

HOUSE BILL No. 5827

April 18, 2018, Introduced by Rep. Kosowski 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 11, 20, and 22b (MCL 388.1611, 388.1620, and 388.1622b), section 11 as amended by 2017 PA 143 and sections 20 and 22b as amended by 2017 PA 108.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 ~~Sec. 11. (1) For the fiscal year ending September 30, 2017,~~
2 ~~there is appropriated for the public schools of this state and~~
3 ~~certain other state purposes relating to education the sum of~~
4 ~~\$12,069,644,300.00 from the state school aid fund, the sum of~~
5 ~~\$179,100,000.00 from the general fund, an amount not to exceed~~
6 ~~\$72,000,000.00 from the community district education trust fund~~
7 ~~created under section 12 of the Michigan trust fund act, 2000 PA~~
8 ~~489, MCL 12.262, and an amount not to exceed \$100.00 from the water~~

1 ~~emergency reserve fund.~~ For the fiscal year ending September 30,
 2 ~~2018, 2019,~~ there is appropriated for the public schools of this
 3 state and certain other state purposes relating to education the
 4 sum of ~~\$12,547,270,300.00~~ **\$12,747,325,200.00** from the state school
 5 aid fund, the sum of ~~\$215,000,000.00~~ **\$200,000,000.00** from the
 6 general fund, an amount not to exceed \$72,000,000.00 from the
 7 community district education trust fund created under section 12 of
 8 the Michigan trust fund act, 2000 PA 489, MCL 12.262, an amount not
 9 to exceed \$23,100,000.00 from the MPSERS retirement obligation
 10 reform reserve fund, and an amount not to exceed \$100.00 from the
 11 water emergency reserve fund. In addition, all available federal
 12 funds are appropriated ~~each fiscal year~~ for the fiscal years ~~YEAR~~
 13 ending ~~September 30, 2017 and September 30, 2018.~~ **2019.**

14 (2) The appropriations under this section shall be allocated
 15 as provided in this article. Money appropriated under this section
 16 from the general fund shall be expended to fund the purposes of
 17 this article before the expenditure of money appropriated under
 18 this section from the state school aid fund.

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

22 Sec. 20. (1) For ~~2017-2018,~~ **2018-2019,** both of the following
 23 apply:

24 (a) The basic foundation allowance is ~~\$8,289.00.~~ **\$8,409.00.**

25 (b) The minimum foundation allowance is ~~\$7,631.00.~~ **\$7,991.00.**

26 (2) The amount of each district's foundation allowance shall
 27 be calculated as provided in this section, using a basic foundation

1 allowance in the amount specified in subsection (1).

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

6 (a) Except as otherwise provided in this subdivision, for a
7 district that had a foundation allowance for the immediately
8 preceding state fiscal year that was at least equal to the minimum
9 foundation allowance for the immediately preceding state fiscal
10 year, but less than the basic foundation allowance for the
11 immediately preceding state fiscal year, the district shall receive
12 a foundation allowance in an amount equal to the sum of the
13 district's foundation allowance for the immediately preceding state
14 fiscal year plus the difference between ~~twice~~ **THREE TIMES** the
15 dollar amount of the adjustment from the immediately preceding
16 state fiscal year to the current state fiscal year made in the
17 basic foundation allowance and [(the difference between the basic
18 foundation allowance for the current state fiscal year and basic
19 foundation allowance for the immediately preceding state fiscal
20 year minus \$20.00) times (the difference between the district's
21 foundation allowance for the immediately preceding state fiscal
22 year and the minimum foundation allowance for the immediately
23 preceding state fiscal year) divided by the difference between the
24 basic foundation allowance for the current state fiscal year and
25 the minimum foundation allowance for the immediately preceding
26 state fiscal year.] However, the foundation allowance for a
27 district that had less than the basic foundation allowance for the

1 immediately preceding state fiscal year shall not exceed the basic
2 foundation allowance for the current state fiscal year.

