February 18, 2021, Introduced by Rep. Tate and referred to the Committee on Appropriations.

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979,"
by amending section 11 (MCL 388.1611), as amended by 2020 PA 165,
and by adding section 39b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 11. (1) For the fiscal year ending September 30, 2020,
there is appropriated for the public schools of this state and
certain other state purposes relating to education the sum of
$12,829,470,800.00 from the state school aid fund, the sum of
$104,660,000.00 from the general fund, an amount not to exceed $75,900,000.00 from the community district education trust fund created under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, an amount not to exceed $9,717,800.00 from the talent investment fund created under section 8a of the higher education loan authority act, 1975 PA 222, MCL 390.1158a, an amount not to exceed $31,900,000.00 from the MPSERS retirement obligation reform reserve fund, and an amount not to exceed $100.00 from the water emergency reserve fund. For the fiscal year ending September 30, 2021, there is appropriated for the public schools of this state and certain other state purposes relating to education the sum of $13,589,621,600.00 from the state school aid fund, the sum of $50,964,700.00 from the general fund, an amount not to exceed $77,700,000.00 from the community district education trust fund created under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, and an amount not to exceed $100.00 from the water emergency reserve fund. In addition, all available federal funds are appropriated for the fiscal years ending September 30, 2020 and September 30, 2021.

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

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

Sec. 39b. (1) From the federal funds appropriated in section 11, there is allocated an amount estimated at $1,656,400,000.00 for

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2020-2021 for the purposes of addressing the impact that COVID-19 has had on this state's K to 12 education system, funded from DED-OESE, elementary and secondary school emergency relief (ESSER) fund.

(2) From the federal money allocated under subsection (1), there is allocated for 2020-2021 an amount not to exceed $157,350,000.00 and from the state school aid fund money appropriated under section 11, there is allocated for 2020-2021 an amount not to exceed $300,000,000.00 for payments to districts and intermediate districts to mitigate the impacts of COVID-19 on student achievement. Payments under this subsection to districts and intermediate districts must be calculated as follows:

(a) Half of the sum of [the entire federal allocation under this subsection and $290,000,000.00 from the state school aid fund allocation under this subsection] must be distributed to districts proportionate to the district's share of statewide full-time equated memberships for special education pupils enrolled in the district for the current school year.

(b) Half of the sum of [the entire federal allocation under this subsection and $290,000,000.00 from the state school aid fund allocation under this subsection] must be distributed on an equal per pupil basis utilizing for this calculation the number of full-time equated pupils engaged in pandemic learning for fall 2020 in the district if the district does not operate as a cyber school as that term is defined in section 551 of the revised school code, MCL 380.551, or the number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance in the district if the district operates as a cyber school as that term is defined in section 551 of the revised school code, MCL 380.551, on
pupil membership count day for the current school year. This per
pupil payment must be adjusted by the department such that the
total allocation to any district, when combined with other payments
included in this subsection to districts, is not less than
$25,000.00.

(c) $5,000,000.00 from the state school aid fund allocation
under this subsection must be distributed to intermediate districts
proportionate to the full-time equated number of special education
pupils educated by the intermediate district and counted in
membership in the intermediate district in the current school year
compared to the statewide sum of the full-time equated special
education pupils counted in membership in intermediate districts in
the current school year.

(d) $5,000,000.00 from the state school aid fund allocation
under this subsection must be distributed to intermediate districts
on an equal per pupil basis utilizing for this calculation the
total number of full-time equated pupils engaged in pandemic
learning for fall 2020 in constituent districts of the intermediate
district. This per pupil payment must be adjusted by the department
such that the total allocation to any intermediate district, when
combined with other payments included in this subsection to
intermediate districts, is not less than $25,000.00.

(3) The federal funds allocated under this section are subject
to the requirements provided in Public Law 116-260 and related
federal guidance regarding elementary and secondary school
emergency relief (ESSER) fund dollars. The allowable uses for state
school aid fund allocations under this section must be the same
allowable uses as provided in Public Law 116-260 and related
federal guidance regarding elementary and secondary school
emergency relief (ESSER) fund dollars.

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

(5) The funds allocated under this section for 2020-2021 are a work project appropriation and any unexpended funds for 2020-2021 are carried forward into 2021-2022. The purpose of the work project is to continue addressing the impact that COVID-19 has had on this state's K to 12 education system. The estimated completion date of the work project is September 30, 2024.

(6) As used in this section, "DED-OESE" means the United States Department of Education Office of Elementary and Secondary Education.

Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending on school aid under article I of the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2020 PA 147, 2020 PA 148, 2020 PA 149, 2020 PA 165, and this amendatory act, from state sources for fiscal year 2020-2021 is estimated at $14,018,286,300.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2020-2021 are estimated at $13,846,289,200.00.