Hamilton Community Schools	$7,085
03440	Ganges School District No.4	$8,098
03901	Discovery Elementary School	$7,085
03902	Outlook Academy	$7,085
ALPENA		
04010	Alpena Public Schools	$7,085
04901	Bingham Academy	$7,085
ANTRIM		
05010	Alba Public Schools	$7,310
05035	Central Lake Public Schools	$7,847
05040	Bellaire Public Schools	$7,776
05060	Elk Rapids Schools	$7,164
05065	Ellsworth Community Schools	$7,298
05070	Mancelona Public Schools	$7,085
05901	Concord Academy Antrim	$7,310
ARENAC		
06010	Arenac Eastern School District	$7,085
06020	Au Gres Sims School District	$7,085
06050	Standish Sterling Community Schools	$7,085
BARAGA		
07010	Arvon Township School District	$8,321
07020	Baraga Township School District	$7,085
07040	L'Anse Area Schools	$7,085
BARRY		
08010	Delton Kellogg School District	$7,085
08030	Hastings Area School District	$7,085
08050	Thornapple Kellogg School District	$7,085
BAY		
09010	Bay City School District	$7,085
09030	Bangor Township Schools	$7,085
09050	Essexville Hampton School District	$7,538
09090	Pinconning Area Schools	$7,085
09901	Bay-Arenac Community High School	$7,385
09902	Bay County Public School Academy	$7,085
BENZIE		
10015	Benzie County Central Schools	$7,085
10025	Frankfort Area Schools	$8,058
BERRIEN		
11010	Benton Harbor Area Schools	$7,085
11020	St. Joseph Public Schools	$7,427
11030	Lakeshore School District	$7,085
11033	River Valley School District	$7,706
11160	Galien Township School District	$7,085
11200	New Buffalo Area School District	$10,220
11210	Brandywine Public School District	$7,085
11240	Berrien Springs Public School District	$7,085
11250	Eau Claire Public Schools	$7,085
11300	Niles Community School District	$7,085
11310	Buchanan Community School District	$7,085
11320	Watervliet School District	$7,085
11330	Coloma Community Schools	$7,085
11340	Bridgman Public Schools	$8,739
11670	Hagar Township School District 6	$7,085
11830	Sodus Twp School District 5	$7,085
11901	Countryside Charter School	$7,085
11903	Benton Harbor Academy	$7,085
11904	Mildred C Wells Preparatory Academy	$7,085
BRANCH		
12010	Coldwater Community Schools	$7,085
12020	Bronson Community School District	$7,085
12040	Quincy Community School District	$7,085
12901	Pansophia Academy	$7,085
CALHOUN		
13010	Albion Public Schools	$7,113
13020	Battle Creek Public Schools	$7,309
13050	Athens Area Schools	$7,085
13070	Harper Creek Community Schools	$7,085
13080	Homer Community Schools	$7,085
13090	Lakeview School District	$7,425
13095	Mar Lee School District	$7,085
13110	Marshall Public Schools	$7,085

District Code	District Name	*Foundation Allowance
13120	Pennfield School District	$7,085
13130	Tekonsha Community Schools	$7,198
13135	Union City Community School District	$7,085
13901	Arbor Academy	$7,385
13902	Endeavor Charter Academy	$7,309
13903	Marshall Academy	$7,085
13904	Battle Creek Area Learning Center	$7,385
CASS		
14010	Cassopolis Public Schools	$7,085
14020	Dowagiac Union Schools	$7,085
14030	Edwardsburg Public Schools	$7,085
14050	Marcellus Community Schools	$7,085
CHARLEVOIX		
15010	Beaver Island Community Schools	$10,489
15020	Boyne City Public School District	$7,412
15030	Boyne Falls Public School District	$7,085
15050	Charlevoix Public Schools	$8,272
15060	East Jordan Public School District	$7,085
15901	Concord Academy-Boyne	$7,085
15902	Northwest Academy	$7,385
CHEBOYGAN		
16015	Cheboygan Area Schools	$7,177
16050	Inland Lakes School District	$7,085
16070	Mackinaw City Public Schools	$8,067
16100	Wolverine Comm School District	$8,383
CHIPPEWA		
17010	Sault Ste Marie Area Schools	$7,085
17050	Detour Area Schools	$9,424
17090	Pickford Public Schools	$7,085
17110	Rudyard Area Schools	$7,085
17140	Brimley Area Schools	$7,085
17160	Whitefish Schools	$11,315
17901	Bahweting Anishnabe P.S.A.	$7,085
17902	Ojibway Charter School	$7,085
CLARE		
18010	Clare Public Schools	$7,085
18020	Farwell Area Schools	$7,085
18060	Harrison Community Schools	$7,085
CLINTON		
19010	Dewitt Public Schools	$7,085
19070	Fowler Public Schools	$7,199
19100	Bath Community Schools	$7,085
19120	Ovid Elsie Area Schools	$7,085
19125	Pewamo Westphalia Community Schools	$7,283
19140	St. Johns Public Schools	$7,085
CRAWFORD		
20015	Crawford Ausable Schools	$7,085