3 (b) Except as otherwise provided in this subsection, for a
4 district that in the immediately preceding state fiscal year had a
5 foundation allowance in an amount equal to the amount of the basic
6 foundation allowance for the immediately preceding state fiscal
7 year, the district shall receive a foundation allowance for ~~2017-~~
8 ~~2018-2018-2019~~ in an amount equal to the basic foundation allowance
9 for ~~2017-2018-2018-2019~~.

10 (c) For a district that had a foundation allowance for the
11 immediately preceding state fiscal year that was greater than the
12 basic foundation allowance for the immediately preceding state
13 fiscal year, the district's foundation allowance is an amount equal
14 to the sum of the district's foundation allowance for the
15 immediately preceding state fiscal year plus the lesser of the
16 increase in the basic foundation allowance for the current state
17 fiscal year, as compared to the immediately preceding state fiscal
18 year, or the product of the district's foundation allowance for the
19 immediately preceding state fiscal year times the percentage
20 increase in the United States consumer price index in the calendar
21 year ending in the immediately preceding fiscal year as reported by
22 the May revenue estimating conference conducted under section 367b
23 of the management and budget act, 1984 PA 431, MCL 18.1367b.

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

27 (e) For a district that received a foundation allowance

1 supplemental payment calculated under section 20m and paid under
2 section 22b for ~~2016-2017,~~ **2017-2018**, the district's ~~2016-2017~~
3 **2017-2018** foundation allowance is considered to have been an amount
4 equal to the sum of the district's actual ~~2016-2017~~ **2017-2018**
5 foundation allowance as otherwise calculated under this section
6 plus the lesser of the per pupil amount of the district's
7 supplemental payment for ~~2016-2017~~ **2017-2018** as calculated under
8 section 20m or the product of the district's foundation allowance
9 for the immediately preceding state fiscal year times the
10 percentage increase in the United States consumer price index in
11 the calendar year ending in the immediately preceding fiscal year
12 as reported by the May revenue estimating conference conducted
13 under section 367b of the management and budget act, 1984 PA 431,
14 MCL 18.1367b.

15 (4) Except as otherwise provided in this subsection, beginning
16 in 2014-2015, the state portion of a district's foundation
17 allowance is an amount equal to the district's foundation allowance
18 or the basic foundation allowance for the current state fiscal
19 year, whichever is less, minus the local portion of the district's
20 foundation allowance. For a district described in subsection
21 (3)(c), beginning in 2014-2015, the state portion of the district's
22 foundation allowance is an amount equal to \$6,962.00 plus the
23 difference between the district's foundation allowance for the
24 current state fiscal year and the district's foundation allowance
25 for 1998-99, minus the local portion of the district's foundation
26 allowance. For a district that has a millage reduction required
27 under section 31 of article IX of the state constitution of 1963,

1 the state portion of the district's foundation allowance shall be
2 calculated as if that reduction did not occur. For a receiving
3 district, if school operating taxes continue to be levied on behalf
4 of a dissolved district that has been attached in whole or in part
5 to the receiving district to satisfy debt obligations of the
6 dissolved district under section 12 of the revised school code, MCL
7 380.12, the taxable value per membership pupil of property in the
8 receiving district used for the purposes of this subsection does
9 not include the taxable value of property within the geographic
10 area of the dissolved district. For a community district, if school
11 operating taxes continue to be levied by a qualifying school
12 district under section 12b of the revised school code, MCL 380.12b,
13 with the same geographic area as the community district, the
14 taxable value per membership pupil of property in the community
15 district to be used for the purposes of this subsection does not
16 include the taxable value of property within the geographic area of
17 the community district.

