

HOUSE BILL No. 5886

June 18, 1990, Introduced by Reps. Keith, Bandstra, Mathieu, Sikkema, DeLange, Krause, Jondahl, Hillegonds, Trim, Bender, Gilmer, DeMars, Munsell and Martin and referred to the Committee on Education.

A bill to amend section 21 of Act No. 94 of the Public Acts of 1979, entitled as amended

"The state school aid act of 1979,"

as amended by Act No. 197 of the Public Acts of 1989, being section 388.1621 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 21 of Act No. 94 of the Public Acts of
2 1979, as amended by Act No. 197 of the Public Acts of 1989, being
3 section 388.1621 of the Michigan Compiled Laws, is amended to
4 read as follows:

5 Sec. 21. (1) Except as otherwise provided in this act, from
6 the amount appropriated in section 11, there is allocated to each
7 district an amount per membership pupil sufficient to guarantee
8 the district for 1989-90 a combined state-local yield or gross
9 allowance of \$266.00 plus \$83.61 for each mill of operating tax

1 levied. For purposes of this section, only taxes levied for
2 purposes included in the operation cost of the district as pre-
3 scribed in section 7 shall be considered operating tax. ~~The~~
4 SUBJECT TO THE BALANCE OF THIS SECTION, THE net allocation for
5 each district shall be an amount per membership pupil computed by
6 subtracting, from the gross allowance guaranteed the district,
7 the product of the district's state equalized valuation behind
8 each membership pupil and the millage utilized for computing the
9 gross allowance.

10 An additional \$30.00 per pupil in gross allowance shall be
11 allocated to any district that satisfies the requirements speci-
12 fied in subdivisions (a) and (b).

13 (a) The district requires pupils to have completed as a con-
14 dition for graduation in 1991-92 all of the following:

15 (i) A total of 10 years of English or communication skills,
16 mathematics, science, and social science, with not less than 2
17 years of each subject specified in this subparagraph.

18 (ii) One year of health, or consumer home economics essen-
19 tial health and living skills, or physical education, or any com-
20 bination thereof.

21 (iii) One year of fine or performing arts, foreign language,
22 or of vocational education or practical arts, or any combination
23 thereof.

24 (iv) One semester of computer education or the equivalent,
25 which may be demonstrated by the passage of an appropriate com-
26 puter competency test, as approved by the department.

1 If a class taught in a district reasonably falls within more
2 than 1 of the subject categories listed in subparagraphs (i) to
3 (iv), the district may determine which subject category the class
4 falls within as long as teacher certification requirements are
5 not violated.

6 (b) The district provides for its pupils in grades 9 through
7 12 six classes, each consisting of at least 50 minutes of class-
8 room instruction or a total of not less than 300 minutes of
9 classroom instruction. In either case, at least 30% of the
10 pupils in grades 9 through 12 shall be enrolled in the sixth
11 period, with the sixth period being a class of an academic nature
12 that normally would be credited toward high school graduation.
13 This subdivision does not apply to pupils in grade 9 who do not
14 attend classes in the same building as pupils in grades 10
15 through 12.

16 The department may waive the requirements of subdivision (b)
17 for a district with unusual circumstances that is making a good
18 faith effort to comply with this subdivision and has a plan in
19 place to meet the requirements during the following year.

20 In order to be eligible for the additional \$30.00 per pupil
21 permitted under this subsection, unless it has received a waiver
22 under subdivision (b), a district shall submit to the department,
23 not later than October 31, 1989, an official copy of the board
24 minutes indicating compliance with the requirements specified in
25 subdivisions (a) and (b).

26 A primary or fourth class school district that sends its
27 resident high school pupils to 1 or more districts shall receive

1 the additional \$30.00 per pupil permitted under this subsection
2 if at least 90% of its resident high school pupils attend schools
3 in districts that satisfy the requirements of either subdivision
4 (a) or (b). In this case, the primary or fourth class district
5 shall submit to the department not later than October 31, 1989,
6 a resolution adopted by its board indicating that it complies
7 with this requirement.

8 In 1989-90, an additional \$14.00 per pupil in gross allow-
9 ance shall be allocated to any district that satisfies the
10 requirements specified in either of the following subdivisions:

11 (a) The district attains an average class size of not more
12 than 25 pupils for grades K, 1, 2, and 3, taken collectively.

13 (b) The district reduces its average class size in grades K,
14 1, 2, and 3, taken collectively, by at least 1% from the average
15 class size in the immediately preceding school year.

16 For purposes of computing average class size, only the fol-
17 lowing staff shall be counted:

18 (i) General subject classroom teachers, such as teachers of
19 reading, language arts, mathematics, science or social studies,
20 and kindergarten teachers.

21 (ii) Special subject teachers, such as teachers of art,
22 music, or physical education, to the extent that they provide
23 instruction to eligible pupils.

24 (iii) Special needs teachers, in areas such as compensatory
25 education, bilingual education, migrant education, or gifted and
26 talented education, to the extent that they provide instruction
27 to eligible pupils. The following staff shall not be counted:

1 (A) Special education teachers.

2 (B) Adult education teachers.

3 (C) Professional or nonprofessional support staff.

4 (D) Teacher aides, paraprofessionals, or volunteers.

5 (E) Administrators or supervisors.