District Code	District Name	*Foundation Allowance
DELTA		
21010	Escanaba Area Public Schools	$7,085
21025	Gladstone Area Schools	$7,085
21060	Rapid River Public Schools	$7,085
21065	Big Bay De Noc School District	$7,164
21090	Bark River Harris School District	$7,085
21135	Mid Peninsula School District	$7,085
DICKINSON		
22010	Iron Mountain City School District	$7,085
22025	Norway Vulcan Area Schools	$7,085
22030	Breitung Twp School District	$7,085
22045	North Dickinson Co. School District	$7,085
EATON		
23010	Bellevue Community School District	$7,085
23030	Charlotte Public Schools	$7,085
23050	Eaton Rapids Public Schools	$7,085
23060	Grand Ledge Public Schools	$7,200
23065	Maple Valley School District	$7,085
23080	Olivet Community Schools	$7,085
23090	Potterville Public Schools	$7,100
23490	Oneida Twp School District 3	$11,067
23901	Island City Academy	$7,085
EMMET		
24020	Harbor Springs School District	$8,862
24030	Littlefield Public School District	$7,085
24040	Pellston Public School District	$7,163
24070	Public Schools of Petoskey	$7,085
24901	Concord Academy - Petoskey	$7,085
GENESEE		
25010	Flint City School District	$7,817
25030	Grand Blanc Community Schools	$7,565
25040	Mt. Morris Consolidated Schools	$7,085
25050	Goodrich Area Schools	$7,085
25060	Bendle Public Schools	$7,085
25070	Genesee School District	$7,085
25080	Carman-Ainsworth Schools	$8,067
25100	Fenton Area Public Schools	$7,085
25110	Kearsley Community Schools	$7,112
25120	Flushing Community Schools	$7,085
25130	Atherton Community School District	$7,085
25140	Davison Community Schools	$7,085
25150	Clio Area School District	$7,085
25180	Swartz Creek Community Schools	$7,085
25200	Lake Fenton Schools	$7,481
25210	Westwood Heights School District	$7,169
25230	Bentley Community School District	$7,392
25240	Beecher Community School District	$7,704

District Code	District Name	*Foundation Allowance
25250	Linden Comm School District	$7,085
25260	Montrose Community Schools	$7,519
25280	Lakeville Comm School District	$7,085
25902	Warwick Pointe Academy	$7,385
25903	Grand Blanc Academy	$7,385
25904	Northridge Academy	$7,385
25905	International Academy of Flint	$7,385
25906	Center Academy	$7,385
25907	Linden Charter Academy	$7,169
25908	Academy Of Flint	$7,169
25909	Burton Glen Charter Academy	$7,085
25910	Richfield Public School Academy	$7,385
25911	Madison Academy	$7,085
GLADWIN		
26010	Beaverton Rural Schools	$7,085
26040	Gladwin Community Schools	$7,085
26901	The Creative Learning Academy	$7,085
GOGEBIC		
27010	Bessemer City School District	$7,085
27020	Ironwood Area Schools	$7,085
27070	Wakefield-Marenisco School District	$7,645
27080	Watersmeet Twp School District	$8,547
GRAND TRAVERSE		
28010	Traverse City School District	$7,085
28035	Buckley Community School District	$7,085
28090	Kingsley Area School	$7,085
28901	Traverse Bay Community School	$7,164
28902	Grand Traverse Academy	$7,085
GRATIOT		
29010	Alma Public Schools	$7,389
29020	Ashley Community Schools	$7,085
29040	Breckenridge Community Schools	$7,085
29050	Fulton Schools	$7,085
29060	Ithaca Public Schools	$7,085
29100	St. Louis Public Schools	$7,085
HILLSDALE		
30010	Camden Frontier Schools	$7,085
30020	Hillsdale Community Public Schools	$7,085
30030	Jonesville Community Schools	$7,085
30040	Litchfield Community Schools	$7,085
30050	North Adams-Jerome Public Schools	$7,085
30060	Pittsford Area Schools	$7,085
30070	Reading Community Schools	$7,085
30080	Waldron Area Schools	$7,085
30901	Sauk Trail Academy	$7,085
30902	Will Carleton Academy	$7,085

District Code	District Name	*Foundation Allowance
HOUGHTON		
31010	Hancock Public Schools	$7,085
31020	Adams Twp School District	$7,085
31030	Public Schools of Calumet	$7,085
31050	Chassell Twp School District	$7,085
31070	Elm River Twp School District	$8,329
31100	Dollar Bay-Tamarak Area Schools	$7,085
31110	Houghton-Portage Twp School District	$7,085
31130	Lake Linden Hubbell School District	$7,085
31140	Stanton Twp School District	$7,085
HURON		
32010	Bad Axe Public Schools	$7,085
32030	Caseville Public Schools	$7,636
32040	Church School District	$7,085
32050	Elkton Pigeon Bayport Schools	$7,085
32060	Harbor Beach Community Schools	$7,085
32080	North Huron School District	$7,085
32090	Owendale Gagetown Area Schools	$7,289
32130	Port Hope Community Schools	$9,343
32170	Ubly Community Schools	$7,085
32250	Bloomfield Twp School District 7f	$7,085
32260	Colfax Twp School District 1f	$9,213
32610	Sigel Twp School District 3	$7,085
32620	Sigel Twp School District 4	$7,085
32630	Sigel Twp School District 6	$7,747
32650	Verona Twp School District No 1f	$7,085
INGHAM		
33010	East Lansing School District	$8,517
33020	Lansing Public School District	$7,653
33040	Dansville Agricultural School	$7,207
33060	Haslett Public Schools	$7,243
33070	Holt Public Schools	$7,526
33100	Leslie Public Schools	$7,085
33130	Mason Public Schools	$7,161
33170	Okemos Public Schools	$8,352
33200	Stockbridge Community Schools	$7,085
33215	Waverly Schools	$9,044
33220	Webberville Community Schools	$7,085
33230	Williamston Community Schools	$7,129
33901	Michigan Early Elementary Center	$7,385
33902	El-Hajj Malik El-Shabazz Academy	$7,385
33903	Sankofa Shule	$7,385
33904	Mid-Michigan Public School Academy	$7,385
33906	White Pine Academy	$7,085
33907	Capitol Area Academy	$7,385
33908	New City Academy	$7,385
33909	Windemere Park Charter Academy	$7,385

