

# SENATE BILL NO. 115

February 10, 2021, Introduced by Senators HERTEL, BAYER, SANTANA, MCCANN, BULLOCK, GEISS, ANANICH, POLEHANKI, MOSS, BRINKS, IRWIN and WOJNO 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:**

1           Sec. 11. (1) ~~For the fiscal year ending September 30, 2020,~~  
2 ~~there is appropriated for the public schools of this state and~~  
3 ~~certain other state purposes relating to education the sum of~~  
4 ~~\$12,829,470,800.00 from the state school aid fund, the sum of~~

~~1 \$104,660,000.00 from the general fund, an amount not to exceed~~  
~~2 \$75,900,000.00 from the community district education trust fund~~  
~~3 created under section 12 of the Michigan trust fund act, 2000 PA~~  
~~4 489, MCL 12.262, an amount not to exceed \$9,717,800.00 from the~~  
~~5 talent investment fund created under section 8a of the higher~~  
~~6 education loan authority act, 1975 PA 222, MCL 390.1158a, an amount~~  
~~7 not to exceed \$31,900,000.00 from the MPERS retirement obligation~~  
~~8 reform reserve fund, and an amount not to exceed \$100.00 from the~~  
~~9 water emergency reserve fund.~~ For the fiscal year ending September  
10 30, 2021, there is appropriated for the public schools of this  
11 state and certain other state purposes relating to education the  
12 sum of ~~\$13,589,621,600.00~~ **\$13,889,621,600.00** from the state school  
13 aid fund, the sum of ~~\$50,964,700.00~~ **\$50,964,600.00** from the general  
14 fund, an amount not to exceed \$77,700,000.00 from the community  
15 district education trust fund created under section 12 of the  
16 Michigan trust fund act, 2000 PA 489, MCL 12.262, and an amount not  
17 to exceed \$100.00 from the water emergency reserve fund. In  
18 addition, all available federal funds are appropriated for the  
19 fiscal years ~~year~~ ending ~~September 30, 2020 and~~ September 30, 2021.

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

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

28 **Sec. 39b. (1) From the federal funds appropriated in section**  
29 **11, there is allocated an amount estimated at \$1,656,400,000.00 for**

1 2020-2021 for the purposes of addressing the impact that COVID-19  
2 has had on this state's K to 12 education system, funded from DED-  
3 OESE, elementary and secondary school emergency relief (ESSER)  
4 fund.

5 (2) From the federal money allocated under subsection (1),  
6 there is allocated for 2020-2021 an amount not to exceed  
7 \$157,350,000.00 and from the state school aid fund money  
8 appropriated under section 11, there is allocated for 2020-2021 an  
9 amount not to exceed \$300,000,000.00 for payments to districts and  
10 intermediate districts to mitigate the impacts of COVID-19 on  
11 student achievement. Payments under this subsection to districts  
12 and intermediate districts must be calculated as follows:

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

19 (b) Half of the sum of [the entire federal allocation under  
20 this subsection and \$290,000,000.00 from the state school aid fund  
21 allocation under this subsection] must be distributed on an equal  
22 per pupil basis utilizing for this calculation the number of full-  
23 time equated pupils engaged in pandemic learning for fall 2020 in  
24 the district if the district does not operate as a cyber school as  
25 that term is defined in section 551 of the revised school code, MCL  
26 380.551, or the number of full-time equated pupils in grades K to  
27 12 actually enrolled and in regular daily attendance in the  
28 district if the district operates as a cyber school as that term is  
29 defined in section 551 of the revised school code, MCL 380.551, on

1 pupil membership count day for the current school year. This per  
2 pupil payment must be adjusted by the department such that the  
3 total allocation to any district, when combined with other payments  
4 included in this subsection to districts, is not less than  
5 \$25,000.00.

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

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

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

1 emergency relief (ESSER) fund dollars.

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

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

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

14 Enacting section 1. In accordance with section 30 of article  
15 IX of the state constitution of 1963, total state spending on  
16 school aid under article I of the state school aid act of 1979,  
17 1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2020 PA 147,  
18 2020 PA 148, 2020 PA 149, 2020 PA 165, and this amendatory act,  
19 from state sources for fiscal year 2020-2021 is estimated at  
20 \$14,018,286,300.00 and state appropriations for school aid to be  
21 paid to local units of government for fiscal year 2020-2021 are  
22 estimated at \$13,846,289,200.00.