18 (5) The allocation calculated under this section for a pupil
19 shall be based on the foundation allowance of the pupil's district
20 of residence. For a pupil enrolled pursuant to section 105 or 105c
21 in a district other than the pupil's district of residence, the
22 allocation calculated under this section shall be based on the
23 lesser of the foundation allowance of the pupil's district of
24 residence or the foundation allowance of the educating district.
25 For a pupil in membership in a K-5, K-6, or K-8 district who is
26 enrolled in another district in a grade not offered by the pupil's
27 district of residence, the allocation calculated under this section

1 shall be based on the foundation allowance of the educating
2 district if the educating district's foundation allowance is
3 greater than the foundation allowance of the pupil's district of
4 residence. The calculation under this subsection shall take into
5 account a district's per-pupil allocation under section 20m.

6 (6) Except as otherwise provided in this subsection, for
7 pupils in membership, other than special education pupils, in a
8 public school academy, the allocation calculated under this section
9 is an amount per membership pupil other than special education
10 pupils in the public school academy equal to the foundation
11 allowance of the district in which the public school academy is
12 located or the state maximum public school academy allocation,
13 whichever is less. Except as otherwise provided in this subsection,
14 for pupils in membership, other than special education pupils, in a
15 public school academy that is a cyber school and is authorized by a
16 school district, the allocation calculated under this section is an
17 amount per membership pupil other than special education pupils in
18 the public school academy equal to the foundation allowance of the
19 district that authorized the public school academy or the state
20 maximum public school academy allocation, whichever is less.
21 However, a public school academy that had an allocation under this
22 subsection before 2009-2010 that was equal to the sum of the local
23 school operating revenue per membership pupil other than special
24 education pupils for the district in which the public school
25 academy is located and the state portion of that district's
26 foundation allowance shall not have that allocation reduced as a
27 result of the 2010 amendment to this subsection. Notwithstanding

1 section 101, for a public school academy that begins operations
2 after the pupil membership count day, the amount per membership
3 pupil calculated under this subsection shall be adjusted by
4 multiplying that amount per membership pupil by the number of hours
5 of pupil instruction provided by the public school academy after it
6 begins operations, as determined by the department, divided by the
7 minimum number of hours of pupil instruction required under section
8 101(3). The result of this calculation shall not exceed the amount
9 per membership pupil otherwise calculated under this subsection.

10 (7) Except as otherwise provided in this subsection, for
11 pupils in membership, other than special education pupils, in a
12 community district, the allocation calculated under this section is
13 an amount per membership pupil other than special education pupils
14 in the community district equal to the foundation allowance of the
15 qualifying school district, as described in section 12b of the
16 revised school code, MCL 380.12b, that is located within the same
17 geographic area as the community district.

18 (8) Subject to subsection (4), for a district that is formed
19 or reconfigured after June 1, 2002 by consolidation of 2 or more
20 districts or by annexation, the resulting district's foundation
21 allowance under this section beginning after the effective date of
22 the consolidation or annexation shall be the lesser of the sum of
23 the average of the foundation allowances of each of the original or
24 affected districts, calculated as provided in this section,
25 weighted as to the percentage of pupils in total membership in the
26 resulting district who reside in the geographic area of each of the
27 original or affected districts plus \$100.00 or the highest

1 foundation allowance among the original or affected districts. This
2 subsection does not apply to a receiving district unless there is a
3 subsequent consolidation or annexation that affects the district.
4 The calculation under this subsection shall take into account a
5 district's per-pupil allocation under section 20m.

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

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

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

19 (a) The pupil membership factor shall be computed by dividing
20 the estimated membership in the school year ending in the current
21 state fiscal year, excluding intermediate district membership, by
22 the estimated membership for the school year ending in the
23 subsequent state fiscal year, excluding intermediate district
24 membership. If a consensus membership factor is not determined at
25 the revenue estimating conference, the principals of the revenue
26 estimating conference shall report their estimates to the house and
27 senate subcommittees responsible for school aid appropriations not

1 later than 7 days after the conclusion of the revenue conference.