District Code	District Name	*Foundation Allowance
IONIA		
34010	Ionia Public Schools	$7,085
34040	Palo Community School District	$7,085
34080	Belding Area School District	$7,085
34090	Lakewood Public Schools	$7,085
34110	Portland Public School District	$7,085
34120	Saranac Community Schools	$7,085
34140	Berlin Twp School District 3	$7,085
34340	Easton Twp School District 6	$7,085
34360	Ionia Twp School District 2	$7,085
IOSCO		
35010	Oscoda Area Schools	$7,085
35020	Hale Area Schools	$7,085
35030	Tawas Area Schools	$7,085
35040	Whittemore Prescott Area Schools	$7,085
35901	Sunrise Educational Center	$7,085
IRON		
36015	Forest Park School District	$7,085
36025	West Iron County School District	$7,085
ISABELLA		
37010	Mt. Pleasant City School District	$7,147
37040	Beal City School	$7,085
37060	Shepherd Public School District	$7,085
37901	Renaissance Public School Academy	$7,147
37902	Morey Charter School	$7,147
JACKSON		
38010	Western School District	$7,085
38020	Vandercook Lake Public Schools	$7,085
38040	Columbia School District	$7,085
38050	Grass Lake Community Schools	$7,085
38080	Concord Community Schools	$7,085
38090	East Jackson Public Schools	$7,085
38100	Hanover Horton Schools	$7,085
38120	Michigan Center School District	$7,085
38130	Napoleon Community Schools	$7,085
38140	Northwest School District	$7,085
38150	Springport Public Schools	$7,085
38170	Jackson Public Schools	$7,137
38901	Da Vinci Institute	$7,137
38902	Paragon Charter Academy	$7,137
38903	Jackson Arts and Technology Public School	$7,137
KALAMAZOO		
39010	Kalamazoo City School District	$7,753
39020	Climax Scotts Community Schools	$7,085
39030	Comstock Public Schools	$7,085
39050	Galesburg Augusta Community Schools	$7,187
39065	Gull Lake Community Schools	$7,085
39130	Parchment School District	$7,085
39140	Portage Public Schools	$7,085
39160	Schoolcraft Community Schools	$7,085
39170	Vicksburg Community Schools	$7,085
39903	Oakland Academy	$7,085
39904	Kalamazoo Advantage Academy	$7,385
39905	Paramount Charter Academy	$7,385
KALKASKA		
40020	Forest Area Community Schools	$7,085
40040	Kalkaska Public Schools	$7,085
40060	Excelsior District #1	$7,085
KENT		
41010	Grand Rapids City School District	$7,326
41020	Godwin Heights Public Schools	$8,080
41025	Northview Public School District	$7,085
41026	Wyoming Public Schools	$7,113
41040	Byron Center Public Schools	$7,707
41050	Caledonia Community Schools	$8,235
41070	Cedar Springs Public Schools	$7,085
41080	Comstock Park Public Schools	$7,100
41090	East Grand Rapids Public Schools	$7,686
41110	Forest Hills Public Schools	$8,312
41120	Godfrey Lee Public School District	$7,251
41130	Grandville Public Schools	$7,085
41140	Kelloggsville Public Schools	$7,085
41145	Kenowa Hills Public Schools	$7,429
41150	Kent City Community Schools	$7,085
41160	Kentwood Public Schools	$7,362
41170	Lowell Area School District	$7,085
41210	Rockford Public Schools	$7,085
41240	Sparta Area Schools	$7,085
41901	New Branches School	$7,326
41902	Horizons Community High School	$7,113
41904	W. MI. Academy of Environmental Science	$7,385
41905	Excel Charter Academy	$7,362
41908	The Learning Center Academy	$7,385
41909	Vista Charter Academy	$7,385
41910	Vanguard Charter Academy	$7,113
41911	Grattan Academy	$7,085
41913	Gateway Middle/High School	$7,326
41914	Knapp Charter Academy	$7,385
41915	Walker Charter Academy	$7,385
41916	Cross Creek Charter Academy	$7,385
41917	William C. Abney Academy	$7,326
41918	Creative Technologies Academy	$7,085
41919	Ridge Park Charter Academy	$7,326
41920	Chandler Woods Charter Academy	$7,100

