

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5872

(As amended, September 29, 2010)

<<A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
(MCL 388.1601 to 388.1772) by adding section 11p.>>

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 11P. (1) IN ADDITION TO THE FUNDS APPROPRIATED UNDER
2 SECTION 11, FOR 2010-2011 ONLY, THERE IS APPROPRIATED THE AMOUNT OF
3 THE FEDERAL FUNDING AWARDED TO THIS STATE UNDER SECTION 101 OF
4 TITLE I OF PUBLIC LAW 111-226, ESTIMATED AT \$316,270,300.00, SOLELY
5 FOR THE PURPOSES IDENTIFIED IN THAT SECTION OF FEDERAL LAW, TO BE
6 DISTRIBUTED BY FUNDING THOSE PORTIONS OF THE PRIMARY FUNDING
7 FORMULAE THAT ARE CALCULATED AND ALLOCATED UNDER THIS SECTION.

8 (2) FROM THE FEDERAL FUNDING APPROPRIATED UNDER SUBSECTION
9 (1), THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED \$246,000,000.00 TO
10 PROVIDE A 1-TIME ALLOCATION FOR 2010-2011 ONLY TO DISTRICTS AND

1 PUBLIC SCHOOL ACADEMIES IN AN AMOUNT EQUAL TO \$154.00 PER
2 MEMBERSHIP PUPIL FOR THE PURPOSES OF FUNDING THE SHORTFALL IN THE
3 PRIMARY FUNDING FORMULA ACHIEVED THROUGH THE REDUCTIONS IN SECTION
4 11D. THE DEPARTMENT SHALL CALCULATE AND ALLOCATE TO EACH DISTRICT
5 OR PUBLIC SCHOOL ACADEMY AN AMOUNT EQUAL TO \$154.00 PER MEMBERSHIP
6 PUPIL BASED ON THE 2010-2011 MEMBERSHIP USED FOR THE OCTOBER 2010
7 PAYMENT UNDER THIS ACT.

8 (3) FROM THE FEDERAL FUNDING APPROPRIATED UNDER SUBSECTION
9 (1), THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED \$65,770,300.00 TO
10 PROVIDE TO EACH DISTRICT OR PUBLIC SCHOOL ACADEMY FOR 2010-2011
11 ONLY A 1-TIME PORTION OF PER-PUPIL FUNDING TO BE ALLOCATED UNDER
12 THIS SUBSECTION. THE DEPARTMENT SHALL CALCULATE AND ALLOCATE THE 1-
13 TIME PORTION OF PER-PUPIL FUNDING ALLOCATED TO EACH DISTRICT OR
14 PUBLIC SCHOOL ACADEMY UNDER THIS SUBSECTION AS FOLLOWS:

15 (A) FIRST, FOR EACH DISTRICT OR PUBLIC SCHOOL ACADEMY,
16 CALCULATE THE AMOUNT THAT THE DISTRICT'S FOUNDATION ALLOWANCE OR
17 PUBLIC SCHOOL ACADEMY'S PER PUPIL ALLOCATION CALCULATED UNDER
18 SECTION 20 WOULD BE IF THE BASIC FOUNDATION ALLOWANCE FOR 2010-2011
19 WERE \$8,512.00, IF THE MAXIMUM PUBLIC SCHOOL ACADEMY ALLOCATION FOR
20 2010-2011 WERE \$7,623.00, AND IF THE \$20.00 AMOUNT IN SECTION
21 20(3) (A) AND 20(26) (H) WERE INSTEAD \$8.00.

22 (B) SECOND, CALCULATE THE DIFFERENCE BETWEEN THE AMOUNT
23 CALCULATED FOR THE DISTRICT OR PUBLIC SCHOOL ACADEMY UNDER
24 SUBDIVISION (A) AND THE AMOUNT OF THE DISTRICT'S FOUNDATION
25 ALLOWANCE OR PUBLIC SCHOOL ACADEMY'S PER PUPIL ALLOCATION AS
26 ACTUALLY CALCULATED UNDER SECTION 20 FOR 2010-2011.

27 (C) THIRD, MULTIPLY THE AMOUNT CALCULATED UNDER SUBDIVISION

1 (B) TIMES THE DISTRICT'S OR PUBLIC SCHOOL ACADEMY'S 2010-2011
2 MEMBERSHIP USED FOR THE OCTOBER 2010 PAYMENT UNDER THIS ACT.

3 (4) FOR 2010-2011 ONLY, FROM THE FEDERAL FUNDING APPROPRIATED
4 UNDER SUBSECTION (1), THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED
5 \$4,500,000.00 TO PROVIDE A 1-TIME ALLOCATION OF PRIMARY FUNDING TO
6 EACH INTERMEDIATE DISTRICT IN AN AMOUNT EQUAL TO THE PRODUCT OF
7 6.9% MULTIPLIED BY THE AMOUNT OF FUNDING ALLOCATED TO THAT
8 INTERMEDIATE DISTRICT UNDER SECTION 81 FOR 2010-2011 UNDER 2010 PA
9 110.

10 (5) IF THERE IS MONEY REMAINING UNDER THIS SECTION AFTER THE
11 ALLOCATIONS UNDER SUBSECTIONS (2), (3), AND (4) AND AFTER ANY
12 AMOUNT THAT IS UNUSED UNDER THOSE SUBSECTIONS BECAUSE A DISTRICT OR
13 PUBLIC SCHOOL ACADEMY IS UNABLE TO USE ITS FULL ALLOCATION UNDER
14 SUBSECTIONS (2) AND (3), THEN IN ADDITION TO THE AMOUNTS ALLOCATED
15 UNDER SUBSECTIONS (2) AND (3) THERE IS ALSO ALLOCATED TO EACH
16 DISTRICT AND PUBLIC SCHOOL ACADEMY THAT RECEIVED MONEY UNDER
17 SUBSECTION (3) AN AMOUNT EQUAL TO THE DISTRICT'S OR PUBLIC SCHOOL
18 ACADEMY'S RELATIVE PROPORTION OF THE FUNDING ACTUALLY USED UNDER
19 SUBSECTION (3) APPLIED TO THAT REMAINING MONEY, CALCULATED AND
20 DISTRIBUTED IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT.

21 (6) TO BE ELIGIBLE TO RECEIVE FUNDS APPROPRIATED UNDER THIS
22 SECTION, A DISTRICT, INTERMEDIATE DISTRICT, OR PUBLIC SCHOOL
23 ACADEMY MUST MEET 1 OF THE FOLLOWING:

24 (A) HAS PREVIOUSLY SUBMITTED AN APPLICATION TO RECEIVE FUNDING
25 UNDER THE STATE FISCAL STABILIZATION FUND AS PROVIDED FOR UNDER
26 TITLE XIV OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009,
27 PUBLIC LAW 111-5.

1 (B) SUBMITS AN APPLICATION FOR THE FUNDING UNDER THIS SECTION
2 IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT.

3 (7) A RECIPIENT OF FUNDING UNDER THIS SECTION SHALL COMPLY
4 WITH ALL REPORTING REQUIREMENTS OF SECTION 1512 OF THE AMERICAN
5 RECOVERY AND REINVESTMENT ACT OF 2009, PUBLIC LAW 111-5, AND OTHER
6 REPORTING REQUIREMENTS ESTABLISHED BY THE UNITED STATES DEPARTMENT
7 OF EDUCATION FOR THIS FUNDING.