6 The department may waive the requirements of subdivision (a)
7 or (b) for a district with unusual circumstances that is making a
8 good faith effort to comply with either of these subdivisions and
9 has a plan in place to meet the requirements for the following
10 year. However, the department shall not grant waivers to a dis-
11 trict in more than 2 consecutive school years.

12 In order to be eligible for the additional \$14.00 per pupil
13 permitted under this subsection, unless it has received a waiver
14 for subdivision (a) or (b), a district shall submit to the
15 department not later than October 31, 1989, a resolution adopted
16 by its board indicating that the district complies with the
17 requirements of either subdivision (a) or (b).

18 (2) A district that supported a district library in 1979-80
19 and continues to provide support for the district library through
20 a millage levied pursuant to former Act No. 164 of the Public
21 Acts of 1955, as amended, being sections 397.271 to 397.276 of
22 the Michigan Compiled Laws, shall be credited, for all computa-
23 tions made under this section, with the amount of millage levied
24 for library purposes, but not to exceed 0.7 mills, if the dis-
25 trict levies not more than 0.7 mills less than its authorized
26 operating millage rate.

1 (3) State equalization allocations to a district shall be
2 adjusted by subtracting from the allocations money received under
3 section 3(c)(1) of title I of chapter 1124, 64 Stat. 1100, 20
4 U.S.C. 238, in the same proportion as the total local revenues
5 covered under the state equalization program are to total local
6 revenues for education in the district, except that not more than
7 \$160.00 per pupil shall be subtracted. The proportion shall be
8 based on prior year revenue and prior year impact aid. A deduc-
9 tion in any year shall not exceed the amount of deductible impact
10 aid for which a district is eligible under section 3(c)(1) of
11 title I of chapter 1124, 64 Stat. 1100. Any deductions made
12 under this act shall be consistent with the requirements of sec-
13 tion 5 of title I of chapter 1124, 64 Stat. 1100, 20 U.S.C. 240
14 and its regulations.

15 (4) If a district THAT IS NOT PARTICIPATING IN COMMERCIAL
16 AND INDUSTRIAL PROPERTY TAX BASE SHARING ADOPTED UNDER PART 7A OF
17 THE SCHOOL CODE OF 1976, BEING SECTIONS 380.751 TO 380.757 OF THE
18 MICHIGAN COMPILED LAWS, has more than 500 pupils and if the net
19 allocation computed for ~~a~~ THE district pursuant to subsection
20 (1) is a negative amount, it shall be applied as a deduction
21 against any funds otherwise due the district under all other sec-
22 tions of this act. However, the deduction made under this sub-
23 section shall not exceed a percentage of a district's total state
24 aid entitlement under all other sections of this act, which per-
25 centage is determined by dividing the gross allowance computed
26 for the district under subsection (1) by the product of the
27 district's state equalized valuation behind each membership pupil

1 and the millage utilized for computing the gross allowance and
2 then subtracting the result from 100%, except that the percentage
3 shall not exceed 99%, and shall be applied after the following
4 adjustments which shall be based upon per pupil or per profes-
5 sional staff member cost in each program:

6 (a) The categorical allocations for sections 52 and 61 shall
7 be reduced a proportionate amount for nonresident pupils, and the
8 categorical allocation for section 97 shall be reduced a propor-
9 tionate amount for each professional staff member not an employee
10 of the district.

11 (b) The categorical allocations for section 52 shall be
12 increased a proportionate amount for pupils enrolled in a program
13 operated by another district or the intermediate district, and
14 the categorical allocation for section 97 shall be increased a
15 proportionate amount for each professional staff member partici-
16 pating in a consortium of districts, or of districts and interme-
17 diate districts, where the legal fiscal agency is another dis-
18 trict or intermediate district.

19 (5) Funds due under sections 27, 53, 75, 143, and 144 shall
20 not be counted for purposes of subsection (4).

21 (6) The statewide deductions made under subsection (4) shall
22 not exceed \$22,625,000.00 in 1989-90.

23 (7) A tax levied pursuant to section 1356(4) of the school
24 code of 1976, Act No. 451 of the Public Acts of 1976, being sec-
25 tion 380.1356 of the Michigan Compiled Laws, for the retirement
26 of an operating deficit shall be considered levied for operating
27 purposes in making computations under this section.

1 (8) IF A DISTRICT IS CONSTITUENT TO AN INTERMEDIATE DISTRICT
2 IN WHICH COMMERCIAL AND INDUSTRIAL PROPERTY TAX BASE SHARING HAS
3 BEEN ADOPTED UNDER PART 7A OF THE SCHOOL CODE OF 1976, BEING SEC-
4 TIONS 380.751 TO 380.757 OF THE MICHIGAN COMPILED LAWS, THE
5 DISTRICT'S ALLOCATION UNDER THIS SECTION SHALL BE BASED ON THE
6 LOCAL TAX YIELD THE DISTRICT WOULD HAVE RECEIVED IF THE INTERME-
7 DIATE DISTRICT HAD NOT ADOPTED COMMERCIAL AND INDUSTRIAL PROPERTY
8 TAX BASE SHARING.

9 Section 2. This amendatory act shall not take effect unless
10 Senate Bill No. _____ or House Bill No. 5885 (request
11 no. 05507'90) of the 85th Legislature is enacted into law.