District Code	District Name	*Foundation Allowance
KEWEENAW		
41921	Grand Rapids Child Discovery Center	$7,326
42030	Grant Township Schools	$12,622
LAKE		
43040	Baldwin Community Schools	$7,407
LAPEER		
44010	Lapeer Community Schools	$7,085
44020	Almont Community Schools	$7,085
44050	Dryden Community Schools	$7,085
44060	Imlay City Community Schools	$7,085
44090	North Branch Area Schools	$7,085
44901	Chatfield School	$7,085
LEELANAU		
45010	Glen Lake Community School District	$7,245
45020	Leland Public School District	$8,113
45040	Northport Public School District	$9,184
45050	Suttons Bay Public Sch District	$7,085
LENAWEE		
46010	Adrian City School District	$7,085
46020	Addison Community Schools	$7,102
46040	Blissfield Community Schools	$7,085
46050	Britton Macon Area School District	$7,252
46060	Clinton Community Schools	$7,085
46070	Deerfield Public Schools	$7,085
46080	Hudson Area Schools	$7,085
46090	Madison School District	$8,160
46100	Morenci Area Schools	$7,085
46110	Onsted Community Schools	$7,085
46130	Sand Creek Community Schools	$7,210
46140	Tecumseh Public Schools	$7,085
LIVINGSTON		
47010	Brighton Area Schools	$7,241
47030	Fowlerville Community Schools	$7,085
47060	Hartland Consolidated Schools	$7,200
47070	Howell Public Schools	$7,085
47080	Pinckney Community Schools	$7,085
47901	Livingston Technical Academy	$7,085
47902	Livingston Developmental Academy	$7,200
LUCE		
48040	Tahquamenon Area Schools	$7,085
MACKINAC		
49010	St. Ignace City School District	$7,085
49020	Bois Blanc Pines School District	$15,772
49040	Les Cheneaux Community School District	$7,525
49055	Engadine Consolidated Schools	$7,754
49070	Moran Township School District	$7,218
49110	Mackinac Island Pub Schools	$11,493
MACOMB		
50010	Centerline Public Schools	$9,930
50020	East Detroit City School District	$7,785
50030	Roseville Community Schools	$7,737
50040	Anchor Bay School District	$7,085
50050	Armada Area Schools	$7,158
50070	Clintondale Community Schools	$7,572
50080	Chippewa Valley Schools	$7,085
50090	Fitzgerald Public Schools	$8,370
50100	Fraser Public Schools	$8,308
50120	Lakeshore Public Schools	$8,258
50130	Lakeview Public Schools	$8,117
50140	L Anse Creuse Public Schools	$7,687
50160	Mt. Clemens Community Schools	$8,277
50170	New Haven Community Schools	$7,333
50180	Richmond Community Schools	$7,085
50190	Romeo Community Schools	$7,665
50200	South Lake Schools	$9,343
50210	Utica Community Schools	$7,624
50220	Van Dyke Public Schools	$8,035
50230	Warren Consolidated Schools	$9,467
50240	Warren Woods Public Schools	$9,124
50901	Macomb Academy	$7,085
50902	Conner Creek Academy East	$7,385
50903	Huron Academy	$7,385
50904	Conner Creek Academy	$7,385
50905	Arts Academy in the Woods	$7,385
50906	Merritt Academy	$7,333
50908	Mt. Clemens Montessori Academy	$7,385
50909	Prevail Academy	$7,385
50910	Ben Ross Public School Academy	$7,385
50911	Academy of Warren	$7,385
MANISTEE		
51020	Bear Lake School District	$7,085
51045	Kaleva Norman - Dickson Schools	$7,617
51060	Onekama Consolidated Schools	$8,232
51070	Manistee Area Public Schools	$7,085
51903	Casman Alternative Academy	$7,085
MARQUETTE		
52015	N.I.C.E. Community Schools	$7,085
52040	Gwinn Area Community Schools	$7,085
52090	Negaunee Public Schools	$7,085
52100	Powell Township School District	$8,316
52110	Republic Michigamme Schools	$8,967
52160	Wells Township School District	$9,057
52170	Marquette City School District	$7,085

District Code	District Name	*Foundation Allowance
52180	Ishpeming Public School District	$7,085
52901	Tri High School (formerly, Northstar Academy)	$7,085
MASON		
53010	Mason County Central School District	$7,085
53020	Mason County Eastern School District	$7,085
53030	Freesoil Community School District	$7,085
53040	Ludington Area School District	$7,422
MECOSTA		
54010	Big Rapids Public Schools	$7,085
54025	Chippewa Hills School District	$7,085
54040	Morley Stanwood Community Schools	$7,085
54901	Crossroads Charter Academy	$7,085
MENOMINEE		
55010	Carney Nadeau Public Schools	$7,085
55100	Menominee Area Public Schools	$7,085
55115	North Central Area Schools	$7,085
55120	Stephenson Area Public Schools	$7,085
55901	Nah Tah Wahsh P.S.A.	$7,085
MIDLAND		
56010	Midland Public Schools	$8,800
56020	Bullock Creek School District	$7,085
56030	Coleman Community School District	$7,085
56050	Meridian Public Schools	$7,085
56901	Windover Enterprise High School	$7,385
56902	Midland Acad. of Adv. & Creative Studies	$7,385
56903	Academic and Career Education Academy	$7,385
MISSAUKEE		
57020	Lake City Area School District	$7,085
57030	McBain Rural Agricultural School Dist.	$7,085
MONROE		
58010	Monroe Public Schools	$7,095
58020	Airport Community School District	$7,085
58030	Bedford Public School District	$7,085
58050	Dundee Community Schools	$7,085
58070	Ida Public School District	$7,085
58080	Jefferson Schools-Monroe County	$11,545
58090	Mason Consolidated School District	$7,085
58100	Summerfield School District	$7,085
58110	Whiteford Agricultural School District	$7,113
58901	New Bedford Academy	$7,085
58902	Triumph Academy	$7,385
MONTCALM		
59020	Carson City Crystal Area Schools	$7,085
59045	Montabella Comm School District	$7,085
59070	Greenville Public Schools	$7,085
59080	Tri County Area Schools	$7,085
59090	Lakeview Community Schools	$7,085
59125	Central Montcalm Public Schools	$7,085
59150	Vestaburg Community Schools	$7,085
59901	Threshold Academy	$7,085
MONTMORENCY		
60010	Atlanta Community Schools	$7,085
60020	Hillman Community Schools	$7,085
MUSKEGON		
61010	Muskegon City School District	$7,623
61020	City of Muskegon Heights Schools	$7,741
61060	Mona Shores School District	$7,085
61065	Oakridge Public Schools	$7,085
61080	Fruitport Community Schools	$7,085
61120	Holton Public Schools	$7,085
61180	Montague Area Public Schools	$7,085
61190	Orchard View Schools	$7,285
61210	Ravenna Public Schools	$7,085
61220	Reeths Puffer Schools	$7,085
61230	North Muskegon Public Schools	$7,210
61240	Whitehall School District	$7,085
61901	Tri-Valley Academy	$7,385
61902	Timberland Academy	$7,385
61903	Muskegon Technical Academy	$7,385
61904	Three Oaks Public School Academy	$7,385
NEWAYGO		
62040	Fremont Public School District	$7,085
62050	Grant Public School District	$7,085
62060	Hesperia Comm School District	$7,085
62070	Newaygo Public School District	$7,085
62090	White Cloud Public Schools	$7,085
62470	Big Jackson School District	$7,085
OAKLAND		
63010	Birmingham City School District	$12,262
63020	Ferndale City School District	$8,027
63030	Pontiac City School District	$7,269
63040	School District City of Royal Oak	$9,236
63050	Berkley City School District	$8,034
63060	Southfield Public School District	$11,344
63070	Avondale School District	$8,651
63080	Bloomfield Hills School District	$12,339
63090	Clarenceville School District	$8,460
63100	Novi Community Schools	$8,976
63110	Oxford Area Community School District	$7,343
63130	Hazel Park City School District	$7,696
63140	Madison Public Schools	$7,113
63150	Troy Public School District	$9,419
63160	West Bloomfield School District	$9,271
63180	Brandon School District	$7,085

