

HOUSE BILL No. 4473

March 15, 2001, Introduced by Rep. Godchaux and referred to the Committee on Appropriations.

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 6, 11, 17b, and 32b (MCL 388.1606, 388.1611,
388.1617b, and 388.1632b), sections 6, 11, and 17b as amended and
section 32b as added by 2000 PA 297.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 6. (1) "Center program" means a program operated by a
2 district or intermediate district for special education pupils
3 from several districts in programs for the autistically impaired,
4 trainable mentally impaired, severely mentally impaired, severely
5 multiply impaired, hearing impaired, physically and otherwise
6 health impaired, and visually impaired. Programs for emotionally
7 impaired pupils housed in buildings that do not serve regular
8 education pupils also qualify. Unless otherwise approved by the
9 department, a center program either shall serve all constituent

1 districts within an intermediate district or shall serve several
 2 districts with less than 50% of the pupils residing in the oper-
 3 ating district. In addition, special education center program
 4 pupils placed part-time in noncenter programs to comply with the
 5 least restrictive environment provisions of section 612 of part B
 6 of the individuals with disabilities education act, title VI of
 7 Public Law 91-230, 20 U.S.C. 1412, may be considered center pro-
 8 gram pupils for pupil accounting purposes for the time scheduled
 9 in either a center program or a noncenter program.

10 (2) "District pupil retention rate" means the proportion of
 11 pupils who have not dropped out of school in the immediately pre-
 12 ceding school year and is equal to 1 minus the quotient of the
 13 number of pupils unaccounted for in the immediately preceding
 14 school year, as determined pursuant to subsection (3), divided by
 15 the pupils of the immediately preceding school year.

16 (3) "District pupil retention report" means a report of the
 17 number of pupils, excluding migrant and adult, in the district
 18 for the immediately preceding school year, adjusted for those
 19 pupils who have transferred into the district, transferred out of
 20 the district, transferred to alternative programs, and have grad-
 21 uated, to determine the number of pupils who are unaccounted
 22 for. The number of pupils unaccounted for shall be calculated as
 23 determined by the department.

24 (4) "Membership", except as otherwise provided in this act,
 25 ~~means for 1999-2000 for a district, public school academy, uni-~~
 26 ~~versity school, or intermediate district the sum of the product~~
 27 ~~of .75 times the number of full-time equated pupils in grades K~~

~~1 to 12 actually enrolled and in regular daily attendance on the
2 pupil membership count day for the current school year, plus the
3 product of .25 times the final audited count from the supplemen-
4 tal count day for the immediately preceding school year.~~

5 Beginning in 2000-2001, membership means for a district, public
6 school academy, university school, or intermediate district the
7 sum of the product of .8 times the number of full-time equated
8 pupils in grades K to 12 actually enrolled and in regular daily
9 attendance on the pupil membership count day for the current
10 school year, plus the product of .2 times the final audited count
11 from the supplemental count day for the immediately preceding
12 school year. All pupil counts used in this subsection are as
13 determined by the department and calculated by adding the number
14 of pupils registered for attendance plus pupils received by
15 transfer and minus pupils lost as defined by rules promulgated by
16 the superintendent, and as corrected by a subsequent department
17 audit. The amount of the foundation allowance for a pupil in
18 membership is determined under section 20. In making the calcu-
19 lation of membership, all of the following, as applicable, apply
20 to determining the membership of a district, public school acade-
21 my, university school, or intermediate district:

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

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

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

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

20 (e) A pupil enrolled in the Michigan schools for the deaf
21 and blind shall be counted in membership in the pupil's interme-
22 diate district of residence.

23 (f) A pupil enrolled in a vocational education program sup-
24 ported by a millage levied over an area larger than a single dis-
25 trict or in an area vocational-technical education program estab-
26 lished pursuant to section 690 of the revised school code,

1 MCL 380.690, shall be counted only in the pupil's district of
2 residence.

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

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

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

11 (i) If operations begin before the pupil membership count
12 day for the fiscal year, membership is the average number of
13 full-time equated pupils in grades K to 12 actually enrolled and
14 in regular daily attendance on the pupil membership count day for
15 the current school year and on the supplemental count day for the
16 current school year, as determined by the department and calcu-
17 lated by adding the number of pupils registered for attendance on
18 the pupil membership count day plus pupils received by transfer
19 and minus pupils lost as defined by rules promulgated by the
20 superintendent, and as corrected by a subsequent department
21 audit, plus the final audited count from the supplemental count
22 day for the current school year, and dividing that sum by 2.