2 (b) The revenue adjustment factor shall be computed by
3 dividing the sum of the estimated total state school aid fund
4 revenue for the subsequent state fiscal year plus the estimated
5 total state school aid fund revenue for the current state fiscal
6 year, adjusted for any change in the rate or base of a tax the
7 proceeds of which are deposited in that fund and excluding money
8 transferred into that fund from the countercyclical budget and
9 economic stabilization fund under the management and budget act,
10 1984 PA 431, MCL 18.1101 to 18.1594, by the sum of the estimated
11 total school aid fund revenue for the current state fiscal year
12 plus the estimated total state school aid fund revenue for the
13 immediately preceding state fiscal year, adjusted for any change in
14 the rate or base of a tax the proceeds of which are deposited in
15 that fund. If a consensus revenue factor is not determined at the
16 revenue estimating conference, the principals of the revenue
17 estimating conference shall report their estimates to the house and
18 senate subcommittees responsible for school aid appropriations not
19 later than 7 days after the conclusion of the revenue conference.

20 (c) The index shall be calculated by multiplying the pupil
21 membership factor by the revenue adjustment factor. If a consensus
22 index is not determined at the revenue estimating conference, the
23 principals of the revenue estimating conference shall report their
24 estimates to the house and senate subcommittees responsible for
25 school aid appropriations not later than 7 days after the
26 conclusion of the revenue conference.

27 (12) Payments to districts and public school academies shall

1 not be made under this section. Rather, the calculations under this
2 section shall be used to determine the amount of state payments
3 under section 22b.

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

9 (14) As used in this section:

10 (a) "Certified mills" means the lesser of 18 mills or the
11 number of mills of school operating taxes levied by the district in
12 1993-94.

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

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

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

22 (e) "Dissolved district" means a district that loses its
23 organization, has its territory attached to 1 or more other
24 districts, and is dissolved as provided under section 12 of the
25 revised school code, MCL 380.12.

26 (f) "Immediately preceding state fiscal year" means the state
27 fiscal year immediately preceding the current state fiscal year.

1 (g) "Local portion of the district's foundation allowance"
2 means an amount that is equal to the difference between (the sum of
3 the product of the taxable value per membership pupil of all
4 property in the district that is nonexempt property times the
5 district's certified mills and, for a district with certified mills
6 exceeding 12, the product of the taxable value per membership pupil
7 of property in the district that is commercial personal property
8 times the certified mills minus 12 mills) and (the quotient of the
9 product of the captured assessed valuation under tax increment
10 financing acts times the district's certified mills divided by the
11 district's membership excluding special education pupils).

12 (h) "Local school operating revenue" means school operating
13 taxes levied under section 1211 of the revised school code, MCL
14 380.1211. For a receiving district, if school operating taxes are
15 to be levied on behalf of a dissolved district that has been
16 attached in whole or in part to the receiving district to satisfy
17 debt obligations of the dissolved district under section 12 of the
18 revised school code, MCL 380.12, local school operating revenue
19 does not include school operating taxes levied within the
20 geographic area of the dissolved district.

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

24 (j) "Maximum public school academy allocation", except as
25 otherwise provided in this subdivision, means the maximum per-pupil
26 allocation as calculated by adding the highest per-pupil allocation
27 among all public school academies for the immediately preceding

1 state fiscal year plus the difference between twice the amount of
2 the difference between the basic foundation allowance for the
3 current state fiscal year and the basic foundation allowance for
4 the immediately preceding state fiscal year and [(the amount of the
5 difference between the basic foundation allowance for the current
6 state fiscal year and the basic foundation allowance for the
7 immediately preceding state fiscal year minus \$20.00) times (the
8 difference between the highest per-pupil allocation among all
9 public school academies for the immediately preceding state fiscal
10 year and the minimum foundation allowance for the immediately
11 preceding state fiscal year) divided by the difference between the
12 basic foundation allowance for the current state fiscal year and
13 the minimum foundation allowance for the immediately preceding
14 state fiscal year.] For the purposes of this subdivision, for 2017-
15 2018, the maximum public school academy allocation is \$7,631.00.