District Code	District Name	*Foundation Allowance
63190	Clarkston Community School District	$7,332
63200	Farmington Public School District	$10,452
63210	Holly Area School District	$7,085
63220	Huron Valley Schools	$7,191
63230	Lake Orion Community Schools	$8,144
63240	South Lyon Community Schools	$7,141
63250	Oak Park City School District	$8,104
63260	Rochester Community School District	$8,192
63270	Clawson City School District	$8,204
63280	Lamphere Public Schools	$10,822
63290	Walled Lake Consolidated School District	$8,822
63300	Waterford School District	$7,453
63901	A.G.B.U. Alex & Marie Manoogian School	$7,385
63902	Academy of Detroit - Oak Park	$7,385
63903	Academy of Detroit - Southfield	$7,385
63904	Academy of Lathrup Village	$7,385
63906	Pontiac Academy of Excellence	$7,269
63907	Great Lakes Academy	$7,269
63908	Academy of Michigan	$7,385
63910	Edison-Oakland Academy	$7,385
63911	Holly Academy	$7,085
63912	Oakland International Academy	$7,385
63913	Walton Charter Academy	$7,269
63914	Advanced Technology Academy	$7,385
63915	Pontiac Public School Academy	$7,269
63916	Academy of Waterford	$7,385
63917	Bradford Academy	$7,385
63918	Laurus Academy	$7,385
63919	Woodmont Academy	$7,385
63920	Life Skills Center of Pontiac	$7,269
63921	Crescent Academy	$7,385
63922	Great Oaks Academy	$7,385
OCEANA		
64040	Hart Public School District	$7,209
64070	Pentwater Public School District	$8,056
64080	Shelby Public Schools	$7,395
64090	Walkerville Rural Community Schools	$7,085
64901	Lakeshore Public Academy	$7,385
OGEMAW		
65045	W. Branch Rose City Area Schools	$7,085
ONTONAGON		
66045	Ewen-trout Creek Consolidated Schools	$7,085
66050	Ontonagon Area Schools	$7,085
66070	White Pine School District	$8,350
OSCEOLA		
67020	Evart Public Schools	$7,085
67050	Marion Public Schools	$7,085
67055	Pine River Area Schools	$7,085
67060	Reed City Public Schools	$7,085
OSCODA		
68010	Mio Au Sable Schools	$7,085
68030	Fairview Area School District	$7,085
OTSEGO		
69020	Gaylord Community Schools	$7,085
69030	Johannesburg-Lewiston Schools	$7,603
69040	Vanderbilt Area School	$7,085
OTTAWA		
70010	Grand Haven City School District	$7,516
70020	Holland City School District	$7,223
70040	Allendale Public School District	$7,085
70070	West Ottawa Public Sch District	$7,085
70120	Coopersville Public Sch District	$7,085
70175	Jenison Public Schools	$7,085
70190	Hudsonville Public School District	$7,085
70300	Spring Lake Public School District	$7,120
70350	Zeeland Public Schools	$7,085
70901	Walden Green Day School	$7,120
70902	W. MI. Academy for Arts & Academics	$7,385
70904	Black River Public School	$7,223
70905	Vanderbilt Charter Academy	$7,223
70906	Eagle's Crest Charter Academy	$7,085
70907	Wavecrest Career Academy	$7,223
PRESQUE-ISLE		
71050	Onaway Area Community School District	$7,085
71060	Posen Consolidated School District	$7,085
71080	Rogers City Area Schools	$7,085
71902	Presque Isle Academy II	$7,085
ROSCOMMON		
72010	Gerrish Higgins School District	$7,085
72020	Houghton Lake Community Schools	$7,085
SAGINAW		
73010	Saginaw City School District	$7,368
73030	Carrollton School District	$7,085
73040	Saginaw Twp Community Schools	$7,085
73080	Buena Vista School District	$8,085
73110	Chesaning Union Schools	$7,085
73170	Birch Run Area School District	$7,085
73180	Bridgeport-Spaulding Consol. Schools	$7,444
73190	Frankenmuth School District	$7,767
73200	Freeland Community School District	$7,085
73210	Hemlock Public School District	$7,085
73230	Merrill Community School District	$7,085
73240	St. Charles Community Schools	$7,085
73255	Swan Valley School District	$7,085