23 (ii) If operations begin after the pupil membership count
24 day for the fiscal year and not later than the supplemental count
25 day for the fiscal year, membership is the final audited count of
26 the number of full-time equated pupils in grades K to 12 actually

1 enrolled and in regular daily attendance on the supplemental
2 count day for the current school year.

3 (j) If a district is the authorizing body for a public
4 school academy, then, in the first school year in which pupils
5 are counted in membership on the pupil membership count day in
6 the public school academy, the determination of the district's
7 membership shall exclude from the district's pupil count for the
8 immediately preceding supplemental count day any pupils who are
9 counted in the public school academy on that first pupil member-
10 ship count day who were also counted in the district on the imme-
11 diately preceding supplemental count day.

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

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

24 (m) An individual who has obtained a high school diploma
25 shall not be counted in membership. An individual who has
26 obtained a general education development (G.E.D.) certificate
27 shall not be counted in membership. An individual participating

1 in a job training program funded under former section 107a or a
2 jobs program funded under former section 107b, administered by
3 the Michigan strategic fund or the department of career develop-
4 ment, or participating in any successor of either of those 2 pro-
5 grams, shall not be counted in membership.

6 (n) If a pupil counted in membership in a public school
7 academy is also educated by a district or intermediate district
8 as part of a cooperative education program, the pupil shall be
9 counted in membership only in the public school academy, and the
10 instructional time scheduled for the pupil in the district or
11 intermediate district shall be included in the full-time equated
12 membership determination under subdivision (q). However, for
13 pupils receiving instruction in both a public school academy and
14 in a district or intermediate district but not as a part of a
15 cooperative education program, the following apply:

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

26 (ii) If the public school academy provides instruction for
27 less than 1/2 of the class hours specified in subdivision (q),

1 the district or intermediate district providing the remainder of
2 the hours of instruction shall receive as its prorated share of
3 the full-time equated membership for each of those pupils an
4 amount equal to 1 times the product of the hours of instruction
5 the district or intermediate district provides divided by the
6 number of hours specified in subdivision (q) for full-time equiv-
7 alency, and the remainder of the full-time membership for each of
8 those pupils shall be allocated to the public school academy.

9 (o) An individual less than 16 years of age as of September
10 1 of the current school year who is being educated in an alterna-
11 tive education program shall not be counted in membership if
12 there are also adult education participants being educated in the
13 same program or classroom.

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

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

24 (r) Full-time equated memberships for pupils in kindergarten
25 shall be determined by dividing the number of class hours sched-
26 uled and provided per year per kindergarten pupil by a number

1 equal to $1/2$ the number used for determining full-time equated
2 memberships for pupils in grades 1 to 12.

3 (s) For a district, university school, or public school
4 academy that has pupils enrolled in a grade level that was not
5 offered by the district, university school, or public school
6 academy in the immediately preceding school year, the number of
7 pupils enrolled in that grade level to be counted in membership
8 is the average of the number of those pupils enrolled and in reg-
9 ular daily attendance on the pupil membership count day and the
10 supplemental count day of the current school year, as determined
11 by the department. Membership shall be calculated by adding the
12 number of pupils registered for attendance in that grade level on
13 the pupil membership count day plus pupils received by transfer
14 and minus pupils lost as defined by rules promulgated by the
15 superintendent, and as corrected by subsequent department audit,
16 plus the final audited count from the supplemental count day for
17 the current school year, and dividing that sum by 2.

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

22 (u) If, as a result of a disciplinary action, a district
23 determines through the district's alternative or disciplinary
24 education program that the best instructional placement for a
25 pupil is in the pupil's home, if that placement is authorized in
26 writing by the district superintendent and district alternative
27 or disciplinary education supervisor, and if the district

1 provides appropriate instruction as described in this subdivision
2 to the pupil at the pupil's home, the district may count the
3 pupil in membership on a pro rata basis, with the proration based
4 on the number of hours of instruction the district actually pro-
5 vides to the pupil divided by the number of hours specified in
6 subdivision (q) for full-time equivalency. For the purposes of
7 this subdivision, a district shall be considered to be providing
8 appropriate instruction if all of the following are met:

9 (i) The district provides at least 2 nonconsecutive hours of
10 instruction per week to the pupil at the pupil's home under the
11 supervision of a certificated teacher.