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

19 (l) "Nonexempt property" means property that is not a
20 principal residence, qualified agricultural property, qualified
21 forest property, supportive housing property, industrial personal
22 property, commercial personal property, or property occupied by a
23 public school academy.

24 (m) "Principal residence", "qualified agricultural property",
25 "qualified forest property", "supportive housing property",
26 "industrial personal property", and "commercial personal property"
27 mean those terms as defined in section 1211 of the revised school

1 code, MCL 380.1211.

2 (n) "Receiving district" means a district to which all or part
3 of the territory of a dissolved district is attached under section
4 12 of the revised school code, MCL 380.12.

5 (o) "School operating purposes" means the purposes included in
6 the operation costs of the district as prescribed in sections 7 and
7 18 and purposes authorized under section 1211 of the revised school
8 code, MCL 380.1211.

9 (p) "School operating taxes" means local ad valorem property
10 taxes levied under section 1211 of the revised school code, MCL
11 380.1211, and retained for school operating purposes.

12 (q) "Tax increment financing acts" means 1975 PA 197, MCL
13 125.1651 to 125.1681, the tax increment finance authority act, 1980
14 PA 450, MCL 125.1801 to 125.1830, the local development financing
15 act, 1986 PA 281, MCL 125.2151 to 125.2174, the brownfield
16 redevelopment financing act, 1996 PA 381, MCL 125.2651 to ~~125.2672,~~
17 **125.2670**, or the corridor improvement authority act, 2005 PA 280,
18 MCL 125.2871 to 125.2899.

19 (r) "Taxable value per membership pupil" means taxable value,
20 as certified by the county treasurer and reported to the
21 department, for the calendar year ending in the current state
22 fiscal year divided by the district's membership excluding special
23 education pupils for the school year ending in the current state
24 fiscal year.

25 Sec. 22b. (1) For discretionary nonmandated payments to
26 districts under this section, there is allocated for ~~2016-2017 an~~
27 ~~amount not to exceed \$3,841,000,000.00 from the state school aid~~

1 ~~fund and general fund appropriations in section 11 and an amount~~
2 ~~not to exceed \$72,000,000.00 from the community district education~~
3 ~~trust fund appropriation in section 11, and there is allocated for~~
4 ~~2017-2018-2018-2019~~ an amount not to exceed ~~\$3,965,500,000.00~~
5 **\$4,379,600,000.00** from the state school aid fund and general fund
6 appropriations in section 11 and an amount not to exceed
7 \$72,000,000.00 from the community district education trust fund
8 appropriation in section 11. Except for money allocated from the
9 community district trust fund, money allocated under this section
10 that is not expended in the state fiscal year for which it was
11 allocated, as determined by the department, may be used to
12 supplement the allocations under sections 22a and 51c in order to
13 fully fund those calculated allocations for the same fiscal year.

14 (2) Subject to subsection (3) and section 296, the allocation
15 to a district under this section shall be an amount equal to the
16 sum of the amounts calculated under sections 20, 20m, 51a(2),
17 51a(3), and 51a(11), minus the sum of the allocations to the
18 district under sections 22a and 51c. For a community district, the
19 allocation as otherwise calculated under this section shall be
20 increased by an amount equal to the amount of local school
21 operating tax revenue that would otherwise be due to the community
22 district if not for the operation of section 386 of the revised
23 school code, MCL 380.386, and this increase shall be paid from the
24 community district education trust fund allocation in subsection
25 (1) in order to offset the absence of local school operating
26 revenue in a community district in the funding of the state portion
27 of the foundation allowance under section 20(4).

1 (3) In order to receive an allocation under subsection (1),
2 each district shall do all of the following:

3 (a) Comply with section 1280b of the revised school code, MCL
4 380.1280b.

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

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

10 (d) Comply with section 1230g of the revised school code, MCL
11 380.1230g.

12 (e) Comply with section 21f.

13 (4) Districts are encouraged to use funds allocated under this
14 section for the purchase and support of payroll, human resources,
15 and other business function software that is compatible with that
16 of the intermediate district in which the district is located and
17 with other districts located within that intermediate district.