District Code	District Name	*Foundation Allowance
73903	Academy for Technology and Enterprise	$7,368
73905	Saginaw County Transitional	$7,368
73908	Mosaica Academy of Saginaw	$7,385
73909	Francis Reh Public School Academy	$7,368
73910	North Saginaw Charter Academy	$7,368
73911	Saginaw Learn to Earn Academy	$7,368
ST. CLAIR		
74010	Port Huron Area School District	$7,190
74030	Algonac Community School District	$7,085
74040	Capac Community School District	$7,085
74050	East China Twp School District	$7,788
74100	Marysville Public School District	$7,085
74120	Memphis Community Schools	$7,085
74130	Yale Public Schools	$7,085
74901	St. Clair County Learning Academy	$7,190
74902	Academy for Plastics Manuf. Technology	$7,190
74903	Landmark Academy	$7,190
74904	Health Careers Academy Of St Clair Co.	$7,190
74905	Hospitality Academy of St. Clair	$7,190
74906	Blue Water Learning Academy	$7,085
74907	Information Technology Academy of St. Clair	$7,190
74908	Academic Transitional Academy - St. Clair	$7,190
74909	Public Safety Academy of St. Clair County	$7,190
74910	St. Clair County Academy of Style	$7,085
74911	St. Clair Intervention Center	$7,190
ST. JOSEPH		
75010	Sturgis Public School District	$7,085
75020	Burr Oak Comm School District	$7,085
75030	Centreville Public Schools	$7,085
75040	Colon Community School District	$7,085
75050	Constantine Public School District	$7,085
75060	Mendon Community School District	$7,085
75070	White Pigeon Community School District	$7,085
75080	Three Rivers Community Schools	$7,085
75100	Nottawa Community School	$7,085
SANILAC		
76060	Brown City Community School District	$7,085
76070	Carsonville-Port Sanilac	$7,085
76080	Croswell Lexington Community Schools	$7,085
76090	Deckerville Community School District	$7,085
76140	Marlette Community Schools	$7,085
76180	Peck Community School District	$7,085
76210	Sandusky Community School District	$7,085
SCHOOLCRAFT		
77010	Manistique Area Schools	$7,085

District Code	District Name	*Foundation Allowance
SHIAWASSEE		
78020	Byron Area Schools	$7,085
78030	Durand Area Schools	$7,085
78040	Laingsburg Comm School District	$7,085
78060	Morrice Area Schools	$7,085
78070	New Lothrop Area Public Schools	$7,085
78080	Perry Public School District	$7,085
78100	Corunna Public School District	$7,085
78110	Owosso Public Schools	$7,085
TUSCOLA		
79010	Akron Fairgrove Schools	$7,085
79020	Caro Community Schools	$7,085
79030	Cass City Public Schools	$7,085
79080	Kingston Community School District	$7,085
79090	Mayville Community School District	$7,085
79100	Millington Community Schools	$7,085
79110	Reese Public Schools	$7,085
79145	Unionville Sebewaing Area	$7,085
79150	Vassar Public Schools	$7,085
VAN BUREN		
80010	South Haven Public Schools	$7,085
80020	Bangor Public Schools	$7,210
80040	Covert Public Schools	$9,550
80050	Decatur Public Schools	$7,085
80090	Bloomingdale Public School District	$7,085
80110	Gobles Public School District	$7,085
80120	Hartford Public School District	$7,393
80130	Lawrence Public School District	$7,085
80140	Lawton Community School District	$7,085
80150	Mattawan Cons School District	$7,085
80160	Paw Paw Public School District	$7,085
80240	Bangor Twp School District 8	$8,697
WASHTENAW		
81010	Ann Arbor Public Schools	$9,619
81020	Ypsilanti School District	$7,809
81040	Chelsea School District	$7,458
81050	Dexter Community School District	$7,761
81070	Lincoln Consolidated School District	$7,085
81080	Manchester Community School District	$7,291
81100	Milan Area Schools	$7,085
81120	Saline Area School District	$7,451
81140	Whitmore Lake Public Schools	$7,085
81150	Willow Run Community Schools	$7,659
81901	Honey Creek Community Schools	$7,385
81902	Central Academy	$7,385
81903	Washtenaw Technical Middle College	$7,385
81904	Ann Arbor Learning Community	$7,385