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

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

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

20 (v) A pupil enrolled in an alternative or disciplinary edu-
21 cation program described in section 25 shall be counted in mem-
22 bership in the district or public school academy that expelled
23 the pupil.

24 (w) If a pupil was enrolled in a public school academy on
25 the pupil membership count day, if the public school academy's
26 contract with its authorizing body is revoked, and if the pupil
27 enrolls in a district within 45 days after the pupil membership

1 count day, the department shall adjust the district's pupil count
2 for the pupil membership count day to include the pupil in the
3 count.

4 (x) For ~~1999-2000, for a public school academy that has~~
5 ~~been in operation for at least 2 years and that suspended opera-~~
6 ~~tions for at least 1 semester and is resuming operations, member-~~
7 ~~ship is the sum of the product of .75 times the number of~~
8 ~~full-time equated pupils in grades K to 12 actually enrolled and~~
9 ~~in regular daily attendance on the first pupil membership count~~
10 ~~day or supplemental count day, whichever is first, occurring~~
11 ~~after operations resume, plus the product of .25 times the final~~
12 ~~audited count from the most recent pupil membership count day or~~
13 ~~supplemental count day that occurred before suspending opera-~~
14 ~~tions, as determined by the superintendent. Beginning in~~
15 ~~2000-2001, for a public school academy that has been in opera-~~
16 ~~tion for at least 2 years and that suspended operations for at~~
17 ~~least 1 semester and is resuming operations, membership is the~~
18 ~~sum of the product of .8 times the number of full-time equated~~
19 ~~pupils in grades K to 12 actually enrolled and in regular daily~~
20 ~~attendance on the first pupil membership count day or supplemen-~~
21 ~~tal count day, whichever is first, occurring after operations~~
22 ~~resume, plus the product of .2 times the final audited count from~~
23 ~~the most recent pupil membership count day or supplemental count~~
24 ~~day that occurred before suspending operations, as determined by~~
25 ~~the superintendent.~~

26 (y) For 2000-2001 only, if a district's membership for a
27 particular fiscal year, as otherwise calculated under this

1 subsection, would be less than 1,550 pupils, the district's
2 membership for that fiscal year shall be considered to be the
3 greater of the following:

4 (i) The average of the district's membership for the
5 3-fiscal-year period ending with that fiscal year, calculated by
6 adding the district's actual membership for that fiscal year, as
7 otherwise calculated under this subsection, plus the district's
8 membership for each of the 2 immediately preceding fiscal years,
9 and dividing the sum of those 3 membership figures by 3.

10 (ii) The district's actual membership as otherwise calcu-
11 lated under this subsection.

12 (5) "Public school academy" means a public school academy or
13 strict discipline academy operating under the revised school
14 code.

15 (6) "Pupil" means a person in membership in a public
16 school. A district must have the approval of the pupil's dis-
17 trict of residence to count the pupil in membership, except
18 approval by the pupil's district of residence shall not be
19 required for any of the following:

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

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

24 (c) A pupil enrolled in a public school academy or univer-
25 sity school.

26 (d) A pupil enrolled in a district other than the pupil's
27 district of residence under an intermediate district schools of

1 choice pilot program as described in section 91a or former
2 section 91 if the intermediate district and its constituent dis-
3 tricts have been exempted from section 105.

4 (e) A pupil enrolled in a district other than the pupil's
5 district of residence but within the same intermediate district
6 if the educating district enrolls nonresident pupils in accord-
7 ance with section 105.

8 (f) A pupil enrolled in a district other than the pupil's
9 district of residence if the pupil has been continuously enrolled
10 in the educating district since a school year in which the pupil
11 enrolled in the educating district under section 105 or 105c and
12 in which the educating district enrolled nonresident pupils in
13 accordance with section 105 or 105c.

14 (g) A ~~nonresident~~ pupil who has made an official written
15 complaint or whose parent or legal guardian has made an official
16 written complaint to law enforcement officials and to school
17 officials of the pupil's district of residence that the pupil has
18 been the victim of a criminal sexual assault or other serious
19 assault, if the official complaint either indicates that the
20 assault occurred at school or that the assault was committed by 1
21 or more other pupils enrolled in the school the nonresident pupil
22 would otherwise attend in the district of residence or by an
23 employee of the district of residence. A person who intention-
24 ally makes a false report of a crime to law enforcement officials
25 for the purposes of this subdivision is subject to section 411a
26 of the Michigan penal code, 1931 PA 328, MCL 750.411a, which

1 provides criminal penalties for that conduct. As used in this
2 subdivision:

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

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

12 (h) A pupil enrolled in a district located in a contiguous
13 intermediate district, as described in section 105c, if the edu-
14 cating district enrolls those nonresident pupils in accordance
15 with section 105c.