18 (5) From the allocation in subsection (1), the department
19 shall pay up to \$1,000,000.00 in litigation costs incurred by this
20 state related to commercial or industrial property tax appeals,
21 including, but not limited to, appeals of classification, that
22 impact revenues dedicated to the state school aid fund.

23 (6) From the allocation in subsection (1), the department
24 shall pay up to \$1,000,000.00 in litigation costs incurred by this
25 state associated with lawsuits filed by 1 or more districts or
26 intermediate districts against this state. If the allocation under
27 this section is insufficient to fully fund all payments required

1 under this section, the payments under this subsection shall be
2 made in full before any proration of remaining payments under this
3 section.

4 (7) It is the intent of the legislature that all
5 constitutional obligations of this state have been fully funded
6 under sections 22a, 31d, 51a, 51c, and 152a. If a claim is made by
7 an entity receiving funds under this article that challenges the
8 legislative determination of the adequacy of this funding or
9 alleges that there exists an unfunded constitutional requirement,
10 the state budget director may escrow or allocate from the
11 discretionary funds for nonmandated payments under this section the
12 amount as may be necessary to satisfy the claim before making any
13 payments to districts under subsection (2). If funds are escrowed,
14 the escrowed funds are a work project appropriation and the funds
15 are carried forward into the following fiscal year. The purpose of
16 the work project is to provide for any payments that may be awarded
17 to districts as a result of litigation. The work project shall be
18 completed upon resolution of the litigation.

19 (8) If the local claims review board or a court of competent
20 jurisdiction makes a final determination that this state is in
21 violation of section 29 of article IX of the state constitution of
22 1963 regarding state payments to districts, the state budget
23 director shall use work project funds under subsection (7) or
24 allocate from the discretionary funds for nonmandated payments
25 under this section the amount as may be necessary to satisfy the
26 amount owed to districts before making any payments to districts
27 under subsection (2).

1 (9) If a claim is made in court that challenges the
2 legislative determination of the adequacy of funding for this
3 state's constitutional obligations or alleges that there exists an
4 unfunded constitutional requirement, any interested party may seek
5 an expedited review of the claim by the local claims review board.
6 If the claim exceeds \$10,000,000.00, this state may remove the
7 action to the court of appeals, and the court of appeals shall have
8 and shall exercise jurisdiction over the claim.

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

16 (11) If a lawsuit challenging payments made to districts
17 related to costs reimbursed by federal title XIX Medicaid funds is
18 filed against this state, then, for the purpose of addressing
19 potential liability under such a lawsuit, the state budget director
20 may place funds allocated under this section in escrow or allocate
21 money from the funds otherwise allocated under this section, up to
22 a maximum of 50% of the amount allocated in subsection (1). If
23 funds are placed in escrow under this subsection, those funds are a
24 work project appropriation and the funds are carried forward into
25 the following fiscal year. The purpose of the work project is to
26 provide for any payments that may be awarded to districts as a
27 result of the litigation. The work project shall be completed upon

1 resolution of the litigation. In addition, this state reserves the
2 right to terminate future federal title XIX Medicaid reimbursement
3 payments to districts if the amount or allocation of reimbursed
4 funds is challenged in the lawsuit. As used in this subsection,
5 "title XIX" means title XIX of the social security act, 42 USC 1396
6 to ~~1396v~~.**1396w-5**.

7 Enacting section 1. In accordance with section 30 of article
8 IX of the state constitution of 1963, total state spending from
9 state sources on state school aid under article I of the state
10 school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772, as
11 amended by this amendatory act for fiscal year 2018-2019 is
12 estimated at \$13,051,225,300.00 and state appropriations for school
13 aid to be paid to local units of government for fiscal year 2018-
14 2019 are estimated at \$12,873,596,100.00.

15 Enacting section 2. This amendatory act takes effect October
16 1, 2018.