District Code	District Name	*Foundation Allowance
81905	South Arbor Charter Academy	$7,085
81906	Fortis Academy	$7,385
81907	Victory Academy Charter School	$7,385
81908	Eastern Washtenaw Multicultural Academy	$7,385
WAYNE		
82010	Detroit City School District	$7,469
82020	Allen Park Public Schools	$7,453
82030	Dearborn City School District	$8,979
82040	Dearborn Heights School District No. 7	$7,085
82045	Melvindale Allen Park Schools	$9,158
82050	Garden City School District	$7,712
82055	Grosse Pointe Public Schools	$10,278
82060	Hamtramck Public Schools	$7,085
82070	Highland Park City Schools	$7,759
82080	Inkster City School District	$7,872
82090	Lincoln Park Public Schools	$7,085
82095	Livonia Public Schools	$8,490
82100	Plymouth Canton Community Schools	$7,410
82110	Redford Union School District	$7,100
82120	River Rouge City Schools	$9,000
82130	Romulus Community Schools	$9,035
82140	South Redford School District	$8,011
82150	Taylor School District	$8,017
82155	Trenton Public Schools	$8,927
82160	Wayne-Westland Community	$7,781
82170	Wyandotte City School District	$7,085
82180	Flat Rock Community Schools	$7,829
82230	Crestwood School District	$7,631
82240	Westwood Community Schools	$8,115
82250	Ecorse Public School District	$7,704
82290	Gibraltar School District	$7,453
82300	Grosse Ile Township Schools	$8,971
82320	City of Harper Woods Schools	$8,393
82340	Huron School District	$7,660
82365	Woodhaven Public Schools	$7,534
82390	Northville Public Schools	$8,435
82400	Riverview Community School District	$8,098
82405	Southgate Community School District	$7,315
82430	Van Buren Public Schools	$7,603
82902	Academy of Casa Maria (aka SER Casa	$7,385
82903	Aisha Shule/W.E.B. DuBois Academy	$7,385
82904	Plymouth Educ. Center Charter School	$7,385
82905	Nataki Talibah Schoolhouse	$7,385
82907	Michigan Automotive Academy	$7,385
82908	Thomas-Gist Academy	$7,385
82909	Academy of Detroit - West	$7,385
82910	Martin Luther King, Jr. Education Center	$7,385
82911	Gaudior Academy	$7,385
82912	Academy of Detroit - Westland	$7,385
82913	Woodward Academy	$7,385
82914	Colin Powell Academy	$7,385
82915	Detroit School of Industrial Arts	$7,385
82916	Summit Academy	$7,385
82917	Michigan Health Academy	$7,385
82918	Cesar Chavez Academy	$7,385
82919	Commonwealth Comm. Development Academy	$7,385
82921	Academy for Bus. and Internat'l Studies	$7,385
82922	Nsoroma Institute	$7,385
82923	Chandler Park Academy	$7,385
82924	Marvin L. Winans Acad. of Performing Art	$7,385
82925	Detroit Community High School	$7,385
82926	Henry Ford Academy of Manufacturing	$7,385
82927	Heart Academy	$7,385
82928	Dearborn Academy	$7,385
82929	Detroit Academy of Arts and Science	$7,385
82930	Dove Academy of Detroit	$7,385
82933	Timbuktu Acad. of Science and Technology	$7,385
82936	Charlotte Forten Academy	$7,385
82937	George Crockett Academy	$7,385
82938	Summit Academy North	$7,385
82939	Pierre Toussaint Academy	$7,385
82940	Voyageur Academy	$7,385
82941	Star International Academy	$7,385
82942	Hope Academy	$7,385
82943	Weston Technical Academy	$7,385
82945	Edison Public School Academy	$7,385
82947	David Ellis Academy	$7,385
82948	Ross Hill Academy	$7,385
82949	Center for Learning and Creativity	$7,385
82950	Universal Academy	$7,385
82953	YMCA Service Learning Academy	$7,385
82955	Allen Academy	$7,385
82956	Old Redford Academy	$7,385
82957	Hope Of Detroit Academy	$7,385
82958	Joy Preparatory Academy	$7,385
82959	West Village Academy	$7,385
82960	Cherry Hill School Of Performing Arts	$7,385
82961	Academy Of Inkster	$7,385
82962	New Beginnings Academy	$7,385
82963	George Washington Carver Academy	$7,385
82964	Marilyn C. Lundy Academy	$7,385
82965	University Preparatory Academy	$7,385
82967	Metro Charter Academy	$7,385
82968	Canton Charter Academy	$7,385

District Code	District Name	*Foundation Allowance	District Code	District Name	*Foundation Allowance
82969	Creative Montessori Academy	$7,385	82985	Detroit Premier Academy	$7,385
82970	Warrendale Charter	$7,385	82986	Hanley International Academy	$7,085
82971	Blanche Kelso Bruce Academy	$7,385	82987	Frontier International Academy	$7,085
82973	Trillium Performing Arts Academy	$7,385	82988	Discovery Arts & Technology PSA	$7,385
82974	Detroit Merit Charter Academy	$7,385	82989	Covenant House Life Skills Center - West	$7,385
82975	Riverside Academy	$7,385	82990	Covenant House Life Skills Center - East	$7,385
82976	Keystone Academy	$7,385	82991	Life Skills Center Central	$7,385
82977	Hamtramck Academy	$7,085	82992	Northpointe Academy	$7,385
82978	Life Skills Cntr of Metropolitan Detroit	$7,385	82994	David Ellis Academy	$7,100
82979	Detroit Enterprise Academy	$7,385	82995	Taylor Exemplar Academy	$7,385
82980	Business Entrepreneurship, Sci. & Tech	$7,385	**WEXFORD**		
82981	American Montessori Academy	$7,385	83010	Cadillac Area Public Schools	$7,085
82982	Universal Learning Academy	$7,085	83060	Manton Consolidated Schools	$7,085
82983	Bridge Academy	$7,085	83070	Mesick Consolidated School District	$7,085
82984	Dr. Charles Drew Academy	$7,385			

**Foundation Allowance includes all adjustments under Sections 20 and 20j.*

APPENDIX I
COMPILED ACT INDEX
Major Page References

Subject **Page(s)**

Abortion Coverage Limitation 159
Accreditation 50, 111,129, 133
Added Costs 144
Adolescent Health Centers 66
Adult Education 6, 89, 145-149
Adult Learning Program (PAL) 150
After School Partnership 87-88
Alternative Education Program 6, 8, 11, 60, 111, 126, 127, 129
Apportionments 34, 35, 159
At-Risk Pupils 65-69, 115
Audit 4, 5, 6, 7, 10, 34, 35, 37-38, 67, 77, 112, 121, 127, 128, 164
Automated External Defibrillators 123
Basic Foundation Allowance 41-45, 49, 52, 65, 66, 68, 97
Youth Challenge Program 59-60
Before or After School Programs 77
Book-A-Month Program 80-81
Career Preparation System 107
Cash Flow Borrowing Costs 33
Center for Educational Performance and Information (CEPI) 2, 34, 38, 40, 111-113, 126-127, 155, 156
Center Program 3, 48
Charter School (see Public School Academy) 2, 4-10, 12, 37, 39, 43, 51, 65, 164, 165
Children of Incarcerated Parents 69-70
Class Hours 5, 6, 7
Class Size Reduction 67, 87
Competitive Bids 162
Conductive Learning Center 99-100
Cooperative Education Program 2, 4, 5, 6, 128, 140, 144
Counseling Services 67, 75, 157
Court-Placed Pupils 2, 4, 9, 57-59, 60, 98, 110
Criminal Sexual Assault 8
Declining Enrollment 64
Deficit Budget 130
Department of Human Services (DHS) 57, 59, 74,88
Department of Labor and Economic Growth (DLEG) 5, 58, 106,, 112
Discretionary Payment 54-55
District of Residence 2, 4, 6, 8, 10, 11, 43, 59, 92, 94, 97, 111, 137, 140, 145, 150, 151, 156
Dual Enrollment 114
Durant v. State of Michigan 16-31, 70, 96
Durant Bonding (Non-Plaintiffs) 18-20
Durant Cash Payment (Non-Plaintiffs) 16-18
Durant Settlement Offers (Non-Plaintiffs) 20-31