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

22 (j) A pupil enrolled in an alternative education program
23 operated by a district other than his or her district of resi-
24 dence who meets 1 or more of the following:

25 (i) The pupil has been suspended or expelled from his or her
26 district of residence for any reason, including, but not limited
27 to, a suspension or expulsion under section 1310, 1311, or 1311a

1 of the revised school code, MCL 380.1310, 380.1311, and
2 380.1311a.

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

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

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

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

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

16 (7) "Pupil membership count day" of a district or intermedi-
17 ate district means:

18 (a) Except as provided in subdivision (b), the fourth
19 Wednesday in September each school year.

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

22 (i) Fourth Wednesday in July.

23 (ii) Fourth Wednesday in September.

24 (iii) Second Wednesday in February.

25 (iv) Fourth Wednesday in April.

26 (8) "Pupils in grades K to 12 actually enrolled and in
27 regular daily attendance" means pupils in grades K to 12 in

1 attendance and receiving instruction in all classes for which
2 they are enrolled on the pupil membership count day or the sup-
3 plemental count day, as applicable. A pupil who is absent from
4 any of the classes in which the pupil is enrolled on the pupil
5 membership count day or supplemental count day and who does not
6 attend each of those classes during the 10 consecutive school
7 days immediately following the pupil membership count day or sup-
8 plemental count day, except for a pupil who has been excused by
9 the district, shall not be counted as 1.0 full-time equated
10 membership. In addition, a pupil who is excused from attendance
11 on the pupil membership count day or supplemental count day and
12 who fails to attend each of the classes in which the pupil is
13 enrolled within 30 calendar days after the pupil membership count
14 day or supplemental count day shall not be counted as 1.0
15 full-time equated membership. Pupils not counted as 1.0
16 full-time equated membership due to an absence from a class shall
17 be counted as a prorated membership for the classes the pupil
18 attended. For purposes of this subsection, "class" means a
19 period of time in 1 day when pupils and a certificated teacher or
20 legally qualified substitute teacher are together and instruction
21 is taking place.

22 (9) "Rule" means a rule promulgated pursuant to the adminis-
23 trative procedures act of 1969, 1969 PA 306, MCL 24.201 to
24 24.328.

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

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

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

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

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

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

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

21 (17) "Taxable value" means the taxable value of property as
22 determined under section 27a of the general property tax act,
23 1893 PA 206, MCL 211.27a.

24 (18) "Total state aid" or "total state school aid" means the
25 total combined amount of all funds due to a district, intermedi-
26 ate district, or other entity under all of the provisions of this
27 act.

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

4 Sec. 11. (1) ~~For the fiscal year ending September 30,~~
5 ~~2000, there is appropriated for the public schools of this state~~
6 ~~and certain other state purposes relating to education the sum of~~
7 ~~\$9,623,215,800.00 from the state school aid fund established by~~
8 ~~section 11 of article IX of the state constitution of 1963 and~~
9 ~~the sum of \$420,613,500.00 from the general fund.~~ For the fiscal
10 year ending September 30, 2001, there is appropriated for the
11 public schools of this state and certain other state purposes
12 relating to education the sum of ~~\$10,402,821,500.00~~ \$_____ ~~from the~~
13 ~~state school aid fund established by section 11 of arti-~~
14 ~~cle IX of the state constitution of 1963 and the sum of~~
15 ~~\$385,613,500.00 from the general fund.~~ For the fiscal year
16 ending September 30, 2002, there is appropriated for the public
17 schools of this state and certain other state purposes relating
18 to education the sum of ~~\$11,192,489,800.00~~ \$_____ ~~from the~~
19 ~~state school aid fund established by section 11 of article IX of~~
20 ~~the state constitution of 1963 and the sum of \$205,613,500.00~~
21 ~~from the general fund.~~ For the fiscal year ending September 30,
22 2003, there is appropriated for the public schools of this state
23 and certain other state purposes relating to education the sum of
24 ~~\$11,339,360,300.00~~ \$_____ ~~from the state school aid fund~~
25 ~~established by section 11 of article IX of the state constitution~~
26 ~~of 1963 and the sum of \$420,613,500.00 from the general fund.~~ In

1 addition, available federal funds are appropriated for each of
2 those fiscal years.

3 (2) The appropriations under this section shall be allocated
4 as provided in this act. Money appropriated under this section
5 from the general fund and from available federal funds shall be
6 expended to fund the purposes of this act before the expenditure
7 of money appropriated under this section from the state school
8 aid fund. If the maximum amount appropriated under this section
9 from the state school aid fund for a fiscal year exceeds the
10 amount necessary to fully fund allocations under this act from
11 the state school aid fund, that excess amount shall not be
12 expended in that state fiscal year and shall not lapse to the
13 general fund, but instead shall remain in the state school aid
14 fund.

15 (3) If the maximum amount appropriated under this section
16 and section 11f from the state school aid fund for a fiscal year
17 exceeds the amount available for expenditure from the state
18 school aid fund for that fiscal year, payments under sections
19 11f, 11g, 22a, 31d, 51a(2), and 51c shall be made in full and
20 payments under each of the other sections of this act shall be
21 prorated on an equal percentage basis as necessary to reflect the
22 amount available for expenditure from the state school aid fund
23 for that fiscal year. However, if the department of treasury
24 determines that proration will be required under this subsection,
25 the department of treasury shall notify the state budget direc-
26 tor, and the state budget director shall notify the legislature
27 at least 30 calendar days or 6 legislative session days,

1 whichever is more, before the department reduces any payments
2 under this act because of the proration. During the 30 calendar
3 day or 6 legislative session day period after that notification
4 by the state budget director, the department shall not reduce any
5 payments under this act because of proration under this
6 subsection. The legislature may prevent proration from occurring
7 by, within the 30 calendar day or 6 legislative session day
8 period after that notification by the state budget director,
9 enacting legislation appropriating additional funds from the gen-
10 eral fund, countercyclical budget and economic stabilization
11 fund, state school aid fund balance, or another source to fund
12 the amount of the projected shortfall.

13 (4) Except for the allocation under section 26a, any general
14 fund allocations under this act that are not expended by the end
15 of the state fiscal year are transferred to the state school aid
16 fund.

17 Sec. 17b. (1) Not later than October 20, November 20,
18 December 20, January 20, February 20, March 20, April 20, May 20,
19 June 20, July 20, and August 20, the department shall prepare a
20 statement of the amount to be distributed under this act in the
21 installment to the districts and intermediate districts and
22 deliver the statement to the state treasurer, and the state trea-
23 surer shall pay the installments on each of those dates or, if
24 the date is not a business day, on the immediately preceding
25 business day before that date. Except as otherwise provided in
26 this act, the portion of the district's or intermediate
27 district's state fiscal year entitlement to be included in each

1 installment shall be 1/11. A district or intermediate district
2 shall accrue the payments received in July and August to the
3 school fiscal year ending the immediately preceding June 30.

4 (2) The state treasurer shall make payment under this sec-
5 tion by drawing a warrant in favor of the treasurer of each dis-
6 trict or intermediate district for the amount payable to the dis-
7 trict or intermediate district according to the statement and
8 delivering the warrant to the treasurer of each district or
9 intermediate district, or if the state treasurer receives a writ-
10 ten request by the treasurer of the district or intermediate dis-
11 trict specifying an account, by electronic funds transfer to that
12 account of the amount payable to the district or intermediate
13 district according to the statement. The department may make
14 adjustments in payments made under this section through addi-
15 tional payments when changes in law or errors in computation
16 cause the regularly scheduled payment to be less than the amount
17 to which the district or intermediate district is entitled pursu-
18 ant to this act.

19 (3) Except as otherwise ~~specified~~ PROVIDED in this act,
20 grant payments under this act shall be paid according to
21 subsection (1).

22 (4) Upon the written request of a district or intermediate
23 district and the submission of proof satisfactory to the depart-
24 ment of a need of a temporary and nonrecurring nature, the super-
25 intendent, with the written concurrence of the state treasurer
26 and the state budget director, may authorize an advance release
27 of funds due a district or intermediate district under this act.

1 ~~Such an~~ AN advance AUTHORIZED UNDER THIS SUBSECTION shall not
2 cause funds to be paid to a district or intermediate district
3 more than 30 days earlier than the established payment date for
4 those funds.