Subject **Page(s)**

Durant Waiver Language 17-18
Early Childhood 66, 72, 73, 74, 78-80, 83-84
Early Childhood Investment Corporation 72, 73
Early Intervening Program 16-18, 46, 68, 81-82
Equity Payment 42, 55
Expelled Pupils 6, 8, 9, 60, 140, 143, 145, 155
Federal Funds 13, 52, 58, 70, 74, 77, 84, 87-89, 90, 91, 92, 93, 96, 113, 114, 115, 117-119, 120, 131
Financial Emergency District 123-124
FIRST Robotics 125-126
Foundation Allowance 4, 13, 41-45, 48, 49, 50, 51-52, 55, 60, 61, 62, 64, 65, 68, 91, 92, 94, 97, 123, 125, 150
Free Lunch Eligibility 70, 85
Freedom to Learn 117-120
Full-Time Equated Pupil 4, 5, 6, 7, 11, 32
G.E.D. (General Education Development) 3, 5, 67, 115, 145-148
General Fund 13, 14, 15, 33, 43, 63, 73, 74, 78, 91, 113, 114, 115, 120, 150
Golden Apple Awards 114
Great Parents Great Start 75-76
Health Sciences Middle College 105-106
Hearing and Vision Screening 67
Homeless Children 87
Homestead Property 51, 52, 53, 154
Hospitalized Pupils 110
Hours of Pupil Instruction 43, 116, 126-129
Immunization 162-163
Installments 36
Intermediate District ..... 3-10 (also included in most other sections in the Act)
International Baccalaureate 102-103
Interagency Early Childhood Grants 51
Juvenile Justice Service Facilities 59
Mathematics and Science Centers 120-121
MEAP (Michigan Educational Assessment Program) 69, 115, 131
Membership 3-10
Michigan Virtual High School 9,114-117
Middle School Math 122
Millage 4, 17, 20, 34, 42, 45, 51, 100, 104
National School Lunch Act 65, 69, 70, 85, 123
No Child Left Behind 40, 46, 67, 87, 129, 131, 135
Participant (Adult Education) 145
Payments 12, 13, 19, 33, 34, 36, 47, 158
Payments in Lieu of Taxes 63-64,152
Postsecondary Enrollment Options 6, 50, 133
Precollege Engineering and Science Program 106
Prekindergarten Children 74, 85
Proration 6, 13-14, 33, 41, 50, 54, 68, 92, 127
Proration Notification 13

Subject **Page(s)**

Public School Academy 2, 4-10, 12, 37, 39, 43, 51, 65, 164, 165
Public School Employee Retirement 93, 153
Pupil Membership Factor 44
Pupil Membership Count 4-10,11, 34, 40, 126, 150
Pupil Retention 155
Qualified Agricultural Property 51-53, 154
Retirement Amortization 153
Revenue Adjustment Factor 44
Revenue Estimating Conference 43-45
School Aid Fund ..... 10, 13 (also included in most other sections in the Act)
School-based Crisis Intervention Program 125
School Breakfast 66, 71
School Building Security Mapping 124-125
School Bus Driver Safety 107
School Bus Inspections 107-108
School for the Deaf and Blind 4, 91, 94, 98, 164
School Loan Bond 32
School Lunch Program 70
School Readiness 74, 78, 86
Schools of Choice 8, 111, 137, 141
Small Class Size Program 46
Special Education 3, 4, 5, 7, 34, 91-101
Special Education Lending Library 99
Special Education Millage Equalization 100-101
State Treasurer 15, 16, 19, 36, 39, 130
Superintendent of Public Instruction 10
Supplemental Count 4-10, 11, 126
Tax Increment Finance Authority 42, 43, 51, 63, 154
Taxable Value 10, 34, 42, 43, 53, 100, 104, 109, 151, 154
Teen Health Centers 66
Total Approved Costs 91-93, 96, 97
Transportation 34, 37, 50, 91, 94, 96, 97, 103, 107, 108, 140, 144
Travel Time 6,128
Tuition 10, 37, 45, 50, 91, 148-151
University School 2, 4-6, 8, 10, 41, 43, 47, 51-53, 92, 94
Vocational Education Millage Equalization 104-105
Vocational-Technical Education 4, 17, 48, 103-104
Web-based Practice Assessments 120
Youth Challenge Program 59-60

SENATE FISCAL AGENCY
Victor Office Center, Suite 800
201 North Washington Square, P.O. Box 30036
Lansing, MI 48909-7536
Phone: (517) 373-2768 ▪ Fax: (517) 373-1986
TDD: (517) 373-0543 ▪ Internet: www.senate.michigan.gov/sfa

HOUSE FISCAL AGENCY
4th Floor North, Anderson House Office Building
124 North Capitol, P.O. Box 30014
Lansing, MI 48909-7514
Phone: (517) 373-8080 ▪ Fax: (517) 373-5874
Internet: www.house.mi.gov/hfa