5 Sec. 32b. (1) From the state school aid fund allocation in
6 section 32a(1), there is allocated an amount not to exceed
7 \$45,000,000.00 each fiscal year for 2000-2001, for 2001-2002, and
8 for 2002-2003 for grants to intermediate districts and districts
9 for programs for preschool children and their parents. The pur-
10 pose of these programs is to improve school readiness and foster
11 the maintenance of stable families by encouraging positive par-
12 enting skills; enhancing parent-child interaction; providing
13 learning opportunities to promote intellectual, physical, and
14 social growth; and promoting access to needed community services
15 through a community-school-home partnership that provides parents
16 with information on child development from birth to age 5.

17 (2) To qualify for funding under this section, a program
18 shall meet all of the following:

19 (a) The program must provide services to all families with
20 children age 5 or younger residing within the intermediate dis-
21 trict or district who choose to participate, including at least
22 all of the following services:

23 (i) Home visits by parent educators trained in child devel-
24 opment to help parents understand appropriate expectations for
25 each stage of their child's development, to encourage learning
26 opportunities, and to promote strong parent-child relationships.

- 1 (ii) Group meetings of participating families.
- 2 (iii) Periodic developmental screening of the child's
3 overall development, health, hearing, and vision.
- 4 (iv) A community resource network that provides referrals to
5 other state, local, and private agencies as appropriate to assist
6 parents in preparing their children for academic success and to
7 foster the maintenance of stable families.
- 8 (v) Connection with quality preschool programs.
- 9 (b) The program must be a collaborative community effort
10 that includes at least the intermediate district or district,
11 local multipurpose collaborative bodies, local health and welfare
12 agencies, and private nonprofit agencies involved in programs and
13 services for preschool children and their parents.
- 14 (3) To compete for a grant under this section, an intermedi-
15 ate district or district shall apply to the superintendent not
16 later than December 1, 2000 in the form and manner prescribed by
17 the superintendent. To be considered for a grant under this sec-
18 tion, a grant application must provide all of the following in a
19 manner prescribed by the department:
- 20 (a) Provide a plan for the delivery of the program compo-
21 nents described in subsection (2).
- 22 (b) Demonstrate an adequate collaboration of local entities
23 involved in providing programs and services for preschool chil-
24 dren and their parents.
- 25 (c) Provide evidence of a review and approval by the local
26 multipurpose collaborative body of the program plan.

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

9 (4) Each successful grant recipient shall agree to include a
10 data collection system and an evaluation tool approved by the
11 department to measure the impact of the program on improving
12 school readiness, reducing the number of children needing special
13 education programs and services, and fostering the maintenance of
14 stable families. The GRANT RECIPIENT'S data collection system
15 shall provide a report TO THE DEPARTMENT by October 15 of each
16 year on the number of children in families with income below 200%
17 of the federal poverty level that received services under this
18 program and the total number of children who received services
19 under this program.

20 (5) From the general fund allocation under section 32a(1),
21 there is allocated an amount not to exceed \$250,000.00 each
22 fiscal year for 2000-2001, for 2001-2002, and for 2002-2003 to
23 the department, including the office for safe schools, for imple-
24 mentation and evaluation of activities under this section.
25 Further, beginning in 2000-2001, upon receipt of the federal
26 drug-free schools grant, the department shall allocate

1 \$200,000.00 of that grant to the office for safe schools within
2 the department.

3 (6) The department and superintendent shall do all of the
4 following:

5 (a) The department shall make applications available for the
6 purposes of this section not later than October 15, 2000.

7 (b) The superintendent shall approve or disapprove applica-
8 tions and notify the applying intermediate district or district
9 of that decision not later than February 1, 2001. Priority in
10 awarding grants shall be given to programs that focus on reducing
11 the percentage of children needing special education programs and
12 services when they enter school. The superintendent shall ensure
13 that the intermediate districts and districts receiving grants
14 under this section are geographically and economically diverse
15 and that not more than 10% of the total allocation under this
16 section is paid to any 1 particular intermediate district or
17 district.

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

22 (d) The department shall submit a report to the legislature,
23 the state budget director, and the senate and house fiscal agen-
24 cies detailing the evaluations AND INFORMATION described in
25 subsection (4) by December 1 of each year.

26 (7) An intermediate district or district receiving funds
27 under this section shall use the funds only for the program

1 funded under this section. Grants awarded by February 1, 2001
2 may be used for the following school year.